

From the Mayor's Desk
October 2019

Planning and Zoning Commission (P&Z)

Planning and Zoning Commission met on September 12th. The Commissioners re-elected Michael Rey to serve as Chairperson for another year and re-elected Frank Trapasso to serve as Vice-Chairperson for another year. They also recommended approval of the Unit 8 Preliminary Plat for Elkhorn Ridge subdivision.

Zoning Board of Adjustment

ZBOA has not had a need to meet since the last report.

Staff and Council Complete Work on Annual Budget

Our professional staff and Council have completed work on the budget proposal for the 2019-20 fiscal year. As a reminder, the budget is driven by our Strategic Planning process. The five pillars of the strategic plan that we are addressing include:

- Financial Integrity
- Responsible Growth Management
- Reliable and Sustainable Infrastructure
- Public Health, Safety, and Welfare
- Operational Excellence

Since the last time I wrote to you about the budget we have completed the budget review and approval process. We are adopting a combined tax rate of \$.3735 per \$100 of assessed value compared to the current combined tax rate of \$.3668. That rate was formally adopted at the council meeting on September 19th. The average appraised value of a home in Fair Oaks Ranch increased from \$484,049 last year to \$504,541 this year. At this proposed tax rate and appraised value, the average tax bill for a home in Fair Oaks Ranch will increase from \$1,740 to \$1,846 or \$106. Of this increase, about \$73 is due to the increase in value and about \$33 is due to the increase in the tax rate.

The Interest and Sinking Fund (I&S) component of the rate decreased by \$.0022 per \$100 of value due to a basically fixed cost of debt being spread over a larger taxable base. (-\$11 per year for an average home) The M&O component, including the two additional strategic projects, increased by \$.0089 per \$100 of assessed value. (+\$45 per year for an average home). The increase in value noted above is the remainder of the change for the average home.

We completed the following steps in compliance with the Local Government Code:

- City Manager filed the budget with the City Secretary August 19th
- Finance Director published Notice of Proposed Property Tax Rate in the August 23rd edition of the Boerne Star and posted it on the city's website

- City Secretary published *Notice of Budget Availability* and *Notice of Public Hearing* in the August 23rd edition of Boerne Star and posted on the city's website
- On September 5th, City Council held its 1st Public Hearing on the Budget and Tax Rate and announced the 2nd Public Hearing date (September 12) and Adoption date of Budget and Tax Rate (September 19)
- On September 12th, City Council held its 2nd Public Hearing and 1st reading of Budget and Tax Rate ordinances and announced September 19th as the date to adopt a budget and tax rate
- On September 19th, City Council:
 - Approved the second reading of an Ordinance adopting the City Budget for the fiscal year beginning October 1, 2019 and ending September 30, 2020
 - Ratified the 2019 property tax rate increase reflected in the 2019-2020 general fund and debt service fund budgets
 - Approved the second reading of an Ordinance levying a property tax rate of \$.3735 per \$100 taxable valuation on property in the city of Fair Oaks Ranch for tax year 2019, and set due and delinquent dates

For those of you interested in the details of the budget, I would encourage you to go to the city website and review the proposed budget for 2019-20 which has been posted.

New Municipal Court Judge and Alternate Judge Appointed

At its September 19th meeting, the Council appointed Kimberly S. Keller as Municipal Court Judge and Melanie Ann Castillo as Alternate Municipal Court Judge. We congratulate both of these ladies on this new responsibility and are looking forward to working with them.

New City Prosecutor and Alternate City Prosecutor Appointed

At the September 19th meeting, the Council appointed the law firm of Denton, Navarro, Rocha, Bernal, & Zech as City Prosecutor and Roxann Pais Controneo as Alternate City Prosecutor. We congratulate these professionals on their selection and look forward to working with them.

Engagement of New Sanitarian Services Provider

The council also took action to engage Lori Calzoncit to provide sanitarian services for the city. Lori is a contracted services provider and inspects food establishments in our city limits. We look forward to working with Lori.

Renewal of Fire Inspection Services Agreement

City Council took action on September 19th to renew the Fire Inspector Services Agreement with Lyle Mattick, a state licensed Fire Inspector, to conduct yearly inspections on existing commercial establishments for the purpose of helping maintain the general health, safety and welfare of our citizens. Lyle also conducts

plan reviews for new construction and inspects new commercial construction for fire safety. We look forward to continuing our contracted work relationship with Lyle. The inspector reports directly to the city's Building Official.

