

## Bastrop, TX City Council Meeting Agenda

This meeting will be live streamed on the City of Bastrop Facebook Page ([www.facebook.com/bastroptx](http://www.facebook.com/bastroptx)) and broadcast on Spectrum channel 10 and AT&T uVerse channel 99. A recording of the meeting will also be available within 72 hours after the meeting on the City's YouTube channel (Bastrop TX Network) and in the Agendas & Minutes section of the City website ([www.cityofbastrop.org](http://www.cityofbastrop.org)).



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**August 4, 2020 at 6:00 P.M.**

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City of Bastrop City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

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**PLEASE NOTE: ANYONE WISHING TO ADDRESS THE COUNCIL MUST COMPLETE A CITIZEN COMMENT FORM WITH COMMENTS AT [WWW.CITYOFBASTROP.ORG/CITIZENCOMMENTFORM](http://WWW.CITYOFBASTROP.ORG/CITIZENCOMMENTFORM) BEFORE 4:30 P.M. ON AUGUST 4, 2020. SUBMITTED COMMENTS WILL BE READ ALOUD AT THE MEETING. COMMENTS FROM EACH INDIVIDUAL WILL BE LIMITED TO THREE (3) MINUTES WHEN READ ALOUD.**

**1. CALL TO ORDER**

**2. WORK SESSION**

- 2A. Consider action to approve Resolution No. R-2020-68 acknowledging proposed tax rate, no-new-revenue tax rate and voter-approval tax rate for Fiscal Year 2020-2021 (FY2021), calling for a public hearing, and authorizing public notices.

**3. CITIZEN COMMENTS**

*Anyone wishing to address the Council, must complete a citizen comment form with comments at [www.cityofbastrop.org/citizencommentform](http://www.cityofbastrop.org/citizencommentform) before 4:30 p.m. on August 4, 2020. Submitted comments will be read aloud at the meeting. Comments from each individual will be limited to three (3) minutes when read aloud.*

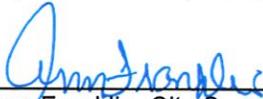
*In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Staff for research and possible inclusion on a future agenda.*

*It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of any person or*

*threaten any person. Accordingly, profane, insulting or threatening language will not be read aloud at the meeting.*

#### **4. ADJOURNMENT**

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, [www.cityofbastrop.org](http://www.cityofbastrop.org) and said Notice was posted on the following date and time: Friday, July 31, 2020 at 5:00 p.m. and remained posted for at least two hours after said meeting was convened.

  
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Ann Franklin, City Secretary





# STAFF REPORT

**MEETING DATE:** August 4, 2020

**AGENDA ITEM:** 2A

**TITLE:**

Consider action to approve Resolution No. R-2020-68 acknowledging proposed tax rate, no-new-revenue tax rate and voter-approval tax rate for Fiscal Year 2020-2021 (FY2021), calling for a public hearing, and authorizing public notices.

**STAFF REPRESENTATIVE:**

Paul A. Hofmann, City Manager  
Tracy Waldron, Chief Financial Officer

**BACKGROUND/HISTORY:**

Truth-in-taxation is a concept embodied in the Texas Constitution and the Tax Code that requires local taxing units to make taxpayers aware of tax rate proposals. When a proposed tax rate exceeds the voter-approval rate or the no-new-revenue rate, whichever is lower, the taxing unit's governing body must vote to place a proposal to adopt the rate on the agenda of a future meeting as an action item. This vote must be recorded. The proposal must specify the desired rate. A taxing unit cannot vote to adopt a proposal to increase taxes by an unspecified amount. If the motion passes, the governing body must schedule a public hearing on the proposal.

There are four principles to truth-in-taxation:

- Property owners have a right to know about increases in their properties' appraised value and to be notified of the estimated taxes that could result from the new value.
- A taxing unit must publish its no-new-revenue and voter-approval tax rates before adopting an actual tax rate.
- A taxing unit must publish special notices and hold a public hearing before adopting a tax rate that exceeds the lower of the voter-approval rate or the no-new-revenue tax rate.
- If a taxing unit adopts a rate that exceeds the voter-approval rate, voters may petition for an election to limit the rate to the no-new-revenue rate.

The no-new-revenue rate is a calculated rate that would provide the taxing unit with about the same amount of revenue it received in the prior year on properties taxed in both years. If property values rise, the no-new-revenue rate will go down and vice versa. The voter-approval rate provides the taxing unit with about the same amount of tax revenue if spent the previous year for day to day operations, plus an extra eight (8) percent increase for those operations, in addition to sufficient funds to pay debt service in the coming year. The City Council approved the designated officer to calculate the voter-approval rate at eight (8) percent at a meeting held on April 14, 2020. This was only allowed due to the declaration of the disaster by the Governor.

**POLICY EXPLANATION:**

City staff is proposing a tax rate up to \$0.5961 including an maintenance and operations (M&O) tax rate of \$0.4012 and a debt service (I&S) tax rate of \$0.1949 per \$100 in taxable value.

