



Legislation Text

File #: 2017-4669, **Version:** 1

Consider a resolution to set the maximum property tax rate for 2017, establish the dates for the two public hearings, and set the dates for tax rate adoption.

Consider a resolution to set the **maximum** property tax rate for tax year 2017, establish the dates for the two public hearings, and set the dates for tax rate adoption.

The City Manager's proposed budget includes a **proposed maximum tax rate of \$0.43000**, which exceeds the **certified** effective rate of \$0.40317. When the proposed rate exceeds the effective rate, Truth in Taxation laws require two public hearings, specific publications, and dates of scheduled adoption. This item meets the requirement for the City Council to set the **maximum rate**, set the public hearings, and place an item on future Council agendas to vote on the 2017 tax rate necessary to fund the 2017/18 Annual Budget.

The debt portion of the estimated proposed tax rate is fixed at \$0.14214, the amount necessary to meet the City's debt payment obligations. The M&O portion (General Fund operational portion) of the rate can vary, however. The Council can adopt a final M&O tax rate that is lower than the proposed rate included in the published notices, but it cannot adopt a higher M&O rate without repeating the notice and hearings process and giving taxpayers the opportunity to hear and comment about a higher tax increase. The estimated Rollback Rate for 2017 is \$0.43494.

The purpose of the increase of the proposed tax rate over the effective rate is to provide funding for debt service and operating costs for voter approved bond projects and growth.

- (1) **Vote to place adoption of proposed tax rate of \$0.43000 cents per \$100 valuation, equaling \$0.28786 for Maintenance and Operations and \$0.14214 for debt service, as an action item at the August 24, 2017 Council meeting and the September 14, 2017 Council meeting both to be held at 221 E. Main Street, Round Rock, TX 78664.**

AND

- (2) **Set two (2) public hearings, as required by law, to be held on Thursday, August 24th at 7:00pm and on Thursday, August 31th at 5:00pm at 221 E. Main Street, Round Rock, TX 78664.**