



**NOTICE OF SPECIAL MEETING
SEALY CITY COUNCIL
W. E. HILL COMMUNITY CENTER
1000 MAIN STREET
SEALY, TX 77474
MONDAY, AUGUST 24, 2026
6:00 P.M.**

Notice is hereby given of a Meeting of the City Council of Sealy to be held on the abovementioned date, time, and location for the purpose of considering the following agenda items. All agenda items are subject to action. The City Council reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

A. Call to Order

B. Invocation and Pledges of Allegiance

C. Roll Call and Certification of a Quorum

D. Petition(s) and Public Comments

Comments may not be addressed to or at individuals and are limited to three minutes per speaker; however, if a large quantity of individuals has registered to speak, the time may be reduced. Speakers may not poll the council members or attendees.

E. Discussion and Possible Action to Approve the agenda order or reorder

F. Consent Agenda

(In accordance with Sec. 2-35. (1) of the Code of Ordinances, "Routine matters thought to require little or no deliberation by city council may be placed on a consent agenda, which shall be treated as one agenda item." At any time prior to the call for a vote on the consent agenda, any council member may request that one or more items may be removed from the consent agenda and handled separately in the same manner as a regular agenda item.)

a) Approve the August 4, 2026, Regular Minutes

b) Acceptance of a \$5,000 Donation from the Abe and Irene Levine Trust for Improvements to the Levine Park Gazebo

TAXPAYER IMPACT STATEMENT

Pursuant to Texas Government Code 551.043 (c), a taxpayer impact statement is required for meetings at which the City Council discusses or adopts the proposed budget, must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year.

Description	FY 2025-2026 Adopted Tax Rate	FY 2026-2027 Proposed Tax Rate	FY 2026-2027 No- New-Revenue Rate
Tax Rate per \$100 of valuation	\$0.37731	\$0.37856	\$0.35290
Median Homestead Taxable Value	\$238,272	\$256,677	\$256,667
Estimated Annual Tax Bill	\$899	\$972	\$906
Difference from Current Fiscal Year	N/A	\$73	\$7

G. PUBLIC HEARING: The City Council will hold a Public Hearing to receive comments concerning the Proposed City of Sealy 2026 Tax Rate of \$0.37856

H. Business

1. Discussion and Possible Action regarding an Ordinance Adopting the City of Sealy, Texas Budget for the Fiscal Year 2026-2027 (Per the City of Sealy Home Rule Charter, Section 3.12 (1) Procedure to Enact Legislation, Section 7.02 E. Adoption)
(Only one reading is required for Final passage of this Ordinance)
(A record vote will be taken)
2. Discussion and Possible Action to Ratify the Proposed Property Tax Increase reflected in the Budget.
(A record vote will be taken)
3. Discussion and Possible Action to Approve the Interest and Sinking (I&S), or Debt Service, component of the 2026 Property Tax Rate.
(A record vote will be taken)
4. Discussion and Possible Action to Approve the Maintenance and Operations (M&O) component of the 2026 Property Tax Rate.
(A record vote will be taken)
5. Discussion and Possible Action to Approve an Ordinance providing for the Assessment, Levy, and Collection of Ad Valorem Tax of the City of Sealy, Texas, for the Year 2026.
(Per the City of Sealy Home Rule Charter, Section 3.12 (1) Procedure to enact Legislation, and Section 7.02 E. Adoption)
(A record vote will be taken)

I. WORKSHOP:

Workshop Items – Purpose Statement

Items presented during this workshop are intended to facilitate discussion among the City Council and provide staff with general direction regarding the future growth and development of the City of Sealy. Workshop discussions are preliminary in nature and are intended to identify priorities, policy considerations, opportunities, and concerns that may guide future planning, policy development, and staff analysis.

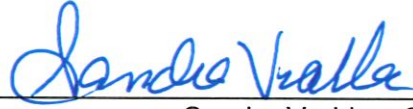
Unless specifically posted for action in accordance with applicable law, no final action will be taken on workshop items. Any matter requiring formal City Council consideration or action will be brought forward at a future properly posted meeting.

