



# City of Killeen

## Legislation Text

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File #: OR-23-017, Version: 1

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Consider an ordinance setting a tax rate of \$0.6208 per \$100 valuation, comprised of \$0.4742 for maintenance and operations and \$0.1466 for debt service, for fiscal year 2024 (tax year 2023).

**DATE:** September 5, 2023

**TO:** Kent Cagle, City Manager

**FROM:** Miranda Drake, Assistant Director of Finance

**SUBJECT:** Setting the Tax Rate for Fiscal Year 2024

### **BACKGROUND AND FINDINGS:**

A public hearing required by Section 26.05 of the Property Tax Code may not be held before the fifth day after the date the notice of public hearing is given. The notice required by Property Tax Code 26.06 was published in the Killeen Daily Herald on August 20, 2023.

The City has complied with all provisions of the truth-in-taxation laws regarding the adoption of the tax rate.

The City Manager's proposed FY 2024 Budget used the tax rate of \$0.6208 per \$100 valuation. On August 1, 2023, at a City Council meeting, the Killeen City Council set the preliminary tax rate at the rate of \$0.6208 per \$100 valuation. The preliminary tax rate represents the maximum rate that can be adopted for the FY 2024 Budget. The no-new-revenue tax rate for FY 2024 (2023 tax year) is \$0.5473. The voter-approval tax rate for FY 2024 (2023 tax year) is \$0.7075.

Texas Tax Code requires the vote on an ordinance setting a tax rate that exceeds the no-new-revenue rate to be a record vote and approved by at least sixty (60) percent of the members of the governing body. In order to set the tax rate above the no-new-revenue rate of \$0.5473, the ordinance must be approved by at least five (5) members of City Council.

### **THE ALTERNATIVES CONSIDERED:**

1) Set the tax rate for fiscal year 2024 (tax year 2023).

### **Which alternative is recommended? Why?**

Set the tax rate at \$0.6208 per \$100 valuation as presented in the ordinance.

### **CONFORMITY TO CITY POLICY:**

The ordinance complies with truth-in taxation laws set by the Texas Tax Code and Local Government Code.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

N/A

**Is this a one-time or recurring expenditure?**

N/A

**Is this expenditure budgeted?**

N/A

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

N/A

**RECOMMENDATION:**

City Council approve the ordinance setting a tax rate of \$0.6208 per \$100 valuation, comprised of \$0.4742 for maintenance and operations and \$0.1466 for debt service, for fiscal year 2024 (tax year 2023).

**DEPARTMENTAL CLEARANCES:**

Finance  
Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Ordinance