RKN
08/07/14
Item # 5 (A)

AN ORDINANCE 2014-08-07-0520

SETTING A PROPOSED AD VALOREM TAX RATE FOR FISCAL YEAR 2015, ALSO BEING TAX YEAR 2014, AT 56.569 CENTS PER $100 OF TAXABLE VALUATION, WHICH INCLUDES 35.419 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 2014 WILL BE CONSIDERED AT THE SEPTEMBER 18, 2014, 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, 2014 and ending December 31, 2014 ("Tax Year 2014"), show an increase in net taxable value of approximately $4.571 billion, or 6.08 % 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 2014 Maintenance and Operations tax rate is 35.419 cents per $100 of taxable valuation, and is the same as the Tax Year 2013 Maintenance and Operations tax rate; and

WHEREAS, the proposed Tax Year 2014 Debt Service tax rate is 21.150 cents per $100 of taxable valuation, and is the same as the Tax Year 2013 Debt Service tax rate, 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 2014 of 56.569 cents per $100.00 of taxable valuation, which is the same as the Tax Year 2013 adopted property tax rate, and exceeds the Tax Year 2014 effective rate of 54.175 cents per $100 of taxable valuation; and

WHEREAS, in accordance with the requirements of Chapter 26 of the Texas Property Tax Code and Chapter 140 of the Local Government 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 2014 will be considered at the September 18, 2014, 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 2015, also being Tax Year 2014, of 56.569 cents per $100 of taxable valuation, which is comprised of a maintenance and operations portion of 35.419 cents per $100 of taxable valuation and a debt service portion 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 2014. The proposed tax rate of 56.569 cents per $100 of taxable valuation exceeds the effective rate for Tax Year 2014.

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 2014 will be considered at the September 18, 2014, 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 7th day of August, 2014.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Robert F. Greenblum, City Attorney

Agenda Item:	**5A (in consent vote: 5A, 5B)**
Date:	08/07/2014
Time:	11:29:49 AM
Vote Type:	Motion to Approve
Description:	An Ordinance setting the proposed tax rate for the Tax Year 2014.
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy Taylor	Mayor		x				
Diego Bernal	District 1	x					
	District 2	x					
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
	District 7	x					
Ron Nirenberg	District 8		x			x	
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

CITY OF SAN ANTONIO

FY 2015 PROPOSED ANNUAL OPERATING & CAPITAL BUDGET

Presented by Sheryl Sculley,
City Manager

August 7, 2014

FY 2015 PROPOSED BUDGET SUMMARY

Budget is Balanced with No Layoffs

No City Property Tax Rate Increase

Addresses Council Priorities

Strikes Balance Among Many Priorities

FY 2015 PROPOSED BUDGET ADDRESSING COUNCIL PRIORITIES

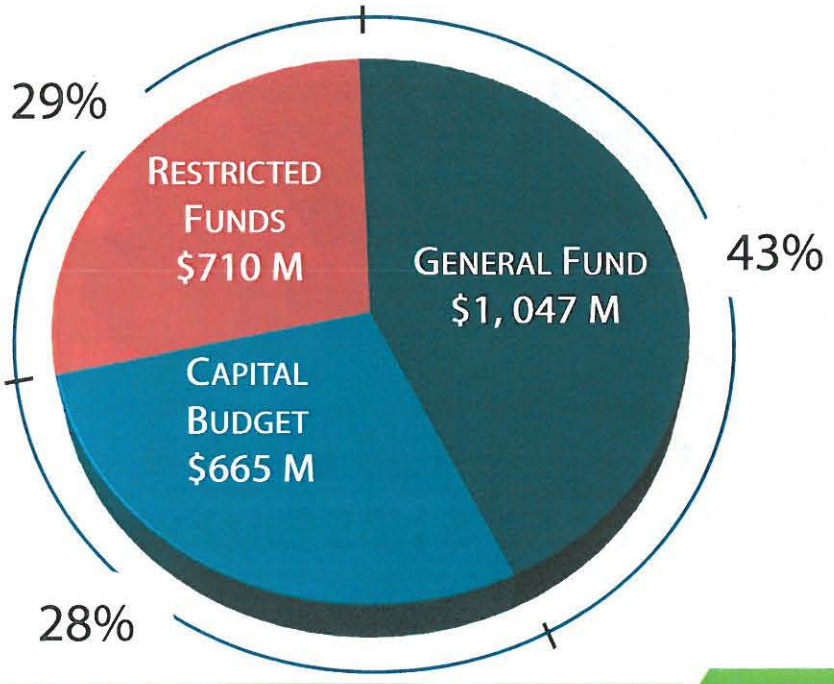
1. Adds $15 M for **street maintenance**, plus nearly $7 M for **drainage**
2. Invests in **parks, libraries, adult literacy,** and **City comprehensive planning**
3. Maintains service levels for **animal care, code enforcement,** and **economic development**

