



COLLIN COUNTY

**FY 2016 2nd Tax Rate
Public Hearing**

BUDGET 2016



COLLIN COUNTY

Truth-in-Taxation

BUDGET 2015



Effective Tax Rate

\$184,114,865



2014 Adjusted
Total Property Taxes



\$84,527,031,123



2015 Adjusted
Total Property Value



\$ 0.217818

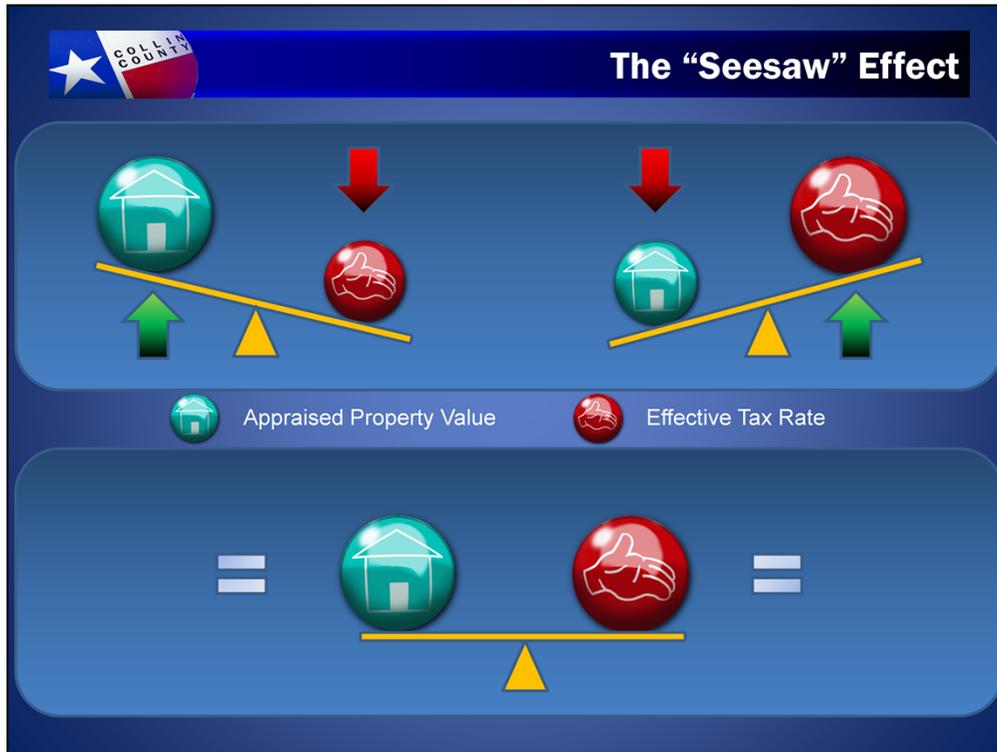


This Year's
Effective Tax Rate

The Effective Tax Rate is a hypothetical property tax rate that would give the county the same amount of revenue it had in the previous fiscal year

The Effective tax rate is a calculated rate that would provide Collin County with about the same amount of revenue it received in the year before on properties taxed in both years.

Last year's Adjusted Property Taxes divided by the Current Year's Adjusted Property Value equals the Effective Tax Rate.



The Effective Tax Rate will vary depending on increases or decreases in appraised values of the same properties since the previous fiscal year.