- a) Presentation by Strand Associates regarding Infrastructure Capacity, Existing Conditions, and Future Development considerations, including:
 - 1. Updated Drainage Map
 - 2. Water and Wastewater System Capacity and Water Pressure
 - 3. Remaining Undeveloped Land within the City Limits, including available Infrastructure Capacity to serve future development
- b) Discussion regarding the remaining Undeveloped land within the City Limits and the Allocation or Reservation of Utility.
- c) Discussion regarding Request for Annexation and Fiscal and Service-Delivery Impacts associated with Annexation.
- d) Review and Discussion of the Interlocal Agreement between the City of Sealy and Austin County regarding the Regulation and Development of Land within the City's Extraterritorial Jurisdiction (ETJ).
- e) Review and Discussion of Proposed Amendments to Chapter 28, Development Rules, Regulations, and Standards, of the City of Sealy Code of Ordinances
- f) Review and Discussion of Proposed Amendments to Chapter 87, Subdivision of Land and Plats, of the City of Sealy Code of Ordinances
- g) Discussion regarding the Exploration of Zoning as a Potential Land-Use and Development Tool for the City of Sealy
- 9. Reports, Announcements, or Requests from Councilmembers.

J. Adjourn

CERTIFICATION

I, Sandra Vrabec, City Secretary of the City of Sealy, do hereby certify that the above notice of the City of Sealy, Texas, City Council, was posted in a place convenient to the general public (and the City's website) in compliance with Chapter 551, of the Texas Government Code, and at least 3 business days before the scheduled time of the meeting.



Sandra Vrabec, City Secretary

F. CONSENT AGENDA

a)

Please table this item

b)



AGENDA ITEM NO:

Accept a \$5,000 Donation from the Abe and Irene Levine Trust for Improvements to Levine Park

SUBMITTED BY: Patrick Parsons, Public Works Director

MEETING DATE: August 24, 2026

STAFF REPORT

SUMMARY

The City of Sealy has received a donation in the amount of \$5,000 from The Abe and Irene Levine Trust. The donor has indicated that the donation is restricted to the use of upgrades at the Levine Park.

In accordance with the City's Naming and Donation Policy, donations that are restricted and exceed \$5,000 must be formally accepted by City Council.

ANALYSIS

Staff has received the \$5,000 donation which will be used for the restricted purpose to fund upgrades at the Levine Park.

FINANCIAL IMPACT

There is no negative fiscal impact to the City. The \$5,000 donation for upgrades at Levine Park will allow the City to make necessary repairs to the Gazebo.

RECOMMENDATION

Staff recommends that City Council accept the donation in the amount of \$5,000, from The Abe and Irene Levine Trust. The donor has indicated that the donation is restricted to the use of upgrades at the Levine Park.

April 18, 2023

EXHIBIT B – STANDARD DONATION AGREEMENT

City of Sealy Standard Donation Agreement

The undersigned Donor wishes to make a donation to the City of Sealy as described in more detail below.

The donor is (check and complete all that apply):

- ☒ donating \$ 5,000.00 in a lump sum
- ☐ donating \$ _____ in _____ (monthly, quarterly, etc.) payments of \$ _____ in _____ installments.
- ☐ donating the following (describe products, services, investment securities, real property, etc.):

- ☒ If this box is checked, this donation is restricted to the following uses: Levine Park Upgrades
- ☐ If this box is checked, this donation shall remain anonymous, but I understand and acknowledge my donation may be subject to disclosure under the Texas Public Information Act:

The city will publicly recognize donor(s) (as described in policy) by

_____ [describe recognition]:

- ☐ If this box is checked this donation is being made at the behest of Council Member/Commissioner/City Staff Member _____.

In connection with administering this agreement, Donor and City shall work through the following primary representatives:

	City of Sealy	Donor
Primary Representative:	Patrick Parsons	
Address:	415 Main Street, Sealy, Texas 77474	

April 18, 2023

Telephone:	979-885-3511	
Fax:		
Cell Phone:		
E-mail:	pparsons@ci.sealy.tx.us	

In addition to the foregoing, the Donor and City understand and agree that:

1. The City will provide the Donor with a donation receipt indicating the amount of the donation or the estimated value of goods or services donated within 30 days of receiving the donation.
2. Donor's contribution to the City will be recognized publicly as described above.
3. Except as provided above, the City may use the donation in any manner at its sole discretion and Donor has no right or obligation to control the City's use of the donation.
4. Donor has not and will not receive any goods or services in exchange for the donation and the City will not grant any extra consideration to the donor in relation to City procurement, regulatory matters, or any other business, services, or operations of the City.
5. Donor confirms that unless indicated otherwise above this donation is not made at the behest of a City Council Member or of any member of the Planning or Heritage Preservation Commissions or staff of the Community Development Department.