FY 2015 PROPOSED BUDGET ADDRESSING COUNCIL PRIORITIES

4. Maintains **public safety** at 66% of the General Fund Budget
5. Implements **strong financial policies** approved by City Council
6. Aligns City spending with **SA2020 priorities**

FY 2015 PROPOSED BUDGET

TOTAL CITY BUDGET – $2.4 Billion

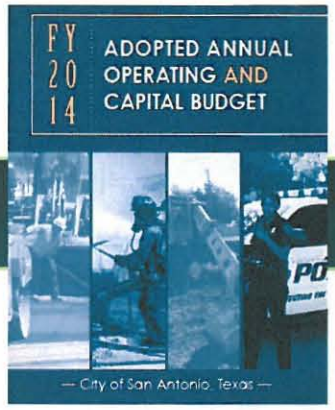


FY 2015 PROPOSED BUDGET

GENERAL FUND

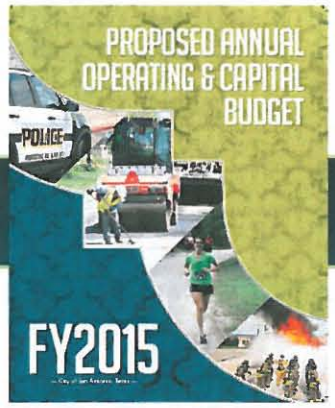
FY 2015 PROPOSED BUDGET
GENERAL FUND

FY 2014



$988 MILLION

FY 2015



$1.05 BILLION

5.9%
INCREASE

FY 2015 PROPOSED BUDGET
CLOSING THE GAP

May 2014 → **June & July 2014** → **Today Aug 2014**

$27 M
Shortfall forecasted for FY 2015

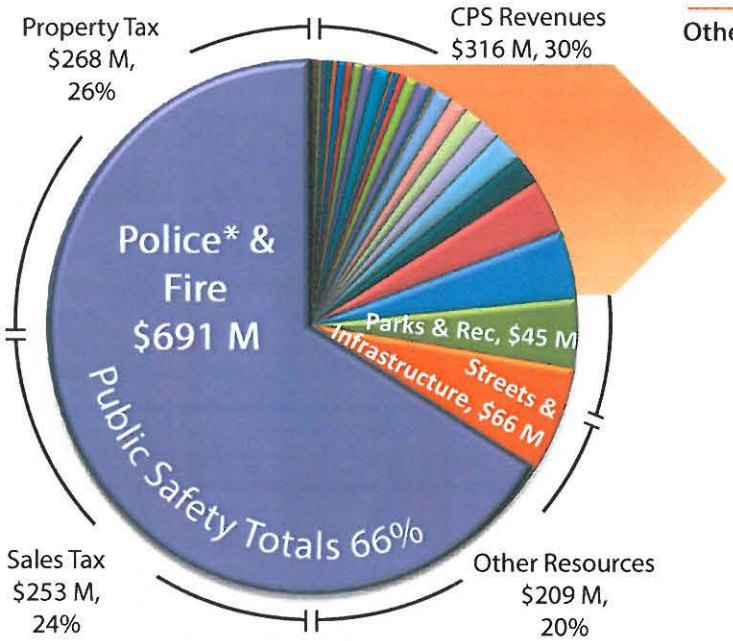
Gap closed by balancing crowd-out, realizing efficiencies and additional revenue, and aligning uniform healthcare closer to other Texas cities

