SANGER CITY COUNCIL COMMUNICATION

DATE: September 5, 2022

FROM: Clayton Gray, Finance Director

AGENDA ITEM: Consideration and possible action on Resolution No.2022-11 to take a record vote specifying the proposed tax rate; establishing the date, time and place for public hearings on the proposed 2022-23 budget and tax rate; and providing for the publication as provided by the Texas Property Tax Code.

SUMMARY:

- The City has received tax rate calculations from the Denton County Tax Assessor/Collector's office for the coming year and must set a proposed property tax rate for the upcoming year.

- The no-new-revenue rate ($0.542505/$100) evaluates the relationship between current year taxes and proposed taxes for next year if applied to the same properties in both years.

- The voter-approval tax rate ($0.561763/$100) provides the same amount of tax revenue as last year plus a 3.5% increase for maintenance and operations.

- The de minimis tax rate ($0.589497/$100) allows some relief to entities with a population less than 30,000 from the 3.5% voter-approval rate. It adds an amount that would equal $500,000 in tax revenue to the voter-approval rate.

- In accordance with Texas law, the City is required to vote to place a proposal for adoption of the budget and tax rate, publish notices, and conduct public hearings. Public hearings on the 2022-23 budget and tax rate will be scheduled for September 5, 2022, at 7:00 pm, which is a regular meeting date of the City Council.

FISCAL INFORMATION:

Budgeted: N/A Amount: N/A GL Account: N/A

RECOMMENDED MOTION OR ACTION:

Staff recommends the City set the tax rate at $0.589497/$100, which is the de minimis rate.

Recommended Motion: I move to place a proposal to adopt an FY 2022-2023 tax rate of $0.589497/$100 of valuation on the September 6, 2022, City Council agenda. (City Secretary call for Record Vote)

ATTACHMENTS:

- Resolution 2022-11
- Tax Rate Calculation