



City of Pflugerville

Legislation Text

File #: RES-1124, **Version:** 1

Discuss and consider action to approve a resolution to set a proposed maximum 2023 property tax rate supporting the Fiscal Year 2024 (FY24) budget and schedule the date for the public hearing.

Summary of Tax Rates:

No-New-Revenue Tax Rate:	\$0.4310
Voter-Approval Debt Rate:	\$0.2877
Voter-Approval M&O Tax Rate:	\$0.2485
Voter-Approval Tax Rate:	\$0.5362

A municipality must first set a proposed tax rate before adopting the final tax rate. The City is then required to hold a public hearing and prepare notices to allow citizens to speak on the proposed tax rate. The Council may then adopt a rate at or below the proposed rate but cannot exceed the rate proposed and published.

The attached resolution includes a proposed tax rate of \$0.5362. Attached is a summary of the various 2023 (FY24) rates (no-new-revenue, voter-approval, and proposed) compared to the 2022 (FY23) adopted rate.

The proposed tax rate consists of two components: Maintenance & Operations (M&O) + Interest & Sinking (I&S) = Total tax rate.

The proposed tax rate components:

- M&O: 0.2485, a decrease from current rate by 0.0197
- I&S (Debt Service): 0.2877, an increase from current rate by 0.0746
- Total proposed tax rate: 0.5362, an increase from current rate by 0.0549

The rate approved in the resolution will be used in all notices required to be published on the tax rate. The next step in the property tax rate adoption process is to hold a public hearing, as required if the proposed rate exceeds the lower of the no-new-revenue or voter-approval rate. The hearing on the tax rate is currently scheduled for September 12, 2023 at 7:00 p.m. along with final adoption of the tax rate and budget.

Prior City Council Action

N/A

Deadline for City Council Action

Action requested on August 8, 2023.

Supporting documents attached:

Property Tax Analysis
Tax Rate Resolution 2023

Recommended Action

Approve the resolution to set a proposed maximum 2023 property tax rate supporting the Fiscal Year 2024 (FY24) budget and schedule the date for the public hearing.