

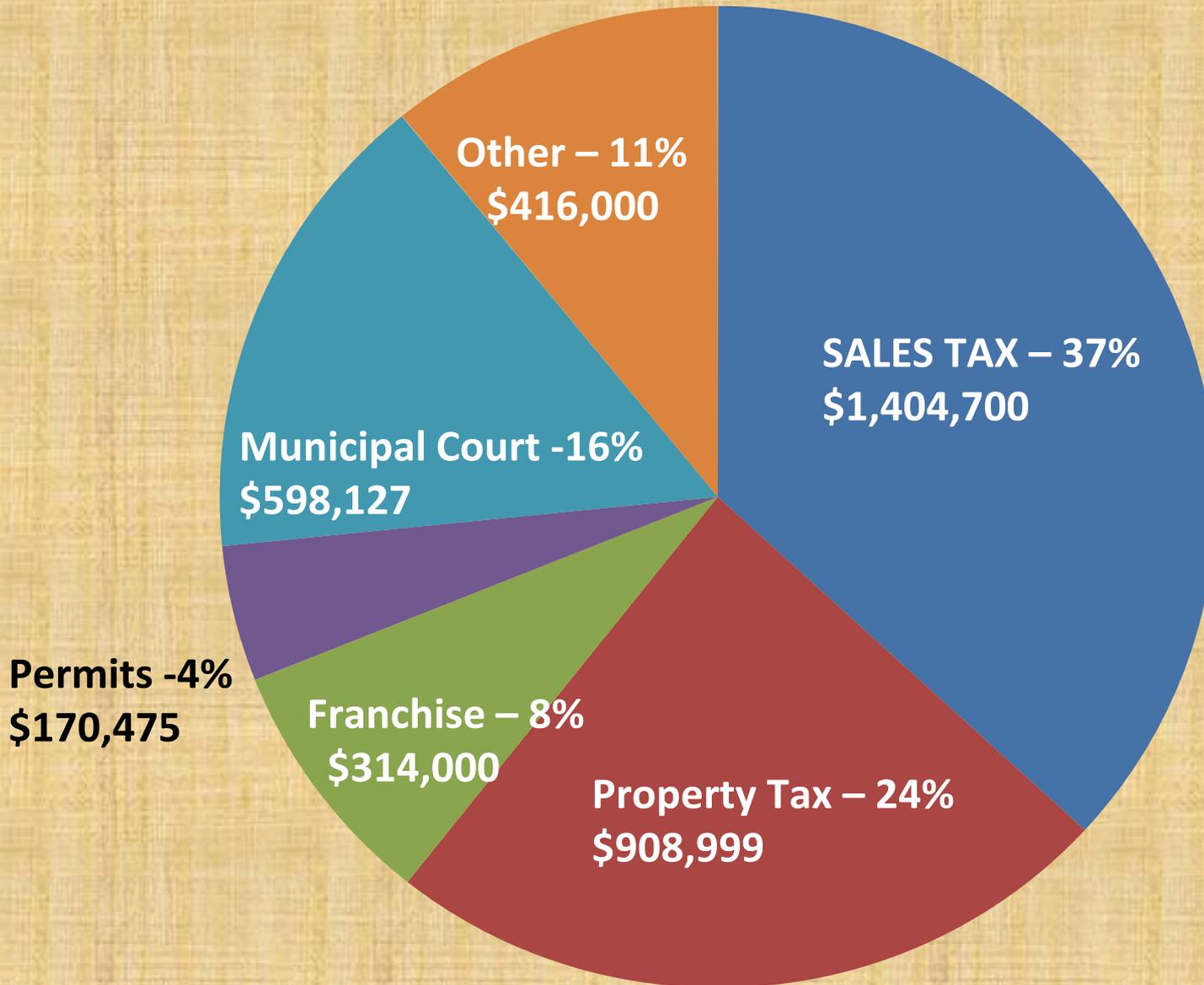


FY 2016-2017 Budget
Presentation

August 9, 2016

REVENUE

2016-17 Revenue

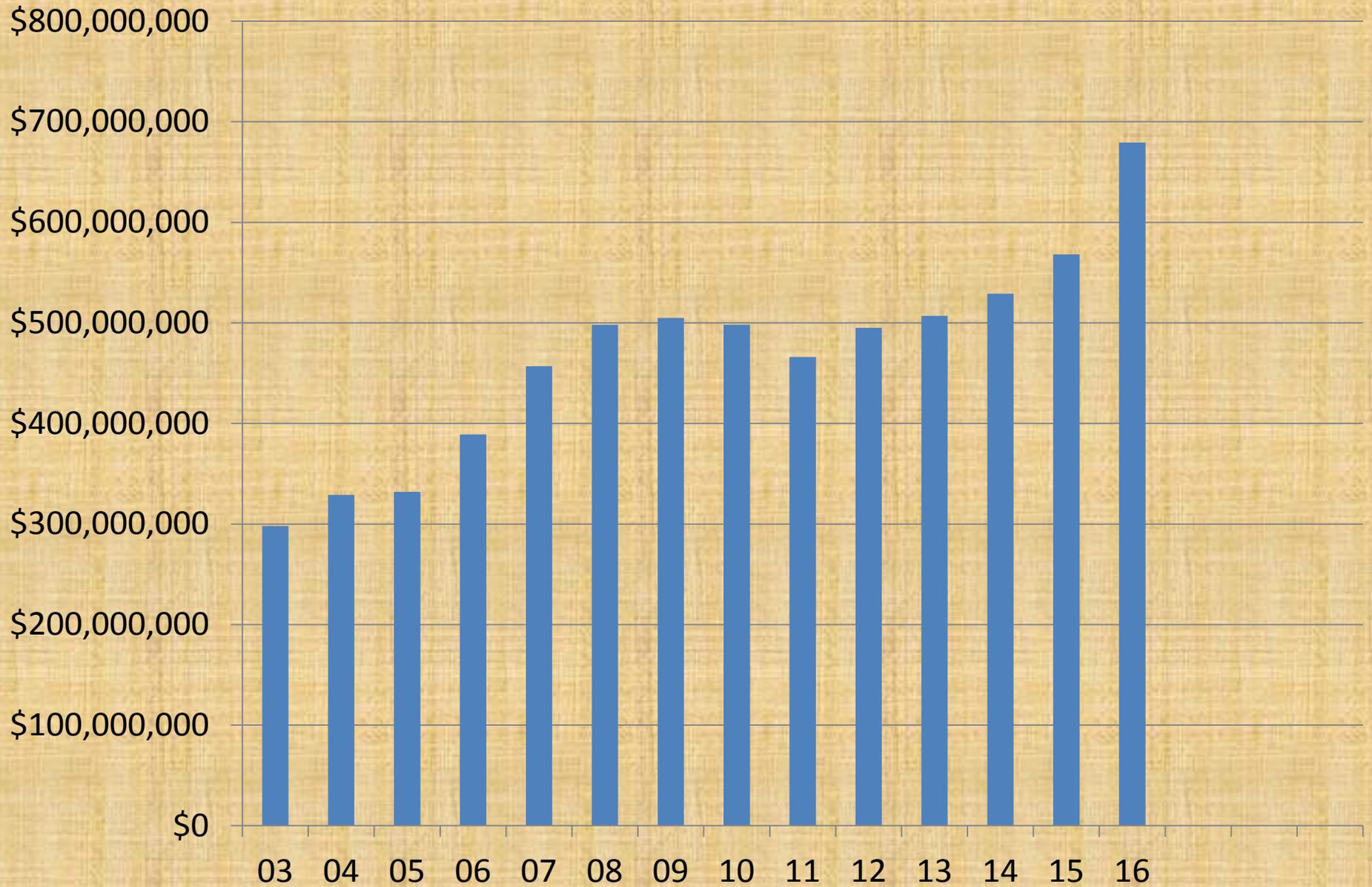


Property Tax Base

