



FY 2015-2016 Budget Presentation

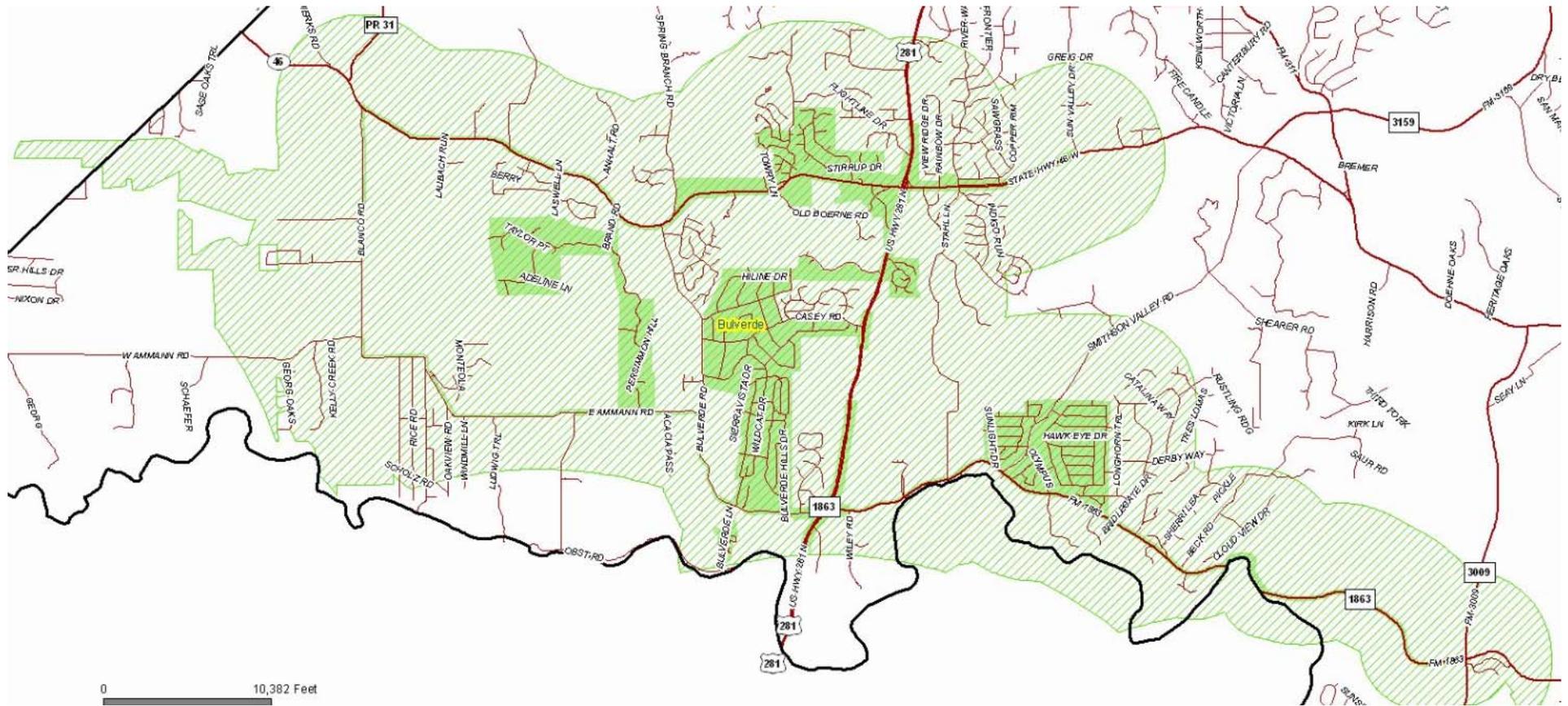
August 11, 2015

City of Bulverde Quick Facts



- Incorporated in 1997
 - 5 “cities” eventually conglomerated into one Municipality
- Home Rule Charter adopted in May 2015
 - Mayor and six Councilmembers
- ~10 square miles in current City Limits
- ~70 square miles in current ETJ (1 mile ETJ “buffer”)
- ~1,850+ Households in current City Limits
- ~200 businesses located in City Limits (moving target)
- 13.57 cent property tax rate
 - One of the lowest in the State of Texas

City of Bulverde and Bulverde ETJ



- Bulverde: Only incorporated city in western Comal
- City Limits: ~10 square miles
- ETJ Limits: ~70 square miles (1+ mile buffer zone)
- Population in City limits: 5,000+
- Population in ETJ limit: ~8-10,000

Strategic Council Goals



Council Goal: Plan for the orderly and managed development of Bulverde and the surrounding area



Council Goal: Promote transportation improvements and greater mobility throughout the City and the region



Council Goal: Enhance the viability and vibrancy of the Downtown Bulverde Village area

Strategic Council Goals



Council Goal: Enhance Parks and Recreation opportunities



Council Goal: Facilitate better communication, marketing, and branding of the City in the community and the region



Council Goal: Promote the managed growth of desirable business development in the community via proactive economic development



