



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 19, 2017

DATE: September 15, 2017
TO: Margie C. Rose, City Manager
THRU: Miles Risley, City Attorney
FROM: Buck Brice, Assistant City Attorney

<p style="text-align: center;">Action to Schedule Two Public Hearings Related To Fiscal Year 2017-2018 Property Tax</p>

CAPTION:

Motion to consider a tax increase and setting public hearings on the ad valorem tax rate for October 6, 2017 and a second public hearing for October 10, 2017 during the City Council meeting beginning at 11:30 a.m. at City Hall, 1201 Leopard Street, Corpus Christi, Texas.

PURPOSE:

The fiscal year 2017-2018 proposed operating budget utilizes a tax rate of \$0.626264 per \$100 valuation in the determination of ad valorem tax revenue for fiscal year 2017-2018. This is an increase in the property tax rate as was used in fiscal year 2016-2017. This agenda item is needed for the City to be in compliance with "truth-in-taxation" as it relates to the Tax Code.

BACKGROUND AND FINDINGS:

If a proposed property tax rate exceeds the effective tax rate or the rollback rate, whichever is lower, the Tax Code requires that the governing body must vote to place a proposal to adopt the tax rate on the agenda of a future meeting as an action item. This vote must be recorded. If the motion passes, then the governing body must schedule two public hearings on the proposal.

In the event that the proposed fiscal year 2017-2018 tax rate of \$0.626264 per \$100 valuation exceeds the lower of the effective tax rate or the rollback rate, the Tax Code requires the governing body to take a vote to place a proposal to adopt the tax rate on the agenda of a future meeting as an action item, and the vote must be recorded.

Two public hearings must also be held. If needed, we are planning on holding the first public hearing on October 6, 2017, and the second public hearing on October 10, 2017. Then the vote for the final adoption of the tax rate is scheduled to be held on October 17, 2017. Additionally, in compliance with the “truth-in-taxation” guidelines, the proposed property tax rate, effective tax rate, and rollback rate must be published at least seven (7) days before the public hearings. We are planning on publishing in the Corpus Christi Caller-Times on September 29, 2017.

ALTERNATIVES:

N/A

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY:

N/A

DEPARTMENTAL CLEARANCES:

Office of Management and Budget
City Attorney’s Office

FINANCIAL IMPACT:

☐ Operating x Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget		\$116,793,005	\$116,793,005
Encumbered / Expended Amount			
This item		\$116,793,005	\$116,793,005
BALANCE			

Fund(s): General Fund \$70,351,865; Debt Service Fund \$42,841,140; Residential Street Reconstruction Fund \$3,600,000

Comments:

RECOMMENDATION:

Staff recommends approval of the motions as presented.

LIST OF SUPPORTING DOCUMENTS:

None