

2008-08-14-0684

AN ORDINANCE

SETTING A PROPOSED AD VALOREM TAX RATE FOR FISCAL YEAR 2009, ALSO BEING TAX YEAR 2008, AT 56.714 CENTS PER \$100 OF TAXABLE VALUATION, WHICH INCLUDES 35.564 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 FY 2009 WILL BE CONSIDERED AT THE SEPTEMBER 11, 2008, CITY COUNCIL MEETING.

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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 Fiscal Year beginning October 1, 2008 and ending September 30, 2009 ("FY 2009"), show an increase in net taxable value of approximately \$6.921 billion, or 10.49 % 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 FY 2009 Maintenance and Operations tax rate is 35.564 cents per \$100 of taxable valuation, and is lower than the FY 2008 Maintenance and Operations tax rate; and

WHEREAS, the proposed FY 2009 Debt Service tax rate is 21.150 cents per \$100 of taxable valuation, and is the same as the FY 2008 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 FY 2009 of 56.714 cents per \$100.00 of taxable valuation, which is less than the FY 2008 adopted property tax rate, and exceeds the FY 2009 effective rate of 53.611 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 FY 2009 will be considered at the September 11, 2008, 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 2009, also being Tax Year 2008, of 56.714 cents per \$100 of taxable valuation, which is comprised of a maintenance and operations portion of 35.564 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 FY 2009. The proposed tax rate of 56.714 cents per \$100 of taxable valuation exceeds the effective rate for FY 2009.

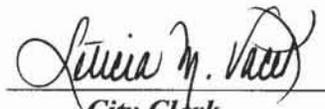
SECTION 2. The dates, times and locations of the two public hearings on the proposed tax rate that are required by Chapter 26 of the Texas Property Tax Code, to adopt a tax rate that exceeds the lower of the rollback rate or the effective rate, will be established by Ordinance to be passed and approved 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 FY 2009 will be considered at the September 11, 2008, City Council meeting.

SECTION 4. This ordinance is effective immediately, upon passage by eight (8) affirmative votes; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 14th day of August, 2008.


M A Y O R
PHIL HARDBERGER

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
for City Attorney



Agenda Voting Results - 4A

Name:	4A, 4B						
Date:	08/14/2008						
Time:	12:07:26 PM						
Vote Type:	Motion to Approve						
Description:	An Ordinance setting the proposed tax rate for Tax Year 2008.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Sheila D. McNeil	District 2	x					
Jennifer V. Ramos	District 3		x				
Philip A. Cortez	District 4		x				
Lourdes Galvan	District 5		x				
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x			x	
Louis E. Rowe	District 9		x				
John G. Clamp	District 10		x				



CITY OF SAN ANTONIO
Request for Council Action

Agenda Item # 4
Council Meeting Date: 8/14/2008
RFCAs Tracking No: R-3577

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Peter Zanoni

COUNCIL DISTRICT(S) IMPACTED:
City Wide

SUBJECT:
Presentation of FY 2009 Proposed Budget

SUMMARY:

On August 14, 2008, at 9:00 AM, the City Manager will present to the City Council the Fiscal Year (FY) 2009 Proposed Budget. The Fiscal Year begins on October 1st and ends on September 30th. Following this presentation, the City Council will consider the following items:

A. Setting of the FY 2009 Proposed Ad Valorem Property Tax Rates; and
B. Setting the dates, times, and places for the required budget and tax rate public hearings as recommended below:

1. Budget Public Hearing: Wednesday, September 3, 2008, 6:00 PM, City Council Chambers
2. First Tax Rate Public Hearing: Tuesday, August 26, 2008, 6:00 PM, City Council Chambers
3. Second Tax Rate Public Hearing: Thursday, September 4, 2007, 6:00 PM, City Council Chambers

Budget-related worksessions and community budget hearings are scheduled for detailed presentation and discussion of City Services and policy issues addressed in the FY 2009 Proposed Budget.

