RKN
08/06/15
Item # 4 A

AN ORDINANCE 2015-08-06-0630

SETTING A PROPOSED AD VALOREM TAX RATE FOR FISCAL YEAR 2016, ALSO BEING TAX YEAR 2015, AT 55.827 CENTS PER $100 OF TAXABLE VALUATION, WHICH INCLUDES 34.677 CENTS PER $100 OF TAXABLE VALUATION FOR MAINTENANCE AND OPERATIONS AND 21.150 CENTS PER $100 OF TAXABLE VALUATION FOR DEBT SERVICE; AND PROVIDING THAT SEPARATE ORDINANCES ADOPTING THE MAINTENANCE AND OPERATIONS TAX RATE AND THE DEBT SERVICE TAX RATE FOR TAX YEAR 2015 WILL BE CONSIDERED AT THE SEPTEMBER 10, 2015, CITY COUNCIL MEETING.

* * * *

WHEREAS, property tax values are determined by the Bexar Appraisal District ("BAD") in conformance with state law; and

WHEREAS, values for the City of San Antonio recently reported by BAD for the Tax Year beginning January 1, 2015 and ending December 31, 2015 ("Tax Year 2015"), show an increase in net taxable value of approximately $10.822 billion, or 13.57% above last year; and

WHEREAS, the property tax rate consists of two components, the Maintenance and Operations tax rate and the Debt Service tax rate; and

WHEREAS, the proposed Tax Year 2015 Maintenance and Operations tax rate is 34.677 cents per $100 of taxable valuation; and

WHEREAS, the proposed Tax Year 2015 Debt Service tax rate is 21.150 cents per $100 of taxable valuation, and is consistent with the requirements of the City's Debt Management Plan; and

WHEREAS, the two values combined represent a proposed tax rate for Tax Year 2015 of 55.827 cents per $100.00 of taxable valuation, which exceeds the Tax Year 2015 effective rate of 51.282 cents per $100 of taxable valuation; and

WHEREAS, in accordance with the requirements of Chapter 26 of the Texas Property Tax Code, the City Council will, by ordinance to be passed and approved on the same date as this Ordinance, set the dates, times, and locations for the two public hearings on the proposed tax rate that are required in order to adopt a tax rate that exceeds the lower of the rollback rate or the effective rate, which ordinance will also provide for publication, posting and broadcasting of all required public notices of each of the public hearings; and

WHEREAS, also in accordance with and pursuant to Chapter 26 of the Texas Property Tax Code, and applicable provisions of the City Charter, the City Council now wishes to provide that separate ordinances adopting the maintenance and operations tax rate and the debt service tax rate for Tax Year 2015 will be considered at the September 10, 2015, City Council meeting; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council hereby sets a proposed tax rate for Fiscal Year 2016, also being Tax Year 2015, of 55.827 cents per $100 of taxable valuation, which is comprised of a maintenance and operations component of 34.677 cents per $100 of taxable valuation and a debt service component of 21.150 cents per $100 of taxable valuation. The proposed tax rate set out above is the tax rate recommended in the City Manager's proposed budget for Tax Year 2015. The proposed tax rate of 55.827 cents per $100 of taxable valuation exceeds the effective rate of 51.282 cents per $100 of taxable valuation for Tax Year 2015.

SECTION 2. The dates, times and locations of the two public hearings on the proposed tax rate that are required by Chapter 26 of the Texas Property Tax Code, to adopt a tax rate that exceeds the lower of the rollback rate or the effective rate, will be established by Ordinance to be passed and approved on the same date as this Ordinance, which ordinance will also provide for publication, posting and broadcasting of all required public notices of each of the public hearings.

SECTION 3. Separate ordinances adopting the maintenance and operations tax rate and the debt service tax rate for Tax Year 2015 will be considered at the September 10, 2015, City Council meeting.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 6th day of August, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda, Acting City Attorney

Agenda Item:	**4A (in consent vote: 4A, 4B)**
Date:	08/06/2015
Time:	10:56:22 AM
Vote Type:	Motion to Approve
Description:	An Ordinance setting the proposed tax rate for the Tax Year 2015.
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x			x	
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				x
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