Budget is balanced

+

$32 M reserve to help cover FY 2016 costs

FY 2015 PROPOSED BUDGET
GENERAL FUND – $1.05 Billion



Other Operating Departments - $245 M

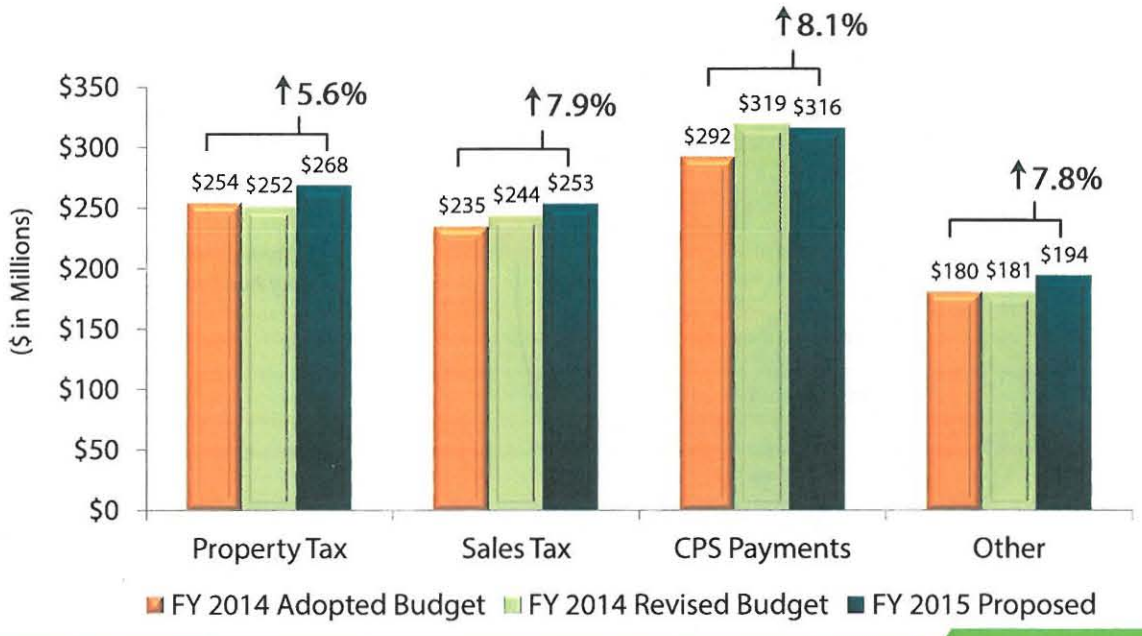
Non Departmental
Human Services & Agencies
Library
Municipal Court
Code Enforcement
Health
Animal Care
Finance
City Attorney & Intergvt Relations
City Auditor/City Clerk & Elections
Transfers
Center City Development
Mayor & Council
Planning, Eastpoint, & Historic Preservation
One-Time Projects
Human Resources
Communications & Public Affairs
Economic Development
Management & Budget
City Manager

