



# CITY OF WINDCREST

8601 MIDCROWN  
WINDCREST, TEXAS 78239-2598  
CITY HALL 210-655-0022  
POLICE 210-655-2666  
FAX 210-655-8776

August 6, 2004

Dear Windcrest Resident,

**Subject: Special Windcrest Election Educational Information Sheets**

1. A Special Windcrest Election is scheduled for Saturday, September 11<sup>th</sup> (7 a.m. to 7 p.m.) with Early Voting days on August 25<sup>th</sup> through September 7<sup>th</sup> (8:30 a.m. to 5 p.m.) and Extended Hours on Saturday, September 4<sup>th</sup> (8 a.m. to 12 noon). Voting is at City Hall. **This is a very important election.**
2. **Your vote and the election outcome could affect:**
  - many day-to-day municipal services which are funded in part by property tax revenues;
  - the maintenance and repair of Windcrest streets; and
  - Windcrest Police Department and Fire Department emergency services.
3. These three important services for residents are three propositions on the ballot at the Special Windcrest Election. I want to **encourage all residents to vote** and for you to encourage your Windcrest neighbors and friends to vote. You should **find out as much information** as possible about the three propositions. Your City Council, City Staff, and I, as your Mayor, have an obligation to provide you with information to help in your making intelligent decisions. We can legally provide you with information, but we cannot advocate your voting "For" or "Against" a proposition.
4. You will find enclosed **three educational information sheets** on propositions dealing with:
  - A City of Windcrest ad valorem (property tax) limitation (freeze) for residents over age 65 years or disabled.
  - A reauthorization of a sales tax for maintenance and repair of Windcrest streets.
  - The authorization of a sales tax for a Windcrest Crime Control and Prevention District.Enclosed also is the official sample ballot (yellow paper) for you to see the three propositions as they will appear on the electronic voting machine screen.
5. Again the most important thing is for you **to vote** after careful consideration of the advantages and disadvantages of the three propositions.

Jack H. Leonhardt  
Mayor

3 Enclosures as stated

## EDUCATIONAL INFORMATION FOR RESIDENTS

### Over Age 65/Disabled Property Tax Freeze Special Election, Saturday, September 11, 2004

1. **Special Election Dates.** Early Voting Dates: Wednesday, August 25 – Tuesday, September 7; Election Day: Saturday, September 11<sup>th</sup>. Each elector is to vote “FOR” or “AGAINST” a proposition that “THERE SHALL BE A CITY OF WINDCREST AD VALOREM TAX LIMITATION ON RESIDENCE HOMESTEADS OF DISABLED PERSONS AND PERSONS SIXTY-FIVE (65) YEARS OF AGE OR OLDER AS AUTHORIZED BY ARTICLE VIII, SECTION 1-b(h) OF THE TEXAS CONSTITUTION”
2. **The tax freeze ONLY applies to Windcrest taxes that represent about 12% of your tax bill.**
  - **This election will not affect the 88% of your tax bill which goes to NEISD, Flood, ACCD, Bexar County, Hospital District and River Authority**
  - **Note: the 88% and 12% figures may vary if the resident’s school tax is already frozen.**
3. What does the owner of an average home in Windcrest now pay in taxes to the City:
  - **The average home valuation in Windcrest is \$124,128.**
  - **The current Windcrest Tax Rate is 28.2975 cents per \$100 valuation.**
  - **The owner of this average home currently pays City of Windcrest taxes of \$351.25 per year or \$29.27 per month (calculation:  $\$0.282975 \times \$124.128 = \$351.25$  divided by 12 months =  $\$29.27$ ).**
  - **Note: If your home valuation is \$250,000 then the tax paid is \$707.44/yr or \$58.95/mo.**
4. The amount a resident pays for Windcrest property tax could change in two ways:
  - **Tax Rate Change: For example, a one-cent change (e.g. from \$0.282975 to \$0.292975) would increase your tax bill (on average home evaluation) from \$351.25 to \$366.66 or \$15.41 per year or \$1.28 per month.**
    - Stated another way, an over 65/disabled resident would save \$1.28 a month for each one cent increase in the tax rate if the tax freeze is approved.
    - This one-cent change would have provided the City with an additional \$33,000 in revenues.
  - **Home Appraised Value Change: For example, let’s say your home’s appraised valuation increases by \$3,000. Your tax bill will increase by \$8.49 per year or 71 cents per month (calculation:  $\$0.282975 \times \$30 = \$8.49$  divided by 12 months = 71 cents). Or with taxes frozen, an eligible resident would save 71 cents per month.**
5. For the City’s FY2003–4 Budget, all residents’ property taxes provided \$965,341 in revenues
  - This property tax revenue represents about 28% of total revenues; sales taxes provide an additional 47%; and the remaining 25% of total revenues are collected from fines, fees and other sources.
  - Total revenues including property taxes allowed the City to fund basic services such as:
 

