



Legislation Details (With Text)

File #: 21-586 **Version:** 1

Type: New Business **Status:** Approved

File created: 9/8/2021 **In control:** City Council

On agenda: 9/21/2021 **Final action:** 9/21/2021

Title: Consider a resolution ratifying the tax revenue for the Tax Year 2021 (Fiscal Year 2021-22) for the City of Keller, Texas.

Attachments: 1. 092121_Tax Ratification_Resolution

Date	Ver.	Action By	Action	Result
9/21/2021	1	City Council	approve as amended	Pass

To: Mark R. Hafner, City Manager

From: Aaron Rector, Director of Administrative Services

Subject:

Consider a resolution ratifying the tax revenue for the Tax Year 2021 (Fiscal Year 2021-22) for the City of Keller, Texas.

Background:

If an adopted budget will require raising more revenue from property taxes than was raised the previous year, Section 102 of the Local Government Code requires a vote of the governing body (i.e., City Council) to ratify that property tax revenue increase.

The Proposed Fiscal Year (FY) 2021-22 Budget anticipates additional property tax revenue of \$123,754 (0.52 percent) over FY 2020-21 budgeted property tax revenues, so a resolution ratifying the tax revenue reflected in the adopted budget is required.

New construction is accounting for approximately \$281,397 (227.4 percent) of that increase, with the remainder (-\$157,644 or -127.4 percent) attributed to increased values among existing properties.

The tax rate proposed in the FY 2021-22 Budget is \$0.395 which is the same rate as FY 2020-21. The homestead exemption has been increased from 14% to 20%. With the proposed tax rate and homestead exemption, the average home owner will pay \$1,374 or \$15 less than the current year.

Financial Impact:

The property tax levy is necessary to support the annual budget for the City of Keller.

The following current property tax revenue is included in the 2021-22 budget:

General Fund (maintenance & operations)=\$20,144,362

Debt Service Fund= \$3,561,854

Total Property Tax Revenue= \$23,706,216

Citizen Input/Board Review:

The proposed rate is under the effective rate so no public hearings were required.

Legal Review:

Not applicable.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial