

## CITY COUNCIL MEMORANDUM

**AGENDA ITEM**

**Memorandum approving the Maintenance and Operations Tax Rate for FY 2017**

**ORIGINATING DEPARTMENT**

**City Manager/Finance**

**BACKGROUND INFORMATION**

Section 26.05(a) of the Tax Code requires taxing units to comply with truth-in-taxation laws in adopting their tax rates. The City's proposed tax rate consists of two components, each of which must be approved separately.

**DISCUSSION/CONCLUSION**

The proposed tax rate is 0.7498 and the maintenance and operations component is 0.4467.

**FISCAL IMPACT**

The maintenance and operations component of the tax rate will generate \$23,363,926 at the City's estimated collection rate of 98%.

**RECOMMENDATION**

City Council approve the proposed maintenance and operations rate of 0.4467.