- 2015 Certified Value: \$568,575,957
- 2016 Certified Value: \$679,237,612

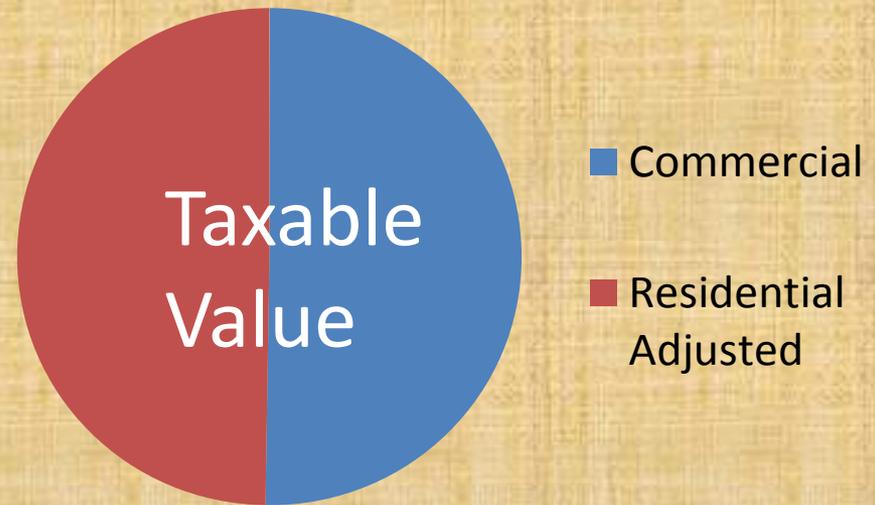
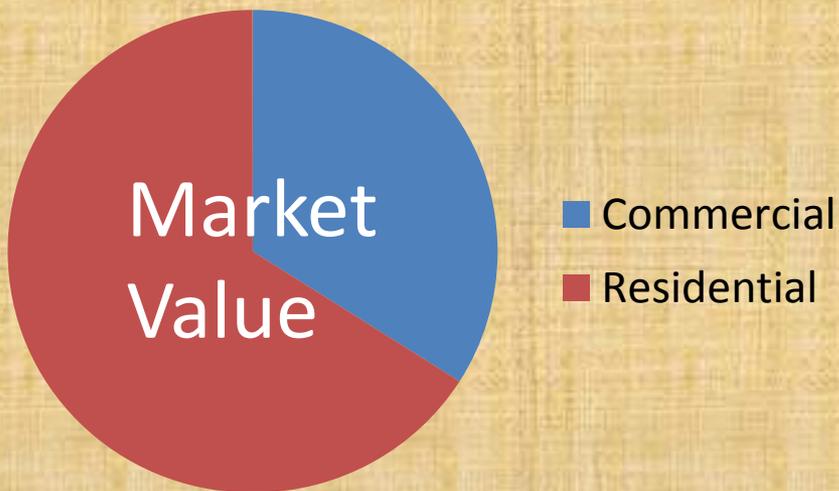
- \$110.6 million increase in property tax BASE (~ 19.4%)
 - \$89.8 million in *new* base additions
 - \$70.7 million in new annexations
 - \$19.1 million in new construction within previous City Limits
 - \$20.8 million in increased value from *existing* base

