



# City of San Antonio

## Legislation Details (With Text)

**File #:** 16-4816

**Type:** Staff Briefing - With Ordinance

**In control:** City Council A Session

**On agenda:** 9/15/2016

**Title:** An Ordinance setting the Ad Valorem Tax Rate for Maintenance and Operation of the City of San Antonio at 34.677 cents per \$100.00 of taxable valuation for the Tax Year beginning on January 1, 2016, and ending on December 31, 2016.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Draft Ordinance, 2. Ordinance 2016-09-15-0695

Date	Ver.	Action By	Action	Result
9/15/2016	1	City Council A Session	Motion to Approve	Pass

**DEPARTMENT:** Office of Management and Budget

**DEPARTMENT HEAD:** John Woodruff

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Adopting the Maintenance and Operations Tax Rates for FY 2017

**SUMMARY:**

This item presents, for City Council consideration, an ordinance adopting the Ad Valorem City Property Tax Rate for Maintenance and Operation (M&O) for the City of San Antonio at 34.677 cents per \$100 of taxable valuation for the tax year beginning on January 1, 2016 and ending on December 31, 2016. The estimated Property Tax Revenue for Maintenance & Operation for FY 2017 is \$317,504,778 or \$23,809,993 more than the FY 2016 Adopted Budget.

**BACKGROUND INFORMATION:**

Property tax values are determined by the Bexar Appraisal District (BAD) in conformance with State law. FY2017 total taxable value for the City of San Antonio is \$99.2 billion which is an increase in net taxable value of \$8.6 billion or 9.55% more than the FY 2016 Adopted Budget. Included in this total is an increase of \$1.8

billion for new improvements and an increase of \$6.8 billion in existing valuations from the FY 2016 Adopted Budget.

The following table shows the components of the FY 2017 Proposed City Property Tax Rate.

<b>CITY PROPERTY TAX RATE (Per \$100 Valuation)</b>		
	<b>FY 2016 Adopted Budget (in cents)</b>	<b>FY 2017 Proposed Budget (in cents)</b>
Maintenance & Operations	34.677	34.677
Debt Service	21.150	21.150
<b>Total</b>	<b>55.827</b>	<b>55.827</b>

**ISSUE:**

The City’s FY 2017 Proposed Property Tax Rate of 55.827 cents per \$100 valuation represents a consistent rate when compared to the City’s FY 2016 Adopted Property Tax Rate.

State property tax law requires taxing units to calculate the M&O portion of the tax rate to yield the same amount of operating revenue from year to year based on base valuations. This calculation of the M&O tax rate results in determination of the “*effective M&O tax rate.*”

To meet the requirements of General Fund services recommended in the Proposed Budget, the FY 2017 M&O tax rate is calculated at 34.677 cents per \$100 of taxable valuation which represents no change for the City’s M&O Property Tax Rate.

**ALTERNATIVES:**

This item is required by City Charter.

**FISCAL IMPACT:**

The M&O tax rate for FY 2017 will generate \$317,504,778 or \$23,809,993 more in revenues for support of City government and represents no change to the City M&O Property Tax Rate as compared to the City’s Property Tax Rate in FY 2016.

**RECOMMENDATION:**

Staff recommends approval of this item.