* Police Budget includes Parks Police

FY 2015 PROPOSED BUDGET

GENERAL FUND REVENUES

FY 2015 PROPOSED BUDGET
GENERAL FUND REVENUES



FY 2015 PROPOSED BUDGET
PROPERTY TAX BILL

For each dollar of your tax bill…

23¢ City of San Antonio

77¢ K-12 Public School District, Bexar County & Hospital System, Other

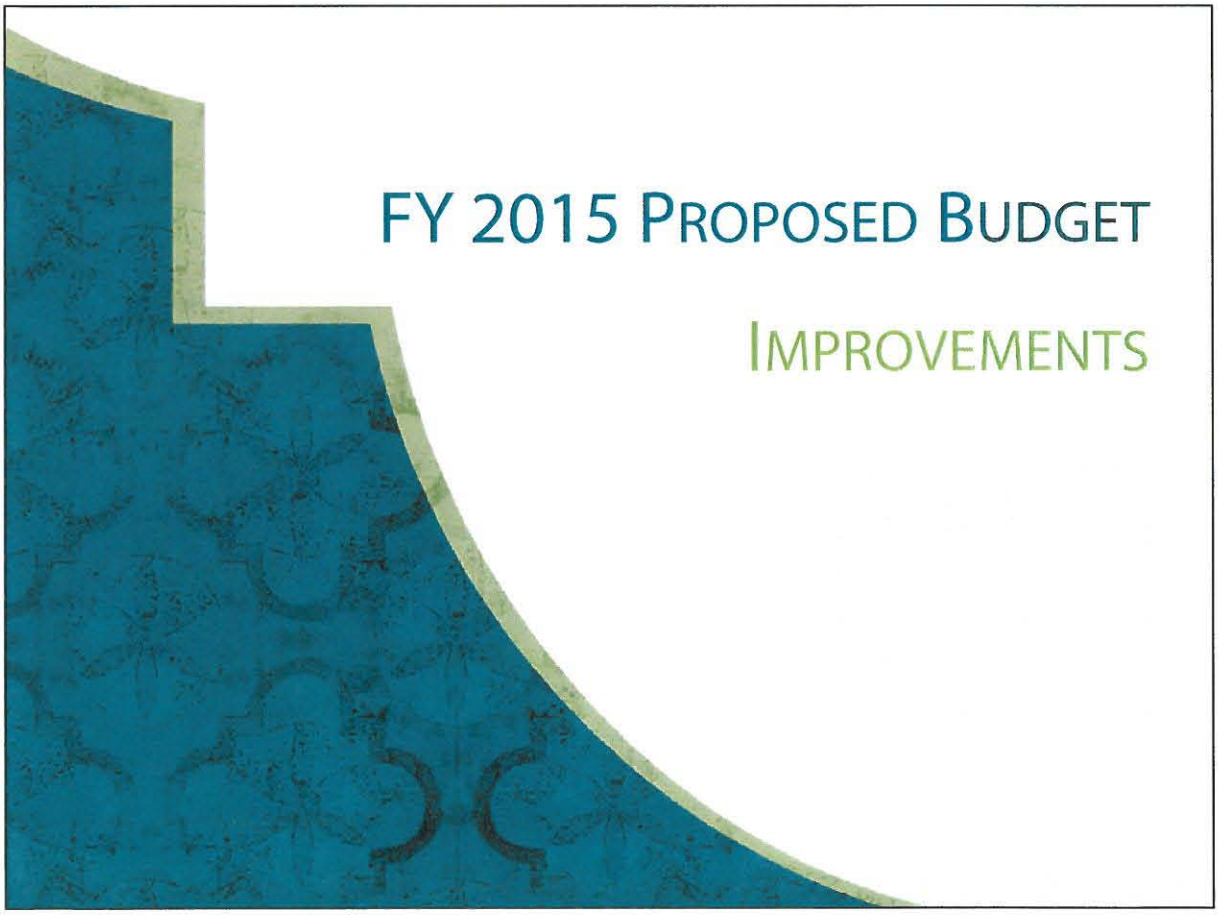
FY 2015 PROPOSED BUDGET

CITY OF SAN ANTONIO PROPERTY TAX EXEMPTIONS

$34 Million

93,500 seniors & disabled homestead exemptions & frozen city tax payments

31,000 senior and disabled homeowners pay **$0** City Property Taxes



FY 2015 PROPOSED BUDGET

IMPROVEMENTS

FY 2015 PROPOSED BUDGET
STREETS AND DRAINAGE

Additional $15 Million for street maintenance

Increases the Infrastructure Management Program (IMP)

FY 2015 PROPOSED BUDGET
STREETS AND DRAINAGE

Additional $7 Million for drainage improvements

13 projects across the City

FY 2015 PROPOSED BUDGET
PARKS & RECREATION

$561,000 for maintenance of new parks and greenways

120 acres & 13 miles of trails added in FY 2015

FY 2015 PROPOSED BUDGET
PARKS & RECREATION

$415,000 to maintain new improvements at HemisFair Park's Play Escape, also known as Yanaguana Garden

Water fountains, splash pad, playground, planting areas – scheduled for April 2015

