



AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for the City Council Meeting of August 31, 2021

DATE: August 20, 2021

TO: Peter Zanoni, City Manager

FROM: Heather Hurlbert, Director of Finance and Business Analysis
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Public Hearing and First Reading to Set the
Fiscal Year 2021-2022 Ad Valorem Tax Rate

CAPTION:

Public Hearing and First Reading Ordinance to set the Fiscal Year 2021-2022 Ad Valorem Tax Rate.

SUMMARY:

The State Property Tax Code requires that one public hearing be held when a taxing unit proposes a tax rate that exceeds either the no-new-revenue tax rate or the voter-approval tax rate, whichever is lower.

BACKGROUND AND FINDINGS:

The City of Corpus Christi is proposing a tax rate of \$0.646264 per \$100 valuation for Fiscal Year (FY) 2021-2022. This tax rate is the same as the current tax rate. There is no increase in the tax rate.

As this rate exceeds either the no-new-revenue tax rate of \$0.616436 per \$100 valuation, or the voter-approval tax rate of \$0.652503 per \$100 valuation, the Property Tax Code requires that the governing body schedule one public hearing on the proposal. The public hearing for the FY2021-2022 proposed tax rate and the first reading of the ordinance for adoption of the FY2021-2022 tax rate will be held on August 31, 2021 during the regular City Council meeting beginning at 11:30 am. The vote for the final adoption of the budget and tax rate will be held at the September 7, 2021 City Council meeting.

ALTERNATIVES:

The public hearing is required to be in compliance with the Truth-in-Taxation guidelines

as it relates to the adoption of the budget and the property tax rate.

FISCAL IMPACT:

We anticipate generating total tax revenues of \$140,045,504 for the City. The amount needed for debt service or (I&S) is \$47,556,581 and the difference of \$92,488,923 is for the general fund or (M&O). Of this amount, \$8,668,006 will be transferred to the Streets Fund for Residential Streets.

RECOMMENDATION:

Staff recommends approval of the FY 2021-2022 Budget and Ad Valorem Tax Rate of \$0.646264 per \$100 valuation.

LIST OF SUPPORTING DOCUMENTS:

Ordinance