



## Legislation Text

**File #:** 22-0397, **Version:** 1

Consider and take action on the 2022 proposed ad valorem tax rate (Fiscal Year 2023 - October 1, 2022 to September 30, 2023) of \$0.415526. The tax rate will be adopted as an action item at the September 27, 2022 Council meeting. (Executive Director of Finance & Budget)

Council postponed 7-1-0 on August 9, 2022.

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 \$0.415526 per \$100 valuation which funds the FY2023 Proposed Budget ***with anticipated Council changes from the budget workshops***. 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 27, 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 20<sup>th</sup> in order to meet the requirement for publication at least 7 days prior to adoption of the rate on September 27<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 27<sup>th</sup>. Based on the current schedule, staff recommends the public hearing on September 20<sup>th</sup>. 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>.

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 27<sup>th</sup> 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

{ } Funds are available from Account # \_\_\_\_\_  
{ } Requires Budget Amendment to transfer from Account # \_\_\_\_\_ to Account # \_\_\_\_\_  
{X} NOT APPLICABLE

STRATEGIC PLANNING

{ } Addresses Strategic Planning Critical Success Factor # \_\_\_\_\_ and Initiative # \_\_\_\_\_

{X} NOT APPLICABLE