



City of San Antonio

Agenda Memorandum

File Number: 17-4931

Agenda Item Number: 2.

Agenda Date: 9/6/2017

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Public Hearings for the 2017 Ad Valorem Tax Rate and FY 2018 Proposed Budget

SUMMARY:

On Wednesday, September 6, 2017, at 6:00 PM in City Council Chambers two Public Hearings are scheduled:

- 1) 2017 Proposed Ad Valorem Tax Rate Public Hearing for the FY 2018 Proposed Budget
- 2) FY 2018 Proposed Budget Public Hearing

The Public Hearings will provide an opportunity for residents to comment on the 2017 Proposed Ad Valorem Tax Rate for the FY 2018 Proposed Budget and FY 2018 Proposed Budget. The Public Hearing on the 2017 Proposed Ad Valorem Tax Rate will be held at 6:00 PM immediately followed by the Public Hearing on the FY 2018 Proposed Budget.

BACKGROUND INFORMATION:

The City of San Antonio's fiscal year begins on October 1, and ends September 30. Each year the City Manager transmits a budget development calendar to the City Council in February/March with key dates for each phase of the budget process. The phases include (1) Five-Year Financial Forecast and public input before the budget is prepared, (2) City Council Budget Goal Setting Session, (3) Proposed Budget for the upcoming fiscal year, (4) City Council budget worksessions, and public input meetings/public hearings on the proposed budget, and (5) adoption of the Budget for the next fiscal year. The Annual Operating and Capital Budget must be approved by the City Council before September 27 of every year in accordance with the City Charter. On March 8, 2017, the

City Council was provided with the FY 2017 First Quarter Financial Report and the FY 2018 Budget Calendar. This calendar included the key dates for the five phases of the City of San Antonio budget development process.

Five Year Financial Forecast: On May 10, 2017, City Council was provided a briefing on the FY 2017 Six Plus Six Budget and Financial Status Report as well as the City's Five Year Financial Forecast covering Fiscal Year 2018 through Fiscal Year 2022.

Community Input for the Preparation of the Budget Process: Along with monitoring the FY 2017 Budget, the City staff gathered input on the priorities of the community for the FY 2018 Budget through the SASpeakUp Campaign. Through this campaign, the City reaches out to the community through a multi-faceted campaign to collect data on residents' use of city services and their ideas for spending in the upcoming year. Community input is gathered through the SASpeakUp bilingual (English and Spanish) street teams that attend events throughout the community to capture feedback, through digital media to include NextDoor.com, Facebook, Twitter, Instagram, email blasts, and an online survey, which is available in both English and Spanish. The survey is also available in hard copy at all City libraries, community centers and senior centers. Residents are also invited to provide input through the City's website and through the City's Budget Input Box available at city departments, libraries, community centers, and online. A presentation with the results from these meeting was provided at the June City Council Budget Goal Setting Session.

City Council Budget Goal Setting Session: On June 28, 2017, the City Council FY 2018 Budget Goal Setting Session was held at the Henry B. Gonzalez Convention Center. The purpose of the Budget Goal Setting Session was to obtain City Council policy direction that guided the City Manager and staff in developing the FY 2018 Proposed Budget and the FY 2019 Budget-Plan. City Council established service delivery priorities and direction on potential general fund revenue increases and/or expenditure reductions that was utilized by staff to prepare a balanced Fiscal Year 2018 Proposed Annual Operating and Capital Budget.

Proposed Budget: On August 10, 2017 the City Manager presented the FY 2018 Proposed Operating and Capital Budget to City Council. This budget was prepared in the month of July and incorporates the policy direction provided by the City Council on June 28 and the community input provided through the SASpeakUp Campaign.

City Council Budget Worksessions, public input meetings/public hearings on the proposed budget: After the budget was proposed on August 10, 2017, nine city council budget worksessions were held to present the proposed budget in detail to the City Council. The final budget worksession is scheduled for Wednesday, September 13.

Additionally, six Budget Open Houses were held across the City to ask residents for their input on the proposed budget before the budget is finalized. The City also will host two public hearings (Wednesday August 30th and Wednesday September 6th) at City Council Chambers at 6:00pm.

Budget Adoption: The FY 2018 Budget is scheduled to be approved by the City Council on September 14, 2017.

ISSUE:

On Wednesday, September 6, 2017, at 6:00 PM in City Council Chambers two Public Hearings are scheduled:

- 1)2017 Proposed Ad Valorem Tax Rate Public Hearing

2) FY 2018 Proposed Budget Public Hearing

The Public Hearings will provide an opportunity for residents to comment on the 2017 Proposed Ad Valorem Tax Rate and the FY 2018 Proposed Budget. The Public Hearing on the Proposed Ad Valorem Tax Rate will be held at 6:00 PM immediately followed by the Public Hearing on the FY 2018 Proposed Budget.

Citizens wishing to speak at the Public Hearing may individually sign a register for that purpose which will be provided at the entrance to the City Council Chambers beginning at 4:00 p.m. on Wednesday, September 6, 2017. Citizens also can register on-line beginning at 8:00 AM until 6:00 PM on Wednesday, September 6, 2017. A link on the Office of the City Clerk's website at <http://www.sanantonio.gov/clerk/> will be activated that will allow citizens to sign-up for the public hearing. Individuals and/or groups will be heard in the order they signed up to speak.

ALTERNATIVES:

State Law requires that a municipality holds two property tax rate public hearings when the Proposed Ad Valorem City Tax Rate exceeds the Effective Tax Rate. Additionally, the City Charter requires at least one public hearing on the City's Proposed Budget.

FISCAL IMPACT:

The public hearings on the 2017 Ad Valorem Property Tax Rate for the FY 2018 Proposed Budget and the Proposed Budget will not require City Council action. Final approval of the FY 2018 Proposed Budget is scheduled for September 14, 2017.

RECOMMENDATION:

This item includes two public hearings for the City's 2017 Ad Valorem Property Tax Rate for the FY 2018 Proposed Budget and the FY 2018 Proposed Budget.