Council Goal: Ensure a strong customer service orientation for all City services

Core City Services

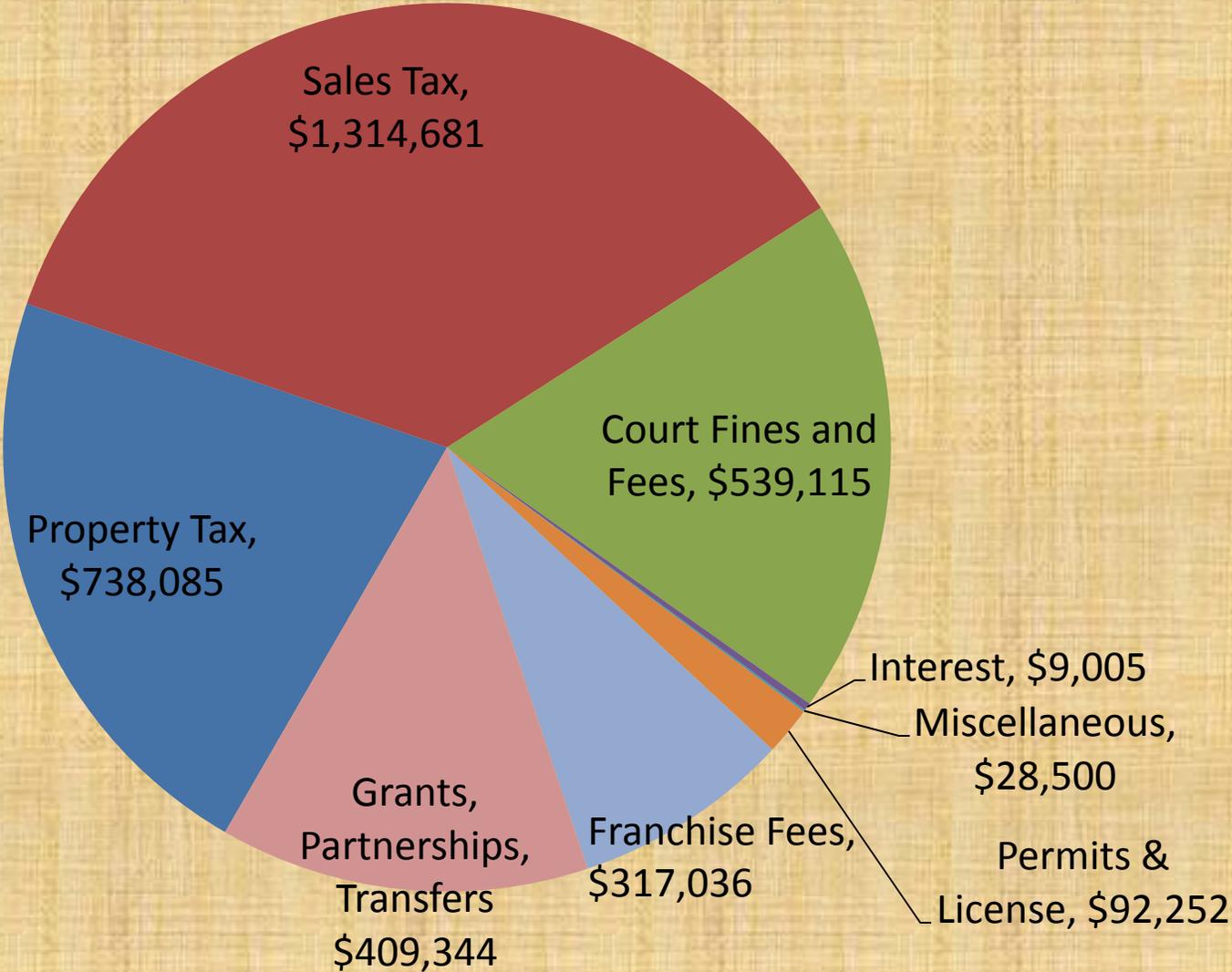


The 4 P's:

- **P**olice protection
- **P**lanning (Regional: Transportation, Drainage, Economic Development, Zoning, Land Use)
- **P**arks and Recreation
- **P**ublic Works

Projected Revenue Sources (2015-2016)

