



**CITY OF PLANO  
COUNCIL AGENDA ITEM**

<b>CITY SECRETARY'S USE ONLY</b>				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		8/13/12		
Department:		Budget & Research		
Department Head		Karen Rhodes-Whitley		
Agenda Coordinator (include phone #): <b>Anita Bell, 7194</b>				
<b>CAPTION</b>				
A vote on a proposal to consider an increase in the total tax revenue.				
<b>FINANCIAL SUMMARY</b>				
<input type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input checked="" type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR: <b>2012-13</b>	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	0	0	0	<b>0</b>
Encumbered/Expended Amount	0	0	0	<b>0</b>
This Item	0	0	125,313,709	<b>125,313,709</b>
BALANCE	0	0	125,313,709	<b>125,313,709</b>
<b>FUND(S):     GENERAL FUND, GENERAL OBLIGATION DEBT FUND, &amp; TIF</b>				
<p><b>COMMENTS:</b> The 2012-13 Certified Appraisal Roll will generate revenues of approximately \$125,313,709, at the proposed rate of 48.86 cents per \$100 of assessed property value. This amount has been included in the 2012-13 Recommended Budget.</p> <p><b>STRATEGIC PLAN GOAL:</b> Approving the increase in tax revenues relates to the City's goal of Financially Strong City with Service Excellence.</p>				
<b>SUMMARY OF ITEM</b>				
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	

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

*Monday, August 13, 2012  
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 – Cannot go above the rate voted on by Council.
- Debt rate is set at 16.94 cents and cannot be changed
- Proposed Tax Rate is 48.86 cents

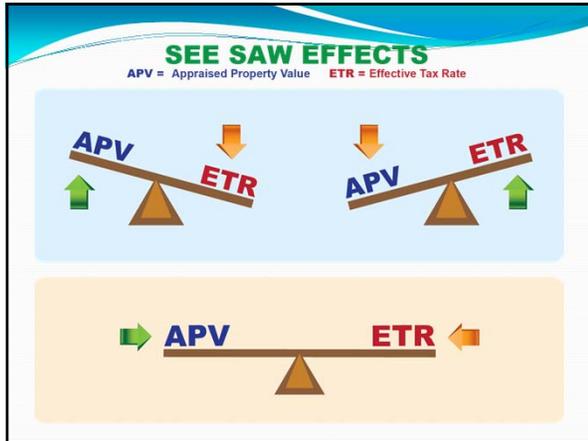
## Tax Rate Calculations

Effective Tax Rate  
Rollback Tax Rate

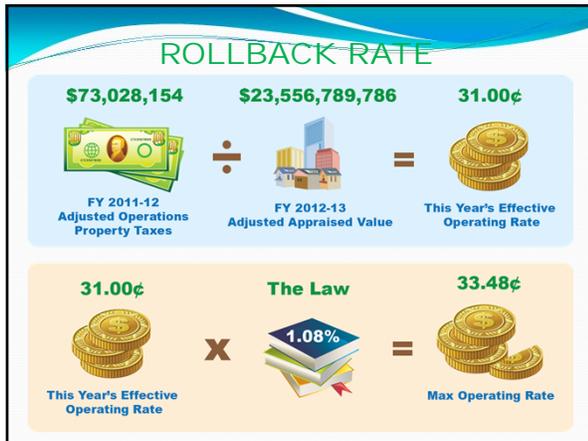
*The **Effective Tax Rate** is basically the tax rate you would pass to collect the same tax revenue as last year (FY 2011-12) using this year's (FY 2012-13) appraised values*

### 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.



- ### KEY DATES ON THE TAX BUDGET CALENDAR FISCAL YEAR 2012-13
- August 18** City Council Budget Worksession
  - August 27** 1<sup>st</sup> Public Hearing on tax rate (Required)
  - Sept. 5** 2<sup>nd</sup> Public Hearing on tax rate (Required)
  - Sept. 10** Council adopts operating budget and CIP, and sets tax rate.
  - October 1** New fiscal year begins.

## QUESTIONS

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