



MEMORANDUM

To: Mayor and City Council

From: Kim Tiehen, Director of Strategic Financial Engagement

Date: August 27, 2024

Reference: Consider approval of the property tax revenue increase

2040: Sustainable Government

Introduction:

This agenda item is required to be considered for approval when a budget raises more revenue from property tax than in the previous year.

Background:

Pursuant to Section 102.007 (c) of the Texas Local Government Code, when a budget raises more revenue from property tax than in the previous year, a separate vote of the governing body is required to ratify this increase. A vote under this section is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate.

Benefit to the Community:

The proposed tax rate supports the proposed budget which continues to provide service to the community at the level expected and provides for Council initiatives that support the 2040 Strategic Plan.

Legal Review:

This agenda item was reviewed during the Council packet process.

Fiscal Impact:

The property tax revenue increase is \$2,384,995, which is a 4.61% increase from last year's budget with \$1,550,896 for maintenance & operations and \$834,099 for interest & sinking. The property tax revenue to be raised from new property added to the tax roll this year is \$191,213.

Recommendation:

The Strategic Financial Engagement Department recommends approval.