The adoption of the FY 2009 Budget and Ad Valorem Property Tax Rate for FY 2009 is scheduled for Thursday, September 11, 2008.

City staff recommends City Council adopt on August 14, 2008 an ordinance setting a Proposed Ad Valorem Tax Rate as well as an ordinance setting the dates, times, and places for the budget and tax rate public hearings.

BACKGROUND INFORMATION:

A series of events have been conducted since April 2008 on the FY 2009 Budget process. The first event included the April 30th "B" Session which addressed the City's fiscal year's financial status and the Five-Year Financial Forecast. Another event for City Council policy direction included the City Council Budget Goal Setting Worksession held on May 13th. The session's agenda included a review and discussion of the completed City Service Ballot for Policy Direction and an overview of major General Fund services and programs. On June 18th, a briefing was held to provide City Council with an update on the FY 2009 Budget Development Strategy.

ISSUE:

Worksessions on the Proposed Budget with City Council and Community Public Hearings on the Budget

Following the Proposed Budget presentation on August 14th, the budget calendar includes up to eight City Council Worksessions on the budget policy proposals. The worksessions will allow for in-depth analysis and discussion of budget proposals and service delivery goals for FY 2009. In addition, there will be ten individual Community Budget Hearings on the Proposed Budget from August 19th through August 28th. This will be the third year we have conducted Community Budget Hearings in each City Council District. These Community Budget Hearings invite residents to learn more about the City budget process and offer ideas for inclusion in the budget proposal before it is adopted by City Council on September 11, 2008. Below are the dates and times for the Budget Worksessions and Individual City Council Community Budget Hearings. Notices for the Worksessions and Community Budget Hearings will be sent to the media, promoted on the City's cable Channel 21 (TVSA), and posted in the Express News and La Prensa newspapers. The City's 311 Customer Service Call Center/Community Link Centers and Libraries will provide customers with the dates and times of the Budget Worksessions and Community Budget Hearings as well as other budget calendar events when requested.

Budget Worksessions			
<u>Date</u>	<u>Time</u>	<u>Topics</u>	<u>Location</u>
Tuesday , Aug 19	2:00 – 5:00 PM	-Two Year Balanced Budget & Financial Reserves -Streets, Traffic Markings, Traffic Signals and Storm Water Enhancements	Municipal Plaza B Room
Wednesday, Aug 20	2:00 – 5:00 PM	-Police Protection -Fire Services	Municipal Plaza B Room
Tuesday , Aug 26	2:00 – 5:00 PM	-Youth Services and Parks & Recreation -Library (w/Library Board Presentation) -Downtown Operations & Development	Municipal Plaza B Room
Wednesday, Aug 27	2:00 – 5:00 PM	-Senior Programs & Other DCI Services -Education & Workforce Development -Code Enforcement & Graffiti Management -Animal Care Services	Municipal Plaza B Room

Tuesday, Sept. 2	2:00 – 5:00 PM	-Hotel Occupancy Tax Operations & Programs -Airport Services	Municipal Plaza B Room
Wednesday, Sept. 3	3:00 – 5:30 PM	-Development Services -Solid Waste Services -Proposed Fees/Rate Adjustments	Municipal Plaza B Room
Tuesday, Sept. 9	1:30 AM– 4:30 PM	-Employee Compensation -Capital Improvements Program -Potential Budget Amendments Review	Municipal Plaza B Room
Wednesday, Sept. 10	3:00 – 6:00 PM	-Potential Budget Amendments	Municipal Plaza B Room

