

AN ORDINANCE      2017-08-10-0551

**SETTING A PROPOSED AD VALOREM TAX RATE FOR FISCAL YEAR 2018, ALSO BEING TAX YEAR 2017, 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 2017 WILL BE CONSIDERED AT THE SEPTEMBER 14, 2017, 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 Bexar Appraisal District (BAD) for the Tax Year beginning January 1, 2017 and ending December 31, 2017 ("Tax Year 2017"), show an increase in net taxable value of approximately \$8.35 billion, or 8.41% 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 2017 Maintenance and Operations tax rate is 34.677 cents per \$100 of taxable valuation; and

**WHEREAS**, the proposed Tax Year 2017 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 2017 of 55.827 cents per \$100.00 of taxable valuation, which exceeds the Tax Year 2017 effective rate of 53.393 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 2017 will be considered at the September 14, 2017, 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 2018, also being Tax Year 2017, 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 2017. The proposed tax rate of 55.827 cents per \$100 of taxable valuation exceeds the effective rate for Tax Year 2017.

**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 2017 will be considered at the September 14, 2017, 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 10<sup>th</sup> day of August, 2017.

  
**M A Y O R**  
Ron Nirenberg

**ATTEST:**

  
\_\_\_\_\_  
Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

  
for \_\_\_\_\_  
Andrew Segovia, City Attorney



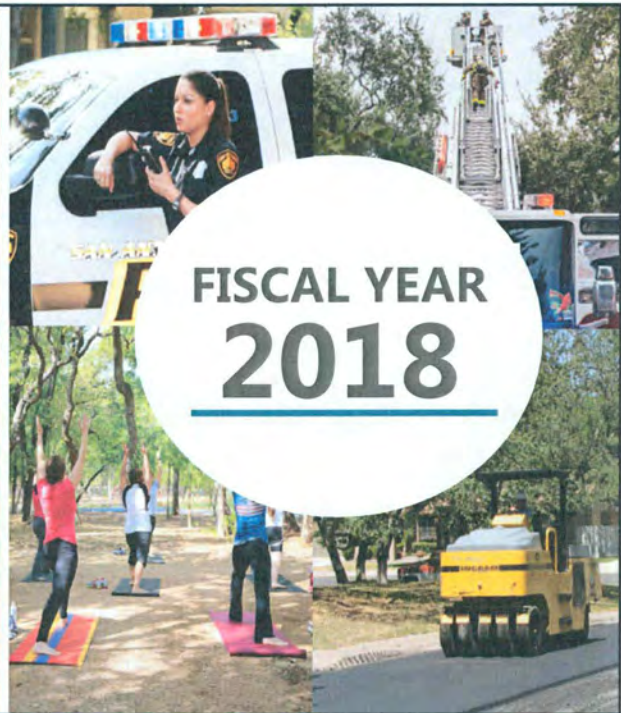
<b>Agenda Item:</b>	<b>4A ( in consent vote: 4A, 4B )</b>						
<b>Date:</b>	08/10/2017						
<b>Time:</b>	12:31:50 PM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance setting the proposed maintenance and operations tax rate and the proposed debt service tax rate for the Tax Year 2017.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