IN WITNESS WHEREOF, the parties hereto have executed this agreement.

Donor

City of Sealy

Kimbra Hill, City Manager

Name Title

Date: _____

Date: _____

ATTEST:

Sandra Vrabec, City Secretary

Date: _____

April 18, 2023

EXHIBIT D – DONATION ACCEPTANCE FORM



City of Sealy Donation Acceptance Form

This is to confirm that on 07/20/2026 [Insert date]

☒ the City of Sealy

☐ City of Sealy employee: _____
received from _____
[insert donor name and address]:

☒ a monetary contribution of \$ 5,000.00

☐ a non-monetary contribution consisting of [describe goods, services, property, securities, etc.]:

No goods or services were provided by the City of Sealy in return for the contribution.

[City employee name]

April 18, 2023

EXHIBIT E – DONATION RECEIPT



City of Sealy Donation Receipt

This is to confirm that on 07/20/2026 [insert date]

☒ the City of Sealy

☐ City of Sealy employee

received from _____

[insert donor name and address]:

☒ a monetary contribution of \$ 5,000.00

☐ a non-monetary contribution consisting of [describe goods, services, property, securities, etc.]:

No goods or services were provided by the City of Sealy in return for the contribution.

The City sincerely appreciates your donation.

City of Sealy

G. PUBLIC HEARING

August 13, 2026
Sealy News

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.37856 per \$100 valuation has been proposed by the governing body of City of Sealy.

PROPOSED TAX RATE	\$0.37856 per \$100
NO-NEW-REVENUE TAX RATE	\$0.35290 per \$100
VOTER-APPROVAL TAX RATE	\$0.37000 per \$100
DE MINIMIS RATE	\$0.39664 per \$100

The no-new-revenue tax rate is the tax rate for the 2026 tax year that will raise the same amount of property tax revenue for City of Sealy from the same properties in both the 2025 tax year and the 2026 tax year.

The voter-approval rate is the highest tax rate that City of Sealy may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Sealy exceeds the voter-approval rate for City of Sealy.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Sealy, the rate that will raise \$500,000, and the current debt rate for City of Sealy.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Sealy is proposing to increase property taxes for the 2026 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 24, 2026 AT 6:00 PM AT W.E. Hill Community Center, 1000 Main Street, Sealy, TX 77474.

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate and does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code. If City of Sealy adopts the proposed tax rate, the City of Sealy is not required to hold an election so that voters may accept or reject the proposed tax rate and the qualified voters of the City of Sealy may not petition the City of Sealy to require an election to be held to determine whether to reduce the proposed tax rate.

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

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

FOR the proposal: Mayor, Carolyn Bilski
Councilmember, Place 1, Robert (Bobby) Necker
Councilmember, Place 2, Chris Noack
Councilmember, Place 3, Bradley Miller
Councilmember, Place 4, Cookie Curry

AGAINST the proposal: Councilmember, Place 5, Edward Zapalac

PRESENT and not voting: N/A

ABSENT: Councilmember, Place 6, Adam Burttschell

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

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 Sealy last year to the taxes proposed to be imposed on the average residence homestead by City of Sealy this year.

	2025	2026	Change
Total tax rate (per \$100 of value)	\$0.37731	\$0.37856	increase of 0.00125 per \$100, or 0.33%
Average homestead taxable value	\$256,997	\$271,236	increase of \$5.54%
Tax on average homestead	\$969.68	\$1,026.79	increase of \$57.11, or 5.89%
Total tax levy on all properties	\$5,231,097	\$5,685,487	increase of \$454,390, or 8.69%

For assistance with tax calculations, please contact the tax assessor for City of Sealy at 979-865-9124 or tswonke@austincad.org, or visit <https://www.ci.sealy.tx.us> for more information.

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.37856 per \$100 valuation has been proposed by the governing body of City of Sealy.

PROPOSED TAX RATE	\$0.37856 per \$100
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The voter-approval rate is the highest tax rate that City of Sealy may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Sealy exceeds the voter-approval rate for City of Sealy.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Sealy, the rate that will raise \$500,000, and the current debt rate for City of Sealy.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Sealy is proposing to increase property taxes for the 2026 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 24, 2026 AT 6:00 PM AT W.E. Hill Community Center, 1000 Main Street, Sealy, TX 77474.

