



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		8/12/13			
Department:		Budget & Research			
Department Head		Karen Rhodes-Whitley			
Agenda Coordinator (include phone #): Anita Bell, 7194					
CAPTION					
A vote on a proposal to consider an increase in the total tax revenue.					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input checked="" type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2013-14	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	0	0	0
Encumbered/Expended Amount		0	0	0	0
This Item		0	0	131,556,397	131,556,397
BALANCE		0	0	131,556,397	131,556,397
FUND(S): GENERAL FUND, GENERAL OBLIGATION DEBT FUND, & TIF					
<p>COMMENTS: The 2013-14 Certified Appraisal Roll will generate revenues of approximately \$131,556,397, at the proposed rate of 48.86 cents per \$100 of assessed property value. This amount has been included in the 2013-14 Recommended Budget.</p> <p>STRATEGIC PLAN GOAL: Approving the increase in tax revenues relates to the City's goal of Financially Strong City with Service Excellence.</p>					
SUMMARY OF ITEM					
If the Council intends to propose a tax rate that will increase tax revenue over the effective tax rate, then it must take a vote for the record regarding each council member's position on the proposal.					
List of Supporting Documents: Truth in Taxation Presentation			Other Departments, Boards, Commissions or Agencies		
ag 213 Vote on Tax Revenue					

Vote on Proposal to Consider an Increase in the Total Tax Revenue

***Monday, August 12, 2013
7:00 p.m.***



TRUTH-IN-TAXATION LAW

- **If a proposed tax rate exceeds the rollback or the effective tax rate, whichever is lower, the taxing unit's governing body must vote to place a proposal on the agenda of a future meeting as an action item.**
- **The vote must be recorded.**
- **Proposal must specify a tax rate – Adopted tax rate cannot go above the rate voted on by Council.**
- **Debt rate is set at 15.90 cents and cannot be changed.**
- **Proposed Tax Rate is 48.86 cents.**



TAX RATE CALCULATIONS

Effective Tax Rate
Rollback Tax Rate



The **Effective Tax Rate** is basically the tax rate you would pass to collect the same tax revenue as last year (FY 2012-13) using this year's (FY 2013-14) appraised values.



EFFECTIVE TAX RATE

\$117,108,602



**FY 2012-13
Adjusted Total
Property Taxes**



\$24,524,750,976



**FY 2013-14
Adjusted Total
Property Value**



47.75¢



**This Year's
Effective Tax Rate**



47.75¢



This Year's
Effective Tax Rate

X

48.86¢



Proposed
Tax Rate

=

<1.11¢>



Difference in
Tax Rate

\$26,925,173,431



Appraised
Property Value

X

<1.11¢>
(per \$100)