Development of the Pfeiffer Tract/The Reserve

There has been no additional activity on this development. The developer is planning to come back to the city with an updated development plan in the near future. I will keep this item as a recurring topic in the monthly newsletter because I know it is important to everyone.

First Amendment to Memorandum of Understanding (MOU) to Evaluate Regional Wastewater Treatment Options for City of Boerne, City of Fair Oaks Ranch, and Guadalupe-Blanco River Authority

Council took action on September 19th to authorize the City Manager to sign the first Amendment of the MOU to move into Phase II study to understand various potential sites for the WWTF and begin preliminary engineering work on an appropriate treatment system. The MOU does not commit the city to any further action or participation in a regional wastewater system. The goal of our participation is to continue exploring whether a regional system is feasible to provide for our wastewater needs. We know we have to do something to replace our current wastewater facilities. Completing this study is part of getting the information in place we need to make a good decision on how to do that.

Elevated Storage Tank

We held the second community meeting on September 10th. Engineers and city staff addressed a number of questions. Residents were asked to place stickers on a map to identify their choices of location and style. This time, the location off Amman Road which is in a sliver of Comal County on the Pfeiffer property (Reserve) drew the largest number of votes. The composite design was the most popular in that expression of interest. We are expecting council to approve a final site in November of this year. Engineering design is expected to be completed by August 2020 with construction to begin around November 2020. Construction time for a project of this magnitude is about a year, so that would indicate completed construction around November 2021.

Boerne-Fair Oaks Ranch-Kendall County Transportation Planning Committee

The Steering Committee for this project met on September 6th to plan for the first meeting of the full team. The get acquainted/organizational meeting for the team members was held on Monday, September 23rd at Kronkosky Place. Future meetings will be posted on our calendar website.

Deer Census

The Wildlife Education Committee, working under the guidance of Jessica Alderson, Urban Biologist from Texas Parks and Wildlife, will be conducting a census of deer in September and October. The census takers will be traveling pre-defined routes in City of Fair Oaks Ranch vehicles late in the evening. Each team will have a driver

from WEC with two observers spotting and recording the deer. We have recruited 10 Scouts for the role of observers. The data gathered will be entered into a TP&W software package and evaluated by professionals from that organization. These observations will occur from around 4:30 pm to 7:00 pm on September 22nd and 29th and on October 6th.

We will be identifying bucks, does, and fawns. This time, we will also be differentiating between native whitetail and Axis deer. After the data has been analyzed, WEC will do a report out to the community.

National Night Out

On October 1st, the Fair Oaks Ranch Police Department will be supporting National Night Out. This program is designed to heighten crime awareness, strengthen neighborhood spirits and police-community partnerships. If your neighborhood organization or Homeowners Association would like to participate, please contact this year's coordinator Sgt. John Ojeda at (210) 698-0990 ext. 311 or jojeda@fairoaksranchtx.org for more details.

American Legion Post 313 - Captain Mark Tyler Voss Centennial Post

I had the privilege of attending the inaugural officer installation for this new American Legion Post which serves the Boerne and Fair Oaks Ranch area. I was especially honored to be seated next to Captain Voss' parents. It was both a humbling and uplifting experience to see the parents place their son's photograph in the post's Wall of Honor for the fallen heroes. The solemnity of the event was enhanced by renditions of our national anthem and taps by the finest trumpeter in Fair Oaks Ranch, Mr. Jim Manzo, who is also a member of the post.

Goodbye and Best Wishes to Adrian Garcia, Manager of Engineering Services

Our city is blessed with many fine employees. Unfortunately for us, this blessing is recognized by other municipalities. Adrian Garcia, who has been with us for five years, is moving to the City of Bulverde to serve as their City Engineer. Adrian came to us as an Engineer in Training, became licensed as a Professional Engineer, and took on significant responsibility as our Manager of Engineering Services. While we are going to miss Adrian, we are very proud of his accomplishments and wish him well in his new position.

Resident Volunteers/City Staffers at Work

- Our city Facebook page is continuing to attract readers. We currently have 1,722 people following our page. We have had 1,522 likes and reached 1,112 members during the past month. For those of you who are Facebook fans you can find us at City of Fair Oaks Ranch, TX. Our page is used for sharing information about the city, but it is not a public forum. The page is monitored and objectionable or off topic material will be removed.

Budget Legends, Myths and Real Facts

Every year when we prepare the budget and set a tax rate we get a small group of residents who take to the air waves, particularly on social media, to pontificate about how the city council is taxing us all out of our homes, building a large expensive empire of city workers, not providing tax relief for disabled residents, and generally misbehaving with your tax money. The tactics used by these “nattering nabobs of negativism” (if you are young, ask one of your older neighbors to explain the historical significance of that phrase to you) never change.

