



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: {{item.number}}

Agenda Date: September 19, 2024

In Control: City Council A Session

DEPARTMENT: Office of Management & Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Adopting the Debt Service Tax Rate for FY 2025

SUMMARY:

This item presents for City Council consideration an ordinance adopting the ad valorem City property tax rate to pay the principal and interest on the funded debt of the City of San Antonio at 21.150 cents per \$100 of taxable valuation for the tax year beginning on January 1, 2024 and ending on December 31, 2024. The estimated property tax revenue to pay outstanding debt of the City for FY 2025 is \$308,622,793 or \$15,211,844 more than the FY 2024 Estimated Budget.

BACKGROUND INFORMATION:

Property tax values are determined by the Bexar Appraisal District in conformance with State law. Tax Year 2024 (also being FY 2025) total taxable value for the City of San Antonio is \$160.7 billion which is an increase in net taxable value of \$9.9 billion, or 6.6% more than the Tax Year 2023 (also being FY 2024) total taxable value. Included in this total is \$2.4 billion in new improvements and an increase of \$7.5 billion in existing valuations from the FY 2024 Estimated Budget.

The following table shows the components of the FY 2025 Proposed City Property Tax Rate

City Property Tax Rate (Per \$100 Valuation)		
	FY 2024 Adopted Budget (in cents)	FY 2025 Proposed Budget (in cents)
Maintenance & Operations	33.009	33.009
Debt Service	21.150	21.150
Tota	54.159	54.159

ISSUE:

The City's FY 2025 Proposed Property Tax Rate of 54.159 cents per \$100 valuation represents no change from the City's FY 2024 Adopted Property Tax Rate.

Calculation of the debt service portion of the property tax rate is dependent on the City's debt service requirements. The debt service rate for FY 2025 (also being Tax Year 2024) is calculated at 21.150 cents per \$100 of taxable valuation which is equal to the FY 2024 (also being Tax Year 2023) debt service tax rate and is consistent with the requirements of the City's Debt Management Plan.

The FY 2025 Proposed Budget does not increase the City's Property Tax Rate.

ALTERNATIVES:

This item is required by City Charter.

FISCAL IMPACT:

The debt service tax rate for FY 2025 will generate \$308,622,793 in revenues for payment of debt and is consistent with the tax rate recommended in the City Manager's Proposed Budget. This amount is \$15,211,844 more than the FY 2024 Estimated Budget.

RECOMMENDATION:

Staff recommends approval of this item.