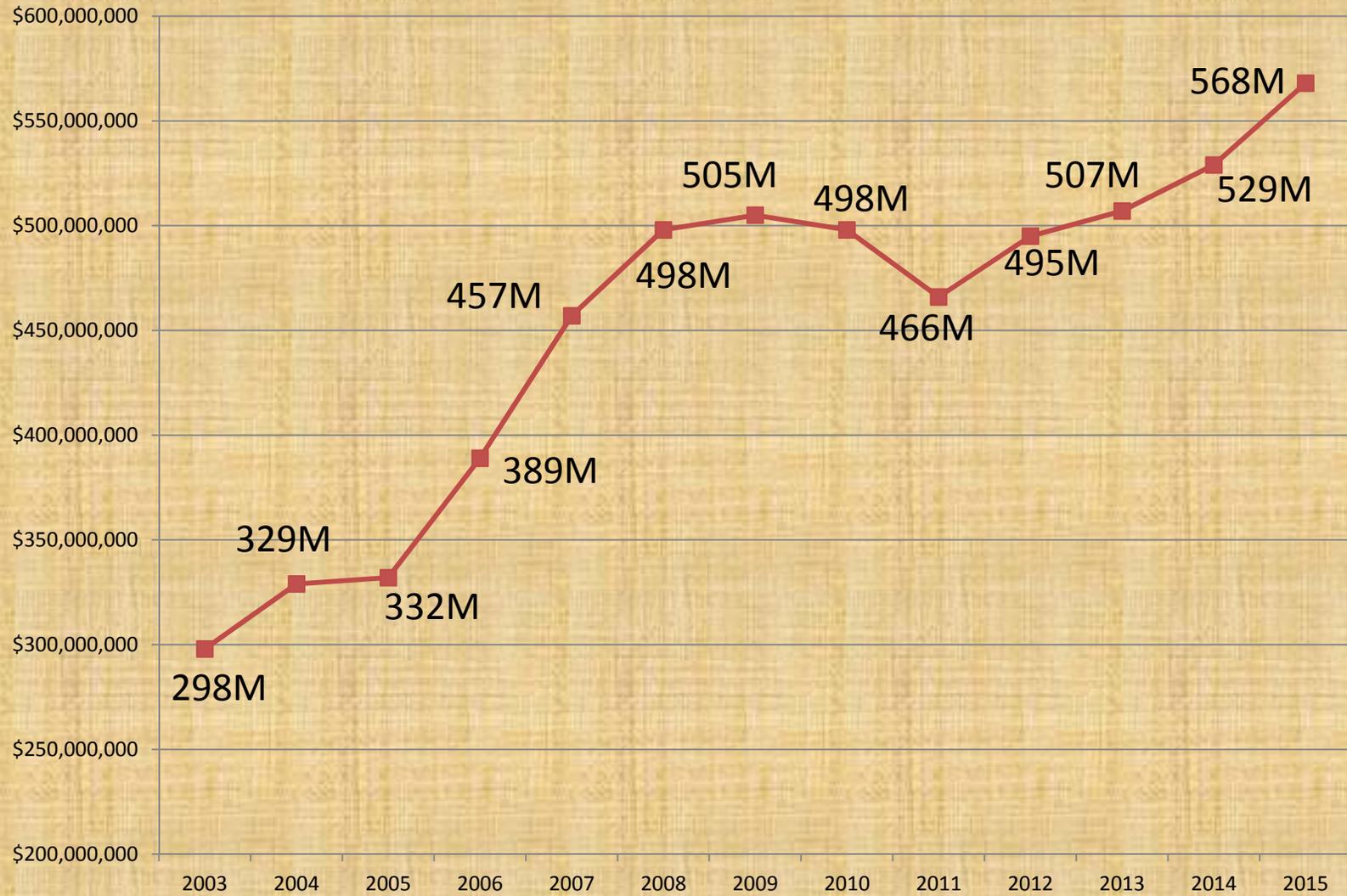
Total Revenue \$3,448,018



Property Tax Base

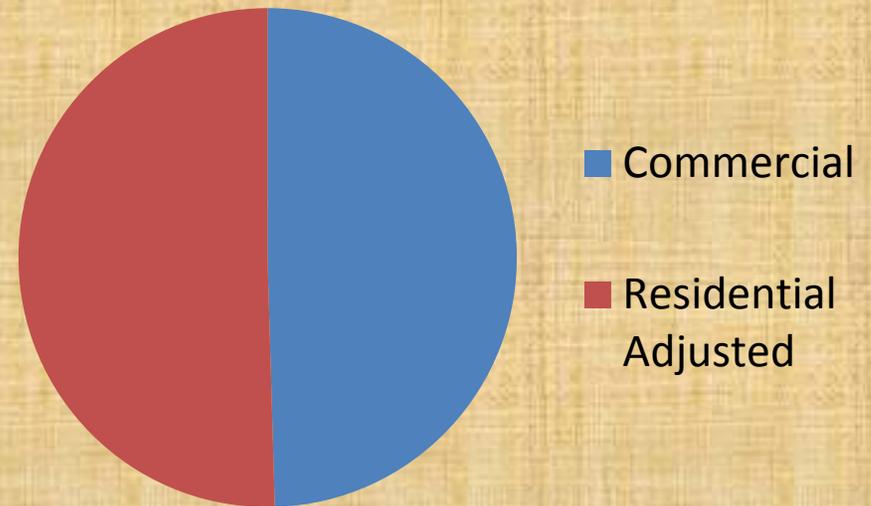
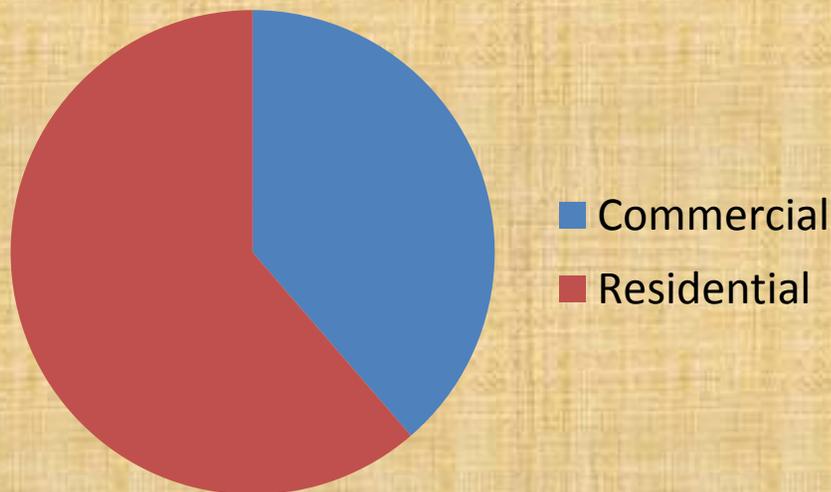
- 2014 Certified Value: \$529,701,499
- 2015 Certified Value: \$568,575,957
- \$38.9 million increase in property tax BASE (~ 7.3%)
 - \$8 million in *new* base additions (only \$7.7M is taxable)
 - \$30.9 million in increased value from *existing* base

Historical Property Tax Base Value



Property Tax Base (2015)

- Commercial vs. Residential
- Commercial: ~ \$236M
- Residential: ~ \$382M (-\$49.2M exempt, -\$94.5 frozen)
 - Residential Adjusted: ~ 238.3M

