MAYOR AND COUNCIL COMMUNICATION

DATE: September 16, 2025

TO: Mayor and Council

FROM: Dr. Crystal Caldera, City Manager

SUBJECT: Discussion and Possible Action on an Ordinance Approving and Adopting the Tax Year 2025; Tax Rate for the Maintenance and Operations at $0.497818 and the Interest and Sinking Fund at $0.047222, for a Total Tax Rate of $0.545040.

PURPOSE

The City is proposing to adopt a tax rate of $0.545040 per $100 of property valuation for the tax year 2025. When a proposed tax rate exceeds the No-New-Revenue Tax Rate or the Voter-Approval Tax Rate, whichever is lower, Chapter 26 of the Texas Property Tax Code requires the City Council to vote to place the proposed Ordinance to adopt the tax rate on the agenda of a future meeting as an action item.

For the 2025 tax year, the proposed tax rate of $0.545040 exceeds the No-New-Revenue Tax Rate of $0.505040.

A record vote must be taken.

FISCAL IMPACT

Property Taxes fund the activities in the General Fund and Debt Service Fund budgets for FY 2026.

STRATEGIC GOALS

N/A

RECOMMENDATION

Vote for the placement of a proposed Ordinance to adopt the City's 2025 tax rate on the Agenda of September 16, 2025.

APPROVE:____________________ DISAPPROVE:____________________

APPROVE WITH THE FOLLOWING AMENDMENTS:

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ATTEST:

SAUNDRA PASSAILAIGUE
City Secretary