If the Appraised Value goes UP, then the Effective Tax Rate goes DOWN

If the Appraised Value goes DOWN, then the Effective Tax Rate goes UP

If the Appraised Values stays the same, so does the Effective Tax Rate

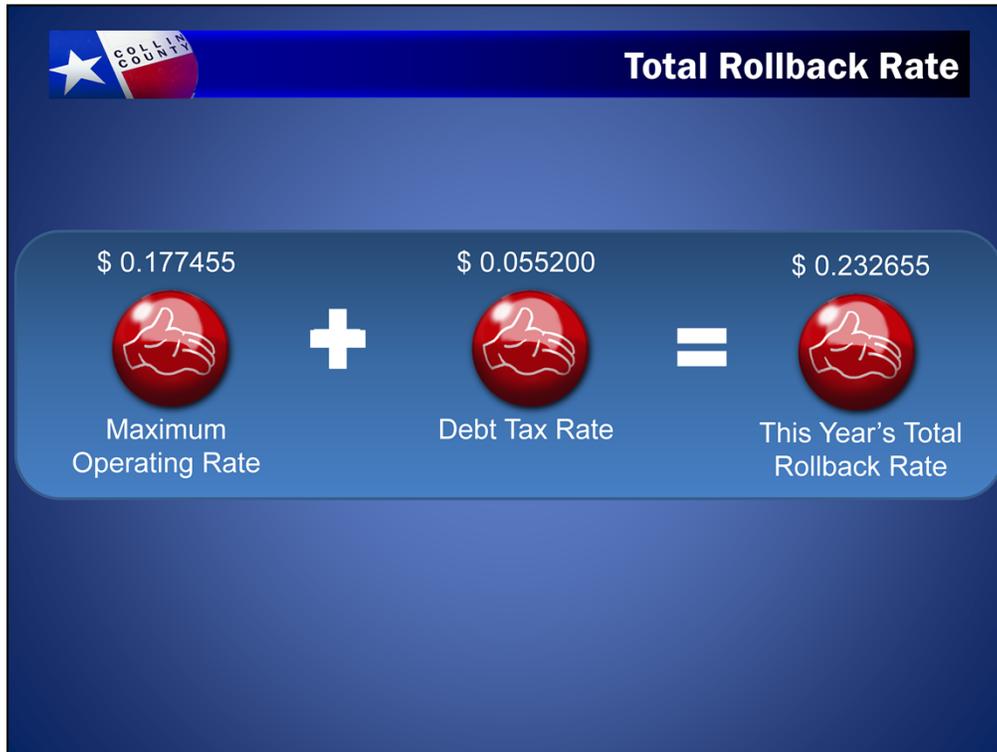
Why is the Effective Tax Rate Important? Exceeding the Effective Tax Rate triggers hearing requirements as well as other various "truth-in-taxation" requirements.



The Rollback Rate Calculation splits the tax rate into two separate components – a maintenance and operations (M&O) rate and a debt service rate in order to avoid injuring a taxing unit's ability to pay its debt.

This illustrates the Maintenance and Operations portion of the Rollback Rate.

The Rollback Rate allows the County to raise the same amount of operations as in the prior year, plus provides for an 8% cushion.



The Total Rollback rate provides Collin County with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra 8% increase for those operations, in addition to sufficient funds to pay debts in the coming year.

Why is the Rollback Rate important? Exceeding the Rollback Rate allows citizens to petition the County to hold an election that would “roll back” the tax rate to the Rollback Rate.



Recommended Tax Rate

\$ 0.169800



Proposed
Operating Tax Rate



\$ 0.055200



Debt Tax Rate



\$ 0.225000



This Year's
Proposed Tax Rate

The Proposed Tax Rate consists of the required Debt Tax Rate (covers the interest and principal on bonds secured by property tax revenue) and a proposed Maintenance and Operations Tax Rate.



Truth-in-Taxation

This recommended budget will raise more total property taxes than last year's budget by an amount of \$8,736,257 which is a 4.66 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$6,212,576.34.

Property Tax Rate Description	FY 2015 Adopted	FY 2016 Proposed
General Fund	\$0.173268	\$0.165800
Road & Bridge Fund	\$0.004000	\$0.004000
Permanent Improvement Fund	<u>\$0.000000</u>	<u>\$0.000000</u>
Total Maintenance & Operating Tax Rate	\$0.177268	\$0.169800
Debt Service Fund	<u>\$0.057732</u>	<u>\$0.055200</u>
Total Property Tax Rate	<u>\$0.235000</u>	<u>\$0.225000</u>
Effective Tax Rate	\$0.223782	\$0.217817
Effective Maintenance & Operating Tax Rate	\$0.169857	\$0.164310
Rollback Tax Rate	\$0.241177	\$0.232654
Rollback Maintenance & Operating Tax Rate	\$0.183445	\$0.177454
Debt Tax Rate	\$0.057732	\$0.055200

If the Tax Rate proposed by the Collin County Commissioners Court exceeds the effective tax rate or rollback rate, which ever is lower, we must publish public hearing notices, post a website notice and hold two public hearings.

