

CITY OF PORT LAVACA

CITY COUNCIL MEETING: SEPTEMBER 6, 2022

AGENDA ITEM _____

DATE: 9/1/22

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: SUSAN LANG, FINANCE DIRECTOR 

SUBJECT: PUBLIC HEARING ON TAX RATE

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, the City is required to hold a public hearing on the 2021 Tax Rate.

On August 22, 2022, the City Council took a record vote to propose the same tax rate as levied on properties as the previous year. Because the proposed tax rate exceeded the No-New-Revenue rate, legislation considers it a tax increase, and requires a public hearing. The City Council set the date and time for a Public Hearing on the Tax Rate for September 6, 2022.

This public hearing will provide an opportunity for taxpayers to express their views on the tax increase as defined by legislation.

Only one public hearing is required and satisfies the requirements for a later vote on the ordinance establishing a tax rate.

No action required.

Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate, as prescribed by Tax Code §26.06(b-2).

NOTICE OF PUBLIC HEARING ON TAX INCREASE

This notice only applies to a taxing unit other than a special taxing unit or municipality with a population of less than 30,000, regardless of whether it is a special taxing unit.

PROPOSED TAX RATE	\$ <u>0.7944</u>	per \$100
NO-NEW-REVENUE TAX RATE	\$ <u>0.7767</u>	per \$100
VOTER-APPROVAL TAX RATE	\$ <u>0.8141</u>	per \$100

The no-new-revenue tax rate is the tax rate for the _____ 2022 tax year that will raise the same amount of property tax revenue for _____ City of Port Lavaca _____ from the same properties in both the _____ 2021 tax year and the _____ 2022 tax year.

(preceding tax year) *(current tax year)* *(name of taxing unit)* *(current tax year)*

The voter-approval tax rate is the highest tax rate that City of Port Lavaca may adopt without holding
(name of taxing unit)
an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Port Lavaca is proposing
(name of taxing unit)
to increase property taxes for the 2022 tax year.
(current tax year)

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON 09/06/2022 05:30 PM
 at City Hall, 202 N. Virginia, Port Lavaca, TX.
 (current tax year) (date and time) (meeting place)

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Port Lavaca is not required
(name of taxing unit)
to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or
opposition to the proposed tax rate by contacting the members of the City Council of
(name of office responsible for administering the election)
City of Port Lavaca at their offices or by attending the public hearing mentioned above.
(name of taxing unit)

YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)

FOR the proposal: Councilman Smith, Councilman Dent, Councilman Tippit, Councilman Ward, Councilman Barr

AGAINST the proposal: _____ None

PRESENT and not voting: _____ None _____

ABSENT: Councilman Padron

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 Port Lavaca last year
(name of taxing unit)
 to the taxes proposed to be imposed on the average residence homestead by City of Port Lavaca this year.
(name of taxing unit)

	2021	2022	Change
Total tax rate (per \$100 of value)	0.7944	0.7944	0 increase
Average homestead taxable value	110,419	119,682	8.38 increase
Tax on average homestead	877	950	8.32 increase
Total tax levy on all properties	4,358,809	4,522,116	3.74 increase

(Include the following text if these no-new-revenue maintenance and operations rate adjustments apply for the taxing unit)

No-New-Revenue Maintenance and Operations Rate Adjustments

State Criminal Justice Mandate (counties)

The Calhoun County Auditor certifies that Calhoun County has spent \$ 0 in the previous 12 months for the maintenance and operations cost of keeping inmates sentenced to the Texas Department of Criminal Justice. Calhoun County Sheriff has provided Calhoun information on these costs, minus the state revenues received for the reimbursement of such costs.

This increased the no-new-revenue maintenance and operations rate by 0.0000 /\$100.

Indigent Health Care Compensation Expenditures (counties)

The City of Port Lavaca spent \$ 0 from July 1 2021 to June 30 2022 on indigent health care compensation procedures at the increased minimum eligibility standards, less the amount of state assistance.

For current tax year, the amount of increase above last year's enhanced indigent health care expenditures is \$ 0.

This increased the no-new-revenue maintenance and operations rate by 0.0000 /\$100.

Indigent Defense Compensation Expenditures (counties)

The City of Port Lavaca spent \$ 0 from July 1 2021 to June 30 2022 to provide appointed counsel for indigent individuals in criminal or civil proceedings in accordance with the schedule of fees adopted under Article 26.05, Code of Criminal Procedure, and to fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure, less the amount of any state grants received. For current tax year, the amount of increase above last year's enhanced indigent defense compensation expenditures is \$ 0.

This increased the no-new-revenue maintenance and operations rate by 0.0000 /\$100.

Eligible County Hospital Expenditures (cities and counties)

The City of Port Lavaca spent \$ 0 from July 1 2021 to June 30 2022 on expenditures to maintain and operate an eligible county hospital.

For current tax year, the amount of increase above last year's eligible county hospital expenditures is \$ 0.

This increased the no-new revenue maintenance and operations rate by 0.0000 /\$100.

(If the tax assessor for the taxing unit maintains an internet website)

For assistance with tax calculations, please contact the tax assessor for City of Port Lavaca at (361) 552-4560 or tammy@calhouncad.org, or visit www.calhouncad.org for more information.

(If the tax assessor for the taxing unit does not maintain an internet website)

For assistance with tax calculations, please contact the tax assessor for _____ at _____ or _____.