



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #:	20-0803	Name:	FY 2021 Ratify Property Tax Revenue Increase
Type:	Ordinance	Status:	Regular Agenda Item
		In control:	City Council Regular Meeting
On agenda:	9/15/2020	Final action:	
Title:	Consider/Discuss/Act on an Ordinance to Ratify the Property Tax Revenue Increase in the Fiscal Year 2020-21 Budget as a Result of the City Receiving More Revenues from Property Taxes than the Previous Fiscal Year		
Indexes:			
Attachments:	1. Ordinance, 2. Motion		

Date	Ver.	Action By	Action	Result
9/15/2020	1	City Council Regular Meeting	Approved	Pass

Consider/Discuss/Act on an Ordinance to Ratify the Property Tax Revenue Increase in the Fiscal Year 2020-21 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 15, 2020

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:

Based on the Tax Rate of \$0.508645:

“This budget will raise more total property taxes than last year's budget by \$1,988,096 or 1.62%, and of that amount, \$3,924,531 is tax revenue to be raised from new property added to the tax roll this year.”

ITEM SUMMARY:

- The City's Fiscal Year 2020-21 Budget has an increase in property tax revenues as compared to the previous year.
- As a result of the approval of the Fiscal Year 2020-21 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 \$86,925,487 for FY 2020-21 are based on this tax rate.