THE TOTAL PROPOSED BUDGET FOR FISCAL YEAR 2020/2021 TOTALS $258,714,410. THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $2,714,724 OR 7.9%, AND OF THAT AMOUNT $1,494,301 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE ROLL THIS YEAR.

Due to the State Disaster Declaration enacted by the Governor the budget hearings on the City of San Marcos 2020-2021 Annual Budget will take place in a virtual meeting. All citizens are encouraged to participate by viewing the hearings online at www.sanmarcostx.gov/videos or on Grande channel 16 or Spectrum channel 10. Citizens wishing to participate in a public hearing may do so by sending written comments to be read aloud or request a link to join the hearing to citizencomment@sanmarcostx.gov. The public hearings on the 2020-2021 Annual Budget to be held by the City Council of the City of San Marcos, Texas, will take place **on Tuesday, September 1, 2020 at 6:00 p.m. and Tuesday, September 15, 2020 at 6:00 p.m.** in a virtual meeting and will include all funds in the following categories: (1) General Fund; (2) Debt Service Fund; (3) Hotel Occupancy Tax Fund; (4) Municipal Court Technology Fund; (5) Municipal Court Security Fee Fund; (6) Municipal Court Juvenile Fee Fund, (7) Municipal Court Efficiency Fee; (8) Seized Assets Fund; (9) TIRZ #2 Fund; (10) TIRZ #3 Fund; (11) TIRZ #4 Fund; (12) TIRZ #5 Fund; (13) TRZ #1 Fund; (14) Community Development Block Grant Program Fund; (15) W.I.C. Program Fund; (16) Cemetery Operations Fund; (17) Public, Educational, and Government Fund (PEG); (18) Transit Fund; (19) Water/Wastewater Utility Fund; (20) Drainage Utility Fund; (21) Electric Utility Fund; (22) Municipal Airport Fund; and (23) Resource Recovery Utility Fund. Copies of the Annual Budget, along with the City Manager's recommendations to bring estimated revenues and expenditures into balance, and the proposed budgets summarized below, may be inspected at the San Marcos Public Library, 625 E. Hopkins Street, Monday through Saturday from 11:00 a.m. to 1:00 p.m. and 4:00 p.m. to 6:00 p.m. and Sundays from 4:00 to 6:00 p.m. (except holidays) or online at sanmarcostx.gov.

Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 393-8239 (voice) or 393-8229 (TDD).

Tammy K. Cook, Interim City Clerk

City of San Marcos
Consolidated Fund Balance Statement
2020/2021 Annual Budget

	Fund Balance 10-01-2019	Estimated Revenues FY 2019-20	Estimated Expenses FY 2019-20	Fund Balance 10-01-2020	Proposed Revenues FY 2020-21	Proposed Expenses FY 2020-21	Fund Balance 09-30-2021
Governmental Funds							
General Fund	17,228,659	90,496,280	88,829,829	18,895,110	91,140,984	93,935,617	16,100,477
Debt Service Fund	10,014,475	16,388,692	16,350,713	10,052,454	15,325,331	15,301,033	10,076,752
Special Revenue Funds							
Hotel Occupancy Tax Fund	840,024	2,654,080	2,962,809	731,295	3,066,742	3,343,582	454,455
Municipal Court Technology Fund	203,160	25,000	5,000	223,160	15,000	30,000	208,160
Municipal Court Security Fee Fund	121,245	18,500	37,073	102,672	11,100	77,448	36,324
Municipal Court Juvenile Fee Fund	56,777	36,000	28,465	64,312	21,600	50,027	35,885
Municipal Court Efficiency Fee Fund	45,443	4,000	24,000	25,443	2,400	5,000	22,843
Seized Assets Fund	110,742	5,000	5,000	110,742	5,000	5,000	110,742
TIRZ #2, #3, #5, TRZ #1	2,158,101	4,921,799	3,410,613	3,669,287	13,335,426	12,013,821	4,990,892
CDBG Program Fund	-	649,948	649,948	-	722,904	722,904	-
WIC Program Fund	-	2,035,837	2,035,837	-	2,476,387	2,476,387	-
Cemetery Operations Fund	74,376	210,000	208,380	75,996	180,000	207,198	48,798
PEG Funds	610,514	96,700	70,000	637,214	97,000	100,000	634,214
Enterprise Funds							
Water & Wastewater Utility Fund	10,402,489	46,037,417	45,338,969	11,100,938	50,703,341	50,920,848	10,883,430
Drainage Utility Fund	2,192,444	6,002,797	6,676,005	2,019,236	7,217,030	7,297,552	1,938,714
Electric Utility Fund	10,210,859	62,335,554	62,514,953	10,031,460	63,143,826	63,616,232	9,559,054
Municipal Airport Fund	(175)	636,855	548,318	88,362	561,510	620,416	29,456
Resource Recovery Fund	1,689,257	4,808,429	4,791,578	1,706,108	5,046,829	5,108,167	1,644,770
Transit	119,487	2,119,495	1,961,608	277,374	2,740,359	2,883,179	134,554
All Funds	56,077,878	239,482,384	236,449,100	59,111,161	255,812,769	258,714,410	56,909,520

