

Item #: 31

Moved by: MORRISON

Prepared by: Qur'an N. Folsom

Seconded by: BRADFORD

Reviewed by: Marcy Ingram

ORDINANCE NO. 553

ORDINANCE FIXING THE TAX RATE FOR SHELBY COUNTY, TENNESSEE AT \$3.39 FOR THE TAX YEAR 2023 (FISCAL YEAR 2024). SPONSORED BY COMMISSIONER MICHAEL WHALEY.

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WHEREAS, Tennessee Code Annotated, Section 67-1-601, authorizes counties in Tennessee to impose taxes for county purposes, and to fix the rates thereof; and

WHEREAS, Pursuant to Tennessee Code Annotated, Section 67-5-510, and the legislative authority set forth in Article II, Section 2.01, of the Shelby County Charter, it is the duty of the Shelby County Board of Commissioners to set a Tax Rate for the Tax Year 2022 at this time.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Tax Rate for Shelby County for the Tax Year 2023 be and the same is hereby fixed at \$3.39 for each One Hundred Dollars (\$100.00) of taxable real and personal property in the County.

BE IT FURTHER ORDAINED, That said sum shall be allocated and apportioned to the designated funds of the County Government as follows:

EDUCATION FUND	<u>\$ 1.60</u>
COUNTY GENERAL FUND	<u>\$ 1.26</u>
DEBT SERVICE FUND	<u>\$ 0.53</u>
TOTAL	<u>\$ 3.39</u>

BE IT FURTHER ORDAINED, That this Ordinance and the Tax Rate set forth herein shall not take effect until and unless the Board of County Commissioners adopts, by appropriate Resolution, a County Budget for Fiscal Year 2024, but, in no event, shall the Tax Rate become effective before the 15th day after the passage of this Ordinance in accordance with Section 2.06(C)(4) of the Shelby County Charter.

BE IT FURTHER ORDAINED, That this Ordinance shall not take effect prior to July 1, 2023, if adopted before such date, in accordance with state law.

BE IT FURTHER ORDAINED, That the various sections of this Ordinance are severable, and that any portion declared unlawful shall not affect the remaining portions.



Lee Harris  
County Mayor

Date: 7/14/2023

ATTEST:

Clerk of County Commission

FIRST READING: May 1, 2023

SECOND READING: May 15, 2023

THIRD READING  
AS AMENDED: June 5, 2023

THIRD READING  
ADOPTED: June 26, 2023

# Property Tax Rate History

Fiscal Year Ending	Tax Year	Actual Property Revenue	Adjusted Certified Rate from St of TN	Adopted Tax Rate by Comm	Actual Tax Rate Change by Comm.	Penny Value
30-Jun-95	1994	255,878,212	-	3.16		809,741
30-Jun-96	1995	260,415,716	-	3.16		824,100
30-Jun-97	1996	267,832,696	-	3.16		847,572
30-Jun-98	1997*	282,260,975	-	3.16		893,231
30-Jun-99	1998	320,569,883	-	2.82	(0.34)	1,136,773
30-Jun-00	1999	407,144,786	-	3.54	0.72	1,150,127
30-Jun-01	2000	416,636,842	-	3.54	-	1,176,940
30-Jun-02	2001*	513,713,082	3.36	3.79	0.43	1,355,443
30-Jun-03	2002	519,933,876	-	3.79	-	1,371,857
30-Jun-04	2003	559,075,303	-	4.04	0.25	1,383,850
30-Jun-05	2004	567,284,144	-	4.04	-	1,404,169
30-Jun-06	2005*	630,993,062	3.88	4.04	0.16	1,561,864
30-Jun-07	2006	652,758,269	-	4.04	-	1,615,738
30-Jun-08	2007	663,150,502	-	4.04	-	1,641,462
30-Jun-09	2008	670,613,400	-	4.04	-	1,659,934
30-Jun-10	2009*	705,454,091	4.00	4.02	0.02	1,754,861
30-Jun-11	2010	698,037,829	-	4.02	-	1,736,413
30-Jun-12	2011	693,836,348	-	4.02	-	1,725,961
30-Jun-13	2012	695,161,069	-	4.02	-	1,729,256
30-Jun-14	2013*	723,674,835	4.32	4.38	0.06	1,652,226
30-Jun-15	2014	732,676,266	-	4.37	(0.01)	1,676,605
30-Jun-16	2015	736,218,693	-	4.37	-	1,684,711
30-Jun-17	2016	743,589,988	-	4.37	-	1,701,579
30-Jun-18	2017*	775,810,866	4.13	4.11	(0.02)	1,887,618
30-Jun-19	2018	775,680,250	-	4.05	(0.06)	1,915,260
30-Jun-20	2019	772,011,532	-	4.05	-	1,906,201
30-Jun-20	2020	789,104,622	-	4.05	-	1,948,406
30-Jun-22	2021*	818,511,673	3.451	3.45	(0.001)	2,372,498
30-Jun-23	2022	800,364,048	** 3.399	3.39	(0.009)	2,360,956

(0.02)

\*Reappraisal Year

\*\* Budget

**Since Tax Year 2006, 16 years ago, the net actual change in tax rate enacted by the County Commission has been a negative 2 pennies (\$0.02).**