City of San Antonio

# **PROPOSED OPERATING & CAPITAL BUDGET**

Presented by  
City Manager Sheryl Sculley

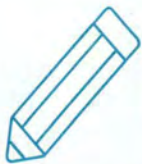
August 10, 2017



**FISCAL YEAR  
2018**



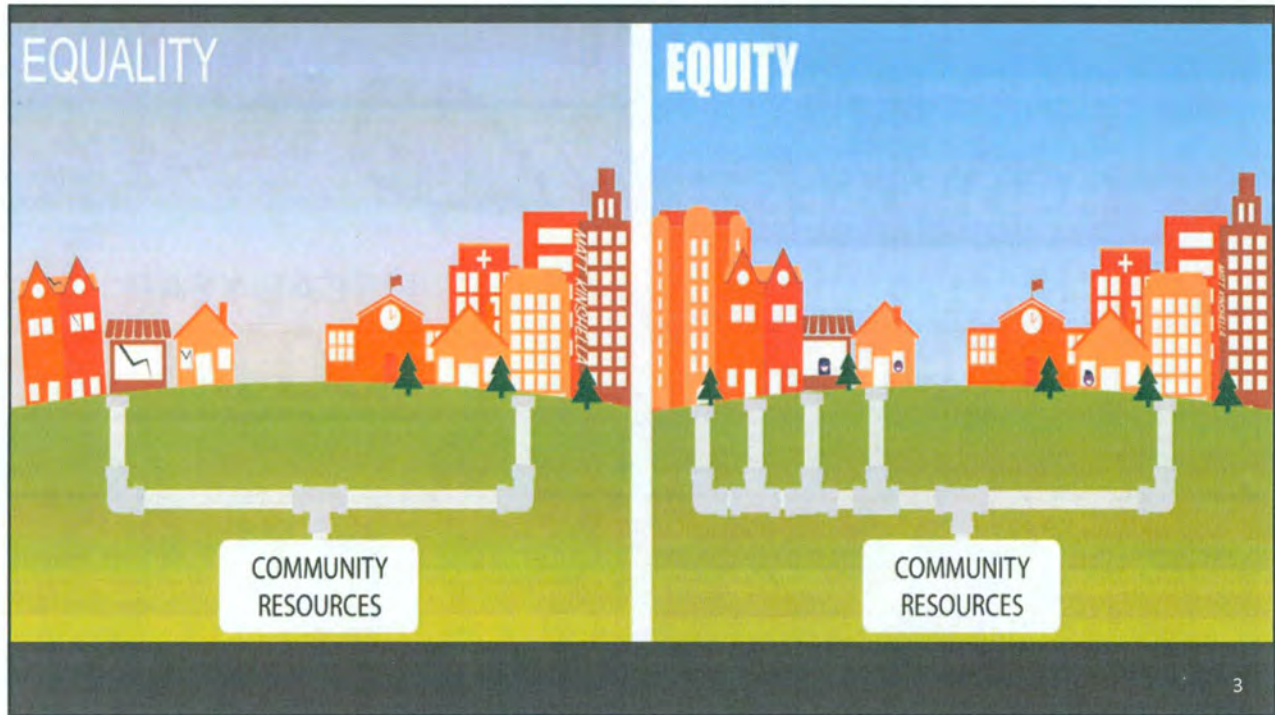
**Budgeting  
through  
equity lens**



**Addressing  
historical  
disparities**









# Budget is Financially Strong



Maintains AAA general obligation credit ratings



Maintain a minimum general fund ending balance of 15%



Two-year balanced budget/plan achieved

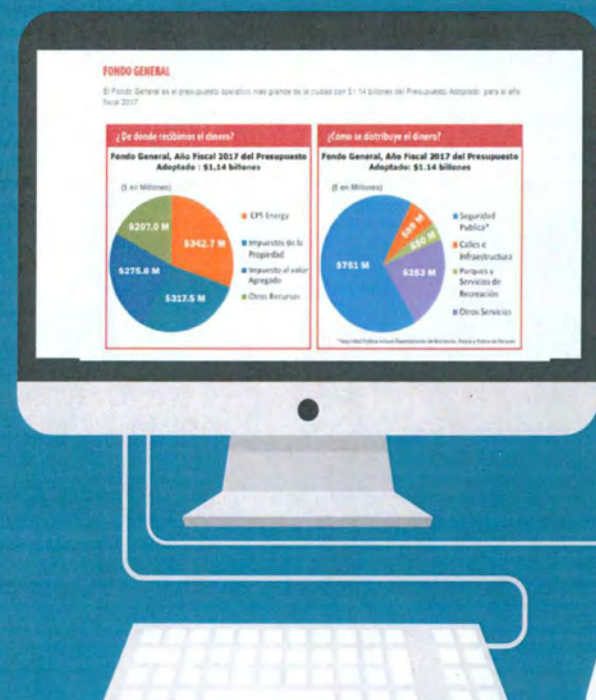


Keep public safety spending below 66% of General Fund

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# Budget Transparency

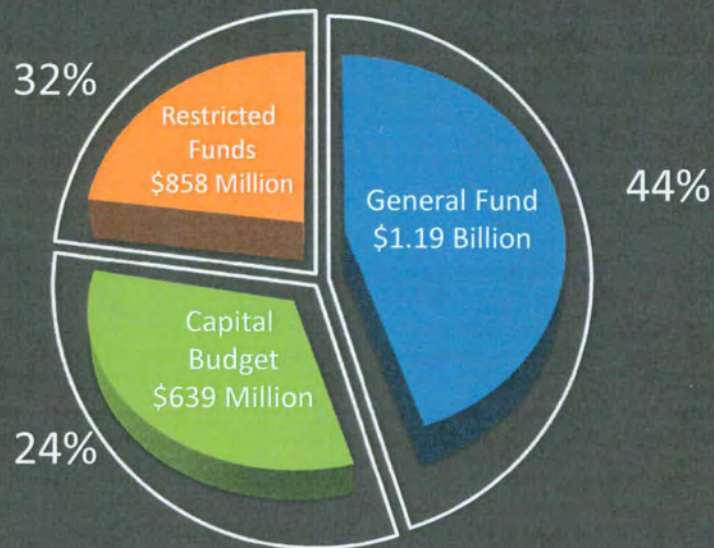
OpenGov - Cloud-based financial tool