FY 2015 PROPOSED BUDGET
LIBRARY SERVICES

$300,000 to operate a new library opening September 2015 in District 9

10,000 square foot facility open 56 hours per week

FY 2015 PROPOSED BUDGET
LIBRARY SERVICES

$343,000 for adult literacy program and $500,000 for technology improvements

Basic education, ESL, digital literacy and financial counseling

FY 2015 PROPOSED BUDGET
CODE ENFORCEMENT

Funds added to replace mainframe case management system with a web-based portal to track violations

More efficient in closing cases and more transparency to the public

FY 2015 PROPOSED BUDGET
ANIMAL CARE

$313,000 to maintain 80% Live Release Rate

FY 2007 Live Release Rate: 20%

FY 2015 PROPOSED BUDGET
SENIOR CENTERS

$545,000 included to support operations at new District 5 and District 10 Senior Centers

Centers scheduled to open in May 2015 (D5) and September 2015 (D10)

FY 2015 PROPOSED BUDGET
ECONOMIC DEVELOPMENT

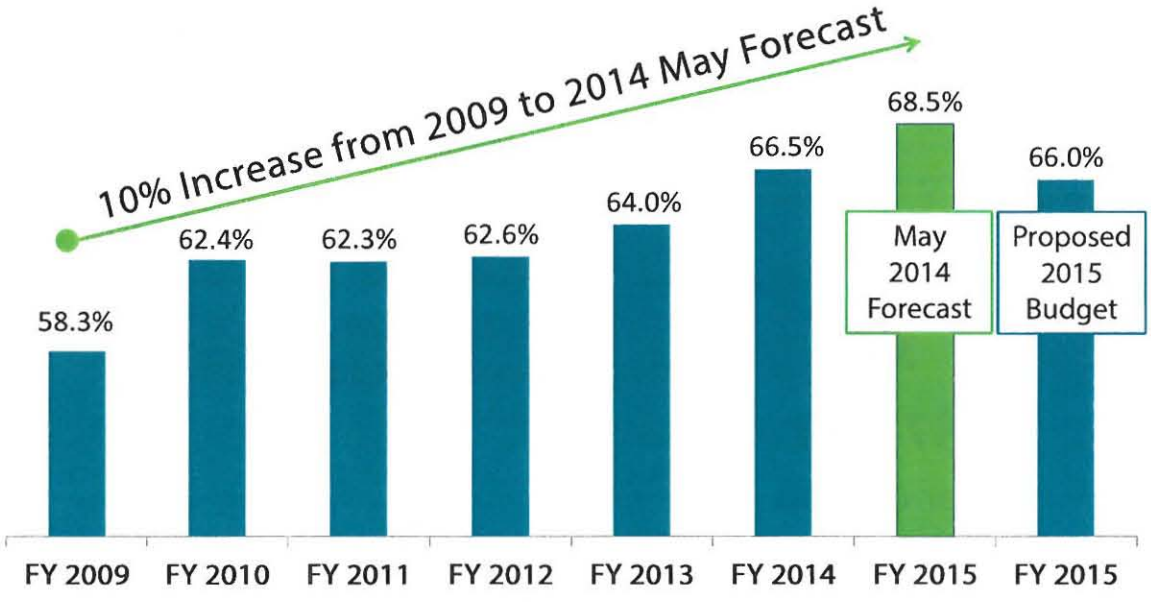
$5.25 Million in Economic Development Incentives

- $1.75 Million for city-wide
- $2.0 Million for inner city
- $1.5 Million for Inner City Reinvestment & Infill Policy (ICRIP) waivers

