Tax Rate Record Vote

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Purpose of Vote

- Record Vote on Proposed Tax Rate, Schedule Public Hearing, and Announce Adoption Date
  - Vote will be required with specific wording of motion
  - Sets ceiling for FY27 Tax Rate
- Required for proposing tax rate
- Proposed tax rate ceiling is at $0.422676
- Current tax rate for FY26 is at $0.412284
- City Manager's recommended tax rate in the budget will be less than the tax rate ceiling

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Tax Rate

- Tax Rate has 2 parts
  - I&S or Debt Service Rate
    - Set to match amount required to meet debt service payments in a given year
  - M&O Tax Rate (Maintenance and Operations)
    - Funds general operational expenses (salaries and supplies)
    - Subject to no-new-revenue and voter-approval calculations

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No-New-Revenue and Voter-Approval Tax Rates

- The no-new-revenue tax rate is a calculated rate that would provide a taxing unit with the same amount of revenue it received in the year before on properties taxed in both years
- If property values rise, the no-new-revenue tax rate will go down and vice versa
- The voter-approval tax rate is 3.5% above the no-new-revenue tax rate
    - An election is required if the voter-approval tax rate is exceeded

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Tax Rates

	FY2025-26	FY2026-27
Tax Rate Ceiling	$0.413921	$0.422676
No-New-Revenue Tax Rate	$0.398018	$0.409212
No-New-Revenue M&O Tax Rate	$0.268286	$0.276856
Voter-Approval Tax Rate	$0.419449	$0.428171
Debt Rate	$0.136272	$0.136158
M&O Rate (ceiling)	$0.277649	$0.286518

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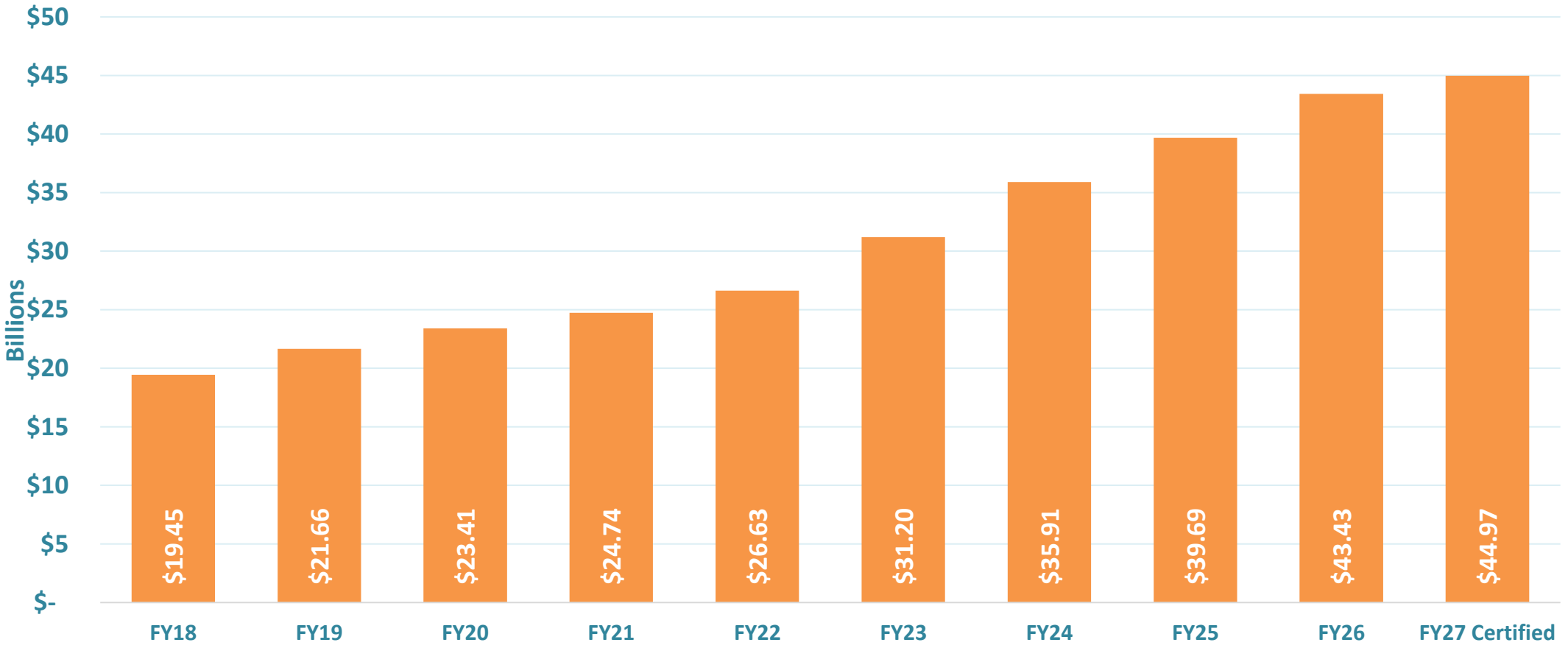
Taxable Value History