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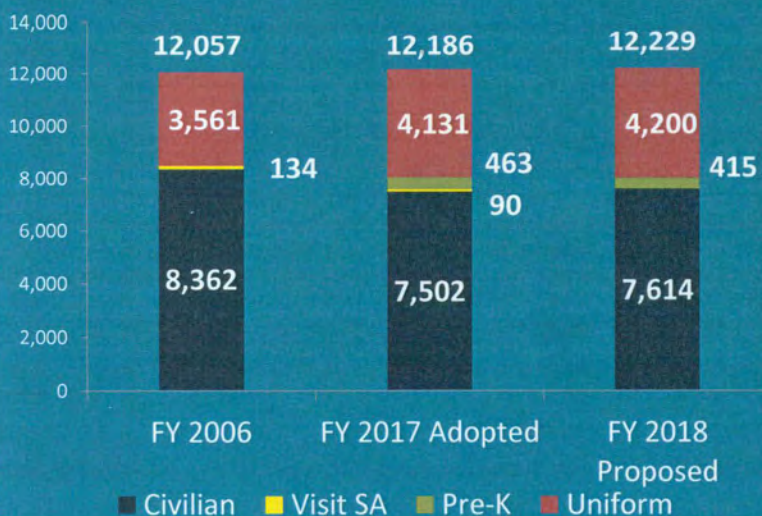


## FY 2018 Total City Budget \$2.7 Billion



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## Authorized Positions with Pre-K 4 SA



### Since 2006

- 639 New Uniform Police and Fire/EMS added
- 882 Civilian positions eliminated
- 415 New Pre-K Positions (Voter approved)

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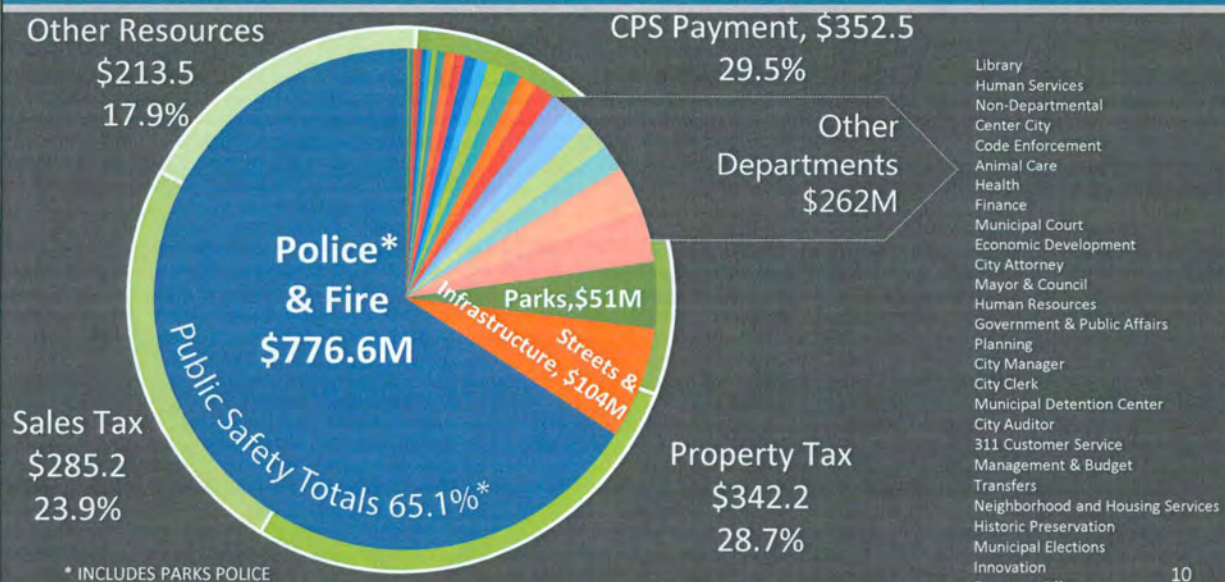
# Pre-K 4 SA



- Voter Approved in 2012
- \$48.3 Million Budget – July 1 to June 30
- 415 Employees
- 2,000 Students
- 5<sup>th</sup> School Year begins August 28

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## FY 2018 General Fund Budget: \$1.19B



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# FY 2018 Annexation Recommendations

