



CITY OF FAIR OAKS RANCH

CITY COUNCIL SPECIAL MEETING

Thursday, August 26, 2021 at 6:30 PM

City Hall Council Chambers, 7286 Dietz Elkhorn, Fair Oaks Ranch

AGENDA

OPEN MEETING

1. Roll Call - Declaration of a Quorum.
2. Pledge of Allegiance

CITIZENS and GUEST FORUM

To address the Council, please sign the Attendance Roster located on the table at the entrance of the Council Chambers. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda. Speakers shall limit their comments to five (5) minutes each.

3. Citizens to be heard.

CONSIDERATION/DISCUSSION ITEMS

- [4.](#) Consideration and possible action approving a Resolution setting the proposed maximum Fiscal Year 2021-22 ad valorem tax rate, and setting the date to hold the proposed Fiscal Year 2021-22 budget public hearing as September 16, 2021 at 6:30 PM and setting the date to adopt the said budget and the meeting to vote on the tax rate as September 27, 2021.

Sarah Buckelew, CPA, Finance Director

CONVENE INTO EXECUTIVE SESSION

Pursuant to Section 551.101 of the Open Meetings Act, Texas Gov't Code, a quorum of the governing body hereby convenes into closed session:

Sec. 551.074 (Personnel Matters)

5. To perform annual evaluation of the City Manager and City Secretary.

RECONVENE INTO OPEN SESSION

Discussion and possible action on items discussed in Executive Session.

ADJOURNMENT

Signature of Agenda Approval: s/ Tobin E. Maples

Tobin E Maples, City Manager

I, Christina Picioccio, City Secretary, certify that the above Notice of Meeting was posted on the outside bulletin board at the Fair Oaks Ranch City Hall, 7286 Dietz Elkhorn, Fair Oaks Ranch, Texas, and on the city's website www.fairoaksranchtx.org, both places being convenient and readily accessible to the general public at all times.

As per Texas Government Code 551.045, said Notice was posted by **6:30 PM, August 23, 2021** and remained so posted continuously for at least 72 hours before said meeting was convened.

The Fair Oaks Ranch City Hall is wheelchair accessible at the side entrance of the building from the parking lot. Requests for special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary's office at (210) 698-0900. Braille is not available. The City Council reserves the right to convene into Executive Session at any time regarding an issue on the agenda for which it is legally permissible; pursuant to Texas Government Code Chapter 551. Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
August 26, 2021

AGENDA TOPIC: Consideration and possible action approving a Resolution setting the proposed maximum Fiscal Year 2021-22 ad valorem tax rate, and setting the date to hold the proposed Fiscal Year 2021-22 budget public hearing as September 16, 2021 at 6:30 PM and setting the date to adopt the said budget and the meeting to vote on the tax rate as September 27, 2021.

DATE: August 26, 2021

DEPARTMENT: Administration

PRESENTED BY: Tobin Maples, AICP, City Manager; Sarah Buckelew, CPA, Finance Director

INTRODUCTION/BACKGROUND:

This item was considered and voted upon during the August 16th Council meeting. It was subsequently determined that the verbal motion stated the tax rate as “.3518 cents” per \$100 taxable value rather than “35.18 cents” per \$100 taxable value. In an effort to further clarify, the City Council will re-vote on this item as to avoid any confusion this may have caused. The City Council will also document the vote through a resolution in order to solidify the position taken.

Budget: City Charter Section 5.01 C8 mandates the City Manager shall prepare and administer the municipal budget in accordance with state law. Local Government Code Chapter 102 states the budget officer shall prepare, each year, a municipal budget to cover the proposed expenditures of the City for the succeeding year and to file the proposed budget with the City Secretary before the 30th day before the date the City Council adopts the tax levy for the succeeding year.

City Council shall set a public hearing on the proposed budget for a date occurring after the 15th day after the date the proposed budget is filed with the City Secretary (public hearing is proposed for September 16, 2021). (LGC 102.006).

Tax Rate: Truth-in-taxation is a concept embodied in the Texas Constitution (art VIII § 21a) that requires taxing units to make taxpayers aware of property tax rate proposals. Additionally, Senate Bill 2, also known as the Texas Property Tax Reform and Transparency Act of 2019, was passed by the Texas Legislature in 2019, and is effective for the Fiscal Year 2021-2022 budget and tax rate process.

Adoption Process: Pursuant to this and state law, the following steps are required in adopting a property tax rate that ***does not exceed the lower of the No-New-Revenue Rate, or the Voter Approval Rate:***

1. City Council must propose, by ***record vote***, a maximum ad valorem tax rate to be used to support the upcoming fiscal year general fund and debt fund budgets.
2. City Council must schedule one public hearing on the budget.
3. City Council must schedule a meeting to vote on the tax rate.