FY 2015 PROPOSED BUDGET

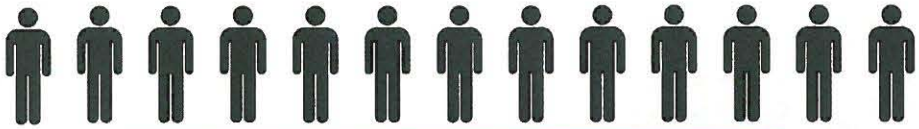
AFFORDABLE PUBLIC SAFETY

FY 2015 PROPOSED BUDGET
PUBLIC SAFETY AS % OF GENERAL FUND



FY 2015 PROPOSED BUDGET
HEALTHCARE TASK FORCE

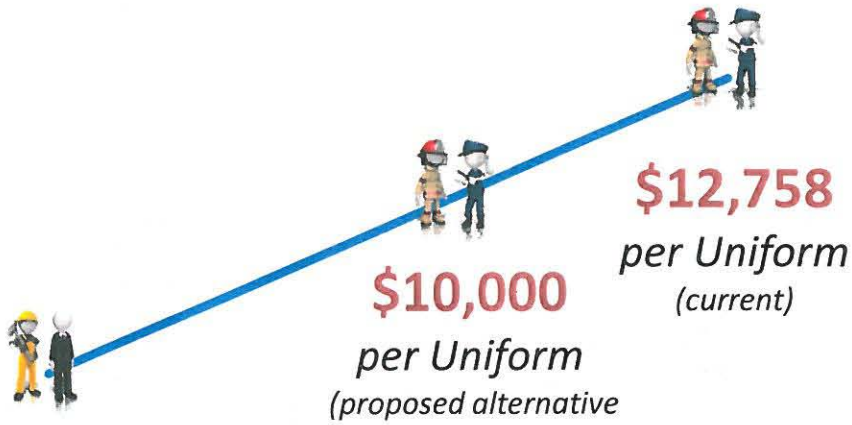
13-MEMBER TASK FORCE



Recommendations

- Align uniform healthcare benefits with civilians and other peer cities
- Uniform employees should begin contributing a monthly premium

FY 2015 PROPOSED BUDGET
UNIFORM HEALTHCARE PROPOSAL



2013 HEALTHCARE COSTS

FY 2015 Proposed Budget

Employee Compensation

FY 2015 PROPOSED BUDGET
EMPLOYEE COMPENSATION

Civilian Step Plan

1% COLA plus 2% to 4% step increase based on tenure

Uniform Step Plan

2% to 3% wage increase and/or 3% tenure-based longevity pay for eligible uniforms

Civilian Non-Step Employees

1% COLA plus 1% to 3% performance pay

FY 2015 Proposed Budget

Solid Waste & Storm Water Funds

FY 2015 PROPOSED BUDGET
STORM WATER & SOLID WASTE

- **No Storm Water fee rate increase** — Fee has not been increased since 2008
- **$1.00 fee increase in Solid Waste** — Supports recycling program and equipment costs

FY 2015 Proposed Budget

Capital Budget

FY 2015 PROPOSED BUDGET
CAPITAL BUDGET

New Funding Added

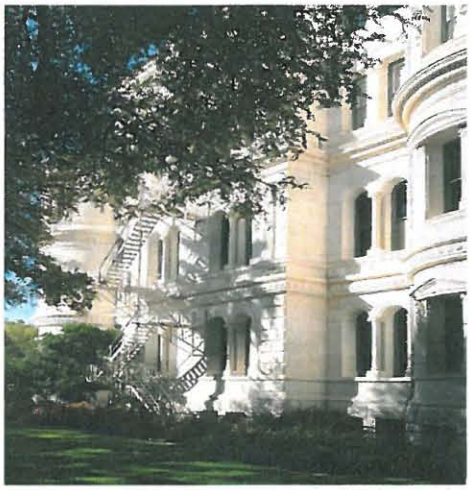
- East Point – CHOICE Neighborhoods
- Pedestrian Lighting in Inner City Neighborhoods
- Additional funding for Fire Stations 2 and 32
- De Zavala Design – UPRR to Lockhill Selma
- Witte Museum
- Harry Wurzbach at Austin Highway
- Deferred Maintenance of City Facilities

FY 2015 PROPOSED BUDGET
COMMUNICATING THE BUDGET

10	City Council Work Sessions *Aug 12 – Sep 17*
5	Community Budget Meetings *Aug 11 – Aug 14*
2	Delegate Agency Public Hearings *Aug 19 & Aug 26*
2	Tax Rate Public Hearings *Aug 20 & Sep 10*

FY 2015 PROPOSED BUDGET
BUDGET ADOPTION

Thursday, September 18



CITY OF SAN ANTONIO

FY 2015 PROPOSED ANNUAL OPERATING & CAPITAL BUDGET

Presented by Sheryl Sculley,
City Manager

August 7, 2014