Notice of Rate Change

The City of San Marcos is considering an Ordinance that will increase water rates by 5% and wastewater rates by 3%. A public hearing of the Ordinance will be on September 1, 2020. Required readings will take place during the City Council meetings of September 1, 2020 and September 15, 2020. If approved, the rate increases will apply to all bill dates on or after October 1st.

The proposed rate increases are listed below will apply to all City of San Marcos water and wastewater customers. These rate increases will provide the revenue to support the system improvement programs.

Inside-City Wastewater Rates			Outside-City Wastewater Rates		
Lifeline Rate	**Current**	**Proposed**	**Lifeline Rate**	**Current**	**Proposed**
Maximum	26.28	27.07	Maximum	32.84	33.83
5/8" - 3/4" Water Meter	**Current**	**Proposed**	**5/8" - 3/4" Water Meter**	**Current**	**Proposed**
First 2,000 – Minimum	26.28	27.07	First 2,000 – Minimum	32.84	33.83
Over 2,000	7.58	7.81	Over 2,000	9.45	9.74
1" Water Meter	**Current**	**Proposed**	**1" Water Meter**	**Current**	**Proposed**
First 4,000 – Minimum	52.48	54.05	First 4,000 – Minimum	65.58	67.55
Over 4,000	7.58	7.80	Over 4,000	9.45	9.74
1 1/2" Water Meter	**Current**	**Proposed**	**1 1/2" Water Meter**	**Current**	**Proposed**
First 8,000 – Minimum	104.92	108.07	First 8,000 – Minimum	131.15	135.09
Over 8,000	7.58	7.80	Over 8,000	9.45	9.74
2" Water Meter	**Current**	**Proposed**	**2" Water Meter**	**Current**	**Proposed**
First 13,000 – Minimum	167.91	172.95	First 13,000 - Minimum	209.88	216.17
Over 13,000	7.58	7.80	Over 13,000	9.45	9.74

* No additional charge is applied to Single-Family residential customers for wastewater volumes in excess of 9000 gallons for the 5/8-3/4", 1", and 1 1/2" water meters.

Sewer Surcharge Rate

COD Concentration (Milligram per Liter)	Current Rate per pound	Proposed Rate per pound
351 to 500	$ 0.103	$ 0.106
501 to 600	$ 0.170	$ 0.175
Over 600	$ 0.345	$ 0.355

	Inside-City Water Rates			Outside-City Water Rates		

Inside-City Water Rates

Lifeline Rate	Current	Proposed		Proposed		Proposed	
First 6,000 Minimum	24.32	First 6,000 Minimum	25.54	First 6,000 Minimum	30.41	First 6,000 Minimum	31.93
6,001- 9,000	7.13	6,001- 9,000	7.49	6,001- 9,000	8.91	6,001- 9,000	9.36
9,001 - 12,000	8.16	9,001 - 12,000	8.57	9,001 - 12,000	10.19	9,001 - 12,000	10.70
12,001 - 20,000	9.18	12,001 - 20,000	9.64	12,001 - 20,000	11.46	12,001 - 20,000	12.03
20,001 - 50,000	10.19	20,001 - 50,000	10.70	20,001 - 50,000	12.73	20,001 - 50,000	13.37
Over 50,000	12.22	Over 50,000	12.84	Over 50,000	15.29	Over 50,000	16.06