The format on this screen is similar to what is required due to the passage of SB 656 during the 83rd Regular Legislative Session amending LGC 111.068. This chart as well as some other information is required to be included as the cover page for the ADOPTED budget document.



Tax Rate

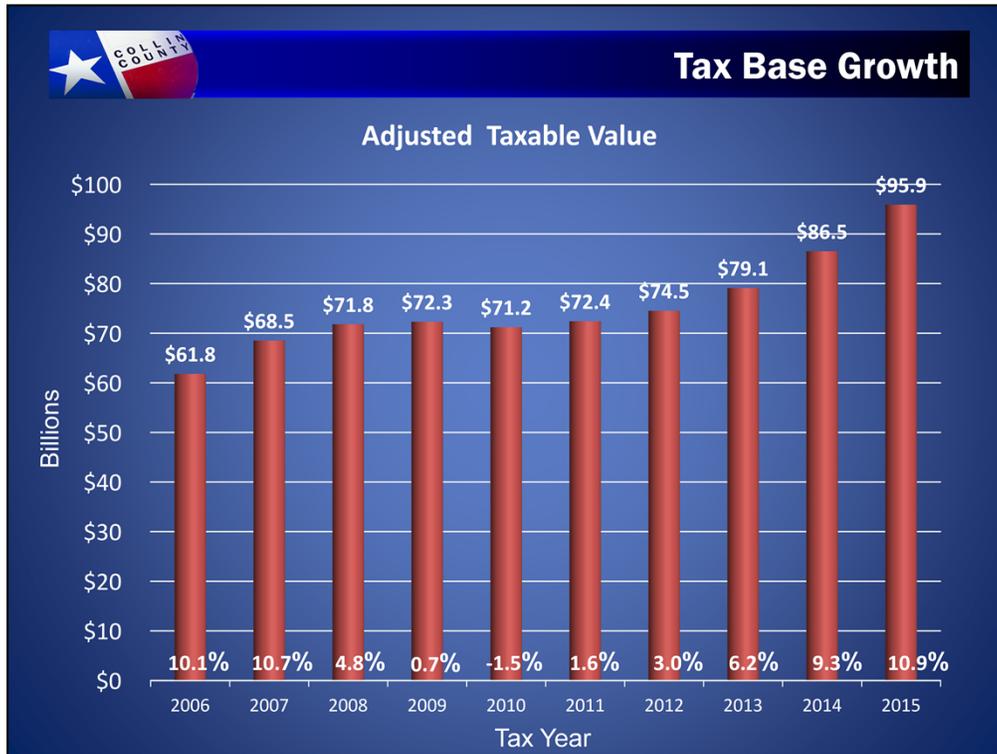
- Current Tax Rate is \$0.2350 per \$100 valuation
- Proposed Tax Rate is \$0.2250 per \$100 valuation
- No tax rate increase for twenty-two years
- 5% Homestead Exemption for six years



Collin County has not raised taxes since 1993.

If we adopt a \$0.225 tax rate, this will be our 23rd year with no tax rate increase.

