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## CITY OF PORT LAVACA

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**CITY COUNCIL MEETING: SEPTEMBER 8, 2025**

**DATE:** 8/22/2025

**TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**FROM:** BRITTNEY HOGAN, 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 18, 2025, the City Council took a record vote to propose a tax rate (\$0.8000) 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 8, 2025.

The City published a notice of public hearing on the tax increase in the newspaper of general circulation (Port Lavaca Wave) on August 27, 2025, 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 \$0.8000, which is effectively a 5.50 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:	\$0.6987
Interest & Sinking (Debt):	\$0.1013

- **MOTION:** "I move to adopt a Maintenance and Operations rate of \$0.6987."
- **MOTION:** "I move to adopt an Interest & Sinking rate of \$0.1013."