Babcock Road



Foster Road



Loop 1604/Potranco Road



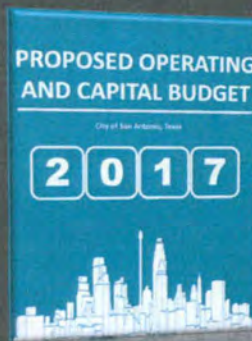
Pending Legislative Action

 City of San Antonio

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## General Fund Budget

FY 2017 Adopted    FY 2018 Proposed  
\$1.14 Billion        \$1.19 Billion



4.4%  
Increase

12



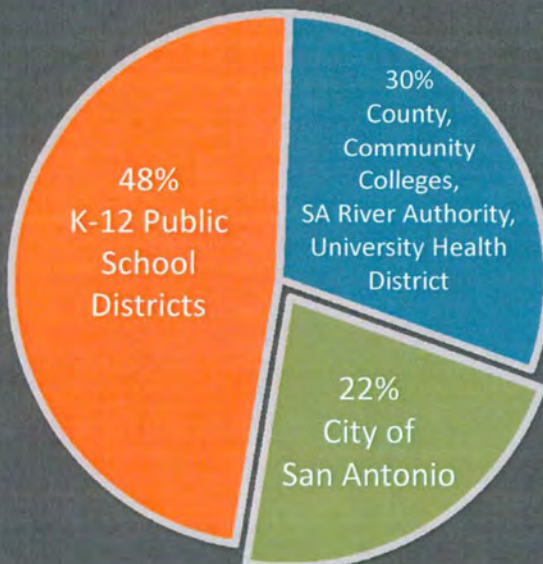
**FY 2018  
General Fund  
Revenue  
Growth over  
FY 2017  
\$47 Million**

## General Fund Revenues

Revenue Source (\$ in Millions)	Growth over FY 2017 Adopted Budget	
	%	Amount
Property Tax	7.8%	\$24.7 M
Sales Tax	3.4%	9.4 M
CPS	2.8%	9.7 M
Other	1.6%	3.2 M
Total	4.1%	<b>\$47 M</b>

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## Distribution of Property Tax Bill




- The City of San Antonio receives approximately 22% of the property tax bill

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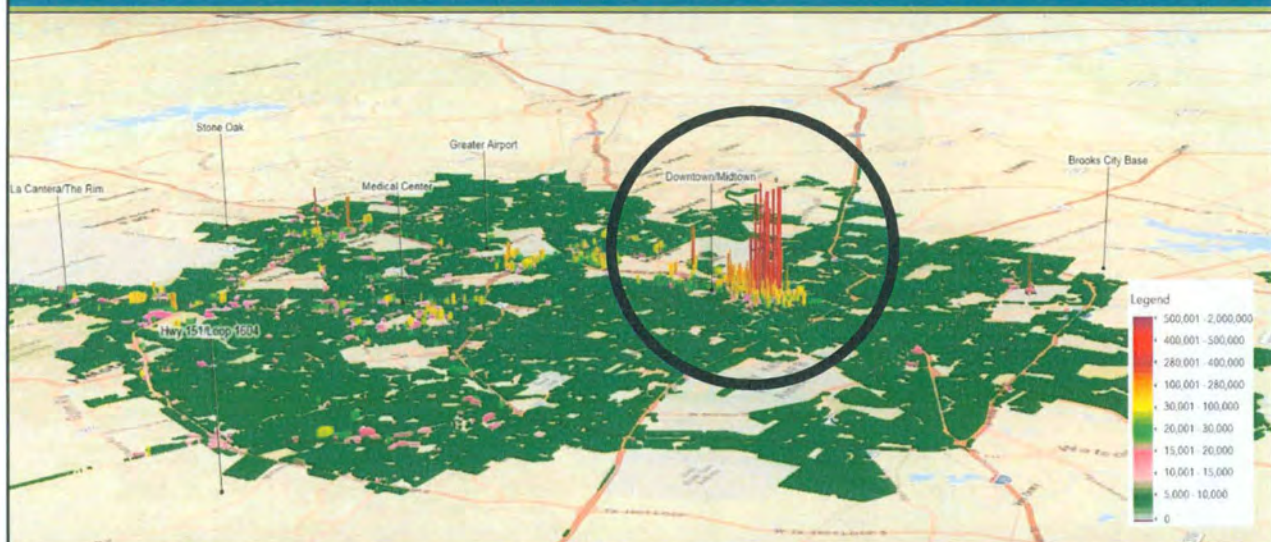
# Property Taxable Value Growth



	FY 2017	FY 2018
Base Values	9.1%	5.5%
New Values	2.0%	2.9%
Total	11.1%	8.4%
Property Tax Rate	55.827	55.827

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# Property Tax-Significance of Downtown



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# City Tax Relief \$47 Million

**101,000** seniors & disabled  
homestead exemptions &  
frozen city tax payments

**28,000** senior and disabled homeowners  
pay **\$0** City Property Taxes

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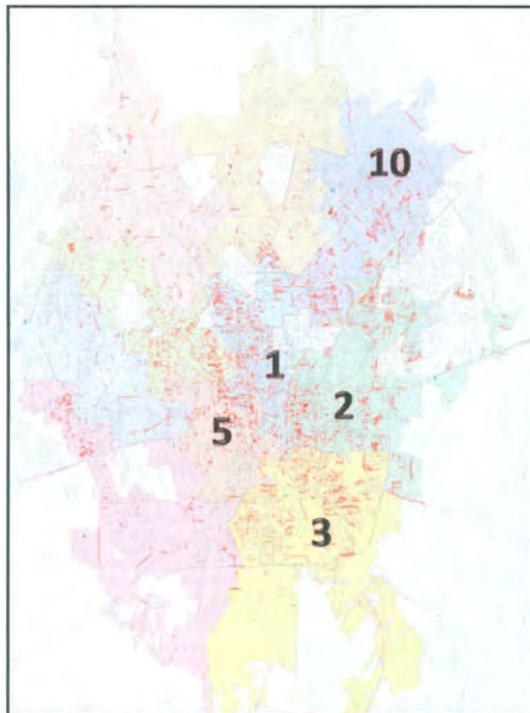
FY 2018  
General Fund  
Budget is  
\$50 Million  
above FY  
2017