5/8" - 3/4" Water Meter	Current	Proposed		5/8" - 3/4" Water Meter	Current	Proposed	
Minimum Charge	24.32	Minimum Charge	25.54	Minimum Charge	30.41	Minimum Charge	31.93
0 - 6,000	4.07	0 - 6,000	4.28	0 - 6,000	5.11	0 - 6,000	5.36
6,001- 9,000	7.13	6,001- 9,000	7.49	6,001- 9,000	8.91	6,001- 9,000	9.36
9,001 - 12,000	8.16	9,001 - 12,000	8.57	9,001 - 12,000	10.19	9,001 - 12,000	10.70
12,001 - 20,000	9.18	12,001 - 20,000	9.64	12,001 - 20,000	11.46	12,001 - 20,000	12.03
20,001 - 50,000	10.19	20,001 - 50,000	10.70	20,001 - 50,000	12.73	20,001 - 50,000	13.37
Over 50,000	12.22	Over 50,000	12.84	Over 50,000	15.29	Over 50,000	16.06

1" Water Meter	Current	Proposed		1" Water Meter	Current	Proposed	
Minimum Charge	60.80	Minimum Charge	63.84	Minimum Charge	76.00	Minimum Charge	79.80
0 - 4000	2.63	0 - 4000	2.76	0 - 4000	3.29	0 - 4000	3.45
4,001 - 10,000	3.16	4,001 - 10,000	3.32	4,001 - 10,000	3.94	4,001 - 10,000	4.13
10,001 - 25,000	7.88	10,001 - 25,000	8.28	10,001 - 25,000	9.86	10,001 - 25,000	10.36
Over 25,000	8.94	Over 25,000	9.38	Over 25,000	11.17	Over 25,000	11.73

1 1/2" Water Meter	Current	Proposed		1 1/2" Water Meter	Current	Proposed	
Minimum Charge	121.60	Minimum Charge	127.68	Minimum Charge	152.00	Minimum Charge	159.60
0 - 8,000	2.63	0 - 8,000	2.76	0 - 8,000	3.29	0 - 8,000	3.45
8,001 - 10,000	3.16	8,001 - 10,000	3.32	8,001 - 10,000	3.94	8,001 - 10,000	4.13
10,001 - 25,000	7.88	10,001 - 25,000	8.28	10,001 - 25,000	9.86	10,001 - 25,000	10.36
Over 25,000	8.94	Over 25,000	9.38	Over 25,000	11.17	Over 25,000	11.73

2" Water Meter	Current	Proposed		2" Water Meter	Current	Proposed	
Minimum Charge	194.55	Minimum Charge	204.28	Minimum Charge	243.19	Minimum Charge	255.35
0 - 13,000	2.63	0 - 13,000	2.76	0 - 13,000	3.29	0 - 13,000	3.45
13,001 - 25,000	7.88	13,001 - 25,000	8.28	13,001 - 25,000	9.86	13,001 - 25,000	10.36
Over 25,000	8.94	Over 25,000	9.38	Over 25,000	11.17	Over 25,000	11.73

Wholesale Water Rate	Current	Proposed		Reclaimed Water	Current	Proposed
Rate per 1000 Gal	5.28	5.54		Minimum	328.66	345.09
				Rate per 1000 Gal	1.72	1.81

Notice of Rate Change

The City of San Marcos is considering an Ordinance that will increase Resource Recovery fees by 3%. A public hearing of the Ordinance will be on September 1, 2020. Required readings will take place during the City Council meetings of September 1, 2020 and September 15, 2020. If approved, the rate increases will apply to all bill dates on or after October 1st.

The proposed rate increases are listed below will apply to all City of San Marcos water and wastewater customers. These rate increases will provide the revenue to support the system improvement programs.

