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## CITY OF PORT LAVACA


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CITY COUNCIL MEETING: SEPTEMBER 5, 2023

AGENDA ITEM \_\_\_\_\_

DATE: 8/31/2023

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: SUSAN LANG, FINANCE DIRECTOR 

SUBJECT: CONSIDER ORDINANCE FIXING THE TAX RATE AND TAX LEVY – 1<sup>st</sup> READING

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In accordance with the State of Texas Property Tax Code, the Comptroller of Texas' Truth-in-Taxation rules, the Local Government Code and the City's Charter, we have prepared an Ordinance that, if approved, meets the requirements as established by the governing legislation.

On August 21, 2023, the City Council took a record vote to propose a lesser tax rate (\$0.7807) as levied on properties as the previous year. Because the proposed tax rate exceeds the No-New-Revenue rate, legislation considers it a tax increase, and requires a public hearing. City Council announced a date and time for a public hearing on the tax rate to be held on September 5, 2023.

The City published a notice of public hearing on the tax increase in the newspaper of general circulation (Port Lavaca Wave) on August 30, 2023 and posted the same notice on the City's website.

Additionally, because the proposed tax rate exceeds the No-New-Revenue rate, additional language is required to be included in the ordinance and requires specific language in the motion to adopt the tax rate as follows:

- **MOTION:** "I move that the property tax rate be increased by the adoption of a tax rate of \$0.7807, which is effectively a 13.23 percent increase in the tax rate."
- **Must be a Record Vote by each member of the governing body by name.**

Additionally, the tax rate consists of two components, each of which must be approved separately:

Maintenance and Operations:	\$0.6986
Interest & Sinking (Debt):	\$0.0821

- **MOTION:** "I move to adopt a Maintenance and Operations rate of \$0.6986."
- **MOTION:** "I move to adopt an Interest & Sinking rate of \$0.0821."

## ORDINANCE NO. S-2-23

AN ORDINANCE FIXING THE TAX RATE AND TAX LEVY FOR THE CITY OF PORT LAVACA, TEXAS, FOR THE YEAR 2023, UPON ALL TAXABLE PROPERTY IN SAID CITY OF PORT LAVACA, TEXAS SUBJECT TO TAXATION BY SAID CITY ON THE FIRST DAY OF JANUARY, 2023 IN CONFORMITY WITH THE CHARTER PROVISIONS AND ORDINANCES OF SAID CITY OF PORT LAVACA; APPROPRIATING THE FUNDS DERIVED FROM SAID TAX LEVY TO VARIOUS FUNDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; AND ESTABLISHING AN EFFECTIVE DATE

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

SECTION 1. That there shall be and there is hereby levied and assessed for the year 2023 upon all property of every description subject to taxation by the City of Port Lavaca, Texas on the 1st day of January, 2023, the following tax rate, to-wit:

An Ad Valorem Tax at the rate of \$0.7807 on the \$100.00 assessed value, based on 100% assessment thereof estimated in lawful currency of the United States of America, for the purpose of paying the general expenses of the City government and for payment of principal and interest on outstanding bonds and certificates of obligation for the fiscal year ending September 30, 2024.

- (A) THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.
- (B) THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9.38 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-32.10.

SECTION 2. All taxes collected pursuant to this ordinance shall be deposited in the funds known as the General Fund and the Tax Supported Debt Service Fund, and said monies shall be appropriated and distributed as follows:

	Rate	Percentage
GENERAL FUND	\$ 0.6986	89.48 %
TAX SUPPORTED DEBT SERVICE FUND:		
2012 GO Refunding & 2022 COs	\$ 0.0821	10.52 %
TOTALS:	\$ 0.7807	100.00 %

SECTION 3. The duly authorized official responsible for the assessment and collection of taxes for the City of Port Lavaca is hereby directed to assess, extend and enter upon the tax rolls of the City of Port Lavaca, Texas, for the current taxable year the amount and rates herein levied, and to keep a correct account of same, and when so collected, to deposit same in the depository of the City of Port Lavaca to be distributed in accordance with this ordinance.

SECTION 4. All ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

SECTION 5. This ordinance shall become effective on the date of its passage by the City Council of the City of Port Lavaca, Texas.

FIRST READING this 5<sup>TH</sup> day of September, 2023

\_\_\_\_\_  
Jack Whitlow, Mayor

SECOND AND FINAL READING this 11<sup>th</sup> day of September, 2023

\_\_\_\_\_  
Jack Whitlow, Mayor

APPROVED AND ADOPTED this 11<sup>th</sup> day of September, 2023.

\_\_\_\_\_  
Jack Whitlow, Mayor

ATTEST:

\_\_\_\_\_  
Mandy Grant, City Secretary

APPROVED AS TO FORM:

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Anne Marie Odefey, City Attorney

## RECORD OF VOTE

First Reading	Second and Final	Passed and Approved
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Councilman Aguirre  
Councilman Dent  
Councilman Tippit  
Councilwoman Padron  
Councilman Ward  
Councilman Barr

Record of approval by City Council: City Council Minute Records, Volume 3H, Page \_\_\_\_.