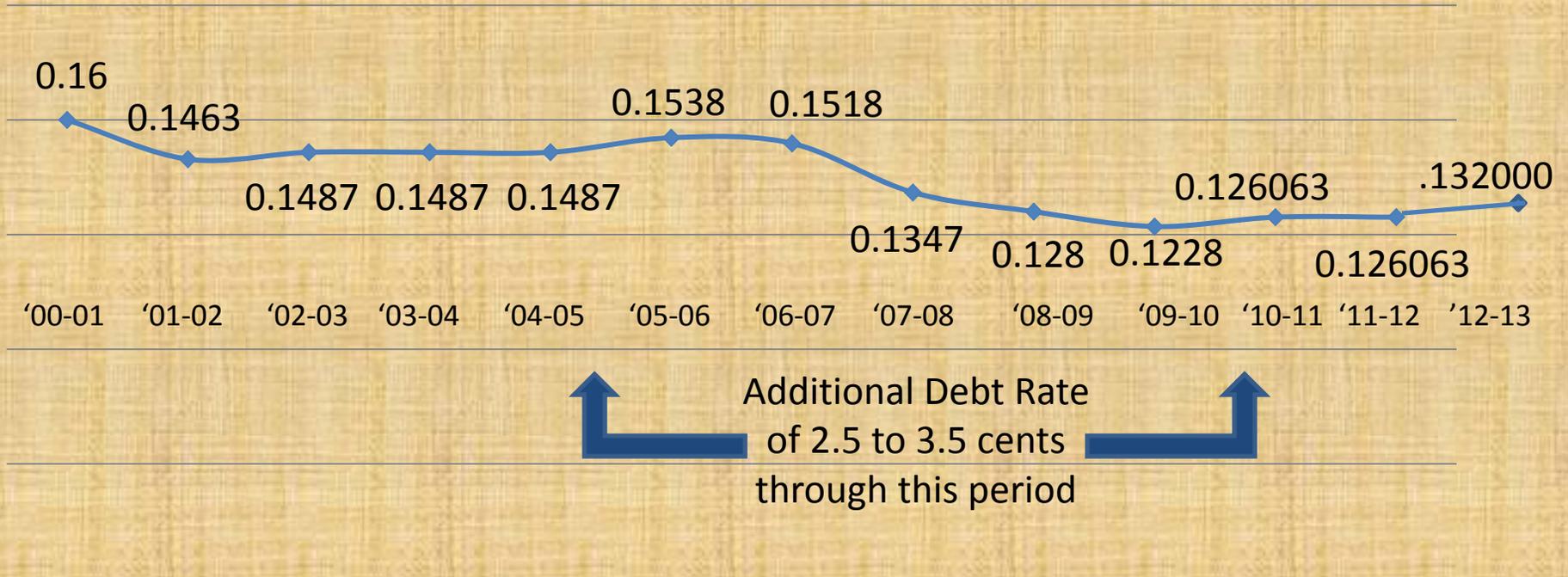


Findings: Business community provides roughly *half* of all City Property Tax Revenue.

Bulverde Property Tax Exemptions

- **\$40,000 property tax exemption** for Over-65 and Over-65 surviving spouse
 - Deletes \$49.2 million from Property Tax Base (~ 8.6%)
 - ~\$68,000 in lost property tax revenue (at 0.1357 rate)
- **Tax ceiling (tax freeze)** for Over-65, Over-65 surviving spouse, disabled persons (and their surviving spouse)
 - Deletes \$94.5 million from Property Tax Base (~16.5%)
 - ~\$128,000 in lost property tax revenue (at 0.1357 rate)
- **Findings:**
 - 25% of potential property tax base is *excluded*
 - 28% of Bulverde households *will receive future enhancements* in City services *but will not pay for them* via the property tax (**up 1%**)
 - Shift of property tax burden to commercial properties and younger homeowners

Historical Maintenance and Operations Property Tax Rate



Findings: No Property Tax Rate increase proposed for FY 2015-2016. Proposed Rate of \$0.135700 is still less than FY '04-05 rate.

Bulverde Area Overlapping Property Tax Jurisdictions: 2014 Rates

- Comal ISD: \$1.390000 \$1.390000
- Comal County: \$0.292821 \$0.292821
- Lateral Road Service: \$0.050100 \$0.050100
- **City of Bulverde: \$0.135700 \$0.135700**
- ESD 1 (BSB EMS): \$0.085100 \$0.085100
- ESD 4 (SB Fire): \$0.060000
- or
- ESD 5 (Bulverde Fire): \$0.100000
- **Total Prop. Tax Rate: \$2.013721 or \$2.053721**
- Percentage of City rate as compared to Total: ~7%

