



City of San Antonio

Agenda Memorandum

File Number: 15-4824

Agenda Item Number: 4B.

Agenda Date: 9/10/2015

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Maria Villagomez

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Ratification of Annual Consolidated Operating and Capital Budgets for FY 2016

SUMMARY:

Following the action taken for adoption of the Annual Operating and Capital Budgets for the City of San Antonio for Fiscal Year 2016, the City Council will consider, through separate ordinance, the ratification of the vote on the Budget to comply with State law.

BACKGROUND INFORMATION:

Texas Local Government Code Section 102.007(c) mandates that a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. The Fiscal Year 2016 Budget will raise more revenue from property taxes than the Fiscal Year 2015 Budget, and therefore, it will be necessary for the City Council to ratify its vote adopting the Fiscal Year 2016 Budget.

Property tax values are determined by the Bexar Appraisal District (BAD) in conformance with State law. FY 2016 net taxable value for the City of San Antonio is \$90.59 billion which is an increase in net taxable value of \$10.8 billion or 13.5% more than the FY 2015 Adopted Budget. The net taxable value includes an increase of \$2.25 billion for new improvements and an increase of \$8.56 billion in existing valuations from the FY 2015 Adopted Budget.

This budget will raise more total property taxes than last year's budget by \$44,027,644 or 10.27%, and of that amount, \$12,579,588 is tax revenue to be raised from new property added to the tax roll this year.

Of the \$44,027,644 in added property tax revenue, \$25,217,021 is proposed to be used in the City's General Fund to support essential City services such as Police, Fire, Streets, Parks & Recreation and Code Enforcement. The remaining \$18,810,623 is proposed to be used for debt service payments on debt issued for capital projects.

ISSUE:

Following the consideration and vote on the City's Fiscal Year 2016 Budget, the City Council will be required by State Law to ratify their vote on the adoption of the Budget with an additional vote. This ratification vote is required since the Fiscal Year 2016 Budget will raise more revenues from property taxes than was raised by the Fiscal Year 2015 Budget.

ALTERNATIVES:

This item is required by State law.

FISCAL IMPACT:

City Council adoption of this ordinance, which is required by State law, will ratify the adoption of the FY 2016 Operating and Capital Budgets that establish approved expenditures and financial reserve levels. This budget will raise more total property taxes than last year's budget by \$44,027,644. Of the \$44,027,644 in added property tax revenue, \$25,217,021 is proposed to be used in the City's General Fund to support essential City services such as Police, Fire, Streets, Parks & Recreation and Code Enforcement. The remaining \$18,810,623 is proposed to be used for debt service payments on debt issued for capital projects.

RECOMMENDATION:

Staff recommends approval of this item.