



**TITLE:** Consider/Discuss/Act on the Tax Increment Reinvestment Zone Number One (TIRZ No.1) 2012 Annual Report and Authorization to Invoice the Participating Taxing Jurisdictions

**MEETING DATE:** March 19, 2013

**DEPARTMENT:** Financial Services

**CONTACT:** Rodney Rhoades, Chief Financial Officer

**RECOMMENDED BOARD ACTION:**

- Staff recommends approval of the annual report and authorization to invoice.
- The Board's action will be forwarded to City Council on April 2, 2013.

**ITEM SUMMARY:**

- The City of McKinney is required by Chapter 311.016 of the Texas Tax Code to submit an annual TIRZ status report. The report is to be filed with the State Comptroller and chief officers of each taxing unit that levies property taxes in a reinvestment zone.
- Revenues for the TIRZ Fund are generated by a portion of property tax and sales tax captured in the zone. The 2012 City of McKinney and Collin County ad valorem increment totals \$67,770. The sales tax increment, as verified by the State Comptroller's Tax Allocation Section, is \$388,743.
- The City will invoice Collin County \$11,704 for their portion of the ad valorem increment.
- No expenditures or debt was recorded during the reporting year.

**BACKGROUND INFORMATION:**

- TIRZ No.1 provides support for infrastructure and projects that revitalizes the Historic Town Center.

**FINANCIAL SUMMARY:**

- Revenues by funding sources are as follows:

|           |  |
|-----------|--|
| \$ 56,066 | 100% of City of McKinney's incremental ad valorem tax  |
| \$ 11,704 | 50% of Collin County's incremental ad valorem tax      |
| \$388,743 | 100% of City of McKinney's incremental sales & use tax |

|                  |                                     |
|------------------|-------------------------------------|
| <b>\$456,513</b> | <b>Total 2012 Captured Revenues</b> |
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**BOARD OR COMMISSION RECOMMENDATION:**

- Upon Board approval, staff will present the annual report and request to invoice to Council on April 2, 2013 for final approval.