



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #: 22-0824 **Name:** FY23 Property Tax Revenue Increase Ratification
Type: Ordinance **Status:** Approved
In control: City Council Regular Meeting
On agenda: 9/6/2022 **Final action:** 9/6/2022
Title: Consider/Discuss/Act on an Ordinance to Ratify the Property Tax Revenue Increase in the Fiscal Year 2022-23 Budget as a Result of the City Receiving More Revenues from Property Taxes than the Previous Fiscal Year

Indexes:

Attachments: 1. Ordinance

Date	Ver.	Action By	Action	Result
9/6/2022	1	City Council Regular Meeting	Approved	Pass

Consider/Discuss/Act on an Ordinance to Ratify the Property Tax Revenue Increase in the Fiscal Year 2022-23 Budget as a Result of the City Receiving More Revenues from Property Taxes than the Previous Fiscal Year

COUNCIL GOAL: Financially Sound Government
(4A: Provide Funding and Organizational Framework to Ensure Continual Economic Improvements)

MEETING DATE: September 6, 2022

DEPARTMENT: Financial Services

CONTACT: Mark Holloway, Chief Financial Officer

RECOMMENDED CITY COUNCIL ACTION:

- Approve the ordinance
- Ratify the increased revenue from property taxes by declaring:

“I move that the increased revenue from property taxes in the Fiscal Year 2022-23 City budget is hereby ratified with the following declaration:

Based on the Tax Rate of \$0.457485:

This budget will raise more total property taxes than last year's budget by \$10,365,804 or 7.83%, and of that amount, \$4,084,941 is tax revenue to be raised from new property added to the tax roll this year.”

ITEM SUMMARY:

- The City's Fiscal Year 2022-23 Budget has an increase in property tax revenues as compared to the previous year.
- As a result of the approval of the Fiscal Year 2022-23 Budget, the City Council must ratify the increased revenue from property taxes.

BACKGROUND INFORMATION:

- Local Government Code Section 102.007(c) requires that a governing body ratify the property tax increase in the budget if it adopts a budget that will require raising more revenue from property taxes than the previous year. The statute says that the vote under this subsection must be in addition to and separate from the vote to adopt the budget or a vote to set the tax rate.
- Local Government Code Section 102.005(b) provides the necessary disclosure language in the ratification when there is an increase to the property tax revenues in the proposed budget as compared to the previous year.

FINANCIAL SUMMARY:

- Estimated maintenance and operations tax revenues of \$97,284,232 for FY 2022-23 are based on this tax rate.