

AGENDA



Thursday, October 1, 2009

**Budget
RECOMMENDATION FOR COUNCIL ACTION****Item No. 2**

Subject: Approve an ordinance adopting and levying a property (ad valorem) tax rate for the City of Austin for Fiscal Year 2009-2010.

Amount and Source of Funding: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Ed Van Eenoo, Budget Officer / 974-2610.

Prior Council Action: August 27, 2009 – Council sets dates for Public Hearings on the tax rate and dates for approval of the tax rate. Public Hearings on the proposed ad valorem tax rate were conducted on September 14 and 24, 2009.

By this action, the City Council will approve an ordinance that levies, and orders to be assessed and collected for the calendar year 2009, property (ad valorem) taxes that are set at a rate per \$100 of taxable value, with related property tax exemptions. The tax rate consists of two components, each separately approved by Council. These components are: the amount to pay debt service, and the amount to fund maintenance and operation expenditures for the City.

On August 6, 2009, the City Council announced that the maximum proposed property (ad valorem) tax rate it would consider adopting for Fiscal Year 2009-2010 would be \$0.4209 per \$100 of taxable value. The actual tax rate adopted by the City Council may be lower than \$0.4209, but it will not be higher. The confirmed rollback rate based on the certified tax roll is \$0.4209. The confirmed effective tax rate, which is the tax rate that will generate the same amount of revenue as in the prior year, is \$0.3991 per \$100 of taxable value.

Since Council voted to consider a maximum proposed rate that exceeded the effective rate, it scheduled and conducted two public hearings on the proposed tax rate. These public hearings were held on September 14 and 24, 2009.