FY 2016 PROPOSED OPERATING & CAPITAL BUDGET

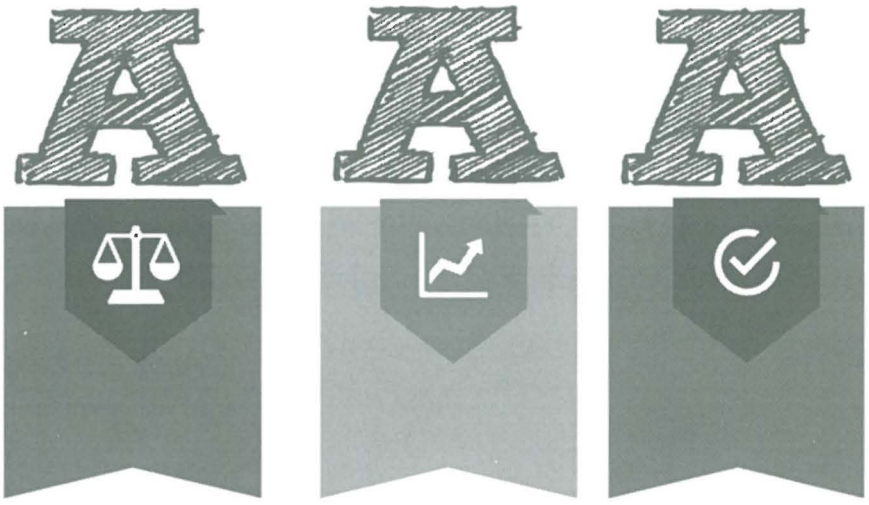
Presented by City Manager Sheryl Sculley

August 6, 2015

OVERVIEW

- Budget is balanced
- Addresses Council & Community Priorities
- Keeps Public Safety within 66% of General Fund
- Increases Streets, Sidewalks and Drainage
- Decreases the City's Property Tax Rate

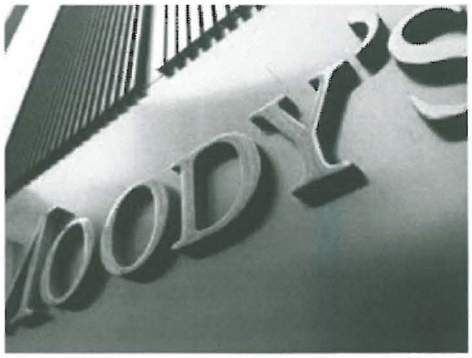
BUDGET REFLECTS STRONG FINANCIAL MANAGEMENT



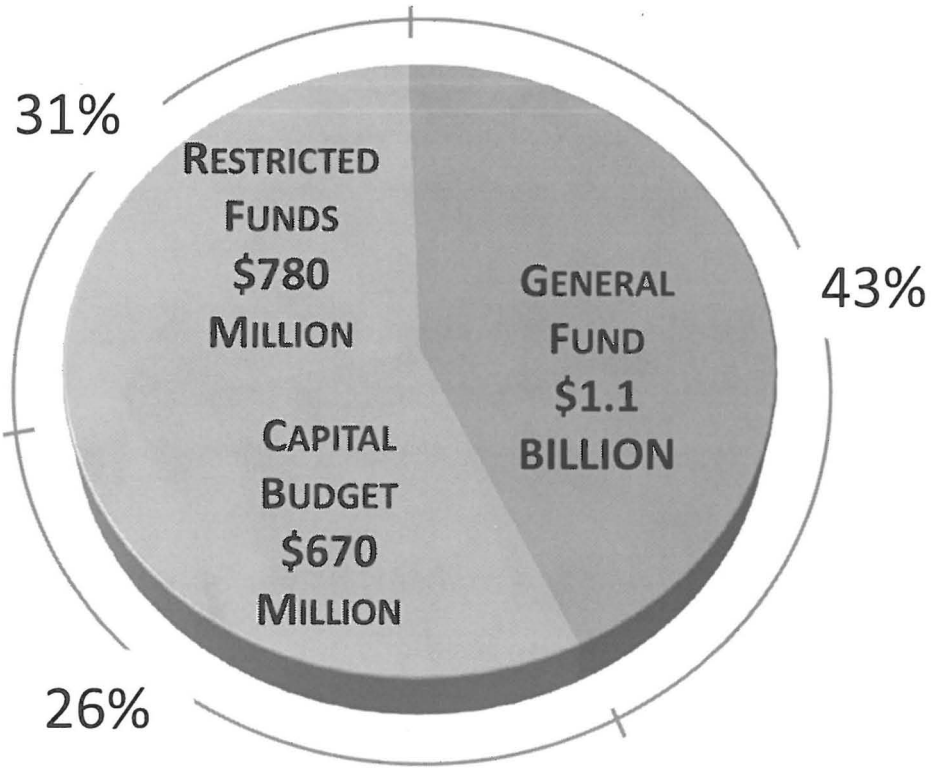
Re-affirmed by major bond rating agencies for the sixth straight year

