

**MEETING DATE/TYPE:                    VOTING MEETING                    7-9-19**

**DEPARTMENT:    Finance**

**AGENDA ITEM:** Adopt Ordinance No. 2019-1675, setting the Fiscal Year 2020 City property tax levies.

**Approved By:** Michael Lamar, City Manager

**Item Summary**

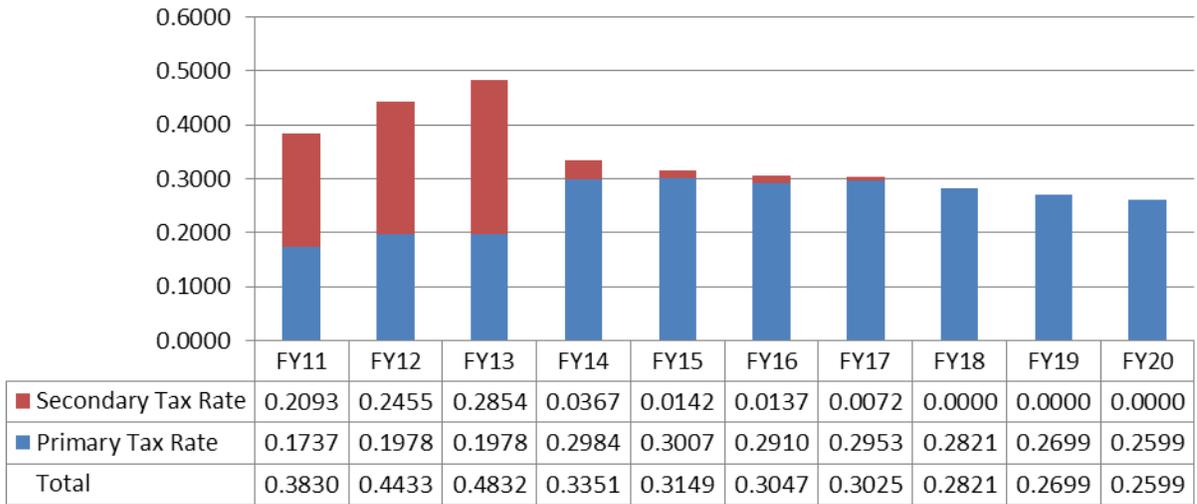
On June 25, 2019, the public hearing was held on the final budget, establishment of the expenditure limitation, and the City property tax levies for Fiscal Year 2020 (FY20). After the hearing, a role call for support of the property tax levy was taken and passed. Following the meeting, at a special meeting, the final budget was adopted and the expenditure limit was established for FY20. State law requires that property tax levies be adopted no earlier than fourteen days after the public hearing. The primary tax levy for FY20 is \$1,795,908.00, which is \$47,903.00 more than the primary tax levy in FY19. The increase is associated with the value of new construction. This year, for the third year in a row, the City is proposing to keep the increase to only the amount attributable to new construction, which is less than the allowable maximum through the “truth in taxation” procedure. The last increase to the maximum was in FY17.

While revenue from the primary property tax supports general governmental functions, it provides a relatively minor amount of the overall cost. To place this in perspective, \$1,795,908.00 represents less than four weeks of funding for the City’s public safety operations (Police and Fire). The secondary property tax levy is no longer collected as the debt incurred for the purchase and development of Willow and Watson Lakes was retired in FY17.

The City’s combined tax rate for FY20 is 0.2599 per \$100.00 of assessed valuation. For a home valued at \$200,000.00 in both 2019 and 2020, the combined property tax will decrease by \$2.00 to \$51.98 for the year. Property tax rates over the last 10 years are shown below.

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**City Property Tax Rate per \$100 Assessed Valuation**



**Attachments**

1. Ordinance No. 2019-1675 FY20 Tax Levy

**Recommended Action: MOVE** to adopt Ordinance No. 2019-1675.