

# City of Dallas

1500 Marilla Street Council Chambers, 6th Floor Dallas, Texas 75201

# Legislation Details (With Text)

File #: 23-1977 Version: 1 Name:

Type: CONSENT AGENDA Status: Approved as Amended

File created: 7/24/2023 In control: Budget and Management Services

On agenda: 8/23/2023 Final action:

Title: Authorize (1) a public hearing to be held on Wednesday, September 20, 2023 to receive comments on

a proposed tax rate; and (2) a proposal to consider adoption of a \$0.7393 per \$100 valuation tax rate,

or a lower rate as may be proposed by City Council for the 2023-24 fiscal year on Wednesday,

September 20, 2023 - Financing: No cost consideration to the City

Sponsors:

Indexes: 300

**Code sections:** 

Attachments: 1. Resolution

Date Ver. Action By Action Result

**STRATEGIC PRIORITY:** Government Performance & Financial Management

AGENDA DATE: August 23, 2023

COUNCIL DISTRICT(S):

**DEPARTMENT:** Budget and Management Services

**EXECUTIVE:** Jack Ireland

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#### **SUBJECT**

Authorize (1) a public hearing to be held on Wednesday, September 20, 2023 to receive comments on a proposed tax rate; and (2) a proposal to consider adoption of a \$0.7393 per \$100 valuation tax rate, or a lower rate as may be proposed by City Council for the 2023-24 fiscal year on Wednesday, September 20, 2023 - Financing: No cost consideration to the City

### **BACKGROUND**

The City Manager's recommended FY 2023-24 budget as discussed on August 8, 2023 includes a tax rate of \$0.7393/\$100. The proposed rate reflects a reduction of \$0.0065/\$100 and reduces revenue to the City by \$12.7 million.

A public hearing is required this year since the proposed tax rate is lower than the voter-approval tax rate but higher than the no-new-revenue tax rate calculated by the Dallas County Tax Office. The notice of the public hearing provides information about the no-new-revenue and voter-approval tax rates reflected below.

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#### Notice of Tax Rates

Proposed tax rate: \$0.7393/\$100

No-New-Revenue tax rate: \$0.6813/\$100

Voter-Approval tax rate: \$0.7028/\$100 Unused Increment rate: \$0.0454/\$100

Voter-Approval tax rate adjusted for unused increment rate: \$0.7482/\$100

The Voter-Approval tax rate reflects an adjustment for unused increment rate. The unused increment rate is the rate equal to the difference between the adopted tax rate and the voter-approval rate in tax year 2021 (FY 2021-22). A taxing unit may adjust the voter-approval tax rate higher with the unused increment rate without triggering an election. If a taxing unit uses any portion of the unused increment rate in a year, the contribution to the unused increment would be zero for that year. The City Manager's recommended FY 2023-24 budget uses unused increment.

To set a tax rate above the FY 2023-24 calculated No-New-Revenue tax rate of \$0.6813 per \$100 valuation, State law requires the following:

- Specify a proposed tax rate; take a record vote, and schedule a public hearing (August 23, 2023);
- Publish "Notice of 2023 Tax Year Proposed Tax Rate" at least seven days before the public hearing (September 9, 2023);
- Publish the notice in the newspaper and prominently on the City's internet website;
- Hold a public hearing; and the meeting to adopt the tax rate (September 20, 2023).

City Council may vote on the proposed tax rate at the public hearing.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council was briefed on the City Manager's Proposed Budget on August 8, 2023.

## FISCAL INFORMATION

No cost consideration to the City.