

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Mayor and Council

AGENDA DATE: 04/26/2022

CONTACT PERSON NAME / PHONE NUMBER:

Rep. Isabel Salcido, 915-212-0005

Rep. Cassandra Hernandez, 915-212-0003 (co-sponsor)

Rep. Henry Rivera, 915-212-0007 (co-sponsor)

DISTRICT(S) AFFECTED: All

STRATEGIC GOALS: Goal 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

Discussion and action to direct the City Manager to develop a Fiscal Year 2023 Budget that includes a decrease in the overall property tax rate to minimize the financial impact on taxpayers and continue to execute the City's COVID-19 economic recovery plan.

BACKGROUND / DISCUSSION:

For the last two fiscal years, the City Council has voted for no tax rate increase. Specifically, the Council adopted budgets that did not require an increase to the existing property tax rate of .907301, first set in 2019. Additionally, last year the City Council unanimously approved an expansion of the exemption for seniors and the disabled community which provided additional tax savings and much needed tax relief last year to our 52,000 senior and disabled homesteads.

As an option to reduce the property tax rate in FY 2023, current vacancies should be reviewed and analyzed to provide savings necessary to minimize the impact on our taxpayers, while at the same time not impacting the delivery of services to our community.

PRIOR COUNCIL ACTION:

No tax increase in 2020:

August 18, 2020 City Council adopted a property tax rate of .907301, the same as the previous fiscal year.

No tax increase in 2021:

August 24, 2021 City Council adopted a property tax rate of .907301, the same as the previous two fiscal years.

AMOUNT AND SOURCE OF FUNDING: N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)