Historical Base Taxable Value



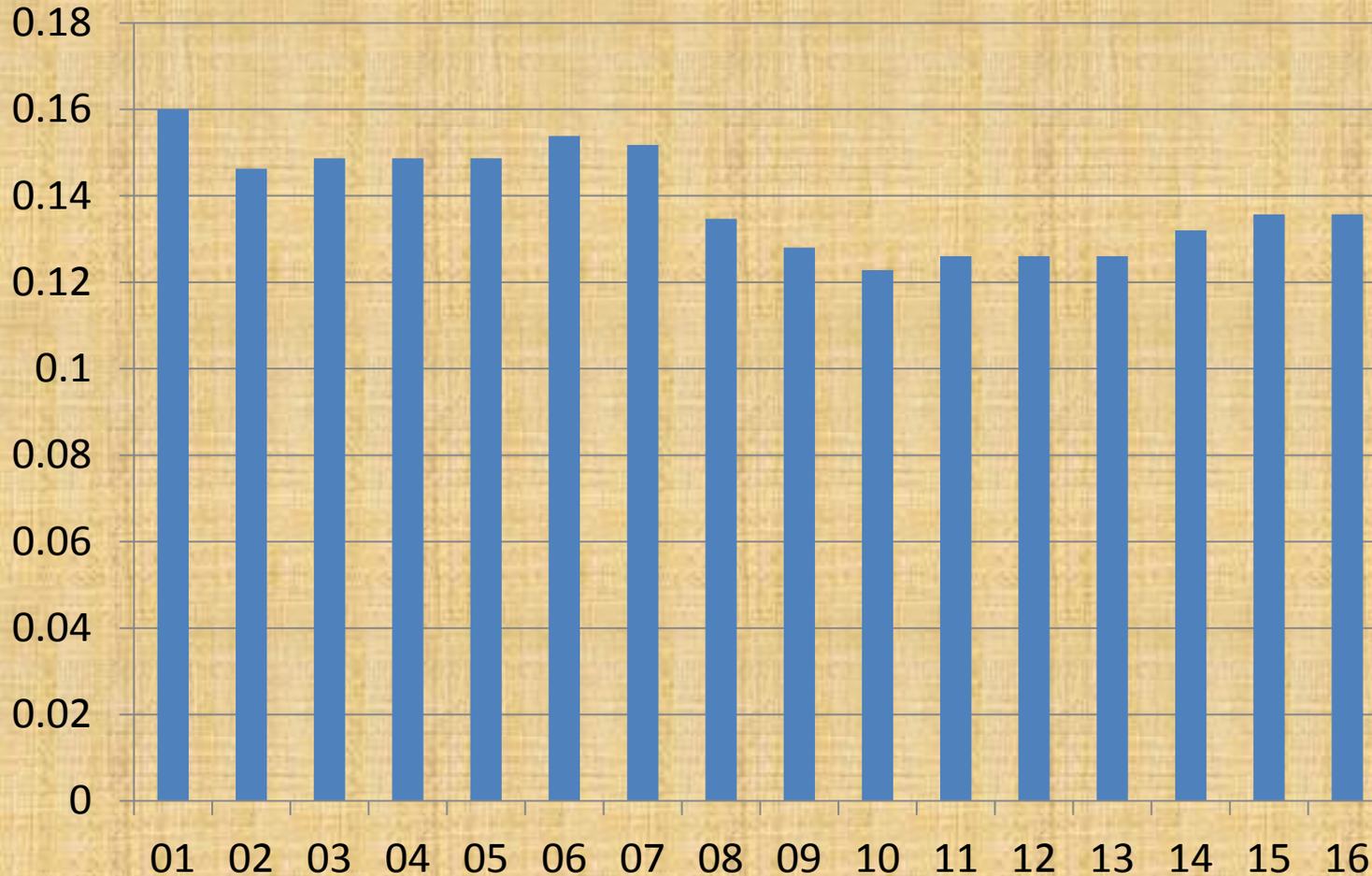
Property Tax Base (2016)

- Commercial vs. Residential
- Commercial: ~ \$301M
- Residential: ~ \$465M (-\$53.3M exempt, -\$113.1 frozen)
 - Residential Adjusted: ~ 298M



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

Historical M&O Tax Rate



**Findings: No Property Tax Rate increase proposed for FY 2016-2017.
Proposed Rate of \$0.135700 is still less than FY '04-05 rate.**