MOODY'S REMOVED NEGATIVE OUTLOOK

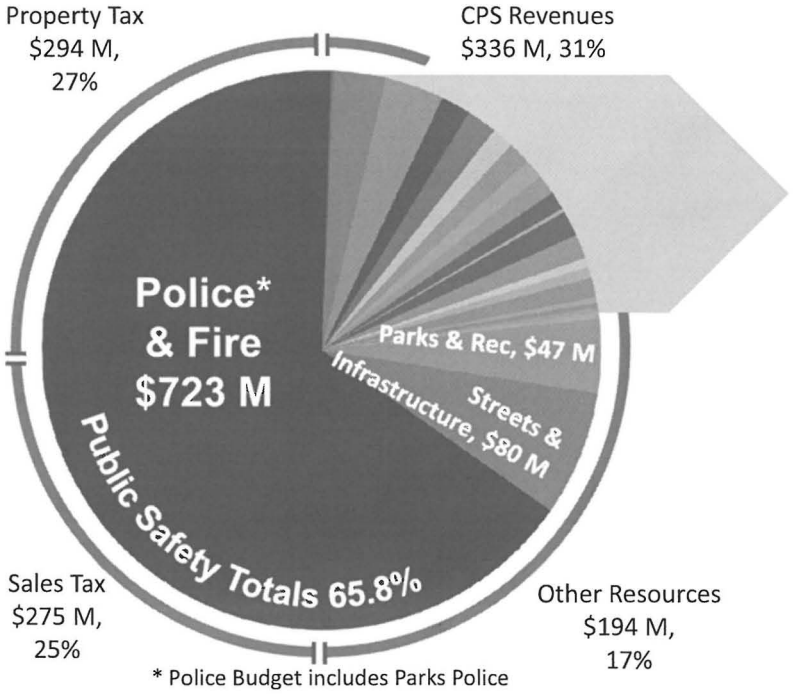
- Strong financial results guided by experienced management team
- City's efforts to keep public safety at no more than 66% and to realign public safety benefits with peer cities in the future



TOTAL CITY BUDGET – $2.5 BILLION



TOTAL GENERAL FUND BUDGET– $1.1 BILLION

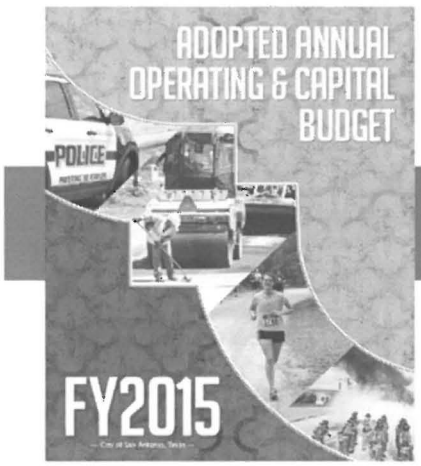


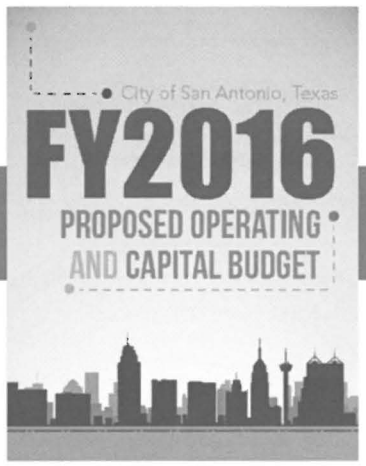
Other Operating Departments - $249 M

- Human Services
- Library
- Municipal Court
- Code Enforcement
- Animal Care
- Health
- Center City
- Planning
- Historic Preservation
- East Point Office
- 311/Communications
- Economic Development
- Non-Departmental
- Administration:
  - •City Attorney
  - •City Auditor, City Clerk
  - •Human Resources
  - •Finance & Budget
  - •Mayor and Council
  - •City Manager
  - •Transfers

