



## CITY COUNCIL COMMUNICATION

**DATE:** August 21, 2023

**FROM:** Clayton Gray, Finance Director

**AGENDA ITEM:** Consideration and possible action on Ordinance 08-22-23, ratifying the property tax increase reflected in the fiscal year 2023-2024 budget.

**SUMMARY:**

- The proposed tax rate of \$0.689747/\$100 of taxable assessed valuation is an increase from the current tax rate of \$0.589497/\$100 of taxable assessed valuation.
- The increased tax rate and the increase in property values from last year will result in the City receiving more revenues in property tax.
- Section 102.007(c) of the Local Government Code requires a governing body that adopts a budget that raises more revenue from property taxes than in the previous year to ratify, by a separate vote, the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law. The proposed 2023-2024 budget will raise more revenue from property taxes than in the previous year, and therefore requires a separate vote of the City Council to ratify the property tax increase reflected in the budget.

**FISCAL INFORMATION:**

N/A

**RECOMMENDED MOTION OR ACTION:**

Staff recommends approval of Ordinance 08-22-23.

**ATTACHMENTS:**

- Ordinance 08-22-23 Ratifying a Property Tax Increase