Bulverde Property Tax Rate

Current Rate: \$0.135700

Effective Rate: \$0.127200

Rollback Rate: \$0.137300

Debt Service Rate: \$0.000000

Adjusted Tax Base: \$467,284,040

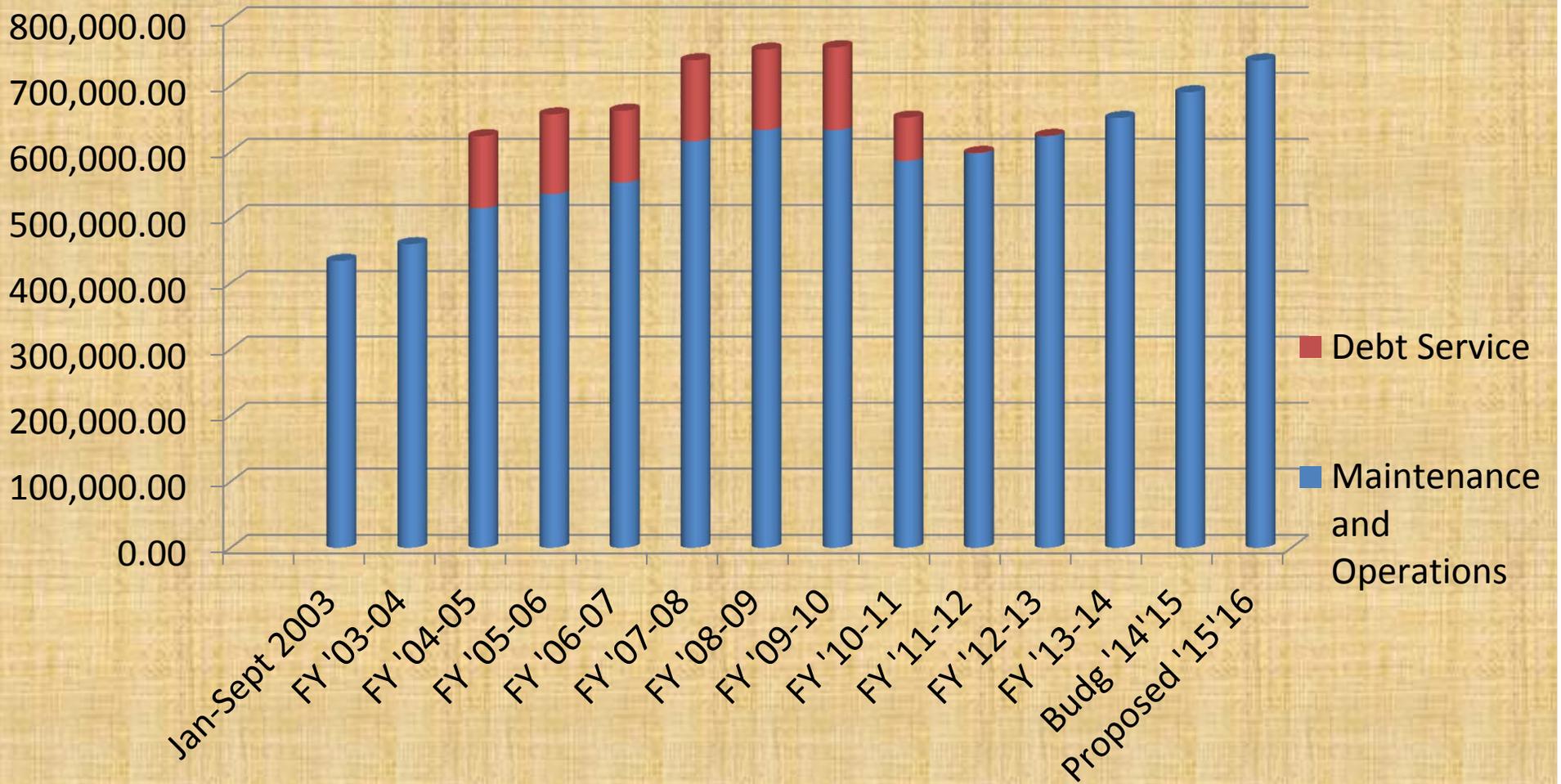
Appx. levy (*Proposed* 0.135700 rate): \$750,768

Appx. max. levy (0.1373 rate): \$758,244

What does “1 penny” provide?: ~ \$46,700

Finding: NO increase in the Tax Rate is being proposed in this year’s Budget.

Bulverde Property Tax Revenue History



Findings: Property tax revenues at Proposed 0.1357 rate still below FY 2007-2008 levels

Property Tax Value Statement (What do I get for my money?)

- Average Bulverde Residence: ~\$230,000 (Appraised value)
- Total Property Tax bill (no exemptions): \$4,715 (or \$393/mo.)
- City of Bulverde Annual Property Tax bill: \$312 (or \$26/mo.)
 - **Increase from 2014-2015 (from rate): \$0**

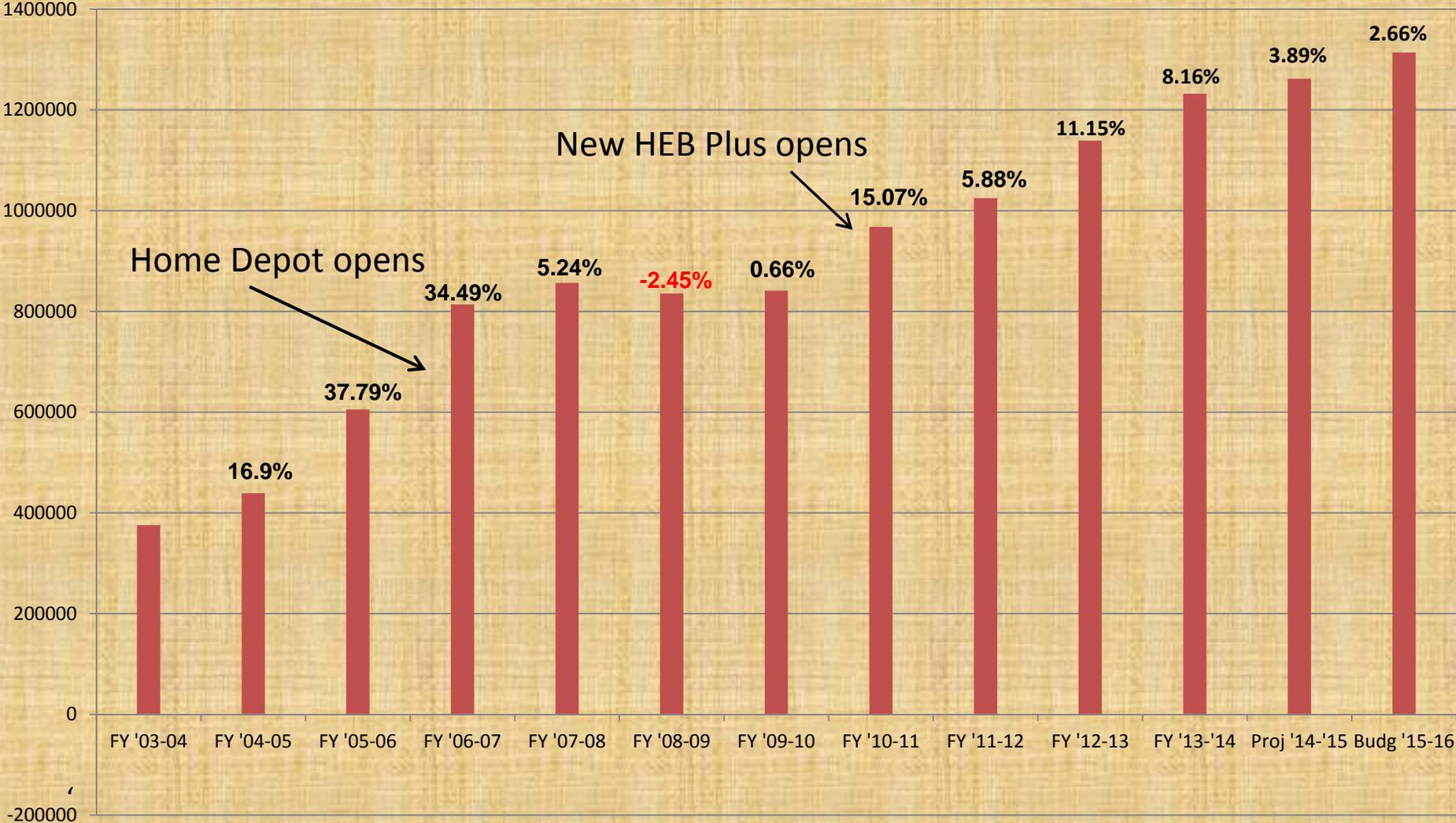
- ~\$26 per month for:
 - **Police**
 - Residential and Business Patrol, 911 calls, traffic enforcement, school assistance
 - **Planning**
 - Zoning protection, Transportation, Drainage, Economic Development, etc.
 - **Public Works**
 - Street Maintenance, Mowing, Animal Control, Code Enforcement, Building Inspection
 - **Parks**
 - Bulverde Community Park, Community event support, Community Garden