Difference in
Tax Rate

=

\$2,988,694

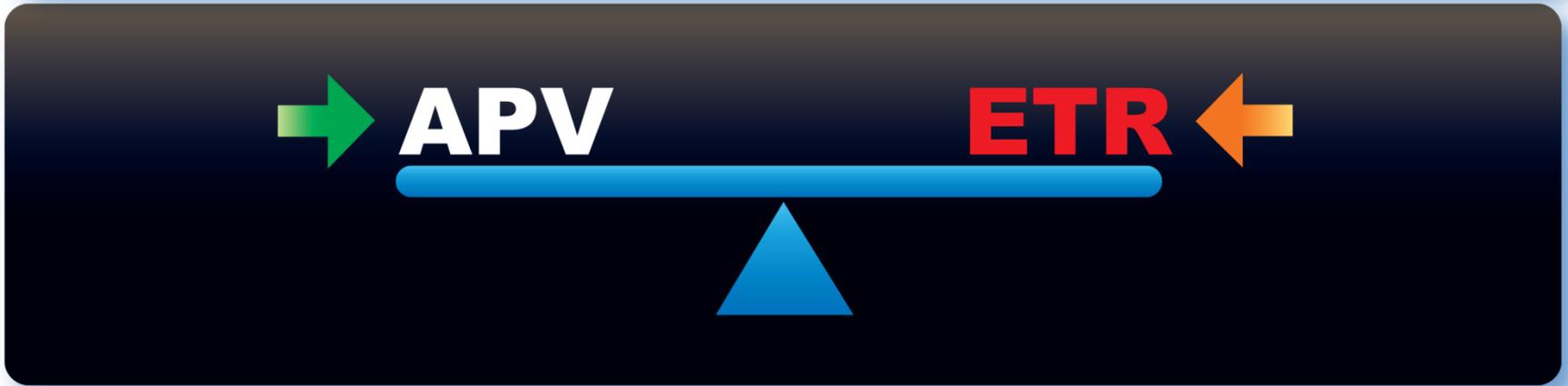
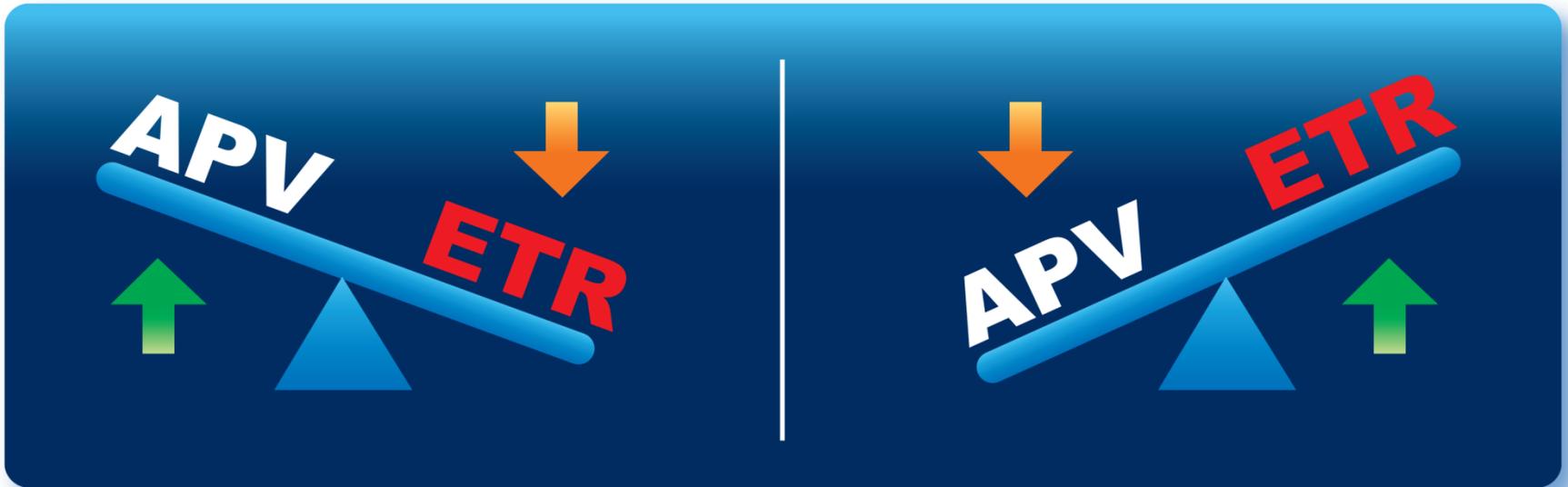


Increase in Property
Tax Revenue

Seesaw Effects

APV: Appraised Property Value

ETR: Effective Tax Rate



The **Rollback Rate** allows a taxing unit to raise the same amount for operations as in the prior year plus provides for an additional 8% cushion.



ROLLBACK RATE

\$76,237,485 **\$24,524,750,976** **31.08¢**

 **X**  **=** 

**FY 2012-13
Adjusted Operations
Property Taxes** **FY 2013-14
Adjusted
Appraised Value** **This Year's
Effective
Operating Rate**

31.08¢ **1.08%** **33.57¢**

 **X**  **=** 

**This Year's
Effective
Operating Rate** **The Law** **Max Operating
Rate**



33.57¢



Max Operating Rate

—

32.96¢



Proposed Operating Rate

=

0.61¢



Tax Rate Difference
(Below Max Operating Rate)

\$26,925,173,431



Appraised Property Value

X

0.61¢
(per \$100)



Tax Rate Difference

=

\$1,642,436



Amount Below Roll Back

KEY DATES ON THE TAX BUDGET CALENDAR FISCAL YEAR 2013-14

August 17 City Council Budget Worksession

August 26 1st Public Hearing on tax rate (Required)

Sept. 4 2nd Public Hearing on tax rate (Required)

Sept. 9 Council adopts operating budget and CIP,
and sets tax rate.

October 1 New fiscal year begins.



QUESTIONS

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