FY 2016 will be our 7th year with the homestead exemption



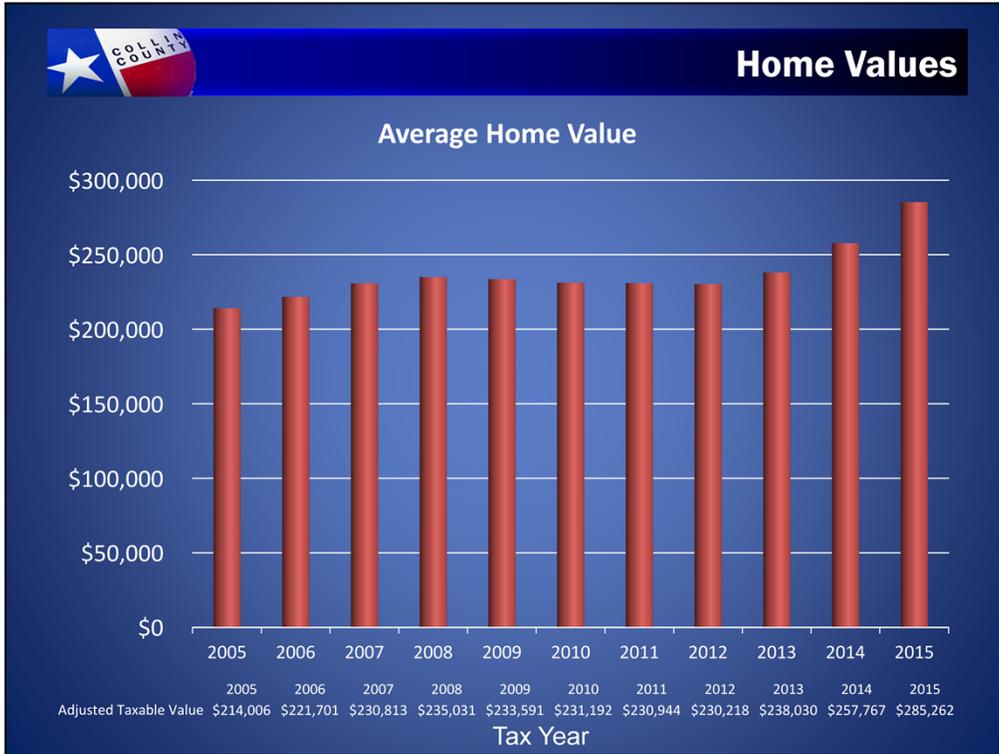
2015 Certified Adjusted Taxable Value \$95.9 billion

Equates to a 10.9% increase from 2014 tax year

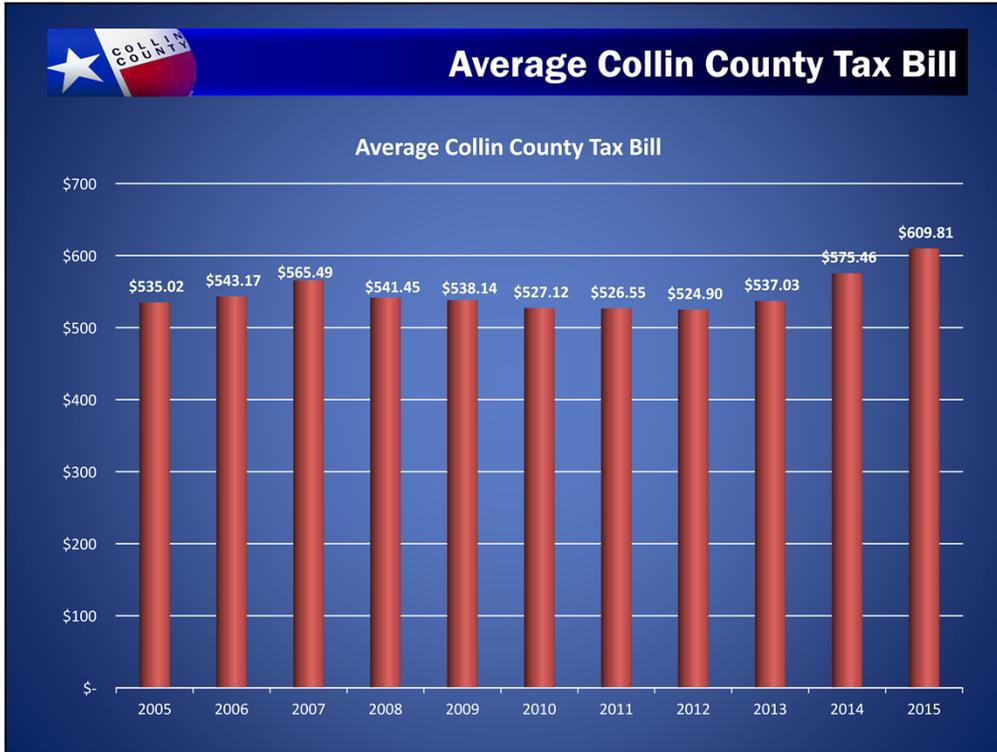
Adjusted Taxable Value equals CERTIFIED Net Taxable less Freeze Loss.

