

Legislation Details (With Text)

File #: 21-878 **Name:**

Type: Resolution **Status:** Held

File created: 8/27/2021 **In control:** City Council

On agenda: 9/13/2021 **Final action:**

Title: Approval of the second and final reading of an ordinance adopting the 2021 ad valorem tax rates.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Tax Levy ORDINANCE NO

Date	Ver.	Action By	Action	Result
9/13/2021	2	City Council	postponed	

Presenter/Contact

Jared Werner, Chief Financial Officer
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SUBJECT:

Approval of the second and final reading of an ordinance adopting the 2021 ad valorem tax rates.

BACKGROUND / RATIONALE:

City Council held work sessions on the FY 2022 Budget and tax rates on August 10, 12 and 16.

The proposed tax rate of 47.5376 cents is a .8 cent decrease from last year. The Interest & Sinking (I&S - debt service) portion of the rate totals 22.7983 cents while the Operations & Maintenance (O&M - General Fund) portion of the rate totals 24.7393 cents. The total rate of 47.5376 cents is equal to the Voter Approval tax rate for this year as well. As a result of the Voter Approval calculation, the O&M (General Fund) portion of the rate decreases by nearly .8 cents. The I&S Rate remains at the same level as last year, which will provide sufficient revenue to support debt service payments for all existing and recently approved debt obligations. The two most recent issuances were approved at the August 16th Budget Workshop which will support the 2019 Bond Projects as well as provide funding for preliminary engineering for potential 2023 Bond Projects. Following is a summary of the tax rate calculations completed by the Comal County Tax Office.

PROPOSED TAX RATE	\$0.475376 PER \$100
PRECEDING YEAR'S TAX RATE	\$0.483194 PER \$100
NO NEW REVENUE TAX RATE	\$0.449967 PER \$100
VOTER APPROVAL TAX RATE	\$0.475376 PER \$100

State law requires that a public hearing be held by the governing body before adopting the final tax rate.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

X	Yes	City Plan/Council Priority	Strategic Priorities: Maintain fiscal stability of City operations
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FISCAL IMPACT:

The ad valorem tax revenues provide funding for the FY 2022 Budget in the General Fund and Debt Service Fund.

COMMITTEE RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff recommends approval of the first reading of the tax ordinance for the 2021 ad valorem tax rates.