Garbage and Recycle Service	2020	2021
Single Family Residential		
65-gal trash cart*	$ 26.09	$ 26.87
96-gal trash cart**	$ 29.09	$ 29.87
Extra 96-gal trash cart	$ 6.85	$ 7.06
Extra 96-gal recycling cart	$ 6.85	$ 7.06
Extra 96-gal green waste cart	$ 6.85	$ 7.06
Extra 30-gal bag tag	$ 6.85	$ 7.06
Multifamily		
Recycling Service***	$ 7.78	$ 8.01

Notice of Drainage Rate Change

The San Marcos City Council is considering an Ordinance that will increase drainage rates by 6.5% for the Equivalent Residential Unit. A public hearing of the Ordinance will be on September 1, 2020. Required readings will take place during the City Council meetings of September 1, 2020 and September 15, 2020. If approved, the rate increases will apply to all bill dates on or after October 1st.

The proposed rate increase is listed below and applies to all City of San Marcos drainage utility customers.

Residential Rate:			
Current Customer Class	Current	Proposed Customer Class	Proposed 2020-21
Residential Small Lot (0 - 6,000 Sq. Ft)	7.57	Small Residential (0 - 1,980 sq. ft of impervious cover)	7.91
Residential Medium Lot (6,001 - 12,000 Sq. Ft)	12.10	Typical Residential (1,980 – 3,363 Sq. Ft. of impervious cover)	12.89
Residential Large Lot (Greater than 12,000 Sq. Ft)	13.86	Large Residential (Greater than 3,363 Sq. Ft. of impervious cover)	18.83

Commercial Rate:	Current	Proposed Commerical	Proposed 2018-19
	12.10 per ERU	Non-residential properties such as commercial, industrial, retail, government, multi-family with more than 4 units	12.89 per ERU
One ERU for commercial land is determined to be 2,250 square feet of impervious cover.		A non-residential property is billed based on the total amount of impervious cover associated with the non-residential use divided by the ERU value of 2,575 square feet	

CITY OF SAN MARCOS PUBLIC NOTICE-TAX RATE HEARING FY2020/2021 ANNUAL BUDGET

NOTICE OF PUBLIC HEARING ON TAX INCREASE
PROPOSED TAX RATE $0.5930 per $100

NO-NEW-REVENUE TAX RATE $0.5650 per $100

VOTER-APPROVAL TAX RATE $0.6122 per $100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for City of San Marcos from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval tax rate is the highest tax rate that City of San Marcos may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of San Marcos is proposing to increase property taxes for the 2020 tax year.

A public hearing on the proposed tax rate will be held on September 15, 2020 at 6:00 pm at the San Marcos City Hall, 630 E. Hopkins Street, San Marcos, Texas. Social distancing measures will be followed and attendees are required to wear masks.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of San Marcos is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Council of the City of San Marcos at their offices or by attending the public hearing mentioned above.

Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

Property tax amount = tax rate x taxable value of your property / 100

Proposed maximum tax rate vote:

Jane Hughson – Yes   Mark Rockeymoore – Yes
Maxfield Baker – Yes   Joca Marquez – Yes
Saul Gonzales – Yes   Melissa Derrick – Yes
Ed Mihalkanin – Yes

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the State.

The following table compares the taxes imposed on the average residence homestead by the City of San Marcos last year to the taxes proposed to be imposed on the average residence homestead by the City of San Marcos this year:

	Tax Year 2019	Tax Year 2020	Change
Total Tax Rate (per $100 of value)	.6139	.5930	.0209 or 3.4%
Average Homestead taxable value	$200,000	$200,000	
Tax on Average Homestead	$1,228	$1,186	$42 or 3.5%
Total Tax Levy on all Properties	$34,482,830	$37,197,554	$2.7M or 7.9%

For assistance with tax calculations, please contact the Hays County Tax Assessor-Collector at 512-393-5545 or by email at: jenifer.okane@co.hays.tx.us, or visit www.hayscountytax.com for more information

Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 393-8239 (voice) or 393-8229 (TDD).

Tammy K. Cook, Interim City Clerk