



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

**ITEM NO. 19**

**MEETING DATE:** September 5, 2023

**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 2023 in the amount of \$0.356900 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:**

- Not Applicable
- Goal 1: Increase Housing Diversity
- Goal 2: Expand Quality Lodging
- Goal 3: Improve Code Enforcement
- Goal 4: Improve Streetscaping & Signage
- Goal 5: Improve Fire Safety
- Goal 6: Improve Streets
- Goal 7: Increase Publicity & Promotion of the Community
- Goal 8: Increase Economic Development Activities

**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 9, 2023, and Public Hearings were held by the City Council on August 15, 2023 and September 5, 2023.

	2023-2024	2022-2023
Property Tax Rate:	\$0.3569 /100	\$0.3569 /100
No-New-Revenue Tax Rate:	\$0.3107 /100	\$0.3113 /100
No-New-Revenue Maintenance & Operations Tax Rate:	\$0.2175 /100	\$0.2208 /100
Voter-Approval Tax Rate:	\$0.3715 /100	\$0.3569 /100
De Minimis Tax Rate:	\$0.5276 /100	\$0.5159 /100
Debt Tax Rate:	\$0.1484 /100	\$0.1077 /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 \$0.356900 per \$100 valuation, which is effectively a 14.87% 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 \$0.208500 cents per \$100 valuation for the Tax Year beginning January 1, 2023 and ending December 31, 2023; 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 \$0.148400 cents per \$100 valuation for the Tax Year beginning January 1, 2023 and ending December 31, 2023.

**PREPARED BY:** City Staff

**DATE SUBMITTED:** 9/1/23

**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 2023 IN THE AMOUNT OF \$0.356900 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 30<sup>th</sup> 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 64.09% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$139.40.**

**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 9, 2023 and Public Hearings were held by the City Council on August 15, 2023 and September 5, 2023; 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 2023 is adopted as follows:

Maintenance and Operations	\$0.208500
Interest and Sinking (Debt Service)	\$0.148400
Total Tax Rate	\$0.356900

**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 5<sup>th</sup> DAY OF SEPTEMBER 2023.**

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Stephanie Fisher, Mayor

**ATTEST:**

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Whitney Walston, City Secretary

### Total Property Tax Revenue Expected per Incremental Increase in Total Tax Rate

