



CITY COUNCIL AGENDA ACTION FORM

AGENDA DATE:	08/10/2021		
AGENDA SUBJECT:	Discussion, consideration, and possible action on scheduling a Public Hearing to consider the City's Proposed Fiscal Year 2021-2022 Budget.		
PREPARED BY:	City Administrator Leamons	DATE SUBMITTED:	08/02/2021
EXHIBITS:			
BUDGETARY IMPACT:	Required Expenditure:		\$00.00
	Amount Budgeted:		\$00.00
	Appropriation Required:		\$00.00
CITY ADMINISTRATOR APPROVAL:			
SUMMARY:	<p>Staff would like to request that the Council schedule a Public Hearing to consider the Proposed Fiscal Year 2021-2022 Budget at its August 24th Meeting . The Council may amend and adopt the budget, or adopt it in as filed. The adopted budget must reflect the tax rate that the Council plans to levy. Although the proposed budget is based on our No-New-Tax Rate of \$0.33722580/\$100, the Council has discussed the possibility of adopting the Voter Approval Rate of \$0.35959738, which would raise \$48,636 more revenue than the No-New-Tax Rate. The additional revenue comes from the allowed 3.5% increase plus the revenue from new properties added to the tax roll since last year. Anything higher than the Voter Approval Rate would be subject to a roll-back election. Both of the rates discussed above are well below the current \$0.38407400 rate which has been in place for many years. Should the Council decide to adopt the lower, No-New-Tax Rate, that action will affect future budgets going forward as it will be difficult to ever recapture the revenue that is lost because of the 3.5% cap on ad valorem tax increases imposed by the State Legislature. At this point even using the dubious federal government figures, it appears that this year's annual rate of inflation may end up exceeding 3.5%. If the Council adopts the budget on August 24th, then a Special Meeting with a Public Hearing to consider the proposed ad valorem tax rate may be scheduled as early as September 7th. The tax rate may be adopted at the conclusion of that meeting. If the above schedule is adhered to, the City will have completed this year's budget adoption process on September 7th. By following this schedule, the Council will provide itself with a 3 week cushion just in case an unexpected delay arises.</p>		
RECOMMENDED ACTION:			
	Move to schedule a Public Hearing on the Proposed Fiscal Year 2021-2022 Budget at the August 24 th Meeting.		