The no-new-revenue tax rate, which shows the relation between prior year’s revenue and the current year’s value, has been calculated by City staff and reviewed by the Bastrop County Tax Assessor Collector to be \$0.5656. The voter-approval rate, which is the maximum rate that can be applied and not be subject to a petition, has been calculated by staff and certified by the Bastrop County Tax Assessor Collector to be \$0.5961. These rates will be published in the local newspaper, the City’s website, and the government access cable channel as required by State law.

TAX RATE					
Fiscal Year	Proposed Property Tax Rate	No-New-Revenue Tax Rate	No-New-Revenue M&O Tax Rate	Voter-Approval Tax Rate	Debt Rate
2020-2021	0.5961	0.5656	0.3715	0.5961	0.1949
2019-2020	0.5640	0.5322	0.3477	0.5704	0.1949

The tax rate being proposed by City staff is \$0.5961, which is more than the no-new-revenue tax rate. When a proposed tax rate exceeds the voter-approval rate or the n-new-revenue tax rate, whichever is lower, the taxing unit’s governing body must vote to place a proposal to adopt the rate on the agenda of a future meeting as an action item. If the motion passes, the governing body must schedule a public hearing on the proposal. City staff proposes that a public hearing be held on Tuesday, September 8, 2020. These public hearing will be held in the City Council Chambers, located in City Hall at 1311 Chestnut St. Bastrop, TX 78602.

**FUNDING SOURCE:**

N/A

**RECOMMENDATION:**

Consider action to approve Resolution No. R-2020-68 acknowledging proposed tax rate, no-new-revenue tax rate and voter-approval tax rate for Fiscal Year 2020-2021 (FY2021), calling for a public hearing, and authorizing public notices.

**ATTACHMENTS:**

- Resolution R-2020-68
- Proposed Notice for publication in local newspaper

**RESOLUTION NO. R-2020-68**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, ACKNOWLEDGING PROPOSED TAX RATE, NO-NEW REVENUE TAX RATE, AND VOTER-APPROVAL TAX RATE FOR FISCAL YEAR 2020-2021 (FY2021), CALLING FOR A PUBLIC HEARING, AND AUTHORIZING PUBLIC NOTICES**

**WHEREAS**, the City Council deems it advisable to give notice of its intent to propose a tax rate for the City of Bastrop, Texas as hereinafter provided; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public and public notice of the meeting was given, all as required by Chapter 551, Texas Government Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:**

**SECTION 1:** That the City Council of the City of Bastrop, Texas, does hereby order that a public hearing be scheduled as specified on Exhibit "A" [Notice of Public Hearing on Tax Increase] to consider a proposal to adopt a tax rate for Fiscal Year 2020-2021.

**SECTION 2:** That notice of the proposed tax rate, no-new-revenue tax rate, and a voter-approval tax rate for the City for Fiscal Year 2020-2021 is hereby acknowledged consistent with Exhibit "A".

**SECTION 3:** That the City Secretary shall cause said notices of a public hearing on the proposed tax rate increase for the City of Bastrop, Texas for Fiscal Year 2020-2021 to be distributed as required by law consistent with Exhibit "A".

**SECTION 4:** That this resolution shall become effective immediately upon its passage.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Bastrop this 4<sup>h</sup> day of August 2020.

**CITY OF BASTROP, TEXAS**

APPROVED:

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Connie B. Schroeder, Mayor

ATTEST:

\_\_\_\_\_  
Ann Franklin, City Secretary

APPROVED AS TO FORM:

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Alan Bojorquez, City Attorney

## **Exhibit "A" [Notice of Public Hearing on Tax Increase]**

# NOTICE OF PUBLIC HEARING ON TAX INCREASE

PROPOSED TAX RATE	0.5961 per \$100
NO-NEW REVENUE TAX RATE	0.5656 per \$100
VOTER-APPROVAL TAX RATE	0.5961 per \$100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for CITY OF BASTROP from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval tax rate is the highest tax rate that CITY OF BASTROP may adopt without holding an election to seek voter approval of the rate.

A public hearing on the proposed tax rate will be held on September 08, 2020 at 6:30pm at City Hall 1311 Chestnut St. Bastrop TX 78602.

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

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

**The members of the governing body voted on the proposed tax increase as follows:**

**FOR:**

**AGAINST:**

**PRESENT and not voting:**

**ABSENT:**

**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 BASTROP last year to the taxes proposed to be imposed on the average residence homestead by CITY OF BASTROP this year:**

	2019	2020	Change
Total Tax Rate (per \$100 of value)	0.5640	0.5961	<i>increase of</i> \$0.0321 OR 5.69%
Average homestead taxable value	205,013	209,976	<i>increase of</i> 2.42%
Tax on average homestead	1156.27	1251.67	<i>increase of</i> \$95 OR 8.25%
Total tax levy on all properties	5,365,401	5,769,665	<i>increase of</i> \$404,264 OR 7.53%

**For assistance with tax calculations, please contact the tax assessor for CITY OF BASTROP at 512-332-8800 or [twaldron@cityofbastrop.org](mailto:twaldron@cityofbastrop.org), or visit [www.cityofbastrop.org](http://www.cityofbastrop.org) for more information.**