



TOWN COUNCIL COMMUNICATION

DATE: August 20, 2024

FROM: Thad Chambers, Town Administrator

AGENDA ITEM: Discuss and consider the acceptance of the submission of the no-new revenue, voter-approval, and De minimis tax rate calculations; take action to consider a proposed tax rate for public input and consideration at the September 17, 2024 Regular Town Council meeting.

SUMMARY:

The purpose of this item is to vote on a preliminary maximum tax rate for the 2024 Tax year. ***Please note that during the final tax rate adoption process in September, Council can approve a lower rate at that time, however, will not be able to adopt a higher rate.***

The Town is required by Chapter 26 of the Property Tax Code:

- To determine and publish the no new revenue tax rate the voter approval tax rate
- Decide how much revenue is needed and calculate the rate required to raise that amount
- Publish notices, and if the tax rate will exceed the no new revenue rate, hold one public hearing.
- Adopt a tax rate

On August 6, 2024, the Town received the No New Revenue, Voter Approval Tax Rate, and the De minimus Rate Calculations from the Denton County Tax Assessor/Collector for the 2024 Tax Year. The rates have changed due to ongoing resolutions of valuation protests.

The No-new-revenue rate is a calculated rate that would provide the Town with about the same amount of revenues it received the year before on properties taxed in both years. The Voter-approval Rate is a calculated maximum rate allowed by law without voter approval.

Property Tax Rate Per \$100 of valuation:

Currente Rate	\$0.173646
No-new-revenue Rate	\$0.162282
Voter-approval Rate	\$0.181560
De minimis Rate	\$0.243907

In accordance with Texas Tax Code Chapter 26 Assessment, a Public Hearing is required if the proposed property tax rate **exceeds the no-new revenue or voter-approval rate**. The language in the notice is stipulated by the State of Texas and cannot be added to in order to provide context.

ATTACHMENTS:

- Tax Calculation Work Sheet

RECOMMENDATION:

Move to approve a maximum tax rate of \$0.173646 per \$100 valuation for the fiscal year beginning October 1, 2024, and ending September 30, 2025; scheduling September 17, 2024 for the Public Hearing on the tax rate and for the adoption of said tax rate.

The motion requires a ROLL CALL vote.