

What do all the tax rate discussions mean to me?

1. What does it mean if Council adopts the same tax rate as last year?

This would mean that while the tax number of .437815 would stay the same from the last budget year, the amount of tax paid on the average home value in Rhome would **increase** by approximately:

\$.29 per day or \$ 8.87 per month or \$106.38 per year

If this tax rate is set, the operations line item in the budget should generate approximately \$211,360 more than the last fiscal year. These funds could then be ‘set aside’ by Council direction as a type of dedicated funding source for streets and water/sewer repairs. The City has several roads that will need to have sections of the drivable surface excavated and replaced – these areas have an “alligatored” or wavy look to the surface of the street. We also have roads with noticeable cracks in the surface. If we do not repair the cracks (or the longer they go unrepaired), the rainwater and snow will penetrate to the subsoil and lead to further pothole areas and street failure. Council could also use the funds to help replace the old clay pipes that exist in various areas around the community. This will help us reduce the amount of stormwater runoff and extra water that overflows into both sewer plants.

Below, you will see the changes in both the average value that is issued by Wise County Appraisal District and the average amount of taxes each homeowner would pay at the voter approval tax rate.

	<u>Last Tax Year</u>	<u>Next Tax Year</u>
Average residence homestead appraised value:	\$ 232,696	\$ 256,995
Homestead exemption amount for City:	\$ 0.00	\$ 0.00
Homestead exemption for Northwest ISD:	\$ 40,000	\$ 100,000*
Average taxable value of a residence homestead:	\$ 232,696	\$ 256,995
Taxes imposed on the average home:	\$ 1,018.78	\$ 1,125.16

*Pending voter approval in November 2023.

Same Rate as Last Year	M & O – Operations	I & S - Debt
.437815	.314890	.122925
	\$ 792,373	\$ 309,325

One other item of note, the debt portion of the Rhome tax rate is going down by approximately \$.09 for the next budget year! This is a result of the city paying down the debt that is owed out of our main operating fund (General Fund). You may find additional information about the debt the city owes and the debt rates on the website – www.cityofrhome.com

What do all the tax rate discussions mean to me?

2. What does it mean if Council adopts the voter approval rate for the next budget year?

This would mean that the amount of tax paid on the average home value in Rhome would **decrease** by approximately:

\$.43 per day or \$13.08 per month or \$156.89 per year

If this tax rate is set, the operations line item in the budget should generate approximately \$76,000 more than the last fiscal year.

Below, you will see the changes in both the average value that is issued by Wise County Appraisal District and the average amount of taxes each homeowner would pay at the voter approval tax rate.

	<u>Last Tax Year</u>	<u>Next Tax Year</u>
Average residence homestead appraised value:	\$ 232,696	\$ 256,995
Homestead exemption amount for the City:	\$ 0.00	\$0.00
Homestead exemption for Northwest ISD:	\$ 40,000	\$ 100,000*
Average taxable value of a residence homestead:	\$ 232,696	\$ 256,995
Taxes imposed on the average home:	\$ 1,018.78	\$ 861.89

**Pending voter approval in November 2023.*

Voter Approval Rate	M & O – Operations	I & S - Debt
.335372	.212447	.122925
	\$ 539,992	\$ 309,325

One other item of note, the debt portion of the Rhome tax rate is going ***down*** by approximately \$.09 for the next budget year! This is a result of the city paying down the debt that is owed out of our main operating fund (General Fund). You may find additional information about the debt the city owes and the debt rates on the website – www.cityofrhome.com