

BUDGET CALENDAR

SCHEDULING ALL THE PARTS

COORDINATE WITH YOUR
APPRAISAL DISTRICT
AND
DESIGNATED OFFICIAL

READ THE STATUTES EVERY YEAR

- LOCAL GOVERNMENT CODE 81, 111, 151, 152
- TAX CODE 26
- ELECTION CODE 3, 41
- TEXAS ADMINISTRATIVE CODE 9.1002
- TEXAS CONSTITUTION ARTICLE VIII, SECTION 21

Budget Calendar, to do or not to do....

There is no requirement in the statutes to have a Budget Calendar.

There are, however, a lot of items to manage between the Tax Code and Local Government Code.

EXAMPLES:

Notices on the county's website

Newspaper ads

Notice to be delivered to elected officials

Notices to be delivered by the chief appraiser

Scheduling

When scheduling all the notices, postings and meetings, try to get them scheduled as soon as possible.

Leave your county with the ability to have the necessary time to correct any missed ads, notices or postings.

Does your county need to have extra CCT dates?

If it is likely that your county will require the mandatory election,

If it is possible that the tax rate will be late,

If it is possible that the appraisal district will have their items completed late,

If your court only regularly meets once or twice a month....

Then you may need extra CCT dates selected when they set their meeting dates. LGC 81.005

Regular Term of Commissioners Court

LGC 81.005 (a) ...the commissioners court by order shall designate a day of the week on which the court shall convene in a **regular term** each month during the next fiscal year.

(g) Any business of the commissioners court that is required by law to be conducted at a **regular term** may also be conducted at any meeting of the court held on a day on which the court routinely and periodically meets, regardless of whether the periodic interval is weekly, monthly, quarterly, annually, or some other interval.

(h) The commissioners court may designate a day of the week on which the court shall convene in a **regular term** each month other than the day of the week designated under Subsection (a).

Who is Running the Ads and Posting Notices?

While the statutes say who is responsible for running the ads and posting notices, do those designated officials actually do that?

EXAMPLE: SETTING SALARIES

LGC 152.013 (b)...the commissioners court must publish in a newspaper....

Who actually puts this notice in the newspaper?

Decide who will be responsible

LGC 111 - SUBCHAPTER A, B AND C

Subchapter A – Population less than 225,000

County Judge is the budget officer

Approximately 230 of the 254 counties

Subchapter B – Population more than 225,000

County Auditor is the budget officer

Approximately 7 of the 254 counties

Subchapter C – Population more than 125,000 choosing to not operate as subchapter A or B

Commissioners Court appoints a county budget officer

Approximately 17 of the 254 counties

Differences between Subchapter A, B and C Counties in LGC Chapter 111

Subchapter A counties have to file the proposed budget by August 15th and hold the public hearing within 25 days

Subchapter B and C counties can file the proposed budget as late as the first month of their fiscal year, but they do have spending restrictions

Subchapter B and C counties shall hold the public hearing on the budget within 10 calendar days after the proposed budget is filed but before the last day of the first month of the fiscal year.

Budget hearing ad still has to run 10-30 days before the hearing for all 3

Differences between Subchapter A, B and C Counties in LGC Chapter 111

Subchapter A counties are required to adopt the budget and then adopt the tax rate LGC 111.007(b), 111.008(a), 111.010(a)

Subchapter B and C counties can adopt the tax rate and then the budget

All 3 subchapters are subject to Tax Code 26.05(a) penalty for not adopting the tax rate by September 30th or the 60th day after the date the certified appraisal roll is received by the taxing unit.

Penalty for Adopting Tax Rate after Sept. 30th or the 60th day after Receipt of Certified Appraisal

Tax Code 26.05 (c) ...the tax rate for the taxing unit for that tax year is the **lower** of the no-new-revenue tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year.

A tax rate established by this subsection is treated as an adopted tax rate.

Before the fifth day after the establishment of a tax rate by this subsection, the governing body of the taxing unit **must** ratify the applicable tax rate in the manner required by Subsection (b).

Notice to Elected Official of Salary/Expenses

This notice is of their proposed salary and proposed personal expenses

Personal expense examples are auto allowance, cell phone allowance, other types of county budgeted supplemental payments, etc.

The type of expenses they can file a grievance on are all payroll items

If these are increased, the ad must be run in the newspaper

If the court decides to increase them at budget adoption, then they must first re-run the ad in the newspaper, give new notice to the official and allow time for grievance to be filed

If the court decides to decrease them at budget adoption, then the court must give new notice and allow time for the official to file a grievance

In either case, increase or decrease, the court cannot adopt the budget until these processes have taken place

Select a Grievance Committee LGC 152.015

- Earlier is better than later
- Statute says you don't have to select until a grievance is filed
- The elected official has 5 days to file a grievance once they receive notice of the salary or personal expenses
- If the grievance committee is already chosen, then they meet within 10 days from date grievance is filed
- If the grievance committee has not been chosen, then the commissioners court selects the committee members and the committee must meet within 10 days of their selection.

Information Needed by Designated Officer

Debt Service Information *

Sales Tax Information *

Criminal Justice Mandate

Indigent Healthcare Expenses

Indigent Defense Expenses

County Hospital Expenses *

Unencumbered Fund Balances

Transferred Function **

Deadline to receive tax rates, or not.....

By August 7th or as soon thereafter as practicable, the designated officer or employee shall submit the rates to the governing body. Tax Code 26.04 (e)

For Local Govt Code Chapter 111, subchapter A counties, 'as soon thereafter as practicable' is an issue. Deadline to file proposed budget is August 15th, subchapter B and C counties do not have the August 15th deadline to contend with.

Getting All Those Budget Numbers Together

Recommendation:

Prior to July 25th, have the budget fairly well laid out

By July 25th, the county will receive certified values

The designated office will calculate NNR and VAR tax rates

The designated budget officer will determine the tax rate to be used to fund the budget and make adjustments to the budget to fit the tax rate

The tax rate used will determine the Tax Rate Notice that will be used

The Tax Rate Notice will determine the timeline needed to get a tax rate adopted

AGENDA ITEMS

How do you know when items need to appear on the agenda?

Who makes sure they get put on the agenda at the appropriate time?

AGENDA ITEMS

Select grievance committee

Appoint designated official to calculate tax rates

Vote on proposed tax rate (needed for ads)

Schedule public hearing on tax increase *

Schedule public hearing on budget

Public hearing on budget

Adopting budget

Public hearing on tax increase *

Ratify Property tax increase *

Set Debt tax rate **

Set M&O tax rate

TAX RATE NOTICE

There are 11 different tax rate notices. You will only be using one of them. Handout examples given are for forms:

50-883 Does not exceed NNR or VAR, and

50-876 Exceeds NNR but does not exceed VAR

Form 50-757 Small Taxing Unit Notice – Currently no county qualifies to use this

The other 10 notices have a section that details how the court voted on the proposed tax rate. Make sure the court has this vote before one of these notices needs to be placed in the newspaper.

Required to Have a Mandatory Election?

Schedule adopting the tax rate a minimum of 78 days before the next uniform election date that occurs in November of that year Election Code 3.005

Uniform election date in November is the first Tuesday after first Monday in November Election Code 41.001 (a)(3)

For 2023, 78 days before is August 21st, as election day is November 7th

Election Code requirement of 78 days overrides Tax Code 26.05 (a)

mention of 71 days

Subchapter A counties must adopt the budget before adopting the tax rate

Subchapter B and C counties can adopt the tax rate and then adopt the budget at a later date

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