GENERAL FUND BUDGET

FY 2015 FY 2016





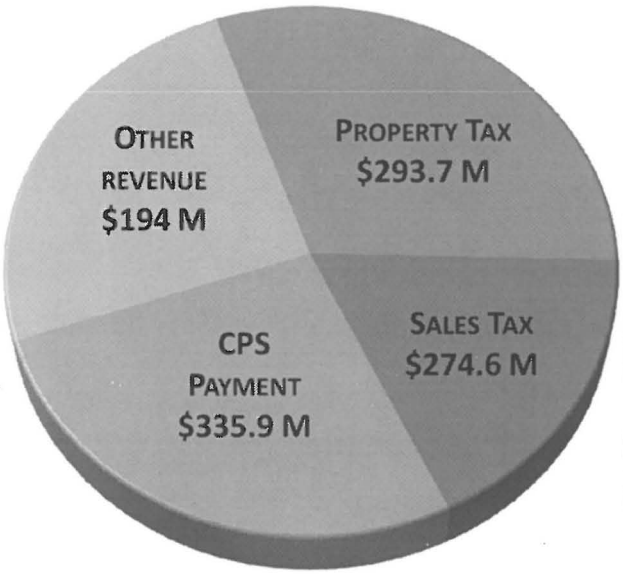
4.8% INCREASE

$1.05 BILLION **$1.1 BILLION**

FY 2016 GENERAL FUND RESOURCES:

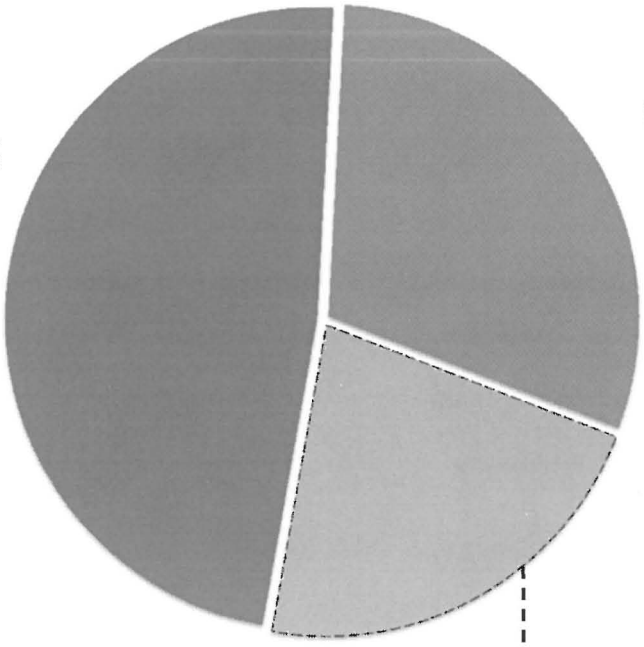
$1.1 BILLION

4.8% HIGHER THAN FY 2015



	% increase over FY 2015
Property Tax	*9.8%*
Sales Tax	*5%*
CPS Payment	*3%*
Other Revenue	*1%*

PROPERTY TAX DISTRIBUTION



48%
Schools

30%
County, Community Colleges, SA River Authority, University Health District

22%
City of San Antonio

Property Values increased 13.5% in FY 2016

	FY 2015	FY 2016
Base Values	4.4%	10.7%
New Values	1.7%	2.8%
Total	**6.1%**	**13.5%**

