



## FY 2023 Recommended Budget Budget Question

**Board Question #: 5**

**BUDGET QUESTION:** Without tax rate increases above the equalized rate/constant rate during the past 10-15 years, how much less revenue would we have to work with in preparing the FY 2023 Budget?

**RESPONDING DEPARTMENT/OFFICE:** Budget & Grants

**RESPONSE:** Over the past 10 years, the real estate tax rate has been adjusted by a net total of \$0.0261 relative to the equalized rate/constant rate; 2.61 pennies. For FY 2023, each penny on the real estate tax rate is estimated to yield \$1.8M in tax revenue. 2.61 pennies equates to \$4.7M.

Over the past 15 years, the real estate tax rate has been adjustment by a net total of \$0.1161 relative to the equalized rate/constant rate; 11.61 pennies. This 11.61 pennies equates to \$20.9M.

By “constant rate” we mean the rate occurring in non-reassessment years being the same as the prior year’s rate. For example, at \$0.8474, calendar year 2019’s rate was 1.44 pennies higher than what would have in place had the rate remained constant at 2018’s \$0.8330.

### Real Estate Tax Rate History

# Years Ago	Calendar Year	Tax Rate	Equalized Tax Rate	Change Relative to Equalized/Constant
15	2007	0.62		
14	2008	0.62	0.56	+\$0.06
13	2009	0.62		
12	2010	0.86	0.83	+\$0.03
11	2011	0.86		
10	2012	0.88	0.90	(\$0.02)
9	2013	0.88		
8	2014	0.86	0.863	(\$0.003)
7	2015	0.86		
6	2016	0.85	0.8313	+\$0.0187
5	2017	0.85		
4	2018	0.8330	0.8164	+\$0.0166
3	2019	0.8474		+\$0.0144
2	2020	0.8094	0.8100	(\$0.0006)
1	2021	0.8094		
0	2022	0.7377	0.7377	

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**ESTIMATE OF STAFF TIME SPENT ON RESPONSE:** The basic real estate tax rate history (tax rates and equalized rates) are included each year in the budget document. Short of comparing adopted rates to equalized/constant rates and writing a brief narrative, no additional staff time was required to respond.