

## AGENDA



Monday, September 14, 2009

**Public Hearings and Possible Actions**  
**RECOMMENDATION FOR COUNCIL ACTION**

**Item No. 1**

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**Subject:** Conduct a public hearing on the proposed property (ad valorem) tax rate for Fiscal Year 2009-2010.

**For More Information:** Ed Van Eenoo, Budget Officer, 974-2638

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State law requires that all taxing jurisdictions participate in the process of Truth-In-Taxation. When a proposed tax rate exceeds the lower of 100 percent of the effective rate or the rollback rate, the Council must adopt a maximum proposed tax rate that it will consider. State law requires that the vote to adopt a proposed maximum rate must be a roll call vote, indicating any absences from the dais.

The City Manager's Proposed Budget is based on an estimated tax rate because, under state law, the certified tax rolls that are necessary to calculate the tax rate were not available from the appraisal districts until the end of July. Therefore, when initially presented, the City Manager's Proposed Budget included property tax revenue at an estimated rollback tax rate of 43.28 cents per \$100 of taxable value.

Now that the certified tax rolls are available, the City Manager can present a confirmed proposed rollback tax rate for Fiscal Year 2009-2010 of 42.09 cents per \$100 of taxable value. The certified effective tax rate is 39.91 cents per \$100 of taxable value.

Council has voted to consider a maximum proposed rate that exceeds the effective rate of 39.91 cents per \$100 of taxable value. Therefore, it must schedule and conduct two public hearings on the proposed tax rate. This is the first public hearing. The second public hearing will be conducted at 6:00 p.m. during the regular scheduled Council meeting of September 24, 2009. Both public hearings are being conducted in City Hall Council Chambers at 301 West Second Street, Austin, Texas. After these hearings, Council must adopt the Fiscal Year 2009-2010 property (ad valorem) tax rate. Council has set the adoption of the tax rate for Thursday, October 1, 2009. The vote to adopt the property tax rate will also be conducted in City Hall Council Chambers at 301 West Second Street, Austin, Texas.

Even though the Council votes to consider a proposed tax rate above the effective rate, the Council may, as a result of deliberations, adopt a tax rate at or below the rate stated in the published notices.