## General Fund Expenses

Department (\$ in Millions)	Amount over FY 2017 Adopted Budget
Streets	\$14.6M
Police	14.8M
Fire	10.6M
Other Departments	10.0M
Total	<b>\$50 M</b>

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## Street Condition

5 Districts fall below the best practice of average PCI of 70

19

## Street Maintenance

**\$ 99 M**

2 year plan to achieve average street condition index of 70



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## Pavement Markings

**\$ 5.8 M**

Accelerates the maintenance cycle from 3 to 5 years



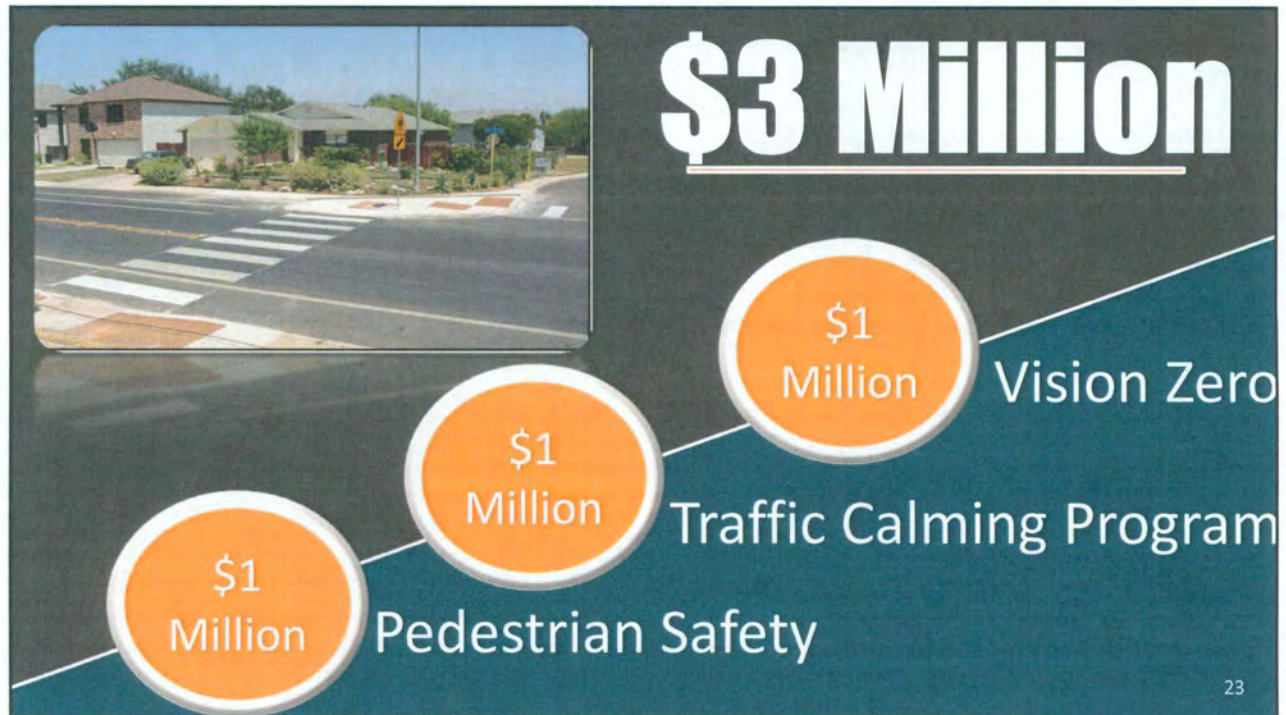
## VIA Funding

**Two Year Plan - \$10 M**

- ✓ FY 2018 - \$4.3 M
- ✓ Enhance frequency on 10 routes
- ✓ Improve travel time and capacity along 7 corridors









## 43 New Firefighters/EMS

- 15 for a Ladder Truck
- 12 for one EMS Unit
- 15 for Annexation
- 1 new firefighter for training at airport