Findings: \$11 per month per \$100,000 in property value (What a bargain!)

Sales Tax

- All of western Comal County:
 - Consumption tax of \$0.0825 per dollar spent (at current maximum cap)
 - (at Point-of-sale, ie. the register location)
 - Overlapping Sales Tax Jurisdictions In Bulverde City Limits:
 - State of Texas: \$0.0625 (or 6.25 cents)
 - Comal County: \$0.0050 (or .5 cents)
 - BSB Library: \$0.0050 (or .5 cents)
 - City of Bulverde: \$0.0100 (or 1 cent)
 - Overlapping Sales Tax Jurisdictions Outside Bulverde limits:
 - State of Texas: \$0.0625 (or 6.25 cents)
 - Comal County: \$0.0050 (or .5 cents)
 - BSB Library: \$0.0050 (or .5 cents)
 - ESD 4 or 5 (Fire): \$0.0100 (or 1 cent)
- Findings: City of Bulverde is “landlocked” for sales tax producing land parcels**
- Commercial parcels are very valuable for future City sales tax revenue
 - Drives the City’s Economic Development Strategy and zoning considerations

Sales Tax History

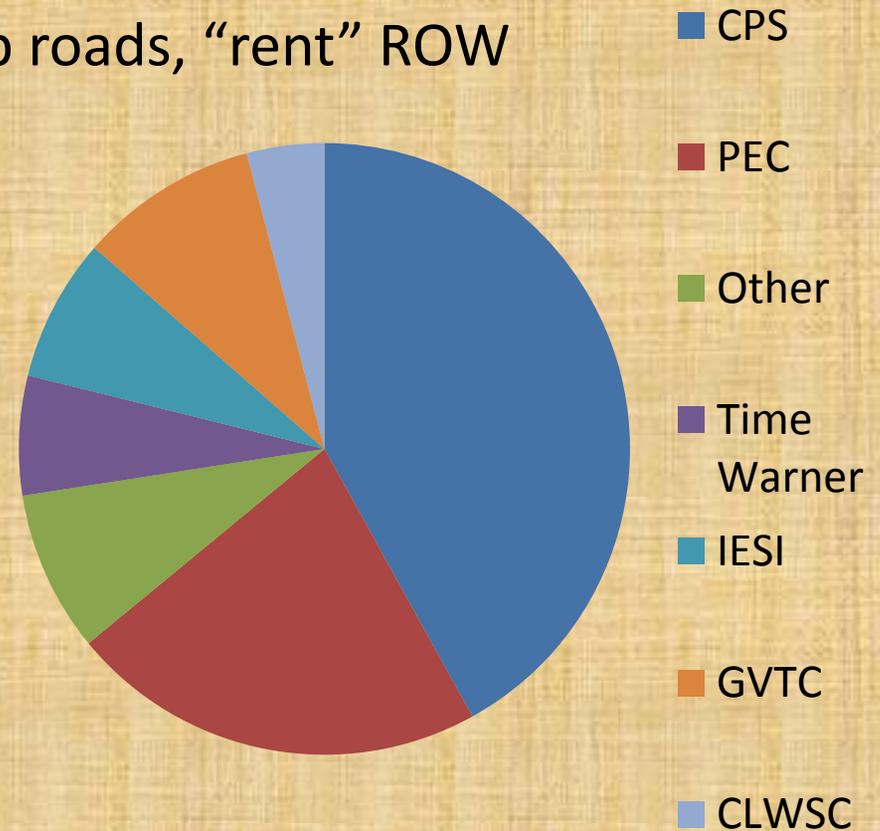


Franchise Fees (2015-2016)

- Fees charged to utility companies to provide a service to Bulverde residents, *instead* of the City providing that utility service

