



MEMORANDUM

To: Mayor and City Council

From: Kim Tiehen, Assistant Director of Finance

Via: Jennifer Miller, Director of Finance

Date: September 15, 2020

Reference: Consider approval of the property tax revenue increase

2030: Sustainable City Government

Introduction:

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.

Analysis:

This separate agenda item requirement is based on the fact the Fiscal Year 2020-21 Annual Operating Budget will raise more revenue from property taxes than last year's budget.

Legal Review:

This agenda item was reviewed during the Council packet process.

Fiscal Impact:

The property tax revenue increase is \$1,224,170, which is a 2.58% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,770,734.

Recommendation:

The Finance Department recommends approval.