FY 2016 BUDGET RECOMMENDS

¾ of 1¢ reduction

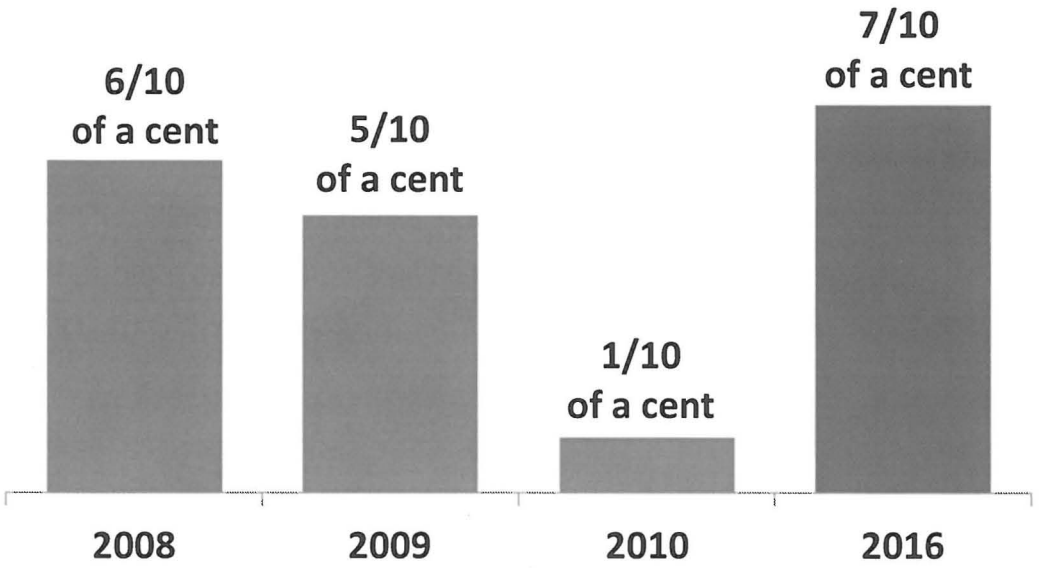
$6 Million in Savings to taxpayers

CITY PROPERTY TAX EXEMPTIONS

- City will forgo an **additional $37 Million** in property tax revenue
- Over 87,000 Seniors and nearly 9,100 Disabled Homestead Exemptions

CITY PROPERTY TAX RATE

Reduced 4 times in the last 10 years



STREET MAINTENANCE

56%

INCREASE IN STREET MAINTENANCE FUNDING

Increases from $41 Million to $64 Million

SIDEWALKS & PEDESTRIAN SAFETY

$10M

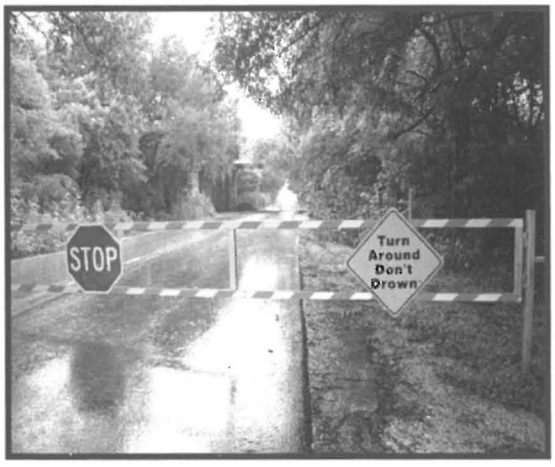
MORE FOR SIDEWALKS AROUND SCHOOLS

- $10 Million for additional sidewalks across the City for a total of $15 million in 2016
- $1 Million included for pedestrian safety improvements

DRAINAGE

$12M

FOR NEW DRAINAGE IMPROVEMENTS



To address flooding across the City

PARKS

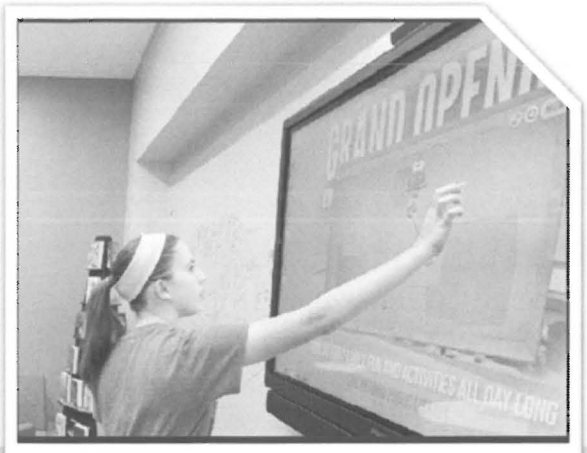
$1.9 Million for maintenance and security of new parkland and greenways

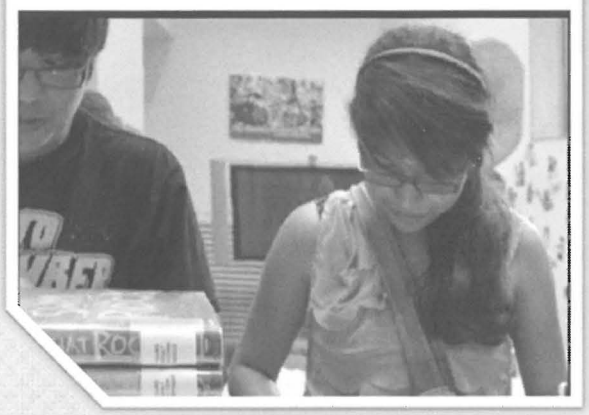
24 miles of trails, and 260 acres of new parkland and linear creekways