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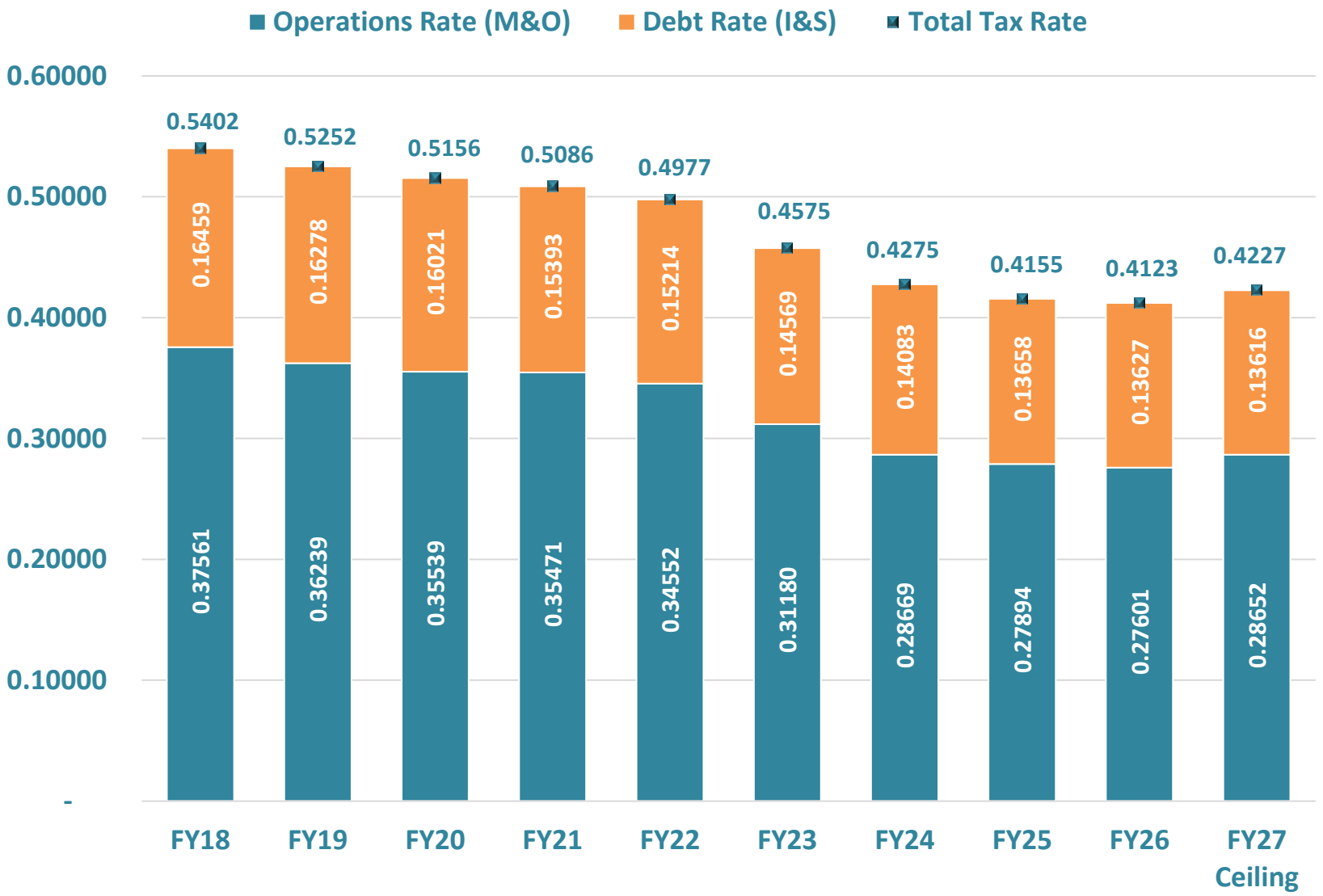
Property Tax Rate History



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Important Dates Ahead

- **August 7th** – Budget Work Session
- **August 18th** – Public Input on Budget
- **September 1st**
    - Public Hearing on Budget & Final Budget Adoption
    - Ratification of Property Tax Revenue Increase
    - Public Hearing on Tax Rate & Tax Rate Adoption
    - Fee/Rate Change Adoption

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