



Town of Fairview, Texas

Public Hearing on Proposed Tax Rate

Fiscal Year 2021-2022

August 31, 2021





PROPOSED FY 2021-2022 BUDGET

Section 102.005 of the Texas Local Government Code requires that the following statement be placed on the cover page of the proposed budget:

THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$470,143, WHICH IS A 6.48% INCREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS \$220,431.

Public Hearing Notice

- Tax rate calculation vs. Tax revenue calculation
 - The tax rate is calculated by the County Tax Office based on a percentage of increase in the total 2020 levy (which includes M&O and debt) compared to the 2021 calculated levy.
 - The Appraisal District calculates tax revenue by multiplying the taxable value number by the proposed tax rate (which includes M&O and debt) and comparing it to the total property tax revenue estimated in the previous year.



Property Tax Impact

FY2021 TAX INFO

- Avg Home Value: \$537,020
- Tax Rate: \$0.347156/\$100
 - Annual Cost: \$1,864.30
 - Monthly Cost: \$155.36

FY2022 TAX INFO

- Avg Home Value: \$571,719
((\$34,699 Increase in Avg Home Value))
- Tax Rate: \$0.345580/\$100
(Decrease of \$0.001576/\$100)
- Annual Cost: \$1,975.75
(Increase of \$111.45 annually)
- Monthly Cost: \$164.65
(Increase of \$9.29 monthly)



Truth-In-Taxation Terminology

- **No-New Revenue Tax Rate** (Formally Effective Rate)
 - Provides a taxing unit with approximately the same amount of revenue it had the prior year on properties taxed in both years.
- **Voter-Approval Tax Rate** (Formally Rollback Rate)
 - Provides a taxing unit approximately the same amount of tax revenue as the previous year for day-to-day operations plus an additional 3.5% and sufficient funds to pay its debt requirement in the coming year.
- **De Minimis Rate**
 - Rate that will provide an additional \$500,000 in tax revenue and sufficient funds to pay its debt requirement in the coming year.