Bulverde Area Overlapping Property Tax Jurisdictions: 2015 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: \$0.129077

Rollback Rate: \$0.139403

Debt Service Rate: \$0.000000

Net Taxable Value: \$679,237,612

Appx. levy (*Proposed* 0.135700 rate): \$885,744

Appx. max. levy (0.139403 rate): \$924,781

What does “1 penny” provide?: ~ \$67,900

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

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

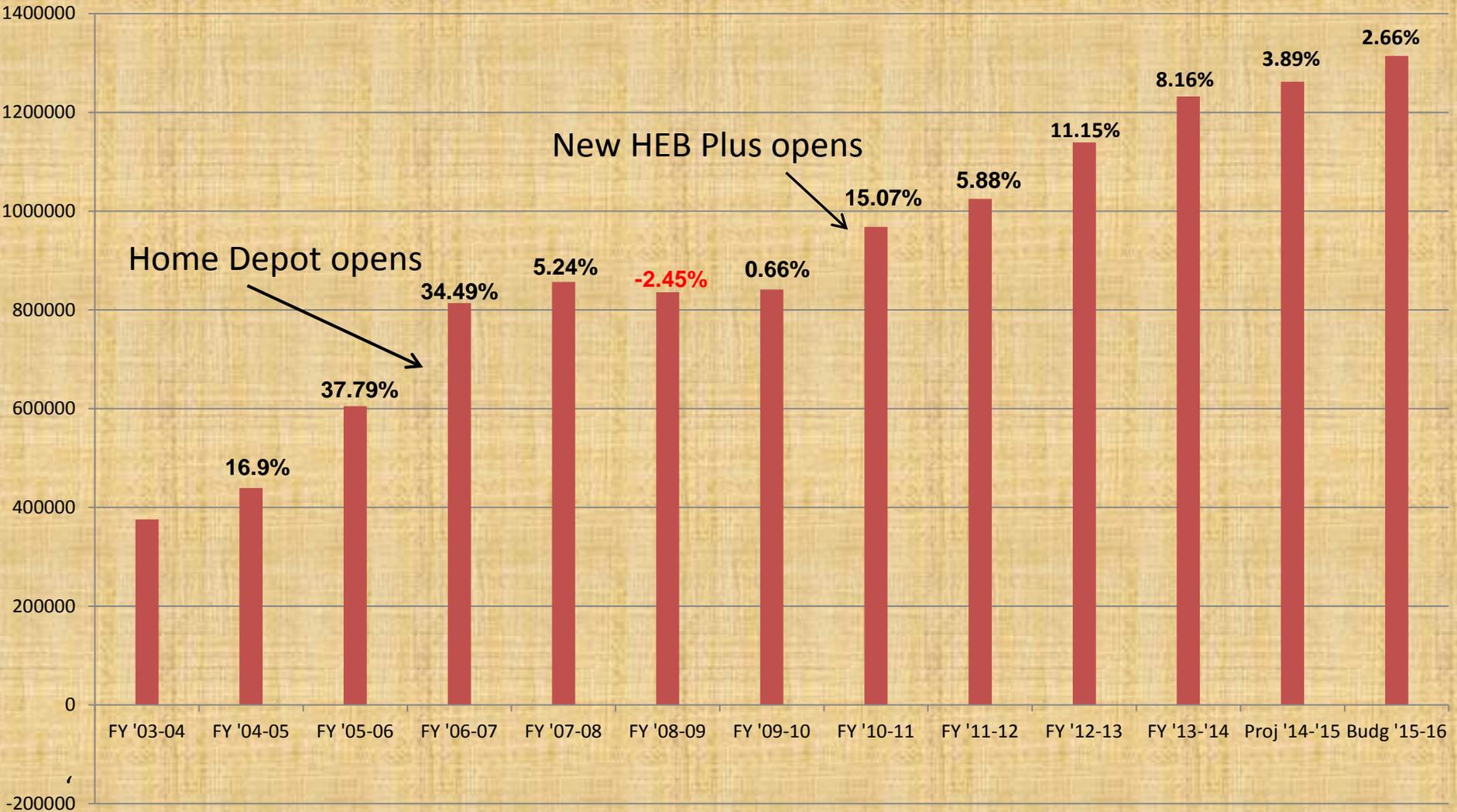
- Average Bulverde Homestead: ~\$250,000 (Appraised value)
- Total Property Tax bill (no exemptions): \$5,032 (or \$419/mo.)
- City of Bulverde Annual Property Tax bill: \$339 (or \$28/mo.)