$560,000 TO OPERATE 2 NEW LIBRARIES

DISTRICT 2 LIBRARY
OPENING
NOVEMBER 2016

DISTRICT 6 LIBRARY
OPENING
SEPTEMBER 2016





$1 Million for Library Technology Enhancements

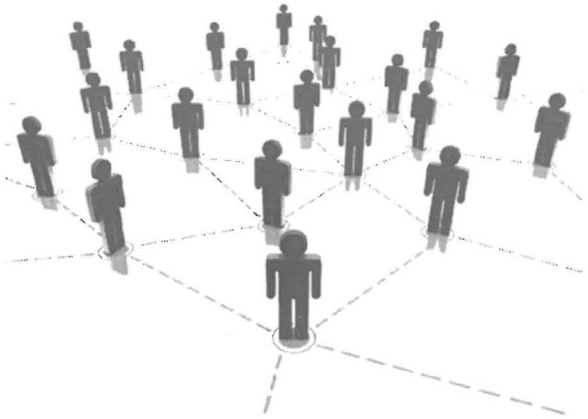
- Computer Replacement
- Online Library Card Renewal
- Technology Enhancements to Public Meeting Rooms

ANIMAL CARE

Partnership with Brooks City Base

New Spay & Neuter Surgery Clinic
$800,000

CIVILIAN COMPENSATION



$16 Million for civilian employee compensation

COST OF LIVING ADJUSTMENT	STEP PAY PLAN	$13 ENTRY WAGE	PERFORMANCE PAY
2% Across the Board Increase	2% to 4% tenure-based increase	1,300 Employees to $13 Entry Wage	3% of salaries allocated for performance pay

POLICE BODY CAMERAS

1,534
Body Cameras
$3 Million

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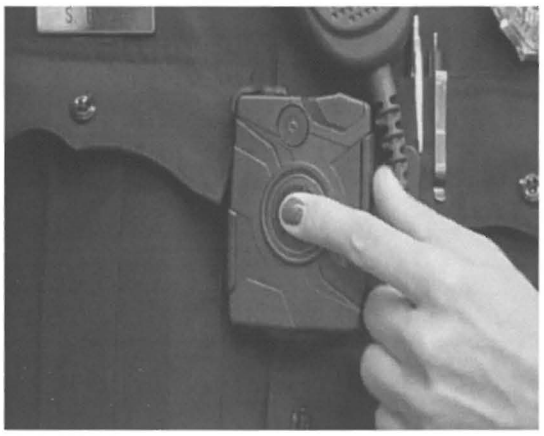
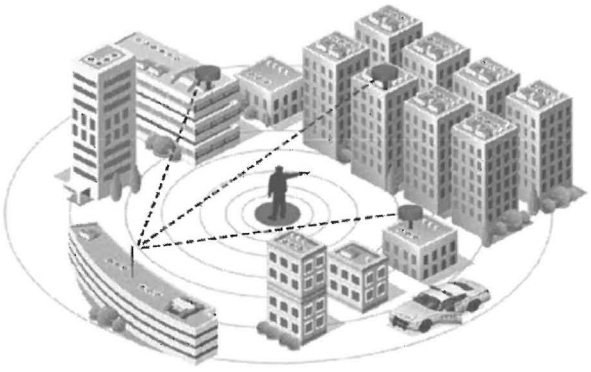
8 New Civilians
to manage cameras
and video library
$400,000



GUN SHOT DETECTION TECHNOLOGY



$280,000 for pilot program in 2 areas

POLICE EQUIPMENT

$1.4 Million for Police Taser Replacement

$2.4 Million for In-Car Video Replacement

CIVILIANIZATION OF OFF-DUTY EMPLOYMENT OFFICE

- 6 Civilians added to handle billing and administrative duties - $300,000
- 6 police officers re-deployed to neighborhood patrol for the South Annexation

FIRE DEPARTMENT

$1.1 Million added for
9 new Firefighter positions

1 position for Fire inspections of high-rises

8 EMS positions for Mobile Integrated Health Program

$1.2 MILLION FOR FIREFIGHTER EQUIPMENT

Stretchers

Bunker Gear

Fitness Equipment

Fire Station Furniture

PROPOSED BUDGET REFLECTS CITY'S MARCH 20 PROPOSAL TO POLICE UNION

Wages
8.8% over 3 years

Healthcare Premiums
Employee Only covered at 100%
Employee Contributes for dependents

