

OPERATING BUDGET REVISED FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:

3/6/13

CONTACT DEPARTMENT(S):

Financial Services

FUND:

General

SUBJECT: Approve an ordinance establishing the value of the exemption from ad valorem taxes for a portion of the appraised value of residential homesteads owned by individuals who are disabled or are 65 years of age or older.

ESTIMATED CURRENT YEAR IMPACT: This item does not result in unrealized revenue in FY 2014. Any partial exemption would be reflected in the FY 2015 budgeted revenue of the General Fund.

The chart below illustrates examples for partial exemption amounts and the estimated impact on property tax revenue to the General Fund:

Increase Exemption from \$51,000 to:	=	General Fund FY15 Estimated Unrealized Revenue	5-Year Total Estimated Unrealized Revenue
\$52,000	=	\$170,619	\$853,100
\$53,000	=	\$341,234	\$1,706,188
\$54,000	=	\$511,840	\$2,559,247
\$55,000	=	\$682,391	\$3,412,241
\$56,000	=	\$852,857	\$4,265,150
\$57,000	=	\$1,023,241	\$5,117,964
\$58,000	=	\$1,193,498	\$5,970,586
\$59,000	=	\$1,363,618	\$6,822,950
\$60,000	=	\$1,533,602	\$7,674,956
\$70,000	=	\$3,223,101	\$16,157,608
\$80,000	=	\$4,889,001	\$24,542,468
\$90,000	=	\$6,527,033	\$32,803,524
\$100,000	=	\$8,132,853	\$40,922,585
\$110,000	=	\$9,703,596	\$48,883,232
\$120,000	=	\$11,233,780	\$56,670,874
\$130,000	=	\$12,717,428	\$64,258,354
\$140,000	=	\$14,146,915	\$71,616,554
\$150,000	=	\$15,512,977	\$78,707,792
\$160,000	=	\$16,800,774	\$85,488,088
\$170,000	=	\$18,013,817	\$91,904,443
\$180,000	=	\$19,149,884	\$97,963,584

ANALYSIS / ADDITIONAL INFORMATION: This ordinance is not amending the Operating Budget of any department. This action details the estimated unrealized revenue resulting from this ordinance to provide for a partial exemption from ad valorem taxes for who are disabled or are 65 years of age or older. Analysis assumes the FY 2014 property tax rate of 50.27 cents per \$100 of assessed value and is based on tax year 2013 property value information provided by the Appraisal Districts. The total estimated unrealized revenue will be determined by the amount of any additional exemption Council acts to approve. Please note that these cost figures have been revised at Council's request in advance of the March 6, 2014 Council meeting in accordance with the revised methodology outlined by Deputy Chief Financial Officer Ed Van Eenoo in his February 28, 2014 memo to Mayor and Council.