- ~\$28 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

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 (majority):
 - 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 some Bulverde limits & ETJ:
 - 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

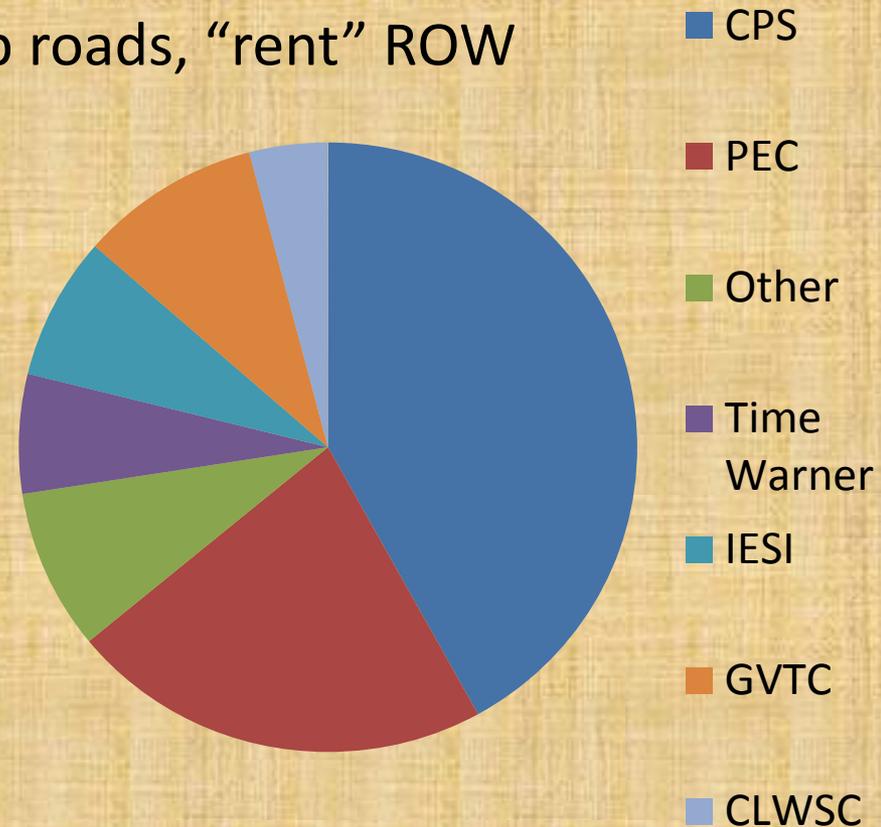


Franchise Fees (2016-2017)

- 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: \$60,000
- Other: \$29,000
- GVTC: \$31,500
- Time Warner: \$22,000
- Progressive: \$23,000
- CLWSC: \$15,500
- **Total: \$314,000**



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
- Limited property tax base, with much of it exempt or frozen
- 2nd year of utility enterprise fund; stand alone, revenue neutral

