

MEMORANDUM

To: Honorable Mayor & City Council

From: Toni Kunz City Administrator

Date: September 9, 2026

Agenda Item: 6A Public Hearing on Proposed Tax Rate for 2026

Action Requested: Discussion and appointment

Overview and Background:

On August 21, 2028, Proposed budget was filed with the City Secretary, posted on website, and made available to public for review. On August 25, 2028, in the regular meeting of the City of Bandera City Council, with 4 city council members out of 5 present, a record vote of 4-0 was made for the no-new-revenue tax rate that decreases total tax levy on all properties by \$24,168 or -2.4%.

The following notice was published in the Bandera Bulletin, which is the paper of record for the City of Bandera: **NOTICE OF MEETING TO VOTE ON TAX RATE** A tax rate of \$0.567163 per \$100 valuation has been proposed by the governing body of CITY OF BANDERA.

PROPOSED TAX RATE	\$0.567163 per \$100
NO-NEW-REVENUE TAX RATE	\$0.567163 per \$100
VOTER-APPROVAL TAX RATE	\$0.600000 per \$100
DE MINIMIS TAX RATE	\$0.900990 per \$100

The no-new-revenue tax rate is the tax rate for the 2026 tax year that will raise the same amount of property tax revenue for CITY OF BANDERA from the same properties in both the 2025 tax year and the 2026 tax year. **The voter-approval rate** is the highest tax rate that CITY OF BANDERA may adopt without holding an election to seek voter approval of the rate. **The de minimis rate** is the rate equal to the sum of the no-new-revenue maintenance and operations rate for the CITY OF BANDERA, this rate will raise \$500,000, and the current debt rate for the CITY OF BANDERA. **The proposed tax rate** is not greater than the no-new revenue tax rate. This means that CITY OF BANDERA is not proposing to increase property taxes for the 2026 tax year. A PUBLIC MEETING TO VOTE ON THE PROPOSED TAX RATE WILL BE HELD ON SEPTEMBER 22, 2026, AT 6:30PM AT BANDERA CITY HALL 511 MAIN STREET, BANDERA, TX 78003. The proposed tax rate is also not greater than the voter-approval tax rate. As a result, CITY OF BANDERA is not required to hold an election to seek voter approval of the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the CITY OF BANDERA at their offices or by attending the public meeting mentioned above. YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS: Property tax amount= (tax rate) x (taxable value of your property)/100

FOR the proposal:	Debbie Breen, Tammy Morrow, Deanna McCabe, Jeff Flowers
AGAINST the proposal:	None
PRESENT and not Voting:	None
ABSENT:	Lynn Palmer

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property. The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state. The following table compares the taxes imposed on the average residence homestead By CITY OF BANDERA last year to the taxes proposed to be imposed on the average residence homestead by CITY OF BANDERA this year.

	2025	2026	Change
Total tax rate (per \$100 of value)	\$0.569939	\$0.567163	decrease of 0.002776 per \$100, or 0.004%
Average homestead taxable value	\$197,160	\$197,042	decrease of -\$118, or -.596%
Tax on average homestead	\$1,123.69	\$1,117.54	decrease of -\$6.14, or -.546%
Total tax levy on all properties	\$1,005,311	\$981,163	decrease of -\$24,168 or -2.4%

For assistance with tax calculations, for City of BANDERA, please contact:
City Administrator at (830) 796-3765

CHANGES made in the August 25, 2026 City Council meeting TO THE PROPOSED BUDGET FILED ON August 21, 2026 are as follows:

- Reduce 10-512-3800 LPR Cameras to \$0
- No budget change in Municipal Court salary from FY2026, update to \$53,423.00
- Remove 3% COLA from the budgets for each salary and bring down to FY2026 amounts, with the exception of the salary changes, which are increases to the department salaries to cover these base salary increases and associated accounts impacted by these base salary increases: Code Compliance increase \$10,400.00, Permitting increase \$5,179.20, Utility increase \$10,358.40, Public Works Operator increase \$4,160.00, Public Works Operator increase \$4,160.00, Public Works Operator increase \$4,160.00
- Net changes, by department:

10-GENERAL FUND DEPARTMENT	8/21/2026	8/27/2026	Difference
CITY COUNCIL	24,374.00	24,374.00	0.00
ADMINISTRATOR	380,965.00	379,164.00	-1,801.00
CITY SECRETARY	102,262.00	100,656.85	-1,605.15
FINANCE DEPARTMENT	77,507.00	77,507.00	0.00
MARSHAL'S DEPARTMENT	686,002.00	655,876.88	-30,125.12
ANIMAL CONTROL	4,800.00	4,800.00	0.00
MUNICIPAL COURT	121,734.00	120,328.39	-1,405.61
CODE COMPLIANCE	81,234.00	81,234.00	0.00
PARKS DEPARTMENT	157,330.00	152,044.55	-5,285.45
SEASONAL PARK DEPARTMENT	16,271.00	16,053.60	-217.40
STREETS DEPARTMENT	207,025.00	204,228.55	-2,796.45
PERMITTING DEPARTMENT	125,358.00	124,019.31	-1,338.69
FIRE DEPARTMENT	10,000.00	10,000.00	0.00
TOTAL EXPENDITURES	1,994,862.00	1,950,287.13	-44,574.87
50-UTILITY FUND DEPARTMENT	8/21/2026	8/27/2026	Difference
UTL. ADMINISTRATION	462,450.00	462,450.00	0.00
WATER DEPARTMENT	613,783.00	613,203.96	-579.04
WASTE WATER DEPARTMENT	473,864.00	473,421.96	-442.04
SOLID WASTE	641,000.00	641,000.00	0.00
TOTAL EXPENDITURES	2,191,097.00	2,190,075.92	-1,021.08