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

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

FOR the proposal: Mayor, Carolyn Bilski
Councilmember, Place 1, Robert (Bobby) Necker
Councilmember, Place 2, Chris Noack
Councilmember, Place 3, Bradley Miller
Councilmember, Place 4, Cookie Curry

AGAINST the proposal: Councilmember, Place 5, Edward Zapalac

PRESENT and not voting: N/A

ABSENT: Councilmember, Place 6, Adam Burttschell

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For assistance with tax calculations, please contact the tax assessor for City of Sealy at 979-865-9124 or tswonke@austincad.org, or visit <https://www.ci.sealy.tx.us> for more information.

H. BUSINESS

ITEM #1



AGENDA ITEM NO: 1

Discussion and Possible Action to either Postpone the Vote or Approve an Ordinance Adopting the City of Sealy, Texas Budget for the Fiscal Year 2026-2027 (Per the City of Sealy Home Rule Charter, Section 3.12 (1) Procedure to Enact Legislation, Section 7.02 E. Adoption)
(Only one reading is required for Final passage of this Ordinance)
(A record vote will be taken)

SUBMITTED BY: Jennifer Matura, Finance Director

MEETING DATE: 08.23.2026

STAFF REPORT

SUMMARY :

In accordance with Local Government Code Sec. 102.007, at the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget.

This action is either adoption of the budget by ordinance or a vote to postpone the final budget vote until the following evening's meeting.

Prior to adopting the budget, the governing body may make any changes in the budget that it considers warranted by the law or the best interest of the municipal taxpayers.

A vote to adopt the budget must be a record vote.

FINANCIAL IMPACT:

The budget will be implemented to govern annual expenditures based on projected revenues and resources for fiscal year 2026-2027.

RECOMMENDATION

Staff recommends the approval of the ordinance adopting the 2026-2027 budget for the City of Sealy, Texas.

CITY OF SEALY, TEXAS

ADOPTED ANNUAL BUDGET

OCTOBER 1, 2026 TO SEPTEMBER 30, 2027

This Budget will raise more revenue from property taxes than last year's budget by an amount of \$543,499, which is a 10.57 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$150,653.

The members of the governing body voted on the budget as follows:

POSITION	NAME	FOR	AGAINST	PRESENT and not voting	ABSENT
Mayor	Carolyn Bilski				
Council Member, Place 1	Robert (Bobby) Necker				
Council Member, Place 2	Chris Noack				
Council Member, Place 3	Bradley Miller				
Council Member, Place 4	Cookie Curry				
Council Member, Place 5	Edward J. Zapalac				
Council Member, Place 6	Adam Burttschell				

PROPERTY TAX RATE COMPARISON (Rates expressed per \$100 of value)

TAX RATE	TAX YEAR 2026	TAX YEAR 2025
Property Tax Rate	\$ 0.37856	\$ 0.37731
No-New-Revenue Tax Rate	\$ 0.35290	\$ 0.29340
No-New-Revenue Maintenance and Operations Tax Rate	\$ 0.17982	\$ 0.18614
Voter-Approval Tax Rate	\$ 0.37000	\$ 0.36894
Debt Rate	\$ 0.17308	\$ 0.17629

TOTAL DEBT OBLIGATIONS FOR CITY OF SEALY SECURED BY PROPERTY TAXES:
\$2,599,478

ORDINANCE 2026-

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF SEALY, TEXAS, BUDGET FOR THE FISCAL YEAR 2026-2027; MAKING APPROPRIATIONS FOR THE CITY FOR SUCH YEAR AS REFLECTED IN SAID BUDGET; MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on the 16th day of July 2026, the City Manager filed with the City Secretary a proposed budget of expenditures of the City of Sealy for the Fiscal Year 2026-2027, the same being the Fiscal Year of the City, and

WHEREAS, pursuant to a motion of the City Council and after notice required by law, a Public Hearing on such budget was held on the 23rd day of August 2026, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, a copy of the budget has been filed with the City Secretary and the City Council now desires to approve and adopt the same;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEALY, TEXAS:

Section 1. The facts and recitations set forth in the preamble of this Ordinance are hereby found to be true and correct and incorporated herein for all purposes.