EXPENDITURES

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 '15-16 Budget</u>	<u>FY '16-17 Proposed</u>
• Public Safety:	\$1,454,109	\$1,350,757
• Public Works:	\$604,693	\$663,171
• General Admin:	\$360,210	\$378,752
• Municipal Court:	\$197,990	\$234,567
• Professional Fees:	\$198,950	\$345,818
• Govt. Functions:	\$399,130	\$815,125
• Planning & Dev:	\$309,600	\$9,600
• Council:	<u>\$33,750</u>	<u>\$44,750</u>
• Total:	\$3,558,432	\$3,812,540

Historical Personnel Count

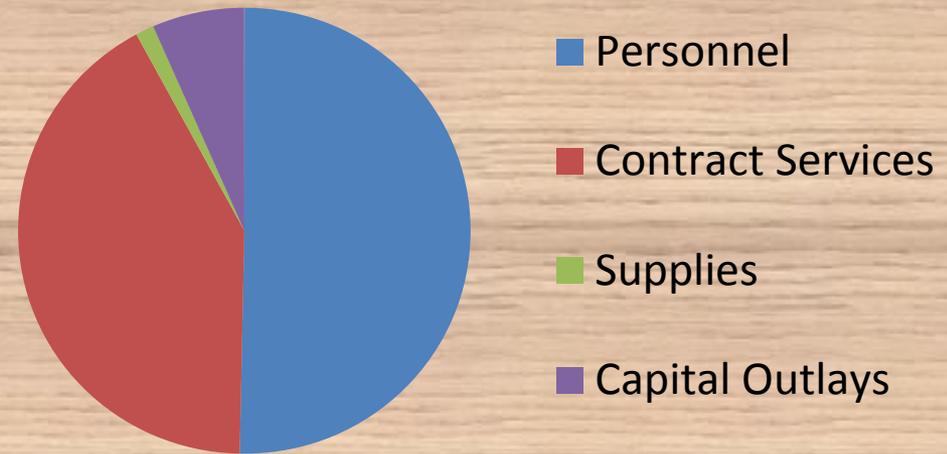
	<u>Admin</u>	<u>Court</u>	<u>Police</u>	<u>Public Works</u>	<u>Plan & Dev</u>	<u>Animal Control</u>	<u>Total</u>
Jan - Sept 03	3	1		1		1	6
FY '03-04	3	1	1	1	1	1	8
FY '04-05	3	1	8	0	1	1	14
FY '05-06	3	2	11	1	3	0	20
FY '06-07	3	2	12	1	2	0	20
FY '07-08	3	2	12	2	2	0	21
FY '08-09	3	3	12	2	2	0	22
FY '09-10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

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

City Cost Centers (2016-2017)

City Cost Centers

- Personnel: \$1.8M
- Contract Services: \$1.55M
- Supplies: \$48K
- Capital Outlays: \$246K
- Total: \$3.73M



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 ~\$67,900 in revenue
 - Street maintenance program: 7 Pennies
 - Pothole Repair: 1 Penny
 - Park/ROW Maintenance: 1.5 Pennies
 - Legal/Professional Fees: 4 Pennies
 - Municipal Court: 4 Pennies
 - Police Services: 20 Pennies
 - 1 Police Officer: ~1 Penny
- 
- 13.5 cents



Fiscal Year 2016-2017

Budget Enhancements

Budget Enhancements

- **\$70,000** (1% COLA and 0 to 4% discretionary merit increase based on evaluations. Govt. Function)
- **\$82,296** (transfer from Court Security Fund for security enhancements; funded by dedicated fine revenue, not general fine revenue or taxes)
- **\$65,000**: Increased Construction Inspection Services
- **\$25,000**: City matching funds for proposed Veteran's Memorial

Proposed Budget Calendar

- August 9th:
 - Proposed Budget presentation
 - Roll call vote on proposed property tax rate
- August 30th, 6:00PM:
 - 1st Public Hearing on the Budget and Tax Rate
- September 6th, 6:00PM:
 - 2nd Public Hearing on the Tax Rate
- September 13th, 6:30PM:
 - Adopt Budget and Tax Rate
 - Take record vote to approve raising additional revenue