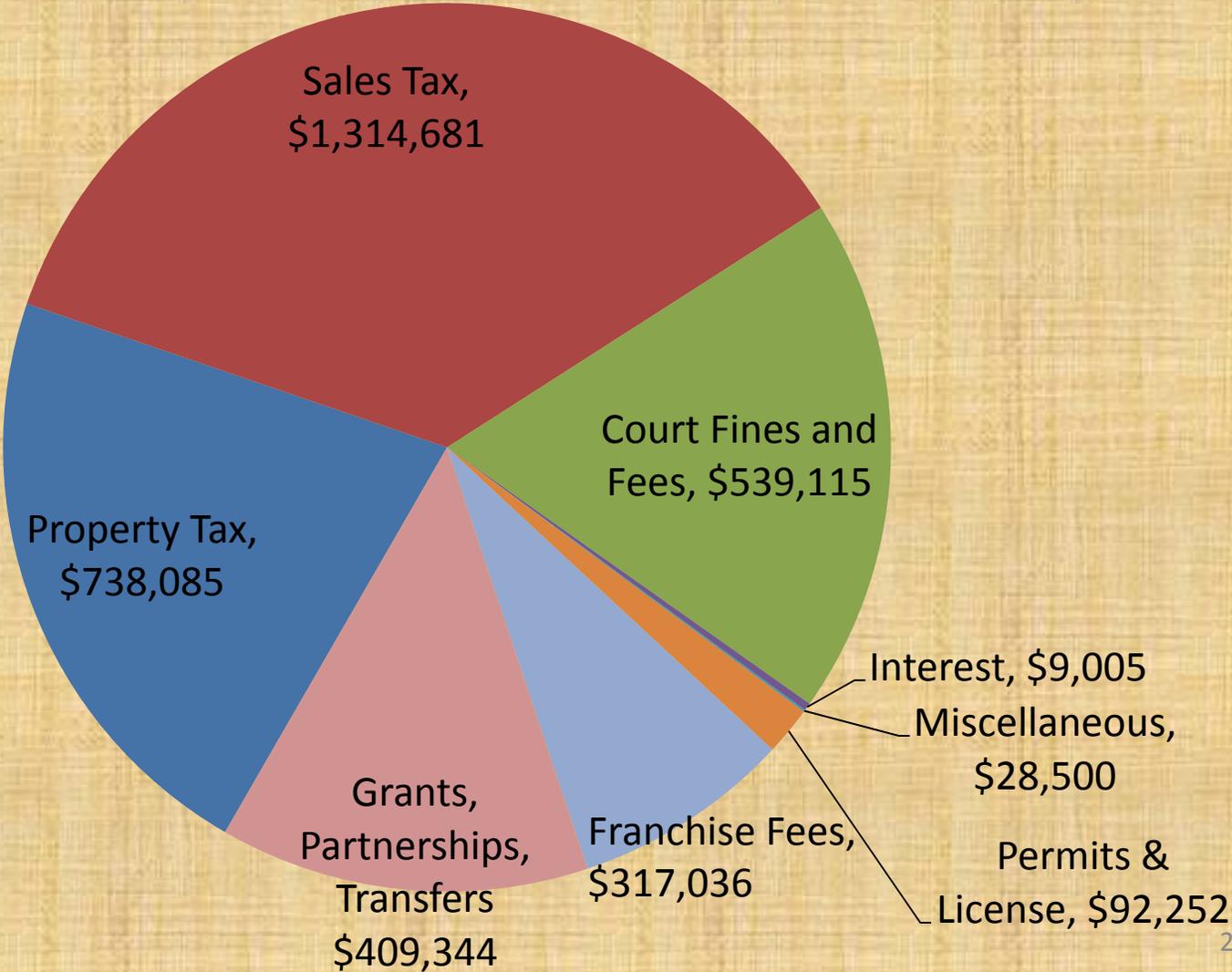
- Large service vehicles tear up roads, “rent” ROW

• CPS:	\$133,000
• PEC:	\$70,000
• Other:	\$27,000
• GVTC:	\$30,000
• Time Warner:	\$20,000
• Progressive:	\$24,000
• CLWSC:	<u>\$13,000</u>
• Total:	\$317,000



Projected Revenue Sources (2015-2016)

Total Revenue \$3,448,018



Revenue Findings

- 61% of City Revenue (without one-time Grant funding, Partnership funding, or Fund transfers) derived from Sales Tax and Court Fines/Fees
 - Cyclical with economy and difficult to forecast (ie. Unstable)
- Sales Tax and Court Fines/Fees are revenue sources mostly imported from outside the City limits
 - Much of western Comal County (and beyond) shops in Bulverde's Retail business corridor
 - Much new commercial growth happening just *outside* the current City limits
- Limited property tax base, with much of it exempt or frozen
- First year of utility enterprise fund; stand alone, revenue neutral



Fiscal Year 2015-2016

City Services

City of Bulverde

- **Remember the 4 P's of Bulverde City Services:**

- **Police**

- Residential and Business Patrol, 911 calls, traffic enforcement, school assistance

- **Planning**

- Zoning protection, Transportation, Drainage, Economic Dev., etc.