Community Budget Hearings				
District 1	Tuesday	19 – Aug	6:30 PM	Central Library 600 Soledad St.
District 2	Tuesday	19 – Aug	6:30 PM	Carver Community Cultural Center 226 N. Hackberry St.
District 3	Wednesday	20 – Aug	6:30 PM	Holy Name Parish 3814 Nash Blvd.
District 4	Wednesday	27 – Aug	6:30 PM	Miller’s Pod Community Center 6175 Old Pearsall Rd.
District 5	Monday	25 – Aug	6:30 PM	El Progreso Community Center 1306 Guadalupe St.
District 6	Monday	25 – Aug	6:30 PM	Northside Activity Center 7001 Culebra Rd.
District 7	Wednesday	27 – Aug	6:30 PM	St. Mary’s University 1 Camino Santa Maria St. Gate A – AT&T Center
District 8	Wednesday	20 – Aug	6:30 PM	Clark High School 5150 De Zavala Rd.
District 9	Thursday	28 – Aug	6:30 PM	Reagan High School 19000 Ronald Reagan
District 10	Thursday	28 – Aug	6:30 PM	Northeast Service Center 10303 Tool Yard Rd.

Proposed Property Tax Rate

State law requires the City to hold two (2) public hearings and publish notices before adopting a proposed tax rate that exceeds the lower of the rollback tax rate or the effective tax rate. The purpose of setting the Proposed Ad Valorem Property Tax rate is to determine the necessity to hold public hearings which arises if the Adopted Proposed Ad Valorem property tax rate exceeds the lower of the “Effective” rate or the “Rollback” rate. When the Proposed Tax Rate is adopted, the required public notices need to be published in a general circulation newspaper. **The first public hearing notice details the Adopted Proposed Ad Valorem Property Tax rate set by City Council to include each Council Members’ vote on the Proposed tax Rate.** This year, this advertisement is scheduled to be posted in the Express News and La Prensa on Monday, August 18. After August 14, 2008 and up to September 11, 2008, City Council has the ability to change the Proposed Property Tax Rate set on August 14, 2008. However, certain publication and hearing requirements would need to be considered if the rate were to be increased.

Setting the Dates, Times, and Places for Public Hearings

Following the Proposed Budget presentation on August 14th, the budget calendar includes one Public Hearing on the Proposed Budget to be held on Wednesday, September 3rd at 6:00 PM in the City Council Chambers. The schedule also includes two Public Hearings on the Ad Valorem Tax Rate set for a Tuesday and Thursday afternoon at 6:00 PM also in the City Council Chambers as summarized in the following table.

Public Hearings			
Tuesday	Aug – 26	6:00 PM – Tax Rate	City Council Chambers
Wednesday	Sept – 3	6:00 PM – Budget	City Council Chambers
Thursday	Sept – 4	6:00 PM – Tax Rate	City Council Chambers

Notices for the September 3, 2008 Budget Public Hearing as well as the two Ad Valorem Property Tax Rate Hearings will be posted in the Express-News and the La Prensa. Announcements of these public hearings will also be published on the City's Internet Web site and promoted on the City's cable Channel 21 (TVSA). Additionally, the City's 311 Customer Service Call Center/Community Link Centers and Libraries will provide customers with the dates and times of the public hearings as well as other budget calendar events when requested.

ALTERNATIVES:

On June 18, 2008, City Council was provided with an update on the FY 2009 Budget Development Strategy in which staff presented a timeline for the adoption of the FY 2009 Budget.

FISCAL IMPACT:

The setting of a Proposed Property Tax rate for FY 2009 will establish the level of property tax revenue generated by the City for Operating and Debt Service requirements. Adopting the property tax rate for FY 2009 will be considered during the September 11th City Council "A" Session.

RECOMMENDATION:

City staff recommends City Council adopt on August 14, 2008 an ordinance setting a Proposed Ad Valorem tax rate as well as an ordinance setting the dates, times and places for the budget and tax rate public hearings.

ATTACHMENT(S):

File Description	File Name
Voting Results	
Voting Results	
Ordinance/Supplemental Documents	200808140684.pdf

[Ordinance/Supplemental Documents](#)

200808140685.pdf

DEPARTMENT HEAD AUTHORIZATIONS:

Peter Zanoni Director Office of Management and Budget

APPROVED FOR COUNCIL CONSIDERATION:

Sheryl Sculley City Manager