



AGENDA MEMO

9/20/2016 Agenda

TO: Honorable Mayor and City Council

FROM: Thomas W. Tvardzik, Director of Finance

SUBJECT: CONSIDER AND ACT: on ratification of Tax Year 2016 (FY2017) tax revenue increase

BACKGROUND

Texas Local Government Code, Section 102.007(c), requires that adoption of a budget raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the new budget.

This requirement may be satisfied by reading the following language aloud at the City Council meeting:

“THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR’S BUDGET BY \$760,760 OR 4.3%, AND OF THAT AMOUNT, \$347,082 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.”

Once a motion to ratify the increase is made and the vote taken, the Council may move on to consideration of the ordinance levying the tax rate.

Note: Language substantially similar to the above will be added to the cover page of the budget, as well as the City website.

RECOMMENDATION

Ratify the tax revenue increase using the above language to fulfill the requirements of State law.