4. City Council must adopt a property tax rate before September 30 or by the 60th day after the City received the certified appraisal roll, whichever is later.

Attached is the Budget and Tax Rate calendar that complies with the requirements of adopting the Fiscal Year 2021-22 Budget and Tax Rate.

The following details a proposed maximum total property tax rate of \$0.3518 per \$100 taxable value. This total property tax rate does not exceed the lower of the No-New-Revenue Rate or the Voter Approval Rate.

Fiscal Year	Property Tax Rate	No-New-Revenue Rate	No-New-Revenue M&O Rate*	Voter Approval Rate	Debt Rate
2021-22	0.3518	0.3581	0.3283	0.3770	0.0295
2020-21	0.3735	0.3693	0.3472	0.3820	0.0326

*Unadjusted for sales tax

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Follows state statute on proposing a property tax rate lower than the No-New-Revenue Rate, and the Voter Approval Rate.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

N/A

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve a Resolution setting the maximum proposed ad valorem tax rate for Fiscal Year 2021-22.

RECORD VOTE IS REQUIRED – EACH COUNCIL MEMBER SHALL STATE AYE OR NAY

A RESOLUTION**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS
SETTING THE MAXIMUM PROPOSED AD VALOREM TAX RATE FOR FISCAL YEAR 2021-
22.**

WHEREAS, The City Council of the City of Fair Oaks Ranch will propose the maximum tax rate for Fiscal Year 2021-22; and

NOW, THEREFORE,

The maximum proposed ad valorem tax rate that the council will consider for Fiscal Year 2021-22 is 35.18 cents per \$100 taxable value; and

The City Council of the City of Fair Oaks Ranch, Texas will hold a budget public hearing on September 16, 2021 at 6:30pm; and

The City Council of the City of Fair Oaks Ranch, Texas will adopt the Fiscal Year 2021-22 ad valorem tax rate and budget on September 27, 2021 at 6:30 PM.

PASSED, APPROVED, and ADOPTED on this 26th day of August, 2021.

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

Denton Navarro Rocha Bernal & Zech, P.C.,
City Attorney

<u>Date</u>	<u>Budget Step</u>
May 19	*COUNCIL* Meeting Budget 101 presentation (Same day as Utility Rate Study Orientation)
June 3	*COUNCIL* Governmental Funds SAP and Budget work session with Council and Staff Focus: Tax impacting Capital Items (Drainage and Streets)
June 10	*COUNCIL* Enterprise Funds SAP and Budget work session with Council and Staff Focus: Fee impacting Capital Items (Water and Wastewater Infrastructure)
June 17	*COUNCIL* Budget and SAP Work session with Council and Staff Focus: Other issues, or more time as needed
June 24	*COUNCIL* Budget Work session with Council and Staff Focus: Funding
July 25 (Sunday)	Deadline for Chief Appraisers to deliver certify rolls or certified estimates to taxing units and certification of anticipated collection rate by tax collector. (Tax Code Sec. 26.01 a-1)
August 5	Calculation of No new revenue, Voter Approval, 8% Increase and De Minimis Rates.
August 5	Finance Director posts the calculated no-new-revenue tax rate and voter approval tax rate, along with certain debt information on the home page of the City's website using form prescribed by comptroller (Tax Code Sec 26.04 (e))
August 5	Finance Director submits the No-New Revenue and Voter Approval rates to City Council. (Tax Code Sec 26.04(e)). Finance Director posts the calculated no-new-revenue tax rate and voter approval tax rate, along with certain debt information on the home page of the City's website using form prescribed by comptroller (Tax Code Sec 26.04(e)).
August 26	City Council confirms maximum proposed tax rate and Council takes a record vote. (Tax Code Sec 26.061 (b)). City Council schedules one public hearing on the budget (LGC 102.006a-b) and a meeting to vote on the tax rate (Tax Code Sec. 26.05(d); (Tax Code Sec 26.06)
August 27	City Manager files budget with City Secretary (LGC 102.005a). City Secretary ensures the proposed budget is available on the website and available for inspection at City Hall (LGC 102.005c)
September 3	Finance Director publishes <i>Notice of Public Hearing on the Proposed Budget</i> in the Friday, September 3rd edition of Boerne Star and posts the budget on city's website. (LGC 102.005c) Finance Director publishes <i>Notice of Meeting to Vote on Proposed Tax Rate</i> in the Friday, September 3rd edition of Boerne Star and posts on the City's website (Tax Code Sec. 26.061, 26.06(c))
September 16	Public Hearing for Proposed budget. Council Meeting for the First Reading of Budget and Tax Rate Ordinances is held.
September 27 (Special Meeting)	Second Reading and adoption of the Budget and Tax Rate ordinances