



AGENDA MEMORANDUM

Ordinance for the City Council Meeting of September 3, 2024
Second Reading for the City Council Meeting of September 10, 2024

DATE: August 21, 2024
TO: Peter Zaroni, City Manager
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Ratification of FY 2025 Property Tax Increase

CAPTION:

Ordinance ratifying the property tax increase reflected in the FY 2024-2025 Operating Budget that will require raising more revenue from property taxes than in the FY 2023-2024 Operating Budget in amount of \$531,037.

SUMMARY:

This item is to adopt the budget with the increase of \$531,037 in property tax revenues for the upcoming fiscal year as per 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 \$531,037 or .31% in property tax revenue from last year's operating budget. The \$531,037 breakdown is General Fund \$157,235, Debt Service Fund \$102,805, Residential Street Reconstruction Fund \$18,562, and Tax Increment Reinvestment Zones \$252,435, and of that amount an estimated \$3,805,453 is tax revenue to be raised from new property added to the tax roll this year.

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 does require 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 after each vote to adopt the budget.

ALTERNATIVES:

Approval of the budget is required by the City Charter.

FISCAL IMPACT:

Total proposed revenues are \$1,178,851,964 which includes an increase of \$531,037 in property tax revenues over the prior year.

RECOMMENDATION:

To adopt budget with the increase of \$531,037 in property tax revenues for the upcoming fiscal year as per charter requirement.

LIST OF SUPPORTING DOCUMENTS:

FY 2024-2025 Ordinance to ratify property tax increase