** Fire Service	\$130,000	** Police Dept	\$1,000,000
** Parks/Lakes	\$221,000	** Court	\$ 104,000
** City Govt	\$635,000	** Public Works/Streets	\$1,150,000
** Inspections	\$151,000	** Post Office	\$ 33,000
6. **How many people could be affected by the tax freeze?**
  - Windcrest has one of the highest median ages at 56 years of any city in Texas. Windcrest, therefore, will be affected more than many Texas cities by a tax freeze.
  - Freezing City of Windcrest taxes means you continue to pay the same amount you are paying now, even if the City tax rate and/or your home appraised valuation increases.

- **56% of Windcrest households** (1134 out of 2036) are occupied by an individual over 65 years old or disabled.
- As previously stated, every one (1) cent increase in the Windcrest property tax rate yields approximately \$33,000 in new revenues to the City.
  - If 56% of households had frozen taxes, every one-cent increase in the Windcrest property tax rate would yield approximately \$14,520 rather than \$33,000 or less than half of what the previous rate increase would have produced.

7. **What does a tax freeze do to the residents who are not 65 years old or disabled?**

- As they are the remaining 44% of households, this group alone would be taxed for any needed increase to City property tax revenues.
- With less than half the needed revenue received, this group will be taxed at a double rate.
- Will there be an impact on younger families moving into Windcrest?
- When a senior (over 65) resident dies and heirs try to sell the estate home, will it be more or less difficult?

8. **How will the tax freeze impact City services?**

- **The tax freeze will reduce the City's property tax revenues by \$1,193,766 during the next nine (9) years (2005-2013).**
- Although the loss grows cumulatively over the 9-year period, if one merely calculates a yearly average, then the loss amounts to an average of \$132,641 per year. The Bexar Appraisal District provided this analysis using historical data on tax rate, appraisal valuation increases, and the number of over age 65 households.
- An average of 1187 households will have frozen taxes during this period. The average savings per household will be \$111.74 per year or \$9.31 savings per month (calculation: \$132,641 divided by 1187 = \$111.74 divided by 12 months = \$9.31 savings per month).

9. Other points to consider:

- Some cities are investigating the idea of enacting an increased level of homestead exemption, e.g. from \$20,000 to \$50,000
  - This could be enacted by Council Resolution to apply to residents over age 65/disabled.
  - This could be implemented instead of the property tax freeze.
- What is the effect of increasing the Windcrest property tax rate in next 5-10 years?
  - If minimal (e.g. 1-5 cents) rate increases are expected, then potential loss of revenues would be minimal. Said another way, if rate increases are minimal or non-existent, then the freeze would not save residents much money.
  - There could still be savings with a tax freeze caused by property valuation increases. An increase is almost a given to occur unless our area goes into a decline.
- What changes will the Texas Legislature adopt for "school financing" and what will be its impact on property taxes?
  - Most of the plans being suggested contain a reduction in the school property tax; figures mention a potential 20-30% reduction.
  - Since the NEISD tax bill is approximately 62% of the total tax bill, this reduction may help offset any potential City property tax increases.
- Approval of a property tax freeze by Windcrest residents can not be rescinded except by the Texas State Legislature; thus the outcome is irreversible no matter what changes might occur within the City of Windcrest.