



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 18-773, **Version:** 1

Consider/Discuss/Act on an Ordinance to Ratify the Property Tax Revenue Increase in the Fiscal Year 2018-19 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 17, 2018

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 \$0.525170:

“This budget will raise more total property taxes than last year's budget by \$7,465,085 or 7.02%, and of that amount, \$5,183,635 is tax revenue to be raised from new property added to the tax roll this year.”

ITEM SUMMARY:

- The City's Fiscal Year 2018-19 Budget has an increase in property tax revenues as compared to the previous year.
- As a result of the approval of the Fiscal Year 2018-19 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 and separate from the vote to adopt the budget or a vote to set the tax rate.

FINANCIAL SUMMARY:

- Estimated maintenance and operations tax revenues of \$77,190,131 (100% collection rate) for FY 2018-19 are based on this tax rate.