



16-897

TITLE: Conduct First Public Hearing on the Budget Appropriation Ordinance for FY 2016-17

COUNCIL GOAL: Financially Sound Government

MEETING DATE: September 6, 2016

DEPARTMENT: Financial Services

CONTACT: Mark Holloway, Interim Chief Financial Officer

RECOMMENDED CITY COUNCIL ACTION:

- Conduct the first Public Hearing on the Budget Appropriation Ordinance for Fiscal Year 2016-17.
- Announce second Public Hearing & Budget Adoption: September 20, 2016, 6:00 p.m. at the Council Chambers.

ITEM SUMMARY:

- Proposed budget for all operating funds and CIP projects for FY 2016-17 total \$384.3 million.
- Proposed budget for component unit funds for FY2016-17 are as follows:
 - McKinney Convention & Visitors Bureau \$652,913
 - MEDC Debt Service Fund \$2,406,987
 - McKinney Economic Development Corp \$11,652,420
 - McKinney Community Development Corp \$10,731,729
 - McKinney Housing Finance Corp \$68,650
- The proposed tax rate is \$0.57700 per \$100 of assessed value. The proposed tax rate is 6/10ths of one cent lower than last year.

BACKGROUND INFORMATION:

- The City Charter provides that "The City Council shall pass the appropriation ordinance in accordance with state law. Provision shall be made for public hearings upon the appropriation ordinance before the City Council".
- The first public hearing on September 6, 2016 Council Meeting satisfies the

Charter requirement.

- Following the first public hearing, the appropriation ordinance is to be published.
- A second public hearing must be scheduled at least ten days after publication.
- Any changes the Council wishes to make may be incorporated in the appropriation ordinance before the second public hearing and final adoption action by the Council to be held on September 20, 2016.
- **Budget adoption must be by record vote.**
- Following the second public hearing and final adoption of the appropriation ordinance, the City Council shall consider and pass an ordinance ratifying the increased revenue from property taxes, an ordinance levying the taxes for the current year and an ordinance to change fees/rates for City services.

SPECIAL CONSIDERATIONS:

- **Budget Discussions** - Budget planning and tax discussions were held on July 27, 2016, August 1, 2016 and August 22, 2016.
- **Budget Ordinance** - Public hearings (September 6, 2016 and September 20, 2016) and vote to adopt the annual budget (September 20, 2016).
- **Ordinance ratifying the increased property tax revenue** - Ordinance and declaration (September 20, 2016).
- **Ordinance levying property tax rate** - Vote to adopt the ordinance levying the property tax rate (September 20, 2016).
- **Ordinance changing rates/fees for City services** - Adoption (September 20, 2016).

FINANCIAL SUMMARY: None.

SUPPORTING MATERIALS:

[Presentation](#)

[Draft Ordinance](#)