



## AGENDA MEMORANDUM

Ordinance for the City Council Meeting of September 6, 2019  
Second Reading for the City Council Meeting of September 17, 2019

**DATE:** August 20, 2019  
**TO:** Peter Zaroni, City Manager  
**FROM:** Eddie Houlihan, Director of Management & Budget  
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Ordinance to ratify increase of \$9,321,332 in property tax revenues

### **CAPTION:**

Ordinance ratifying the property tax increase reflected in the FY 2019-2020 Operating Budget that will require raising more revenue from property taxes than in the FY 2018-2019 Operating Budget in amount of \$9,321,332, of which \$4,198,157 represents property tax revenues of \$0.02 per \$100 valuation to be used towards residential street reconstruction.

### **SUMMARY:**

This item is to adopt the budget with the increase of \$9,321,332 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 \$9,321,332 in property tax revenue from last year's operating budget. The \$9,321,332 breakdown is General Fund \$3,268,666, Debt Service Fund \$1,854,509, Residential Street Reconstruction Fund \$4,198,157, or 7.16%, and of that amount an estimated \$2,324,611 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 \$950,607,366 which includes an increase of \$9,321,332 in property tax revenues over the prior year.

**RECOMMENDATION:**

To adopt budget with the increase of \$9,321,332 in property tax revenues for the upcoming fiscal year as per charter requirement.

**LIST OF SUPPORTING DOCUMENTS:**

FY 2019-2020 Ordinance to ratify