

**CITY OF EL PASO, TEXAS
AGENDA ITEM
AGENDA SUMMARY FORM**

DEPARTMENT: MAYOR AND COUNCIL

AGENDA DATE: May 23, 2023

CONTACT PERSON NAME AND PHONE NUMBER:

City Representative Isabel Salcido, 915-212-0005

DISTRICT(S) AFFECTED: All

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

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Discussion and action to direct the City Manager to identify budget adjustments to reduce the property tax rate for the next fiscal year 2024, such as but not limited to; no new revenue or by reducing four cents per \$100.00 of property value to further ease the burden on the taxpayers and while still maintaining a high level of all City services and present the recommendations at the first proposed budget meeting.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

In the last several fiscal years, the City Council has held the line on taxes. For the years 2020 and 2021, the City Council adopted the same tax rate, meaning that there was no tax rate increase during that time. Specifically, the Council adopted budgets without an increase in the property tax rate.

On April 26, 2022 the City Council unanimously voted to direct the City Manager to develop a FY 2023 Budget with a reduction in the property tax rate, while not impacting the delivery of services to the community, in order to minimize the financial impact on taxpayers.

The City only makes up 29% of the overall property tax bill, it is critical that the Council is proactive by exploring all potential budget adjustments in an effort to ease the burden on our taxpayers.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

August 18, 2020: City Council adopted a property tax rate of .907301, leading to no tax rate increase

August 24, 2021: City Council adopted a property tax rate of .907301, leading to no tax rate increase

April 26, 2022: City Council unanimously approved directing the City Manager to develop an FY 2023 budget with a property tax rate reduction

August 23, 2022: City Council adopted a property tax rate of .862398, leading to a tax rate reduction

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

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