**SALARY INCREASE FY2025**

<b>6% Across the Board</b>					
<b>Impacted Employees</b>	<b>Salary Range</b>	<b>6% Increase</b>	<b>New Salary</b>	<b>Dollar Difference</b>	<b>Dollar Amount of Increase</b>
338	\$35,000 and below	\$ 2,100	\$ 37,100	\$ 9,900	\$ 709,800.00
754	\$35,001 to \$45,999	\$ 2,760	\$ 48,759	\$ 9,240	\$ 2,080,994.76
1,400	\$50,000 to \$74,999	\$ 4,500	\$ 79,499	\$ 7,500	\$ 6,299,916.00
313	\$75,000 to \$99,999	\$ 6,000	\$ 105,999	\$ 6,000	\$ 1,877,981.22
142	\$100,000 to \$149,999	\$ 9,000	\$ 158,999	\$ 3,000	\$ 1,277,991.48
51	\$150,000 to \$200,000	\$ 12,000	\$ 212,000	\$ -	\$ 612,000.00
					<b>\$ 12,858,683.46</b>

<b>Equitable Salary Increase</b>					
<b>Impacted Employees</b>	<b>Salary Range</b>	<b>Dollar Increase</b>	<b>New Salary</b>	<b>Percentage Difference</b>	<b>Dollar Amount of Increase</b>
338	\$35,000 and below	\$ 5,500	\$ 40,500	16%	\$ 1,859,000
754	\$35,001 to \$45,999	\$ 5,000	\$ 50,999	11%	\$ 3,770,000
1400	\$50,000 to \$74,999	\$ 4,000	\$ 78,999	5%	\$ 5,600,000
313	\$75,000 to \$99,999	\$ 3,500	\$ 103,499	4%	\$ 1,095,500
142	\$100,000 to \$149,999	\$ 3,000	\$ 152,999	2%	\$ 426,000
51	\$150,000 to \$200,000	\$ 2,500	\$ 202,500	1%	\$ 127,500
					<b>\$ 12,878,000</b>

**Does not include elected officials, part-time, temporary employees, or vacancies**

**Does not include Position Control Budget (Fringe Benefits)**

### 30-cent PROPERTY TAX INCREASE

Income	Property Value	Assessed Residential Value (25%)	Current Residential Property Tax Rate	Current Shelby County Property Tax	Proposed 30C Addition	Realized Property Increase	Difference before and after the 1 year tax increase
\$ 40,000	\$ 80,000	20,000	3.69	\$ 738.00	3.99	\$ 798.00	\$ 60.00
\$ 50,000	\$ 100,000	25,000	3.69	\$ 922.50	3.99	\$ 997.50	\$ 75.00
\$ 75,000	\$ 150,000	37,500	3.69	\$ 1,383.75	3.99	\$ 1,496.25	\$ 112.50
\$ 100,000	\$ 200,000	50,000	3.69	\$ 1,845.00	3.99	\$ 1,995.00	\$ 150.00
\$ 125,000	\$ 250,000	62,500	3.69	\$ 2,306.25	3.99	\$ 2,493.75	\$ 187.50
\$ 150,000	\$ 300,000	75,000	3.69	\$ 2,767.50	3.99	\$ 2,992.50	\$ 225.00
\$ 175,000	\$ 350,000	87,500	3.69	\$ 3,228.75	3.99	\$ 3,491.25	\$ 262.50
\$ 200,000	\$ 400,000	100,000	3.69	\$ 3,690.00	3.99	\$ 3,990.00	\$ 300.00
\$ 225,000	\$ 450,000	112,500	3.69	\$ 4,151.25	3.99	\$ 4,488.75	\$ 337.50
\$ 250,000	\$ 500,000	125,000	3.69	\$ 4,612.50	3.99	\$ 4,987.50	\$ 375.00
\$ 275,000	\$ 550,000	137,500	3.69	\$ 5,073.75	3.99	\$ 5,486.25	\$ 412.50
\$ 300,000	\$ 600,000	150,000	3.69	\$ 5,535.00	3.99	\$ 5,985.00	\$ 450.00

Value of 1 Penny (\$.001)

\$2,313,217 Provide by County Finance/Confirmed with County Trustee

Fund Allocation	FY 2024 Tax Rate	Revenues	Proposed 2025 Tax Rate	Revenues	Percentage Difference	Dollar Difference
Education Fund	1.60	\$ 370,114,720	1.60	\$ 370,114,720	0.00	0.00
General Fund	1.26	\$ 291,465,342	1.26	\$ 291,465,342	0.00	0.00
Debt Service	0.53	\$ 122,600,501	0.58	\$ 134,166,586	0.05	\$ 11,566,085
CIP	0	0.00	0.25	\$57,830,425	0.25	\$ 57,830,425
Total	3.39	\$ 784,180,563	3.69	\$ 853,577,073	0.30	\$ 69,396,510

The Education and the General Fund will remain the same.

The Debt Service Fund would increase by approximately \$11.6 million resulting in a total of \$134.2 million.

The CIP would increase by approximately \$57.8 million resulting in a total of \$57.8 million

Total Fund Allocation revenues would increase by approximately \$69.4 million resulting in a total of \$853,577,073