



## Legislation Details (With Text)

**File #:** 22-0367      **Version:** 1      **Name:** 2022 Propose Tax Rate  
**Type:** Agenda Item      **Status:** Held in Council  
**File created:** 8/1/2022      **In control:** Finance & Project Management  
**On agenda:** 8/9/2022      **Final action:**  
**Title:** Consider and take action on the 2022 proposed ad valorem tax rate (Fiscal Year 2023 - October 1, 2022 to September 30, 2023) of \$0.420887. The tax rate will be adopted as an action item at the September 13, 2022 Council meeting. (Executive Director of Finance & Budget)

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**Attachments:** 1. Data Sheet

Date	Ver.	Action By	Action	Result
8/9/2022	1	City Council	Postponed	Pass

Consider and take action on the 2022 proposed ad valorem tax rate (Fiscal Year 2023 - October 1, 2022 to September 30, 2023) of \$0.420887. The tax rate will be adopted as an action item at the September 13, 2022 Council meeting. (Executive Director of Finance & Budget)

To begin the tax rate setting process, the City Council is required to propose a tax rate. This agenda item is for that purpose. The rate is used to prepare the required notices including a notice for public hearings if needed.

2021 Tax Rate (FY2022 Budget)	\$0.465526 / \$100
2022 No-New-Revenue Tax Rate (FY2023 Budget)	\$0.420887 / \$100
2022 Voter-Approval-Rate (FY2023 Budget)	\$0.657675 / \$100

On July 12, City Council was presented the FY2023 proposed budget based on an estimated no-new-revenue tax rate of \$0.44 per \$100 valuation based on estimated taxable values of \$11.4 billion. Based on certified taxable values at \$12.07 billion received in late July, the no-new-revenue tax rate is \$0.420887 and the voter-approval-rate is \$0.657675. Staff recommends proposing a tax rate of \$0.420887 per \$100 valuation which funds the FY2023 Proposed Budget. This estimated ad valorem tax rate does not exceed the no-new-revenue tax rate; therefore, a public hearing is not required. There will be another vote to adopt the final tax rate at the September 13, 2022 Council meeting.

If the Council proposes a rate that is **lower than the no-new-revenue tax rate** of \$0.420887/ \$100 valuation, **notice** of the tax rate adoption must be published Tuesday, September 6<sup>th</sup> in order to meet the requirement for publication at least 7 days prior to adoption of the rate on September 13<sup>th</sup>.

If the Council proposes a rate that **exceeds the no-new-revenue tax rate** of \$0.420887/ \$100 valuation, a **public hearing** is required prior to the adoption of the tax rate on September 13<sup>th</sup>. Based on the current schedule, staff recommends the public hearing on August 23<sup>rd</sup> (pending the Chief Appraiser delivering tax estimate notices and updating the property tax database 5 days prior). The latest date the public hearing and tax rate adoption can be held if Council proposes a rate that exceeds the no-new-revenue tax rate of \$0.420887/ \$100 valuation but is less than the voter-approval-rate of \$0.657676/ \$100 valuation is September 29<sup>th</sup>.

If the Council proposes a rate that **exceeds the voter-approval-rate** of \$0.657676/ \$100 valuation, **the budget and tax rate must be adopted by August 22nd** and the Council must call for an election on the November uniform election date.

Due to the requirements listed above based on how the proposed property tax rate compares to the no-new-revenue and voter-approval tax rates, on September 13th Council may adopt a property tax rate that is at or lower than the rate proposed by this agenda action only. Adopting a tax rate that is higher than the rate proposed from this agenda item is not allowed as the required action(s) and deadlines will have not been met.

Attachments

1. Data Sheet

FUNDING

{X} NOT APPLICABLE

STRATEGIC PLANNING

{X} NOT APPLICABLE