Public Safety within ***66%*** of General Fund

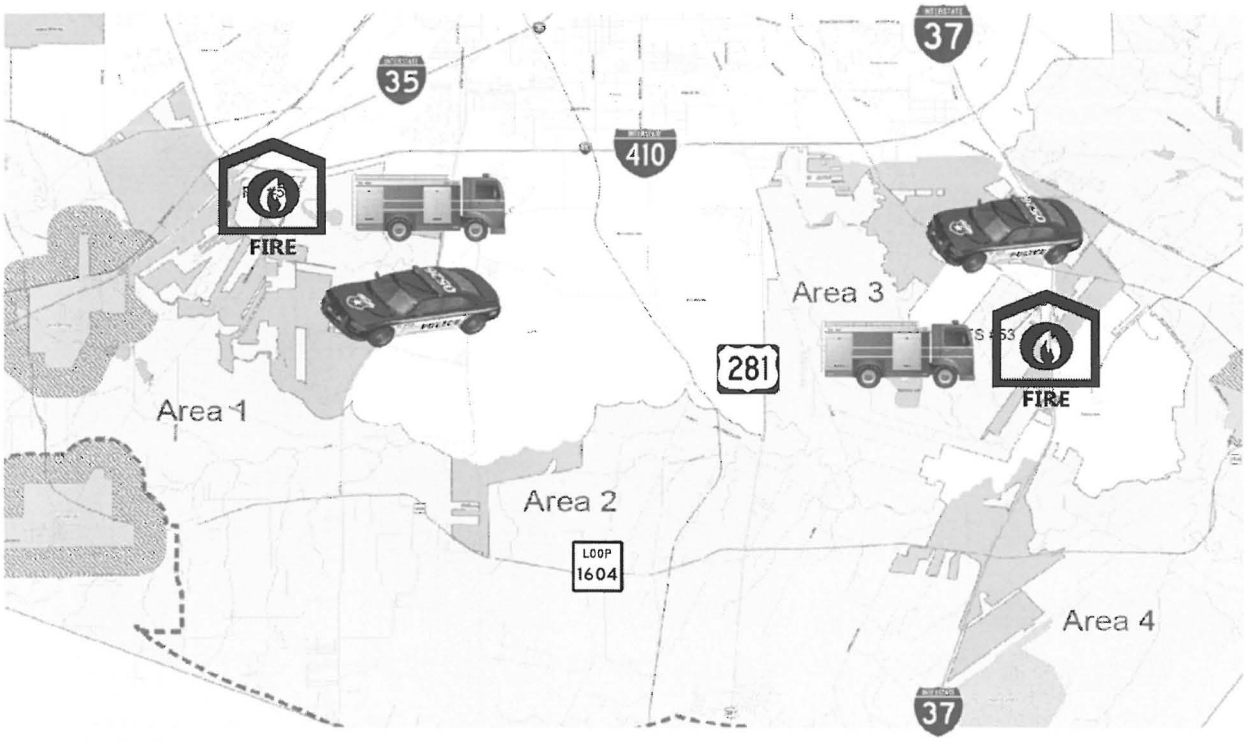
Other Items
Phased out City's Contribution to Legal Fund