Texas Property Tax Code requires that at least 95% of the assessed value be finalized before the ARB can approve the records. Once the ARB approves the records Collin CAD can begin processing the certified rolls. There are properties remaining under protest as if certification on July 25th. For budget purposes, I use a "lower value used" calculation. This calculations takes the lower of the 1) current assessed value, 2) owners opinion of assessed value, or 3) last year's assessed value for those properties that have not been finalized by the ARB.

Homestead Exemption adopted as part of FY 2009 Budget (Tax Year 2008)



The average home in Collin County for tax year 2015 is valued at \$285,262 according to statistics compiled by the Central Appraisal District of Collin County.

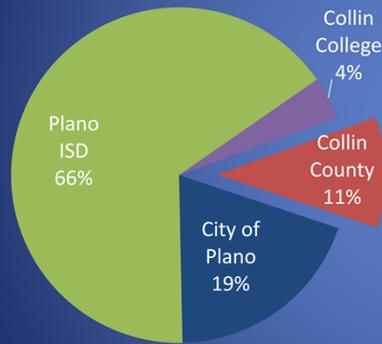


The average home in Collin County for tax year 2015 is valued at \$285,292 according to statistics compiled by the Central Appraisal District of Collin County. With the tax rate at \$0.2250 per \$100 valuation, and a 5% homestead exemption, the average home owner will pay \$609.81 in county taxes for the 2015 tax year. This is an increase of \$34.35 from last year. (6.0% increase)



Average Tax Bill

The following is a property tax analysis for an average homeowner living in Collin County. The average home in Collin County is valued at \$285,292 according to statistics compiled by the Central Appraisal District of Collin County.



TAXING UNIT	TAX RATE	AVERAGE TAXES
Collin County	\$0.2250000	\$ 609.81
City of Plano	\$0.4886000	\$ 1,115.15
Plano ISD	\$1.4400000	\$ 3,748.20
Collin County Community College District	\$0.0189600	\$ 233.83
Total	\$2.2355600	\$ 5,706.99

FY 2016 Recommended Tax Rates for all entities listed above.
Includes increased homestead exemption for ISDs as part of SB1.

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*Note: This chart uses Recommended/Proposed Tax Rates for all entities and includes the increased Homestead Exemption for ISDs as part of SB1.



\$100,000 Home

If Collin County adopts a tax rate of \$0.225 the following statement must be posted on the Home Page of the County's Internet Website:

“The tax rate will effectively be raised by 3.34 percent and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$-7.47.”

This statement is required to be printed on the Court Order as well as the County's website when the County adopts the tax rate per Property Tax Code 26.05(b).



Next Steps

- Monday, September 21, 2015, 1:30 pm – Public Hearing on Proposed Budget in the Jack Hatchell Administration Building, Commissioners Courtroom
- Monday, September 21, 2015, 1:30 pm – Adoption of:
 - FY 2016 Elected Official’s Salaries
 - FY 2016 Tax Rate
 - FY 2016 Budget
- Monday, September 28, 2015, 1:30pm – Adoption of the FY 2016 Fee Schedule in the Jack Hatchell Administration Building, Commissioners Courtroom



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