Tax Rate Comparison

2021 TAX YEAR

Adopted Tax Rate : \$0.347156

- M&O Rate : \$ \$0.240342

- I&S Rate : \$ 0.106814

No-New Revenue Rate : \$0.367129

Voter Approval Tax Rate : \$0.354572

De-Minimus Rate: \$0.372313

2022 TAX YEAR

-Tax Rate : \$0.345580*

- M&O Rate : \$0.245536*

- I&S Rate: \$0.100044

No-New Revenue Rate : \$0.331565

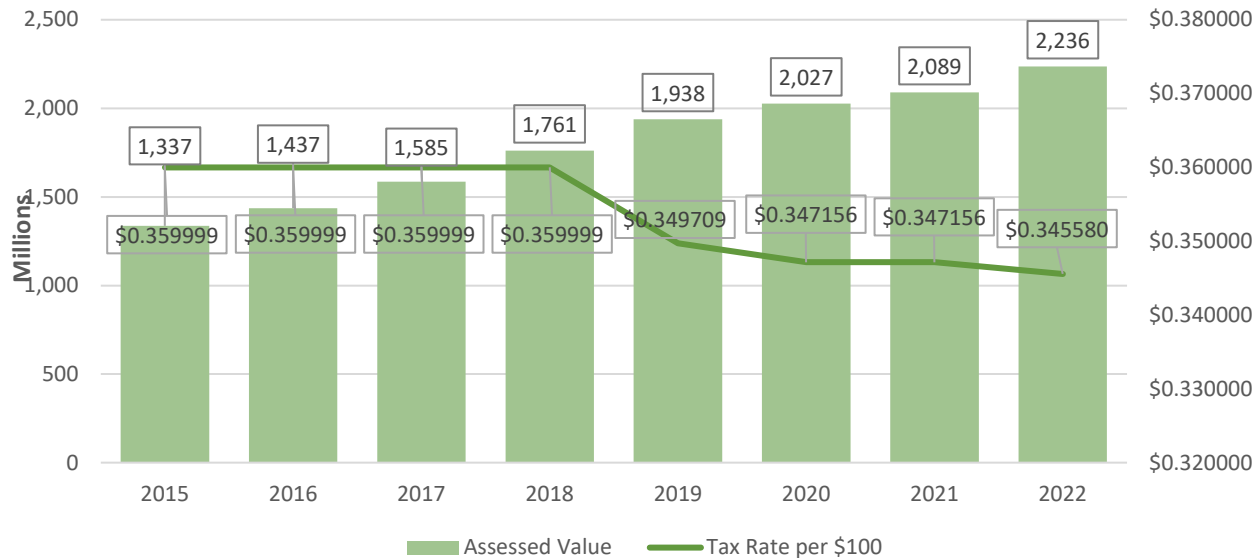
Voter Approval Tax Rate : \$0.345580

De-Minimus Rate: \$0.353867

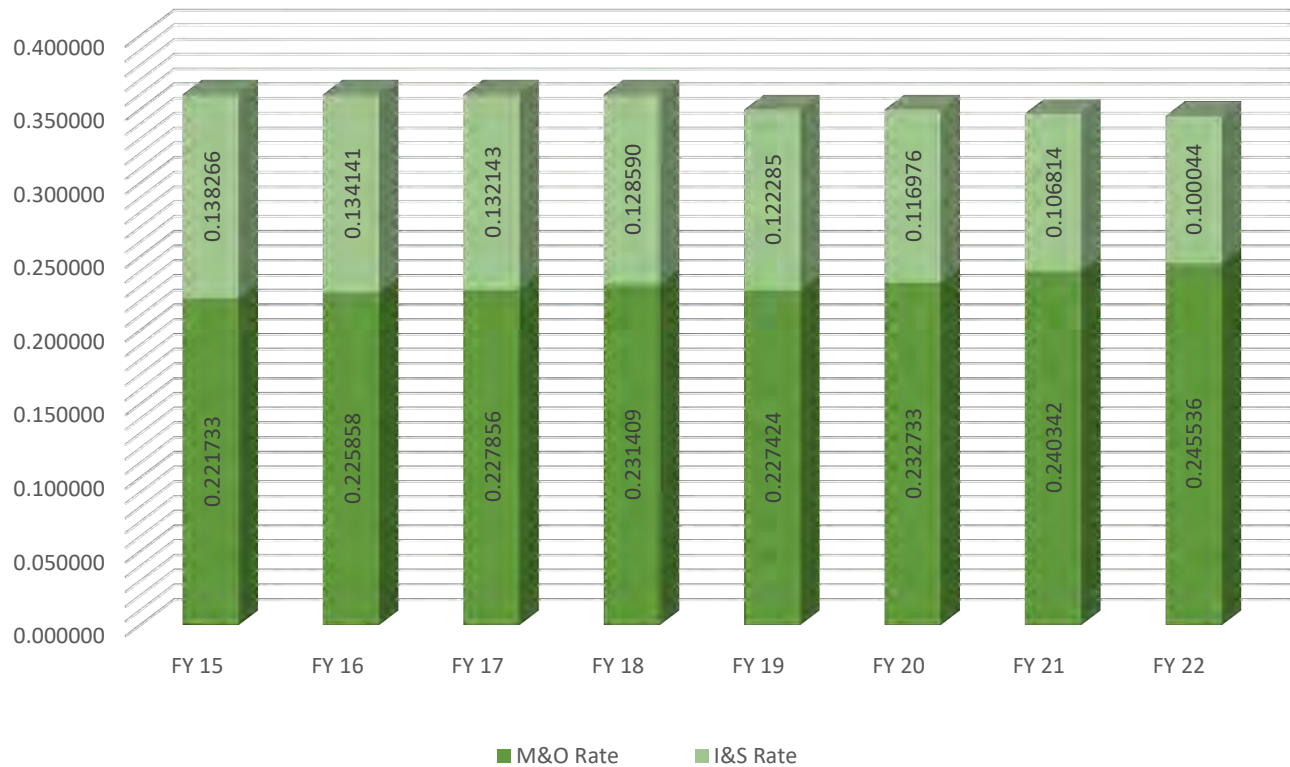
*Proposed

Property Values and Tax Rates

Fiscal Year	Assessed Valuation	Percent of Increase	Average Home Value	M&O Rate per \$100	I&S Rate per \$100	Tax Rate per \$100	Average Property Tax
2014-15	1,336,949,720	7.82%	393,458	0.221733	0.138266	0.359999	1,416.44
2015-16	1,436,726,297	7.46%	424,559	0.225858	0.134141	0.359999	1,528.41
2016-17	1,586,604,271	10.43%	462,770	0.227856	0.132143	0.359999	1,665.97
2017-18	1,761,451,183	11.02%	493,150	0.231409	0.128590	0.359999	1,775.34
2018-19	1,939,288,515	10.10%	520,479	0.227424	0.122285	0.349709	1,820.16
2019-20	2,026,829,906	4.51%	541,564	0.230180	0.116976	0.347156	1,880.07
2020-21	2,088,883,132	3.06%	537,020	0.240342	0.106814	0.347156	1,864.30
2021-22	2,236,478,486	7.07%	571,719	0.245536	0.100044	0.345580	1,975.75



Property Tax Rate: Operations & Debt Rate History



Next Steps:

- Tuesday September 7th (7:30 p.m.)
 - Town Council to adopt FY 20-21 Budget Amendments and FY 21-22 Proposed Budget
 - Town Council to Adopt the Tax Rate for FY 21-22
 - Town Council to Ratify the Tax Rate for FY 21-22