- **Public Works**

- Street Maintenance, Mowing, Animal Control, Code Enforcement, Building Inspection

- **Parks**

- Bulverde Community Park, Community events support, Community Garden

City Cost Centers

	<u>FY '14-15 Budget</u>	<u>FY '15-16 Proposed</u>
• Public Safety:	\$1,159,368	\$1,370,309**
• Public Works:	\$540,361	\$599,909
• General Admin:	\$332,875	\$333,487
• Municipal Court:	\$183,524	\$190,883
• Professional Fees:	\$170,450	\$175,950
• Govt. Functions:	\$353,369	\$469,130
• Planning & Dev:	\$407,800	\$274,600**
• Council:	<u>\$40,250</u>	<u>\$33,750</u>
• Total:	\$3,187,997	\$3,448,018***

**Includes \$85K in reimbursable PD Grant funding, \$53K in reimbursable PD/SRO Partnership and \$237K in one-time expenses related to State permits and planning initiatives, transfers from Fund balance or Dedicated Funds)

***Total Expenditures equal \$3,126,018 when you back out one-time expenses described above ²⁴

Historical Personnel Count

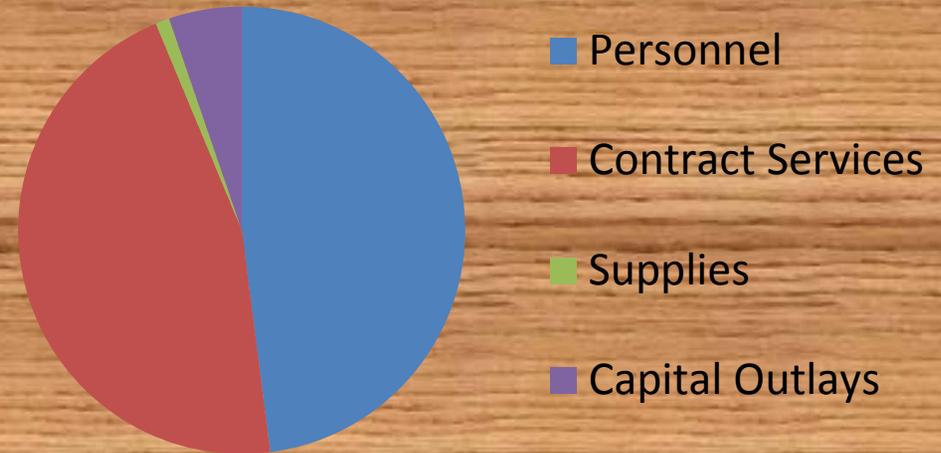
	<u>Admin</u>	<u>Court</u>	<u>Police</u>	<u>Public Works</u>	<u>Plan & Dev</u>	<u>Animal Control</u>	<u>Total</u>
Jan - Sept 03	3	1		1		1	6
FY '03-04	3	1	1	1	1	1	8
FY '04-05	3	1	8	0	1	1	14
FY '05-06	3	2	11	1	3	0	20
FY '06-07	3	2	12	1	2	0	20
FY '07-08	3	2	12	2	2	0	21
FY '08-09	3	3	12	2	2		22
FY '09-10	3	3	15	2	0		23
FY '10-11	3	2	15	2	0		22
FY '11-12	3	2	15	2	0		22
FY '12-13	3	2	15	2	0		22
FY '13-14	3	2	15	2	0		22
FY '14-'15	3	3	15	2	0		23
FY '15-'16	3	3	*16	2	0		24

*Increase of one FTE related to BPD/Comal ISD D.A.R.E/SRO partnership

City Cost Centers (2015-2016)

City Cost Centers

- Personnel: \$1.72M
- Contract Services: \$1.45M
- Supplies: \$36K
- Capital Outlays: \$240K
- Total: \$3.45M



Findings:

- The City is in the **SERVICE** industry. PEOPLE, serving people
- The City is predominantly in the Public Safety (Police) business (~40% of budget)
- The City relies *heavily* on contracted services due to low staffing (Street Repair, Building Inspections, Park Maintenance, Plan Review, Planning Initiatives, etc.)

City Services

How much does a 13.57 cent property tax rate really pay for?

- Remember that “1 Penny” of the property tax rate creates ~\$46,700 in revenue
 - Street maintenance program: 7 Pennies
 - Pothole Repair: 1 Penny
 - Park/ROW Maintenance: 1.5 Pennies
 - Legal/Professional Fees: 4 Pennies
 - Municipal Court: 3 Pennies
 - Police Services: 25 Pennies
 - 1 Patrol Officer: 1 Penny +
- 
- 13.5 cents



Fiscal Year 2015-2016 Service Enhancements

Strategic Council Goals for FY '15-'16

- **Council Goal: Plan for the orderly and managed development of Bulverde and the surrounding area**

Proposed Action Items:

- Facilitate the completion of the Lewis Creek Stormwater Mitigation Plan
 - Phase I: Complete (Hydraulic and Hydrologic Analysis)
 - Phase II: ~\$55,000 (LCW Mitigation Fund Transfer)

Strategic Council Goals for FY '15-'16

- **Council Goal: Plan for the orderly and managed development of Bulverde and the surrounding area**

Proposed Action Items:

- **Land Use Study and Zoning Ordinance revision**
 - **Identified in Planning and Zoning Commission priorities (2014)**
 - **Estimate ~\$150,000 (Fund Balance transfer, if needed)**

Strategic Council Goals for FY '15-'16

- **Council Goal: Ensure a strong customer service orientation for all City services**

Action Items:

- Ensure that the City recruits and retains high quality employees by remaining competitive in employee compensation for the greater San Antonio area
 - **Budget: \$60,000** (1% COLA and 0 to 4% discretionary merit increase based on evaluations. Govt. Function)

Strategic Council Goals for FY '15-'16

- **Council Goal: Ensure a strong customer service orientation for all City Services**

Proposed Action Items:

- Initiate the BPD D.A.R.E/SRO program to four COMAL ISD elementary campuses
 - **Budget: \$53,000 (Public Safety)***

***Reimbursed by Comal ISD via partnership**

Proposed Budget Calendar

- August 11th:
 - Proposed Budget presentation
 - Roll call vote on proposed property tax rate
- August 25th, 6:00PM:
 - 1st Public Hearing on the Budget and Tax Rate
- September 1st, 6:00PM:
 - 2nd Public Hearing on the Tax Rate
- September 8th, 6:30PM:
 - Adopt Budget and Tax Rate
 - Take record vote to approve raising additional revenue



FY 2015-2016 Budget Presentation

August 11, 2015