They focus on significant tax increases in the past three or four years while ignoring 27 years of flat tax rates that put us in an economic hole lacking adequate reserves to support the maintenance portion of the Maintenance and Operating budget. They focus on significant increases in staffing in the past three or four years while ignoring that we have been limping along with staffing less than half that of similarly situated cities for decades. **Most importantly, they ignore that even with our increases in staffing and tax rates, we still have one of the lowest ad valorem property tax rates around. This is remarkable since we have little sales tax revenue because our residents desire to remain a bedroom community.**

Let's talk about some real facts:

Fact #1: With our most recent tax increase, we still have the second lowest tax rate among the group of 14 suburban municipalities in the San Antonio area who are like us.

Fact #2: Fair Oaks Ranch honors all state mandated disability exemptions and grants generous exemptions of \$5,000 for a homestead and \$20,000 if you are over 65. We grant disability exemptions in 10 different categories. **Over 400 households in Fair Oaks Ranch benefit from some level of disability exemption. More than 100 households are fully exempt from ad valorem taxes. We are giving up more than \$430,000 this year in tax revenue by granting these exemptions.** That's almost 3 cents on our tax rate.

Fact #3: **Because we are a bedroom community with little sales tax revenue, more than 70% of our total Maintenance & Operating revenue comes from ad valorem taxes vs. 37% for a typical Texas city.** This makes it totally impractical to freeze property tax valuations at age 65 while maintaining tax equity among our residents. Unlike communities with a lot of commercial activity, we have no funding source to make up the lost revenue.

Fact #4: We are attracting younger families, but, with a median age of 51.3 years vs. 35 for the San Antonio Metro area, we are still an older community with 27% of our residents over age 65. We have 43% of our residents who are over age 55. Freezing

property tax values at age 65 would benefit our older residents at the expense of the younger residents. This is not equitable since we all receive the same city services. School districts have a different situation since most of us in the over 65 category do not have kids attending the public schools.

Fact #5: Our city builds up its budget from a strategic plan that reflects the services our residents have told us they expect. We follow the same model for constructing a budget as the private sector companies where most of our council members had careers. We have received great input on what our residents desire from updating our Comprehensive Plan and from the input we get during the electoral cycles. We construct our budget during a significant number of work sessions between council and staff which are open to the public.

Fact #6: The increases in our budget are funding twenty new service offerings that are crucial to our community. Summarizing, the major issues addressed in our budget include:

- Evaluate and implement a sustainable storm water funding source
- Managing Municipal Separate Storm Sewer System (MS4 and drainage),
- Planning for future water and wastewater needs,
- Working with TxDOT on plans to upgrade FM 3351 (Ralph Fair Rd),
- Implementing our Unified Development Code,
- Dealing with IT risk and vulnerabilities,
- Implementing a professional procurement program,
- Enhancing the operations of our municipal court, and
- Updating our financial internal controls
- Develop a utilization and staffing study for first responder services (police and fire)

Many of these issues have needed attention for a long time. **Stating the situation very bluntly, our current council is resolving issues that have been “kicked down the road” for years.** Accomplishing that takes money, staffing, and the courage to be honest with our residents about our current deficiencies. These are the major drivers for the significant increases in tax revenue and staffing you have seen over the past two or three years.

Mayoral Lessons Learned

I don't get philosophical very often in this column, but here are some early morning thoughts following a late night Council meeting. Over the past four years I have learned some lessons about being an elected official.

- Don't assume everything you do is going to be perfect. You are going to make mistakes when you are retooling how a city works. Own them, fix them, move on, and try not to repeat them.
- Don't make the mistake of thinking you will be able to make everyone happy. Make the best decisions you can for the benefit of the majority of your residents and be glad that you got the opportunity to make a difference.

- Don't waste time worrying about the minority of residents who will never be happy no matter what you do. In every community there are a certain number of CAVEs (Citizens Against Virtually Everything). They never have solutions to offer and they will never help your community make progress, so don't let their noise get in the way of the progress you are making for everyone else.
- Don't get down in the mud with the naysayers because that just makes you get dirty!
- Don't forget to laugh. Some of the nonsense you read on *NextDoor* really is humorous in its ignorance!
- Don't forget where your City came from, but always remember that your job is to look down the road to where it needs to go.

All the best to you and your families from Dedie and me,

Garry Manitzas
Mayor – Fair Oaks Ranch