



Legislation Details (With Text)

File #: 18-830 **Version:** 1 **Name:**
Type: Action Item **Status:** Agenda Ready
File created: 4/10/2018 **In control:** Town Council Meeting
On agenda: 4/23/2018 **Final action:**
Title: Public Hearing for FY 2018-19 Proposed Real Estate Tax Rate

Sponsors:

Indexes:

Code sections:

Attachments: 1. Notice of Public Hearing - Effective Tax FY19, 2. Notice of Intent to Adopt FY18-19 tax rate, 3. Resolution Tax Rate FY 18-19

Date	Ver.	Action By	Action	Result
4/23/2018	1	Town Council Meeting	approved	Pass

Subject:

Public Hearing for FY 2018-19 Proposed Real Estate Tax Rate

EXPLANATION AND SUMMARY :

Each year as the Town’s budget for the following year is developed, the proposed real estate tax rate is recommended by the Town Manager and reviewed by Council during budget work sessions. This public hearing is being held to give Vienna residents the opportunity for public comment on the proposed real estate tax rate of \$0.2250 per \$100 of assessed value for FY 2018-19.

The State Code of Virginia, section 58.1-32321, requires a locality to calculate the “Lowered Rate Necessary” to generate the same tax levy as the previous year, excluding new construction. This lowered rate for Vienna in FY 2018-19 is \$0.2201 per \$100 of assessed value. The “Equalization Rate” is the rate required to generate a levy of 101% of the previous year’s tax levy of the same assessed base. The equalization rate is \$0.2223 per \$100 of assessed value. Per state code, Council may adopt a rate no higher than the equalization rate without holding a public hearing; public hearings are required when local governing bodies plan to adopt a real estate tax rate above the equalization rate. Town Council has proposed a tax rate of \$0.2250, which is \$0.0027 higher than the equalization rate. Therefore, a public hearing is required.

Town Council has reviewed the budget during work sessions on March 17, March 19, and April 16. The Finance Department presents the proposed real estate tax rate and other tax rates at this public hearing for discussion and input from the public.

The proposed real estate tax rate is \$0.2250 per \$100 of assessed value for FY 2018-19. The proposed budget is based on this rate along with continuation of the current bank net capital rate of \$0.80 per \$100 of valuation as well as the residential utility tax rate of 20% of the first \$15 and the commercial utility tax rate of 15% of the first \$300.

Town Council has the option to adopt the tax rates proposed or to lower them from the advertised

amounts as it sees fit.

Departmental Recommendation : Recommend a public hearing.

Finance Recommendation : Recommend a public hearing.

Purchasing Recommendation : N/A

Town Attorney Recommendation : Pursuant to the state and Town codes, the Town Attorney recommends the Town Council conduct a public hearing on the Proposed Real Estate Tax Rate.

Town Manager's Recommendation : I recommend the Town Council close the public hearing and approve the Fiscal Year 2018-2019 proposed real estate tax rate, bank net capital rate, residential utility rate and the commercial utility rate as presented.

Cost and Financing: N/A

Account Number: N/A

Decision Needed by This date: April 23. 2018

PROPOSED/SUGGESTED MOTION

"I move to close the public hearing."

"I further move to approve the Fiscal Year 2018-19 proposed real estate tax rate, bank net capital rate, residential utility tax rate, and the commercial utility tax rate as presented and that the Town Clerk be directed to advertise Notice of Intent to Adopt at the Council meeting on May 7, 2018."

Or

Other action deemed necessary by Council.