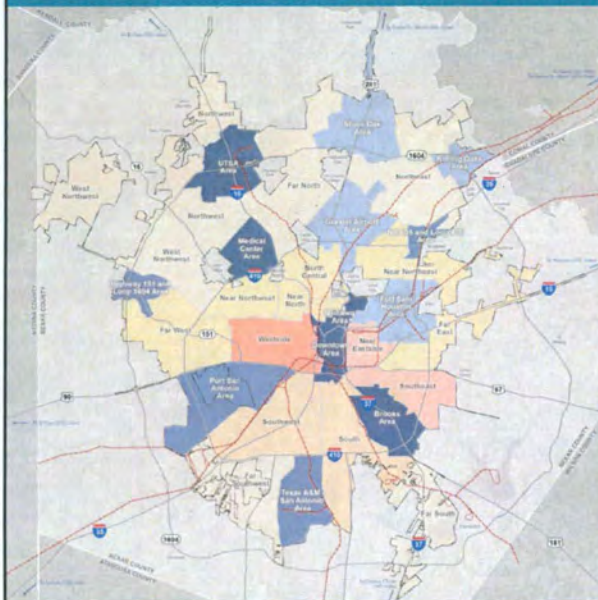
1 civilian trainer

## \$5.2 Million



25

## SA Tomorrow



**SA** Area  
**TOMORROW** Planning  
Phases

Legend  
 - Expressway  
 - Major Highway  
 - Water  
 - Airport  
 - Regional Center  
 - Community Plan Area  
 - Phase 1  
 - Phase 2  
 - Phase 3  
 - Phase 4  
 - Phase 5

5 Year Plan  
 13 Regional Centers  
 17 Community Plans

Scale: 0 1 2 3 4 5 Miles

26



# SA Tomorrow - \$1.1 Million



## 4 Regional Plans

- Lackland AFB/Port SA
- Northeast I-35
- Highway 151 & Loop 1604
- Texas A&M – San Antonio Regional Center Plan

## 2 Community Plans

- Southeast
- Eastside

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## Neighborhood & Housing Services Department created in February 2017 with existing positions

Neighborhood Engagement  
& Revitalization

City's Housing Policy &  
Program

Housing Development &  
Preservation



4 new positions - \$255,000

28



# Neighborhood Improvements

- \$500,000 for Under 1 Roof Program
- \$400,000 for Let's Paint
- \$500,000 for North East Corridor
- \$250,000 for San Antonio Local Initiatives Support Corporation (LISC)

**\$1.65  
Million**



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# Immigration Community Liaison

