

MINUTES OF SPECIAL
CITY COUNCIL MEETING HELD
SEPTEMBER 7, 2017

The City Council of Olmos Park, Texas held a special meeting on September 7, 2017 commencing at 6:00 p.m. in the Council Chambers at City Hall. Mayor Ronald Hornberger presided and Council members present were Kenyon McDonald, Casey Fry, Juliana Dusek and Sharon Plant. Council member not present was Enzo Pellegrino. Staff present was City Manager, Celia DeLeon; City Secretary, Diane Gonzales and Police Chief Rene Valenciano. Also present were Dorothy Jo and Bob Weiss, 701 El Prado Drive and Denise Cavaness, 211 Parklane Drive.

Mayor Hornberger called the meeting to order at 6:00 p.m. and determined a quorum was present.

Hold Second PUBLIC HEARING to receive comments on proposed 2017 Tax Rate and tax rate increase

Mayor Hornberger stated the tax rate is subject to review every year and the rate that is being proposed is a reduction in rate from this current year's tax rate. The reason it is called an increase is that it will produce more revenue than last year so that qualifies as a tax rate increase.

Councilman McDonald stated your property valuations will go up and City Council has no control over that and we do the best we can lowering the tax rate which is something we can do.

Mayor Hornberger stated the Bexar County Appraisal District recommends to us under the state law and gives us the recommendation on what we should do on the tax rate and all BCAD is interested in is seeing whether or not we are going to produce the same revenue as we did last year. Then based on our appraisals and assuming none of the protest end up in any kind of adjustments then we need to lower the tax rate to produce the same revenue or if you increase the tax rate it can't go more than the cap that the state of Texas puts on us without having an actual referendum, so since we are adjusting the tax rate and we are not doing what Bexar Appraisal District recommends then we must hold two public hearings.

City Manager DeLeon stated Bexar County Appraisal District is recommending \$0.424329 and the City is proposing \$0.432785 which is lower than last year's tax rate of \$0.442785.

Mayor Hornberger stated we are proposing to lower the tax rate and hoping to produce extra revenues over and above this current year. We have had some unusual expenditure on repairs to the sewer system and repairs to the streets and we like to keep ahead on capital purchases for fire trucks, garbage trucks and police cars so when it comes time to buy one we can write a check and we continue to put money in those reserves.

Denise Cavaness stated as property taxes continue to rise and our valuations continue to rise and if you add it up over years it is an enormous increase in taxes, is that taken into consideration when the City receives extra money over and above what was received, does that become the new normal?

Mayor Hornberger stated yes and we are not trying to build up outsized reserves but we are trying to build up realistic reserves. This past year we had a project going on with the sewer system to televise the entire sewer system.

Councilwoman Plant stated at the last public hearing meeting she mentioned to the residents to contest their property taxes to Bexar County Appraisal District and the other group of residents were talking about a tax freeze for 65 years and older and she mentioned to get a petition together and there needs to be ten percent of the registered voters to sign it and it would go on for next year at the May election.

Mayor Hornberger stated if we do have a referendum he will vote against it but if it passes he would take advantage of it. The tax freeze would benefit the older residents and would put an additional burden on the younger people to have to pay in taxes and eventually you don't get as fast of a turn-over in the demographics of your tax base. He stated in order for this City to grow or see a change in our tax base, is for younger people to move into the neighborhood.

Denise Cavaness stated the younger families are putting the tax burden on the older families as the property values go up 10% but over 30 years that 10% becomes 300%.

Dorothy Jo Weiss asked how many residents live in Olmos Park who are over 65?

Councilman Fry stated as of 2010 census it showed 14% which has probably changed based on new construction.

Bob Weiss asked if you have a home right next to a brand new home why does that increase your taxes?

Councilman Fry stated BCAD takes the land and the improvements and it should show that your land value went up significantly.

Mayor Hornberger stated you need to be careful because once you institute that 65 year or older tax freeze it will never go away. We try to strike a conservative balance and our auditor would tell you that our finances are the best that she has.

Councilwoman Plant asked who is Bexar County Appraisal District governed by and suggested to have the Mayors from all the surrounding cities meet and see what their revenue is and go to one of the Bexar Country Appraisal Districts Board meetings.

Councilman Fry stated some of the people that he talked to around the state mentioned Bexar County Appraisal District is the worst.

Mayor Hornberger stated we do have quarterly meetings now with the Mayors and City Managers with Alamo Heights, Olmos Park and Terrell Hills and asked the City Manager to find out who is on the Bexar County Appraisal District Board and how is that Board appointed, who they appoints them, where they live and when do they meet.

Mayor Hornberger announced the time and place of the meeting to vote on tax rate for 2017 will be on Thursday, September 21, 2017, 6:00 pm at City Hall. Olmos Park City Hall Council Chambers 120 West El Prado Drive, Olmos Park Texas 78212.

There was no further business and the meeting was adjourned at 6:35 p.m.

Ronald Hornberger
Mayor

ATTEST:

Diane Gonzales
City Secretary