Section 2. The City Council hereby approves and adopts the budget, a copy of which is attached hereto and made a part hereof. The City Secretary is hereby directed to place on said budget an endorsement, to be signed by the City Secretary, which shall read as follows: "The Original Budget of the City of Sealy, Texas, for the Fiscal Year 2026-2027." Such budget as thus endorsed shall be kept on file in the office of the City Secretary as a public record.

Section 3. *Severability.* In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part of provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Sealy, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 4. *Effective Date.* This ordinance shall become effective immediately.

PASSED AND APPROVED AND ADOPTED this 23rd day of August 2026.

Carolyn Bilski, Mayor

ATTEST:

Sandra Vrablec, City Secretary

ITEM #2



AGENDA ITEM NO: 2

Discussion and Possible Action to Ratify the Proposed Property Tax Increase reflected in the Budget.

(A record vote will be taken.)

SUBMITTED BY: Jennifer Matura, Finance Director

MEETING DATE: 08.23.2026

STAFF REPORT

SUMMARY :

In accordance with Local Government Code Sec. 102.007(c), adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. The vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate. The proposed tax rate is as follows:

- M & O \$0.20548 per \$100 valuation
- I & S \$0.17308 per \$100 valuation
- TOTAL \$0.37856 per \$100 valuation

FINANCIAL IMPACT:

The additional property tax revenue is necessary for general fund maintenance and operations and for next year's debt service payments.

RECOMMENDATION

Staff recommends that City Council ratify the property tax increase reflected in the budget.

ITEM #3



AGENDA ITEM NO: 3

Discussion and Possible Action to Approve the Interest and Sinking (I&S), or Debt Service, component of the 2026 Property Tax Rate.
(A record vote will be taken)

SUBMITTED BY: Jennifer Matura, Finance Director

MEETING DATE: 08.24.2024

STAFF REPORT

SUMMARY :

In accordance with Tax Code Sec. 26.05(a), the tax rate consists of two components, each of which must be approved separately. One of the components is the rate that will impose an amount of taxes that will be used to pay debt service for the upcoming fiscal year.

FINANCIAL IMPACT:

The proposed I&S tax rate is calculated by the Austin County Appraisal District using the State of Texas Tax Codes by calculating debt adjusted for collections by the total taxable value. The I&S proposed rate of \$0.17308 per \$100 valuation is the maximum rate the City can approve and will be sufficient to fund bond debt service payments coming due in the next fiscal year.

RECOMMENDATION

City Staff recommends City council approve an interest and sinking property tax rate of \$0.17308 per \$100 valuation for 2026.

August 24th, 2026 City Council Meeting Notes:

- Public Hearing on tax rate increase
- Vote to approve debt service (Interest and Sinking, or I&S) tax rate of \$0.17308 per \$100 value
- Vote to approve maintenance and operations (M&O) tax rate of \$0.20548 per \$100 value
- Vote to adopt ordinance setting tax rate

PROPERTY TAX RATE ADOPTION

Tax Code Sec. 26.05(a)

- Once the public hearing on the proposed property tax rate has concluded, Council must take action on the rate. The property tax rate consists of two components: (a) the rate that will impose the amount of taxes needed to fund maintenance and operation (M&O) expenditures of the taxing unit for the next year and (b) the rate that will impose the amount of taxes needed to pay debt service (I&S, or interest and sinking) of the taxing unit for the next year. The two components must be approved separately.
1. Council makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 interest and sinking property tax rate of \$0.17308 cents per \$100 valuation."

2. Council then makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 maintenance and operations property tax rate of \$0.20548 cents per \$100 valuation."

Tax Code Sec. 26.05 (b)

- Council then makes a motion to approve the total tax rate. Since the proposed tax rate this year (\$0.37856) **EXCEEDS** the no-new revenue tax rate (\$0.35290), the motion to adopt the ordinance setting the tax rate requires the language...

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.37856 per \$100 value, which is effectively a 7.27 percent increase in the tax rate."

Vote must be a **record vote**, and at least 60% of all Council members (i.e. at least 5 of the 7) must vote in favor of the ordinance.

