

STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO

A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS WAS HELD IN THE COUNCIL CHAMBERS, MUNICIPAL PLAZA BUILDING, WEDNESDAY, AUGUST 23, 2006 AND THURSDAY, AUGUST 24, 2006

* * *

The City Council convened in an informal "B" Session at 3:00 pm, Wednesday, August 23, 2006, Municipal Plaza Building "B" Room, for the purpose of:

City Staff Presentation on the FY 2007 Proposed Budget focusing on enhancements to identified City Council priorities including the following:

- A. General Fund financial reserve levels and reserve policies;
- B. Environmental Services proposed service delivery enhancements;
- C. Proposed new Office of Innovation and Reform; and,
- D. Proposed fee/fine/rate adjustments included within the Proposed Budget.

The Councilmembers present were: Flores, McNeil, Gutierrez, Perez, Radle, Herrera, Guajardo, Hall, Wolff, Haass, Mayor Hardberger. ABSENT: None.

The "B" Session adjourned at 5:55 p.m.

The San Antonio City Council convened in the Council Chambers, Municipal Plaza Building to hold a Public Hearing on the FY 2007 Proposed Ad Valorem Tax Rate on Thursday, August 24, 2006 at 3:00 pm.

City Clerk Leticia M. Vacek took the Roll Call and noted a quorum with the following Councilmembers present: Flores, McNeil, Gutierrez, Perez, Radle, Herrera, Guajardo, Hall, Wolff, Haass, Mayor Hardberger.

PUBLIC HEARING ON THE FY 2007 PROPOSED AD VALOREM TAX RATE FOR THE FY 2007 PROPOSED BUDGET AND THE TAX YEAR BEGINNING ON JANUARY 1, 2006 AND ENDING DECEMBER 31, 2006.

Mayor Hardberger declared the Public Hearing open.

Mayor Hardberger announced that the second public hearing on the City's proposed Tax Rate for Tax Year 2006 would be held on Thursday, August 31, 2006, at 3:00 p.m., in the Council Chambers.

Mr. Peter Zaroni, Director of Management and Budget, gave a brief presentation on the proposed property tax rate for FY 2007. He explained that Council set the proposed tax rate for FY 2007 at 57.854 cents per \$100 of taxable valuation on Thursday, August 10, 2006. The proposed rate was the same tax rate adopted in 2006, citing that there would be no City property tax rate increase for the fourteenth straight year. He summarized the proposed, effective and roll back tax rates along with the FY 2007 overlapping property tax rates of the San Antonio Independent School District. He delivered the FY 2007 General Fund Resources and how they would be distributed over the major service delivery areas. He spoke to the property value change from FY 06 to FY 07 and stated that there was a 13.8% overall change. Lastly, he explained that the approval of the proposed tax rate on August 10th did not eliminate the option for Council to adopt a decrease in the tax rate, and that Council could still increase the overall proposed tax rate by .118 cents without exceeding the rollback rate.

Mr. Bob Martin, Homeowners' and Tax Payers' Association, spoke in reference to the increase of taxes each year. He explained that homeowners must pay more each month on their monthly mortgage payment to make up for the increase due to the new tax valuations. He stated that Texas leads the nation in foreclosures and Bexar County leads in Texas. He noted that the high percentage of foreclosures is caused by homeowners not being able to afford the increased tax rates. He also stated that tax breaks for special interest groups benefit few and hurt the average citizen who ends up paying in the end. He expressed concern for some of the City's spending choices. Finally, he spoke in support of a property tax rate decrease.

Mr. Faris Hodge, Jr., 140 Dora, stated his disappointment in Council for only giving City employees a 2% pay increase. He referenced the large sums of money spent on projects such as the Riverwalk expansion. He expressed concern with Police Officers and City employees not paying for parking in the downtown area. Lastly, he spoke in opposition to the tax break for Toyota. He asked that Council take a hard look at their reasons for giving businesses a tax break.

Ms. Nikki Kuhns, spoke to the lack of concern from the Council to reduce the City property tax rate. She noted that the City justifies increases in tax rates by comparing San Antonio to other cities. She asked if other cities benefit from the utilities in their area as San Antonio benefits from City Public Service, the City-owned utility. She also suggested that the City discuss proposed computer purchases in detail with citizens. She

recommended that Council require a vote of the citizens to be able to spend monies from the FY 2007 Reserve Funds.

Mr. Jack M. Finger, P.O. Box 12048, stated that homeowner's tax bills have increased 20 percent, after inflation, over the past five years. He urged the Council to consider a tax reduction for citizens.

City Clerk Leticia Vacek read written testimonies by the following individuals, copies of which are on file in the Office of the City Clerk:

Mr. Jonathan Walker, 827 Burr Road wrote in support of Animal Care Services increased funding for 2007. He stated that the facility needs to be cleaned up in order to ensure humane treatment of the animals in our City.

Ms. Pam Hutcheson, 408 E. White Ave expressed concern for the cleanliness of the City Animal Care Facility. She asked that Council take action to ensure the safe keeping of the animals.

Ms. Courtney J. Walker, 206 E. Sunset asked that the Council take positive action in the 2007 Animal Care Services funding increase.

Ms. Margaret Walker, 827 Burr Road wrote in support of the 2007 Animal Care Services funding increase. She requested that the facility stop gassing dogs.

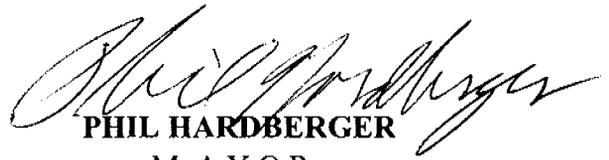
Mayor Hardberger announced that the City Council would vote on the proposed tax rate for Tax Year 2006 at its meeting scheduled for Thursday, September 7, 2006, which will begin at 9:00 am, and be held in the Council Chambers.

Mayor Hardberger declared the Public Hearing closed

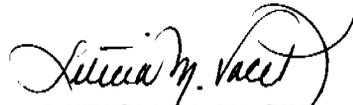
ADJOURNMENT

There being no further business to discuss, Mayor Hardberger adjourned the meeting at 3:55 pm.

A P P R O V E D


PHIL HARDBERGER
MAYOR

Attest:


LETICIA M. VACEK
City Clerk