Increase and strengthen coordination between City and Stakeholders



Connect immigrant community to services

30



# Office of Equity

- Created in 2015
- Current staff of 2
- 1 new position in FY 2018 - \$65,000



EQUALITY VS. EQUITY

31

## Library - \$1.9 Million

\$450,000  
Digital Books  
and Materials



\$1.1  
Million  
Maintenance



\$360,000  
Furniture  
Replacement



32



# PARKS

## \$780,000 for maintenance of new parks and greenways

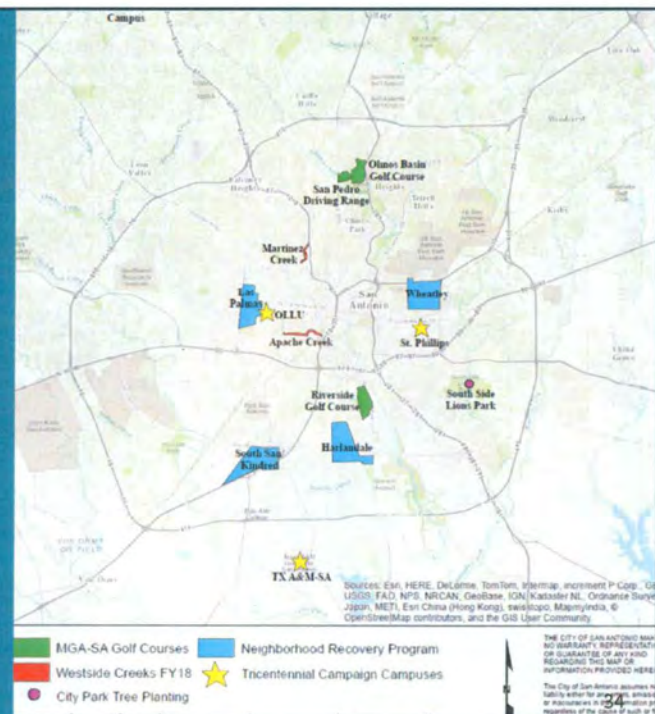


*3.5 miles of trail,  
over 130 new  
amenities at over  
28 locations*



33

## Tree Planting Program \$2 Million





# Animal Care Services

- Adds 1 District Animal Care Officer for District 1 and Truck - \$110,000



35

## Proactive Homeless Encampment Outreach



12

Encampments

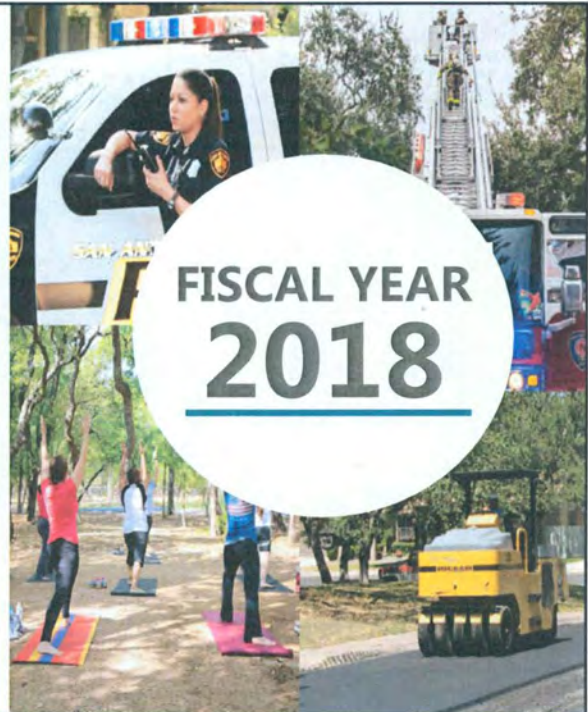
24

Outreach events

36



## Restricted Funds



## Airport Enterprise Fund 13 New Positions - \$560,000



No Fee Increases

Enhance Safety & Security

Facility Care &  
Maintenance



## Development Services-\$140,000



No Fee Increase



Funds for 2 positions to address development

39

## Solid Waste Enterprise Fund



Organics



Recycling



Garbage

April 2017 – Pay as You Throw fully Implemented

**\$1.6 Million**

8 Contamination Inspectors

9 Drivers and Equipment for Organics

40



## Solid Waste Fee Increase



### Goal

Incentivize residents to select a smaller garbage cart and divert more recyclables into the blue and green carts & support operations

96

Gallons



\$2.50

64

Gallons



\$1.00

48

Gallons



\$0.50

41

## Storm Water Operations Fund



Fee Increase

**\$2** Million



Average Monthly  
Residential Fee Increase

\$0.23

Average Monthly Non –  
Residential Fee Increase

\$4.08

42



# SMARTSA

## Smart City Program

### Vision



*To be a connected, inclusive, and resilient community supporting a high quality of life*

### Partnership

*Partner City Departments with local startups to enhance City's capacity for innovation*



### Current Projects

Transportation



Sustainability



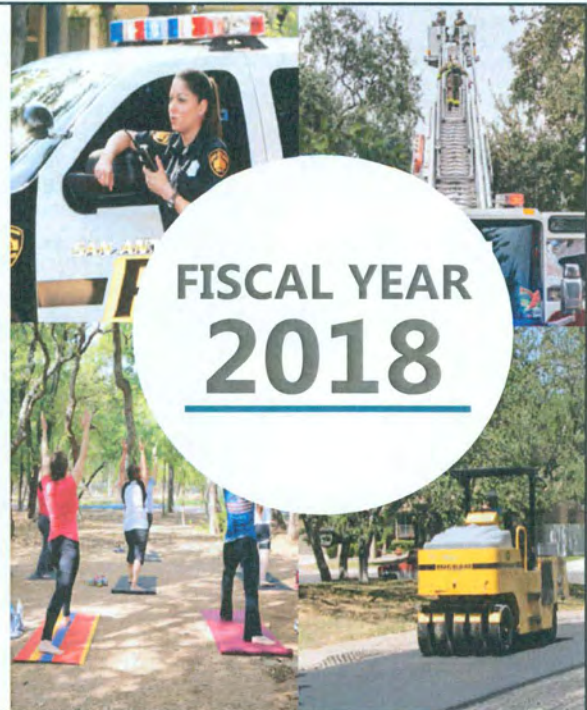
Digital Connected Living



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## Employee Compensation

FISCAL YEAR  
**2018**



## Civilian Entry Wage Comparison



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## Civilian Employee Compensation



