



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

September 12, 2023

AGENDA TOPIC: Consideration and possible action approving the first reading of an ordinance levying a property tax rate of 30.05 cents per \$100 taxable valuation on property in the City of Fair Oaks Ranch for tax year 2023; determining due and delinquent dates; and providing an effective date.

DATE: September 12, 2023

DEPARTMENT: Finance

PRESENTED BY: Summer Fleming, Interim Director of Finance

INTRODUCTION/BACKGROUND:

State law requires the City Council to adopt a tax rate to fund the adopted General Fund and Debt Service Fund budgets. At the August 17th City Council meeting, the Council authorized using 28.27 cents as the proposed 2023 M&O tax rate and a 2.29 cents 2023 I&S tax rate for a combined property tax rate of 30.56 cents per \$100 taxable valuation. All required notices were published in the newspaper and on the City's website. A Public Hearing was held September 12, 2023, to afford all citizens the opportunity to be heard on the proposed tax rate.

Through the budget process, the City has been able to balance the budget with a combined tax rate of 30.05 cents per \$100 taxable valuation, which is lower than the proposed maximum tax rate and is lower than the no-new-revenue rate.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Complies with state laws in setting the 2023 property tax rate.
2. Establishes the level of taxation necessary to finance City programs and pay for City debt approved in the fiscal year budget.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

The total tax rate of 30.05 cents per \$100 taxable valuation has decreased from the prior year tax rate. Budgetary implications in terms of dollars are outlined in the Budget Document.

LEGAL ANALYSIS:

Reviewed and approved as to form.

RECOMMENDATION/PROPOSED MOTION:

I move to approve an ordinance levying a property tax rate of 30.05 cents per \$100 taxable value for tax year 2023; providing when taxes shall become due and delinquent; and providing an effective date.