



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 6

**Agenda Date:** September 14, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Management & Budget

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Adopting the Maintenance and Operations Tax Rates for FY 2024

**SUMMARY:**

This item presents, for City Council consideration, an ordinance adopting the ad valorem City property tax rate for maintenance and operation (M&O) for the City of San Antonio at 33.009 cents per \$100 of taxable valuation for the tax year beginning on January 1, 2023 and ending on December 31, 2023. The estimated property tax revenue for maintenance & operation for Tax Year 2023 (also being FY 2024) is or \$31,054,463 more than the FY 2023 Adopted Budget.

**BACKGROUND INFORMATION:**

Property tax values are determined by the Bexar Appraisal District in conformance with State law. Tax Year 2023 (also being FY 2024) total taxable value for the City of San Antonio is \$155 billion which is an increase in net taxable value of \$10.6 billion, or 7.4% more than the Tax Year 2022 (also being FY 2023) total taxable value. Included in this total is \$3.0 billion in new improvements and an increase of \$7.6 billion in existing valuations from the FY 2023 Adopted Budget.

The following table shows the components of the FY 2024 Proposed City Property Tax Rate.

<b>City Property Tax Rate (Per \$100 Valuation)</b>		
	<b>FY 2023 Adopted Budget (in cents)</b>	<b>FY 2024 Proposed Budget (in cents)</b>
Maintenance & Operations	33.011	33.009
Debt Service	21.150	21.150
<b>Total</b>	<b>54.161</b>	<b>54.159</b>

#### **ISSUE:**

The City's Tax Year 2023 (also being FY 2024) Proposed Property Tax Rate of 54.159 cents per \$100 valuation represents a slight decrease as compared to the City's Tax Year 2022 (also being FY 2023) Adopted Property Tax Rate. To meet the requirements of General Fund services recommended in the Proposed Budget, the Tax Year 2023 (also being FY 2024) M&O tax rate is calculated at 33.009 cents per \$100 of taxable valuation which represents a slight decrease for the City's M&O Tax Rate.

#### **ALTERNATIVES:**

This item is required by City Charter.

#### **FISCAL IMPACT:**

The estimated property tax revenue for maintenance & operation for Tax Year 2023 (also being FY 2024) is \$465,886,509, or \$31,054,463 more than the FY 2023 Adopted Budget. The City's FY 2024 Proposed Property Tax Rate of 54.159 cents per \$100 valuation represents a slight decrease as compared to the City's FY 2022 Adopted Property Tax Rate.

#### **RECOMMENDATION:**

Staff recommends approval of this item.