**4.3%**  
Average salary  
increase for over  
4,000 Step Pay Plan  
employees



**3.5%** Average  
salary increase  
Managerial &  
Professional

46



# Uniform Employee Compensation

## POLICE

3%

Salary increase  
plus step and  
longevity  
increases

## FIRE

Evergreen  
includes step  
increases/longevity  
and legacy  
healthcare

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# Employer of Choice

## Employment Policies

Employee rehired  
within 5 years -  
maintains access to  
previous benefits

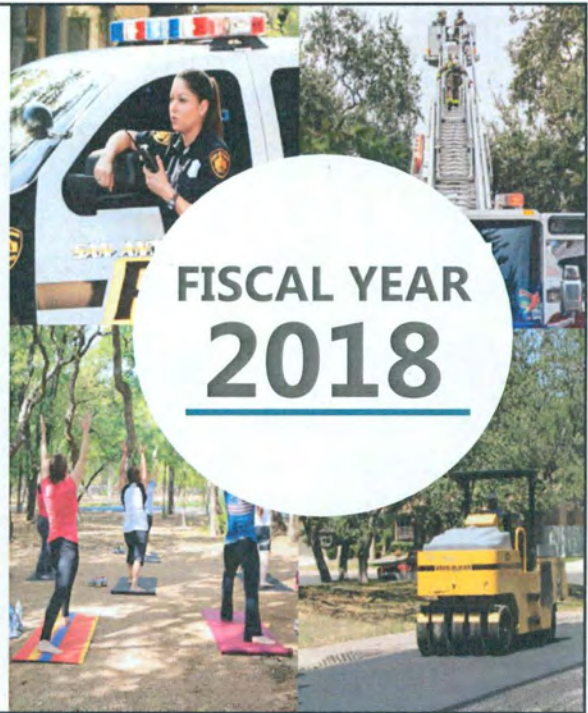
## Tuition Reimbursement

Adds GED testing  
fees to eligible  
expenses for tuition  
reimbursement

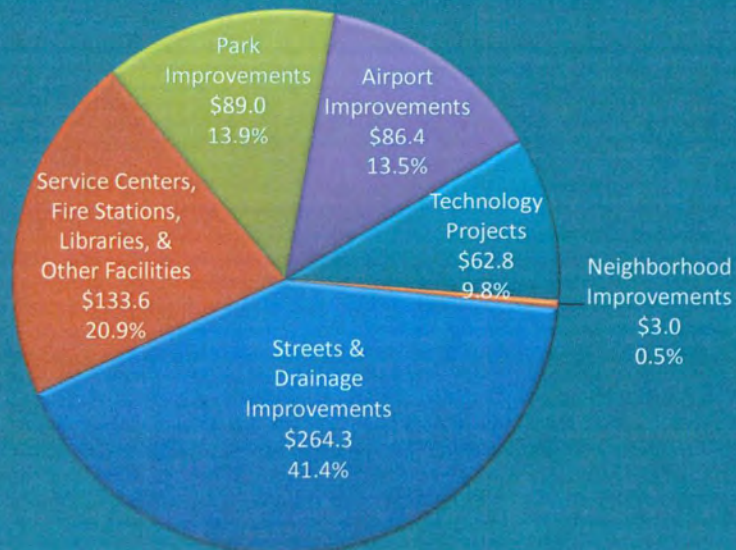
48



# Capital Budget

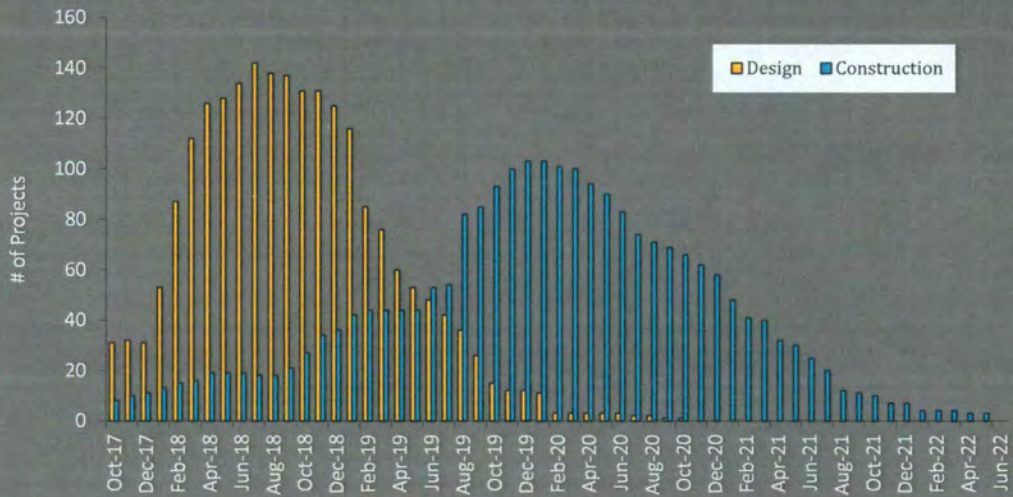


## FY 2018 Capital Improvement Program \$639 Million





# 2017 Bond Program Implementation



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## Capital Projects Highlights

Alamodome



Renovated Entrance

Consolidated Car Rental Facility



Customer Service Bay

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# Next Steps

**City Council  
Budget Sessions**  
(Aug. 15 – Sept. 13)



**Budget Open  
House August**  
(Aug. 15 – Aug. 28)



**2 Public Hearings**  
(Aug. 30 & Sept. 6)



**Budget Adoption**  
September 14



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## City of San Antonio **PROPOSED OPERATING & CAPITAL BUDGET**

Presented by  
City Manager Sheryl Sculley

August 10, 2017