Increase police car mileage

Work related tuition reimbursement

Eliminate ***Evergreen*** Clause

ANNEXATION – SOUTH SA



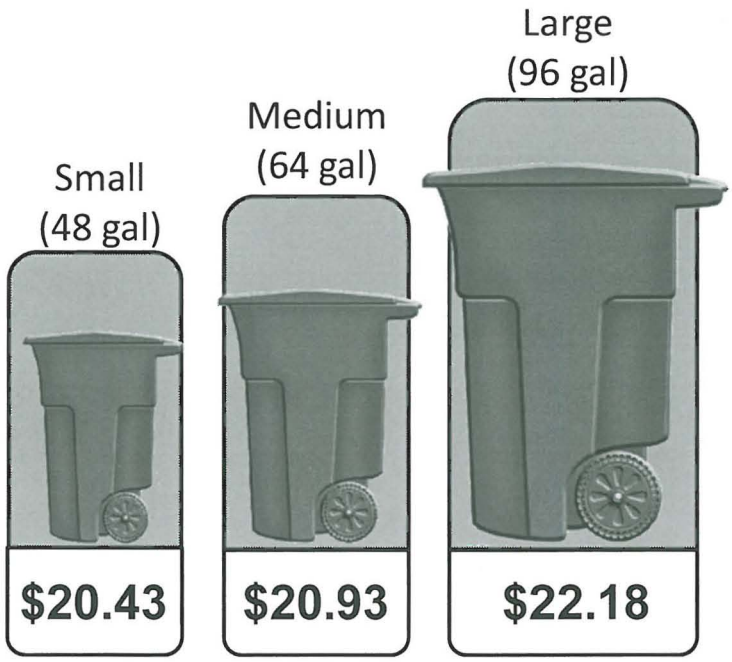
South San Antonio Annexation

FINANCIAL IMPACT OF SOUTH SAN ANTONIO ANNEXATION

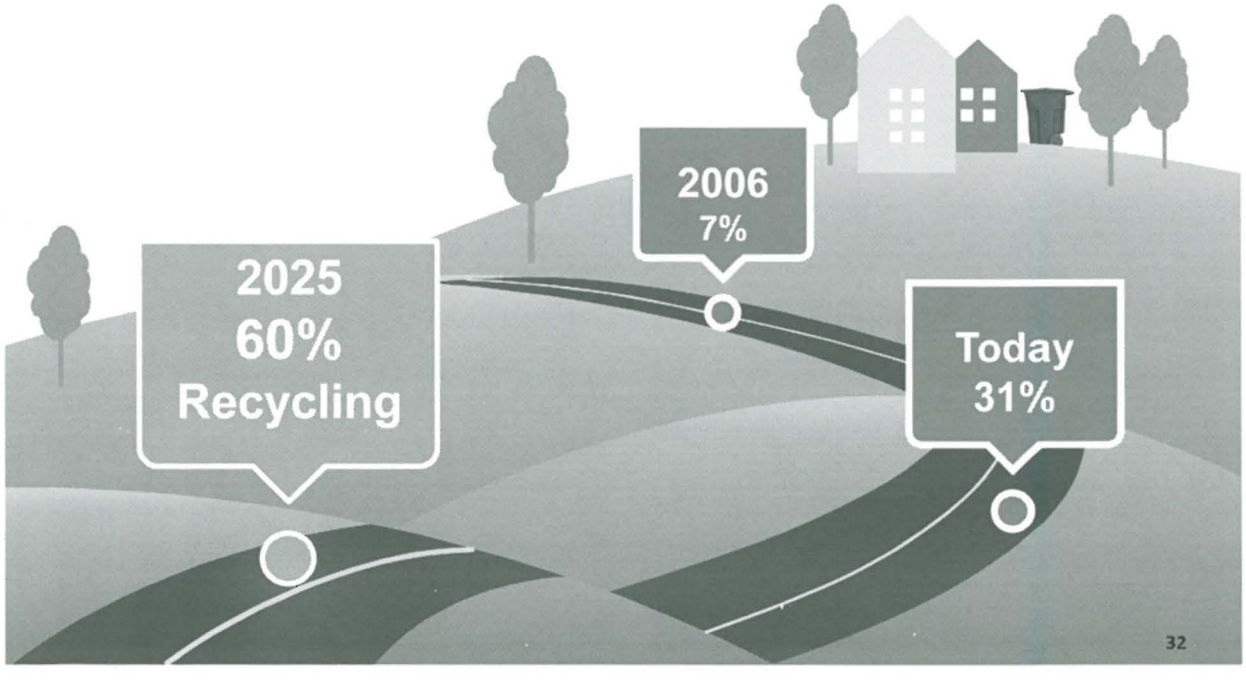
	FY 2016	FY 2017
Revenue	$0	$0.12
Expense - Operating	(1.3)	(6.5)
Expense - Capital	(2.1)	(0.0)
Net Expense	**($3.4)**	**($6.4)**

PAY AS YOU THROW

- Roll out begins October 2015
- All residential customers converted by FY 2017
- Current monthly rate $20.93



PATHWAY TO 60% RECYCLING RESIDENTIAL RATE



STORM WATER FEE

New fee methodology based on impervious cover

$3.7 Million in additional revenue allows for improved service to community

Increases Mowing

- Channels and rights-of-way from 4 to 6 Cycles
- Medians from 9 to 12 cycles

Maintains new High Water Detection Sites

51 new high water detection sites (from 41 to 92)

Increases Street Sweeping

2,000 gutter miles or 10% more street sweeping

CAPITAL PROGRAM – $670 MILLION

2012-2017 Bond Program $596 MILLION

Convention Center Expansion $325 Million

Alamo Plaza Development $17 Million

AIRPORT CAPITAL PROJECTS

Consolidated Rental Car Facility (CONRAC) $165 Million

Airport Runway Improvements $11 Million

NEXT STEPS

FY 2016 PROPOSED OPERATING & CAPITAL BUDGET

Presented by City Manager Sheryl Sculley

August 6, 2015