



MEMORANDUM

To: Mayor and City Council

From: Jennifer Miller, Director of Finance

Date: September 10, 2019

Reference: Consider approval of an Ordinance to levy an ad valorem tax for the year 2019 at \$0.58400

2030: Sustainable City Government

Introduction:

This item is being presented for approval to adopt the FY 2019-20 ad valorem tax rate of \$0.58400 per \$100 of assessed valuation. The property tax rate is divided into two parts, with \$0.477702 or 81.80% being used for operations, and the remaining \$0.106298 or 18.20% of the tax rate for the annual debt service requirements. This tax rate is 1.45 cents higher than last year's property tax rate. Over the previous eight (8) years, the tax rate had been reduced by a total of 12.096 cents.

Analysis:

The Property Tax Code's Truth-in-Taxation legal requirements for setting a property tax rate have been satisfied and the approval of this Ordinance is required to fund the City of Coppell's FY 2019-20 Annual Budget. **Since the property tax rate exceeds the effective tax rate, the motion to adopt the Ordinance must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of \$.58400, which is effectively a 3.58 percent increase in the tax rate."**

Legal Review:

This agenda item was reviewed during the Council packet review process.

Fiscal Impact:

Recommendation:

The Finance Department recommends approval of this Ordinance.