



**AGENDA ITEM REQUEST FORM
CITY OF JOHNSON CITY, TEXAS
CITY COUNCIL**

ITEM NO. 8

MEETING DATE: September 14, 2021

AGENDA PLACEMENT:

- Ceremonial
- Consent
- Individual
- Closed Session

CAPTION:

Discussion of and action on an Ordinance of the City Council of the City of Johnson City, Texas levying an ad valorem (property) tax rate for the Tax Year 2021 in the amount of \$0.399000 cents per one hundred dollars (\$100) valuation and directing the Blanco County Appraisal District to assess, account for, and distribute the ad valorem (property) taxes as herein levied; authorizing the Chief Administrative Officer to take all necessary steps to implement the provisions of this Ordinance; incorporating recitals; providing for severability; repealing any other Code provisions, ordinances, or parts of ordinances, and other provisions in conflict herewith; and setting an effective date. (Staff)

STRATEGIC WORK PLAN:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Not Applicable | <input type="checkbox"/> Goal 5: Improve Fire Safety |
| <input type="checkbox"/> Goal 1: Increase Housing Diversity | <input type="checkbox"/> Goal 6: Improve Streets |
| <input type="checkbox"/> Goal 2: Expand Quality Lodging | <input type="checkbox"/> Goal 7: Increase Publicity & Promotion of the Community |
| <input type="checkbox"/> Goal 3: Improve Code Enforcement | <input type="checkbox"/> Goal 8: Increase Economic Development Activities |
| <input type="checkbox"/> Goal 4: Improve Streetscaping & Signage | |

EXECUTIVE SUMMARY:

Pursuant to Tax Code Sec. 26.05(2)(b), the vote on the ordinance setting the tax rate must be separate from the vote adopting the budget. The vote on the ordinance setting a tax rate that exceeds the No-New-Revenue tax rate must be a record vote.

In compliance with Sec. 26.05(d), notice of the proposed tax rate and notice of the Public Hearings were published in the Johnson City Record Courier on August 11, 2021, and Public Hearings were held by the City Council on August 17, 2021 and September 7, 2021.

	2021-2022	2020-2021
Property Tax Rate:	\$0.3990/100	\$0.3990/100
No-New-Revenue Tax Rate:	\$0.3788/100	\$0.4077/100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.2966/100	\$0.3679/100
Voter-Approval Tax Rate:	\$0.4205/100	\$0.3990/100
De Minimis Tax Rate:	N/a	N/a
Debt Tax Rate:	\$0.1187/100	\$0.0881/100

FINANCIAL: N/a

ATTACHMENTS: Adopting Ordinance

SUGGESTED ACTION:

Must be approved by a recorded vote of 60% of the members of the governing body.

Must be made as follows:

I move that the property tax rate be increased by the adoption of a tax rate of \$0.399000 per \$100 valuation, which is effectively a 5.07% increase in the tax rate. This motion includes:

- 1) the adoption of an ad valorem (property) tax rate for the Maintenance and Operations expenditures of the City of Johnson City at \$0.280300 cents per \$100 valuation for the Tax Year beginning January 1, 2021 and ending December 31, 2021; and
- 2) the adoption of an ad valorem (property) tax rate for the principal and interest payable on the Interest and Sinking (debt service) expenditures of the City of Johnson City at \$0.118700 cents per \$100 valuation for the Tax Year beginning January 1, 2021 and ending December 31, 2021.

PREPARED BY: City Staff

DATE SUBMITTED: 9/10/21

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF JOHNSON CITY, TEXAS LEVYING AN AD VALOREM (PROPERTY) TAX RATE FOR THE TAX YEAR 2021 IN THE AMOUNT OF \$0.399000 CENTS PER ONE HUNDRED DOLLARS (\$100) VALUATION AND DIRECTING THE BLANCO COUNTY APPRAISAL DISTRICT TO ASSESS, ACCOUNT FOR, AND DISTRIBUTE THE AD VALOREM (PROPERTY) TAXES AS HEREIN LEVIED; AUTHORIZING THE CHIEF ADMINISTRATIVE OFFICER TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS ORDINANCE; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; REPEALING ANY OTHER CODE PROVISIONS, ORDINANCES, OR PARTS OF ORDINANCES, AND OTHER PROVISIONS IN CONFLICT HEREWITH; AND SETTING AN EFFECTIVE DATE.

WHEREAS, Section 26.05(a) of the Tax Code requires taxing authorities to adopt an ad valorem (property) tax rate by September 30th of each year or within sixty (60) days after receipt of the certified appraisal roll; and

WHEREAS, Section 26.05(b)(1) of the Tax Code requires that taxing authorities include the following statements when the tax rate exceeds the no new revenue tax rate:

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 5.07% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$20.20.

WHEREAS, pursuant to Tax Code Section 26.05(d), notices of the proposed tax rate and Public Hearings thereon were published in the Johnson City Record Courier on August 11, 2021 and Public Hearings were held by the City Council on August 17, 2021 and September 7, 2021; and

WHEREAS, Section 26.05(a) of the Tax Code requires the total ad valorem (property) tax rate be approved in the following two components:

- (1) Maintenance and Operations; and
- (2) Debt Service.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF JOHNSON CITY, TEXAS THAT:

SECTION ONE. The ad valorem (property) tax rate per \$100.00 valuation for the City of Johnson City for Tax Year 2021 is adopted as follows:

Maintenance and Operations	\$0.280300
Interest and Sinking (Debt Service)	\$0.118700
Total Tax Rate	\$0.399000

SECTION TWO. The City Council hereby authorizes the Chief Administrative Officer to take all necessary steps to implement the provisions of this Ordinance.

SECTION THREE. The City Council finds all of the above recitals to be true and correct and incorporates the same in this Ordinance as findings of fact.

SECTION FOUR. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

SECTION FIVE. All Code provisions, ordinances, and other provisions in conflict with the provisions of this Ordinance are hereby repealed.

SECTION SIX. This Ordinance shall become effective immediately upon passage.

PASSED AND APPROVED THIS 14th DAY OF SEPTEMBER 2021.

Rhonda Stell, Mayor

ATTEST:

Rick Schroder, City Secretary