



**Submitted by:** Amber Lewis, City Administrator

**Agenda Date:** September 18, 2019

**Agenda Item:** Discussion and possible action on setting a proposed Ad Valorem Tax Rate for FY 2019-2020 for the City of Rollingwood.

**Information about this request that Council/Staff may find helpful:** Two (2) tax rates are proposed for Council's consideration. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

**FY 19-20 Rollback Tax Rate**

**0.2088/\$100 of Valuation**

- Highest tax rate the City can set before taxpayers can start rollback procedures.
- Raises \$113,381 more in revenue from property taxes than last year's budget, \$39,724 of which is from new property added to the tax roll this year.
- This rate would cost the homeowner with an average taxable value of \$1,322,889 with a HS exemption:
  - \$2,762.19 in 2019-2020.
  - An additional \$116.41 over the 2019-2020 ETR.
  - Due to increase in average taxable value and the rollback increase, an additional \$45.64 over 2018-2019 tax rate.

**FY 19-20 Effective Tax Rate**

**0.2000/\$100 of Valuation**

- Generates the same amount of money as generated in FY 2017-2018.
- Property tax revenue to be raised from new property added to the tax roll this year is \$39,724.
- This rate would cost the homeowner with an average taxable value of \$1,322,889 with a HS exemption:
  - \$2,645.78 in 2019-2020.
  - Due to increase in average taxable value, an additional \$42.99 over 2018-2019 tax rate.

**What action(s) will the Council need to take to successfully accomplish your proposal?**  
The Council should identify a rate to be considered for final approval, which will be published accordingly. A vote for the rollback rate provides the most flexibility for Council in considering the tax rate. Council must take a record vote of the action on this item. This proposed rate will not be set until the tax rate is adopted on September 30, 2019.