



AGENDA MEMORANDUM

Ordinance for the City Council Meeting of August 31, 2021
Second Reading for the City Council Meeting of September 7, 2021

DATE: August 23, 2021
TO: Peter Zanoni, City Manager
FROM: Eddie Houlihan, Director of Management & Budget
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Ordinance to ratify increase of \$9,095,758 in property tax revenues

CAPTION:

Ordinance ratifying the property tax increase reflected in the FY 2021-2022 Operating Budget that will require raising more revenue from property taxes than in the FY 2020-2021 Operating Budget in amount of \$9,095,758.

SUMMARY:

This item is to adopt the operating budget with an increase of \$9,095,758 in property tax revenues for the upcoming fiscal year as per City Charter requirement.

BACKGROUND AND FINDINGS:

City Charter requires City Council to review and act on the Operating Budget on a yearly basis. The City of Corpus Christi is proposing a budget with an increase of \$9,095,758 in property tax revenue from last year's operating budget. The \$9,095,758 breakdown is comprised of the following: General Fund \$5,444,051, Debt Service Fund \$3,088,733, Residential Street Reconstruction Fund \$562,974, or 6.9%, and of that amount an estimated \$2,425,379 is tax revenue to be raised from new property added to the tax roll in FY 2021-2022.

Section 102.007(c) of the Texas Local Government Code provides that adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the City Council to ratify the property tax increase reflected in the budget. A vote under 102.007(c) is in addition to and separate from the vote to adopt the budget or the vote to set the tax rate. Therefore, a separate vote from City Council is required to adopt the budget.

ALTERNATIVES:

Approval of the budget is required by the City Charter.

FISCAL IMPACT:

Total proposed revenues are \$986,566,695 which includes an increase of \$9,095,758 in property tax revenues over the prior year.

RECOMMENDATION:

City staff's recommendation is to adopt the FY 2021-2022 budget with an increase of \$9,095,758 in property tax revenues for the upcoming fiscal year as per City Charter requirement.

LIST OF SUPPORTING DOCUMENTS:

FY 2021-2022 Ordinance to ratify property tax increase