



## **AGENDA MEMORANDUM**

First Public Hearing For the City Council Meeting of August 14, 2012  
Second Public Hearing For the City Council Meeting of August 21, 2012

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**DATE:** August 14, 2012

**TO:** Ronald L. Olson, City Manager

**FROM:** Constance P. Sanchez, Director of Financial Services  
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(361) 826-3227

Public Hearing on Fiscal Year 2013 Ad Valorem Taxes

### **CAPTION:**

Public Hearing on Fiscal Year 2013 Ad Valorem Taxes

### **PURPOSE:**

The State Property Tax code requires that two public hearings be held when a taxing unit proposes to impose an amount of property taxes that exceeds the preceding year's property taxes.

### **BACKGROUND AND FINDINGS:**

The City of Corpus Christi is proposing to keep the ad valorem tax rate the same for fiscal year 2012-2013 as it was for fiscal year 2011-2012 at \$0.570557 per \$100 valuation. This rate will generate more revenue for fiscal year 2012-2013 because of the increase in assessed property values and the new growth from the prior year. However, the City is not raising the property tax rate.

If a proposed property tax rate exceeds the effective tax rate, the Property Tax Code requires that the governing body must schedule two public hearings on the proposal. Since the property tax rate in the adopted fiscal year 2012-2013 budget of \$0.570557 per \$100 valuation exceeds the effective tax rate of \$0.562666 per \$100 valuation, then State law requires the City Council to hold two public hearings. This is the first of the two public hearings. The second public hearing will be held on Tuesday, August 21, 2012.

**ALTERNATIVES:** n/a

**OTHER CONSIDERATIONS:** n/a

**FINANCIAL IMPACT:**

Not Applicable     Operating Expense     Revenue     CIP

<b>FISCAL YEAR:</b>	<b>Project to Date Exp. (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	-	\$ 77,518,178	\$ -	\$ 77,518,178
Encumbered/Expended amount of (date)	-	-	-	-
This item	-	\$ 77,518,178	\$ -	\$ 77,518,178
BALANCE	-	-	\$ -	\$ -
FUND(S): General Fund \$51,282,246 Debt Service Fund \$26,235,932				

**COMMENTS:**

n/a

**RECOMMENDATION:**

Staff recommends approval of the ad valorem tax rate of \$0.57557 per \$100 valuation on August 28, 2012.

**CONFORMITY TO CITY POLICY:**

This item conforms to City policy.

**EMERGENCY / NON-EMERGENCY:**

- N/A

**DEPARTMENTAL CLEARANCES:**

- Legal Department

**LIST OF SUPPORTING DOCUMENTS:**

- None

**cc:** Lisa Aguilar, Assistant City Attorney  
Eddie Houlihan, Assistant Director of Management and Budget  
Margie C. Rose, Assistant City Manager