



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

**Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager**

Re: Scheduling public hearing on the proposed Fiscal Year 2024-2025 tax rate

Town Council Meeting – August 13, 2024

Strategic Visioning Priority: 4. Provide Excellent Municipal Services

Agenda Item:

Consider and act upon scheduling a public hearing on the proposed fiscal year 2024-2025 tax rate.

Description of Agenda Item:

Section 26.05(d) of the Texas Property Tax Code requires taxing entities to hold one public hearing and publish newspaper ads before adopting a tax rate that exceeds the lower of the voter-approval tax rate (\$0.522075) or the no-new-revenue tax rate (\$0.466941). The Town is proposing a tax rate of \$0.505000 per \$100 of valuation.

Section 26.06(d) of the Texas Property Tax Code states the governing body may vote on the proposed tax rate at the public hearing. If the governing body does not vote on the proposed tax rate at the public hearing, the governing body shall announce at the public hearing the date, time, and place of the meeting at which it will vote on the proposed tax rate.

Section 26.06(e) of the Texas Property Tax Code states that a meeting to vote on the tax increase may not be held later than the seventh day after the date of the public hearing. Due to this limitation, we are requesting to hold the public hearing and vote on the tax rate on September 10, which is a regular meeting date of the Town Council. A hearing on this date satisfies tax code requirements.

Budget Impact:

There is no budgetary impact affiliated with this item.

Town Staff Recommendation:

Town Staff recommends that the Town Council schedule a public hearing on the proposed tax rate for September 10, 2024.

Proposed Motion:

I move to set the public hearing on the proposed tax rate for September 10, 2024, at 6:15 p.m., with the meeting taking place in the Council Chambers of Prosper Town Hall, located at 250 W. First St, Prosper, TX.