Austin County Appraisal District
906 E. Amelia St.
Bellville, TX 77418



Telephone: 979-865-9124
Fax: 979-865-3296

Once the taxing unit has met to adopt their rate, please provide the Appraisal District with the following information:

Taxing Unit: City of Sealy

Maintenance & Operations Tax Rate: \$0.20548/\$100

Interest & Sinking Tax Rate: \$0.17308/\$100

Total Tax Rate: \$0.37856/\$100

A copy of the written resolution, ordinance or order must be attached.

Please remember that the taxing unit must comply with Open Meetings Notice. We are requesting adopted tax rate information by September 20th, to timely process tax statements

Signed

Date

ITEM #4



AGENDA ITEM NO: 4

Discussion and Possible Action to Approve the Maintenance and Operations (M&O) component of the 2026 Property Tax Rate.
(A record vote will be taken)

SUBMITTED BY: Jennifer Matura, Finance Director

MEETING DATE: 08.24.2026

STAFF REPORT

SUMMARY:

In accordance with Tax Code Sec. 26.05(a), the tax rate consists of two components, each of which must be approved separately. One of the components is the rate that will impose an amount of taxes needed to fund maintenance and operation expenditures of the taxing unit for the next fiscal year.

FINANCIAL IMPACT:

The proposed M&O tax rate of \$0.20548 per \$100 valuation is a rate that is greater than the voter-approval tax rate but not greater than the de minimis rate and is the maximum rate allowed by law without triggering any type of election. The proposed M&O tax rate will provide revenue necessary for general fund maintenance and operation expenditures in the next fiscal year.

RECOMMENDATION

City Staff recommends City council approve a maintenance and operations (M&O) property tax rate of \$0.20548 per \$100 valuation for 2026.

August 24th, 2026 City Council Meeting Notes:

- Public Hearing on tax rate increase
- Vote to approve debt service (Interest and Sinking, or I&S) tax rate of \$0.17308 per \$100 value
- Vote to approve maintenance and operations (M&O) tax rate of \$0.20548 per \$100 value
- Vote to adopt ordinance setting tax rate

PROPERTY TAX RATE ADOPTION

Tax Code Sec. 26.05(a)

- Once the public hearing on the proposed property tax rate has concluded, Council must take action on the rate. The property tax rate consists of two components: (a) the rate that will impose the amount of taxes needed to fund maintenance and operation (M&O) expenditures of the taxing unit for the next year and (b) the rate that will impose the amount of taxes needed to pay debt service (I&S, or interest and sinking) of the taxing unit for the next year. The two components must be approved separately.
1. Council makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 interest and sinking property tax rate of \$0.17308 cents per \$100 valuation."

2. Council then makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 maintenance and operations property tax rate of \$0.20548 cents per \$100 valuation."

Tax Code Sec. 26.05 (b)

- Council then makes a motion to approve the total tax rate. Since the proposed tax rate this year (\$0.37856) **EXCEEDS** the no-new revenue tax rate (\$0.35290), the motion to adopt the ordinance setting the tax rate requires the language...

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.37856 per \$100 value, which is effectively a 7.27 percent increase in the tax rate."

Vote must be a **record vote**, and at least 60% of all Council members (i.e. at least 5 of the 7) must vote in favor of the ordinance.

Austin County Appraisal District
906 E. Amelia St.
Bellville, TX 77418



Telephone: 979-865-9124
Fax: 979-865-3296

Once the taxing unit has met to adopt their rate, please provide the Appraisal District with the following information:

Taxing Unit: City of Sealy

Maintenance & Operations Tax Rate: \$0.20548/\$100

Interest & Sinking Tax Rate: \$0.17308/\$100

Total Tax Rate: \$0.37856/\$100

A copy of the written resolution, ordinance or order must be attached.

Please remember that the taxing unit must comply with Open Meetings Notice. We are requesting adopted tax rate information by September 20th, to timely process tax statements

Signed

Date

ITEM #5



AGENDA ITEM NO: 5

Discussion and Possible Action to Approve an Ordinance providing for the Assessment, Levy, and Collection of Ad Valorem Tax of the City of Sealy, Texas, for the Year 2026.
(Per the City of Sealy Home Rule Charter, Section 3.12 (1) Procedure to Enact Legislation, Section 7.02 E. Adoption)
(Only one reading is required for Final passage of this Ordinance)
(A record vote will be taken).

SUBMITTED BY: Jennifer Matura, Finance Director

MEETING DATE: 08.24.2026

STAFF REPORT

SUMMARY :

In accordance with Tax Code Sec. 26.05(b), the annual tax rate must be set by ordinance, and the vote on the ordinance must be separate from the vote adopting the budget. The vote on the ordinance setting a tax rate that exceeds the no-new-revenue rate must be a **record vote**, and at least 60 percent of the members of the governing body (i.e., at least five of the seven members) must vote in favor of the ordinance.

A motion to adopt an ordinance setting a tax rate that exceeds the no-new-revenue tax rate must be made in the following form:

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.37856 per \$100 value, which is effectively a 7.27 percent increase in the tax rate."

FINANCIAL IMPACT:

The 2026 property tax rate will provide the revenue necessary for general fund maintenance and operation expenditures and debt service payments in the next fiscal year.

RECOMMENDATION

Staff recommends that council adopt the ordinance setting the 2026 tax rate at \$0.37856 per \$100 valuation using the verbiage stated above.

August 24th, 2026 City Council Meeting Notes:

- Public Hearing on tax rate increase
- Vote to approve debt service (Interest and Sinking, or I&S) tax rate of \$0.17308 per \$100 value
- Vote to approve maintenance and operations (M&O) tax rate of \$0.20548 per \$100 value
- Vote to adopt ordinance setting tax rate

PROPERTY TAX RATE ADOPTION

Tax Code Sec. 26.05(a)

- Once the public hearing on the proposed property tax rate has concluded, Council must take action on the rate. The property tax rate consists of two components: (a) the rate that will impose the amount of taxes needed to fund maintenance and operation (M&O) expenditures of the taxing unit for the next year and (b) the rate that will impose the amount of taxes needed to pay debt service (I&S, or interest and sinking) of the taxing unit for the next year. The two components must be approved separately.
1. Council makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 interest and sinking property tax rate of \$0.17308 cents per \$100 valuation."

2. Council then makes the following motion and votes upon it separately (record vote):

"I move to approve the 2026 maintenance and operations property tax rate of \$0.20548 cents per \$100 valuation."

Tax Code Sec. 26.05 (b)

- Council then makes a motion to approve the total tax rate. Since the proposed tax rate this year (\$0.37856) **EXCEEDS** the no-new revenue tax rate (\$0.35290), the motion to adopt the ordinance setting the tax rate requires the language...

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.37856 per \$100 value, which is effectively a 7.27 percent increase in the tax rate."

Vote must be a **record vote**, and at least 60% of all Council members (i.e. at least 5 of the 7) must vote in favor of the ordinance.

ORDINANCE 2026-

AN ORDINANCE PROVIDING FOR THE ASSESSMENT, LEVY, AND COLLECTION OF AD VALOREM TAXES OF THE CITY OF SEALY, TEXAS, FOR THE YEAR 2026; PROVIDING FOR THE DATE ON WHICH SUCH TAXES SHALL BE DUE AND PAYABLE; PROVIDING FOR PENALTY AND INTEREST ON ALL TAXES NOT TIMELY PAID; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of Sealy, Texas, ("City"), has complied with the tax rate adoption procedures as set forth in the Texas Tax Code, Chapter 26, as well as other applicable state laws; and

WHEREAS, the tax rate consists of two components (one which will impose the amount of taxes needed to pay the unit's debt service and the other which will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year), each of the components must be approved separately; and

WHEREAS, the proposed tax rate for the current tax year of the City of Sealy, Texas, consists of two components, a tax rate of seventeen and three hundred eight thousandths cents (\$0.17308) for the purpose of paying the accruing interest and to provide a sinking fund for payment of the indebtedness of the City, and a tax rate of twenty and five hundred forty-eight thousandths cents (\$0.20548) for the purpose of funding the maintenance and operation expenditures of the City for the next fiscal year; and

WHEREAS, City Council has approved, by separate motions, the tax rate heretofore specified for each of said components; and

WHEREAS, all notices and hearings required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEALY, TEXAS:

Section 1. The facts and recitations set forth in the preamble of this Ordinance are found to be true and correct and are hereby adopted, ratified, and confirmed.

Section 2. There is hereby levied, for the Tax Year 2026, to fund the City's Fiscal Year 2026-2027 municipal budget, an ad valorem tax at the total rate of thirty-seven and eight hundred fifty-six thousandths cents (\$0.37856) on each One Hundred Dollars (\$100) of assessed valuation on all property, real, personal, and mixed, within the corporate limits of the City, upon which an ad valorem tax is authorized by law to be levied by the City of Sealy, Texas. All such taxes shall be assessed and collected in current money of the United States of America.

