



AGENDA MEMORANDUM

Ordinance for the City Council Meeting of September 2, 2025
Second Reading for the City Council Meeting of September 9, 2025

DATE: August 10, 2023
TO: Peter Zaroni, City Manager
FROM: Amy Cowley, Director of Management & Budget
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Ratification of FY 2026 Property Tax Increase

CAPTION:

Ordinance ratifying the property tax increase reflected in the FY 2025-2026 Operating Budget that will require raising more revenue from property taxes than in the FY 2024-2025 Operating Budget in amount of \$6,061,319.

SUMMARY:

This item is to adopt the budget with the increase of \$6,061,319 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 \$6,061,319 or 3.56% in property tax revenue from last year's operating budget. The \$6,061,319 breakdown is General Fund \$3,679,962, Debt Service Fund \$2,399,717, Residential Street Reconstruction Fund \$434,438, and Tax Increment Reinvestment Zones <\$452,798>, and of that amount an estimated \$2,728,047 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 \$1,244,783,516, which includes an increase of \$6,061,319 in property tax revenues over the prior year.

RECOMMENDATION:

To adopt budget with the increase of \$6,061,319 in property tax revenues for the upcoming fiscal year as per charter requirement.

LIST OF SUPPORTING DOCUMENTS:

FY 2025-2026 Ordinance to ratify property tax increase