

Sculley to present \$2.8 billion budget with flat tax rate

By Josh Baugh August 9, 2018

City Manager Sheryl Sculley on Thursday will present the City Council with a \$2.8 billion budget that lays out spending on items residents want and need — better streets and sidewalks and public safety — while keeping the local tax rate flat.

The proposed fiscal year 2019 budget also would increase spending on affordable housing by 230 percent to \$25.1 million for several programs that aim to address a looming housing crisis here. Those funds, which amounted to about \$7.6 million in previous years, are a combination of general fund dollars and grants from the U.S. Housing Department.

San Antonians will see the continuation of budgeting through the so-called equity lens, a process that aims to right decades of neglect in several parts of the city. It largely manifests in targeted street-maintenance spending but can also be seen in areas such as Animal Care Services, which addresses neighborhoods most afflicted by packs of roaming animals.

“More monies into streets and sidewalks — just a few years ago, we had less than \$40 million in street maintenance,” Sculley said Wednesday. “So we’ve been able to increase that.”

Spending on street maintenance is expected to increase to \$110 million in the coming fiscal year, with a significant portion going to five of the 10 council districts that have, on average, the worst streets in the city. On top of that \$35 million “equity” spending, the city would spend \$11 million on some of the worst streets across all 10 council districts and mostly inside Loop 410, still considered part of the city’s equity budgeting program.

The spending blueprint also calls for \$19 million in spending on sidewalk construction.

The \$2.8 billion spending plan represents an increase of 5.8 percent over the fiscal year 2018 budget and would be the largest in city history, in part because it includes substantial spending from the 2017 municipal bond program now underway.

The plan keeps general fund spending on public safety under the 66 percent threshold the council set several years ago, and it maintains a general fund ending balance of 15 percent. The latter is an important element for San Antonio’s efforts to maintain its Triple-A bond rating, which was recently reaffirmed by the nation’s top credit-rating agencies.



San Antonio city manager Sheryl Sculley listens Wednesday, May 30, 2018 at the Henry B. Gonzalez Convention Center to staff presentations Photo: William Luther, Staff

While Sculley's proposal would maintain the current tax rate, which has not increased for a quarter-century, it doesn't mean San Antonio property owners will get a break. As property values continue to grow, so do tax bills.

With the emergence of affordable housing as one of the city's highest priorities, Sculley's proposed budget would add \$17.5 million in new spending to pay for recommendations made by Mayor Ron Nirenberg's Housing Policy Task Force. Of the \$25.1 million allocated to affordable housing in the proposed budget, about \$9.5 million would come from the city's general fund.

"I am pleased that the city manager has proposed another balanced budget without a tax rate increase. This is a back-to-basics budget that includes a 10 percent increase in street maintenance, and it also advances the equity framework," Nirenberg said. "I am also pleased that this budget that moves our city in the right direction to ensure an adequate supply of affordable housing as recommended by the Mayor's Housing Policy Task Force."

The proposal also includes adding eight new park police officers and a handful of EMS medic officers and a training division chief.

It would add to the city's budget for books at libraries, increasing it to \$5.1 million and adding \$1 million for operations and maintenance for parks that have recently opened.

For the first time in city history, the lowest-paid municipal workers are set to begin earning \$15 an hour — a major victory for **COPS/Metro Alliance**, which has been advocating for a living wage for several years.

Police officers are set to earn a 3 percent wage increase as part of their previously negotiated contract. Firefighters are poised to continue their stretch without raises.

Firefighters haven't seen a bump in wages since their contract expired in 2014. Union President Chris Steele has steadfastly refused to negotiate a new contract as city officials have pushed for a redistribution of health care costs on firefighters. Now, the union and city allies are in a heated battle over three proposed charter amendments, pitched by the fire union and said to be devastating for local government by their opponents.

The budget would also increase solid-waste fees for homes that continue to use the large, 96-gallon refuse containers. The city is pushing hard on residents to recycle as much as they can, mainly by using rate structures to change habits. The cost of the large trash containers will increase by \$4.32 a month to \$29 while the medium and small carts are decreasing by \$0.93 monthly, to \$21 and \$19, respectively.--

Sculley said the \$10 difference between the small and large cans would help drive change in usage. She said she doesn't expect there to be an uptick in illegal dumping associated with the increasing fees, but if that were to become an issue, Sculley said the city would react accordingly.

After Sculley presents the budget, the City Council will delve into the details of the plan, review departmental budgets and tinker with the plan before adopting it in September. The new fiscal year begins Oct. 1.

Josh Baugh is a staff writer in the San Antonio and Bexar County area. Read him on our [free site](#), [mySA.com](#), and on our [subscriber site](#), [ExpressNews.com](#). | jbaugh@express-news.net | Twitter: [@jbaugh](#)