Section 3. Of such total tax levied in Section 2 hereof, \$0.20548 is levied to fund maintenance and operation expenditures of the City for the Fiscal Year 2026-2027.

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 SEVEN AND NINETY-NINE HUNDREDTHS (7.99) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A

\$100,000 HOME BY APPROXIMATELY \$4.46. Of the total tax levied in Section 2 hereof, \$0.17308 is levied for the purpose of paying the interest on bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City of Sealy, Texas, including the various installments of principal due on the serial bonds, warrants, certificates of obligation, or other lawfully authorized evidence of indebtedness issued by the City as such installments shall respectively mature, in the Fiscal Year 2026-2027.

Section 4. All Ad Valorem taxes levied hereby, in the total amount of \$0.37856 on each One Hundred Dollars (\$100) of assessed valuation, as reflected by Sections 2 and 3 hereof, shall be due and payable on or before January 31, 2027. All ad valorem taxes due the City of Sealy, Texas, and not paid on or before January 31st following the year for which they were levied, shall bear penalty and interest as prescribed in the Texas Tax Code.

Section 5. All Ordinances and parts of Ordinances inconsistent or in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. If any provision of this Ordinance is found to be invalid or unconstitutional by a court of competent jurisdiction, the same shall not invalidate or impair the validity, force, or effect of any other provision of this Ordinance.

PASSED, APPROVED, AND ADOPTED this 24th day of August 2026.

Carolyn Bilski, Mayor

ATTEST:

Sandra Vrabec, City Secretary

I. WORKSHOP



AGENDA ITEM NO: _____

SUBMITTED BY: Mike Barrow, Assistant City Manager

MEETING DATE: August 24, 2026

STAFF REPORT

DESCRIPTION

Workshop Items – Purpose Statement

ANALYSIS

Items presented during the workshop are intended to facilitate discussion among the City Council and provide staff with general direction regarding the future growth and development of the City of Sealy. Workshop discussions are preliminary in nature and are intended to identify priorities, policy considerations, opportunities, and concerns that may guide future planning, policy development, and staff analysis.

Unless specifically posted for action in accordance with applicable law, no final action will be taken on workshop items. Any matter requiring formal City Council consideration or action will be brought forward at a future properly posted meeting.

- (a) Presentation by Strand Associates regarding Infrastructure Capacity, Existing Conditions, and Future Development considerations, including:
 - 1. Updated Drainage Map
 - 2. Water and Wastewater System Capacity and Water Pressure
 - 3. Remaining Undeveloped Land within the City Limits, including available Infrastructure Capacity to serve future development.
- (b) Discussion regarding the remaining Undeveloped land within the City Limits and the Allocation or Reservation of Utility Capacity.
- (c) Discussion regarding Request for Annexation and Fiscal and Service-Delivery Impacts associated with Annexation.
- (d) Review and Discussion of the Interlocal Agreement between the City of Sealy and Austin County regarding the Regulation and Development of Land within the City's Extraterritorial Jurisdiction (ETJ).
- (e) Review and Discussion of Proposed Amendments to Chapter 28, Development Rules, Regulation, and Standards, of the City of Sealy Code of Ordinances.
- (f) Review and Discussion of Proposed Amendments to Chapter 87, Subdivision of Land and Plats, of the City of Sealy Code of Ordinances.
- (g) Discussion regarding the Exploration of Zoning as a Potential Land-Use and Development Tool for the City of Sealy.

The City is up against unprecedented development stress with loss of sales tax in newly annexed territories and getting the best development for our community that is both good for the city's future financial base and sustainability and good provides good outcomes that are planned with good balance of utilities, roadways, and population densities to ensure safe and organized community development.

We have a land use plan in our Comprehensive Plan, however it needs to be understood that the land use plan without zoning is unenforceable.

RECOMMENDATION

We need good discussions and understanding so that we can make necessary changes to development standards and plan for the future.

FINANCIAL IMPACTS

NA

a)

b)

c)

d)

e)

f)

g)

ITEM #9
REPORTS,
ANNOUNCEMENTS, OR
REQUESTS FROM
COUNCILMEMBERS

J. ADJOURN