

**State of Texas
County of Bexar
City of San Antonio**



**Meeting Minutes
City Council B Session**

City Hall Complex
105 Main Plaza
San Antonio, Texas 78205

Wednesday, May 12, 2021

2:00 PM

Municipal Plaza Building

ROLL CALL

The City Council convened in a Regular Meeting. City Clerk Tina J. Flores took the Roll Call noting a quorum with the following Councilmembers present:

PRESENT: 11 - Mayor Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage, and Perry

1. Approving the following three items relating to the May 1, 2021 Elections [Tina J. Flores, City Clerk]
- 1A. Ordinance canvassing the results of the May 1, 2021 General Election and establishing Early Voting and Election Day polling locations for the June 5, 2021 Run-off Election.

City Clerk Tina J. Flores presented the official results of the May 1, 2021 General Election. She reported that the total number of votes which were cast on May 1, 2021 including provisional and over-seas ballots, was 148,890 and the total number of registered voters for the City of San Antonio as of April 28, 2021 was 812,156. She stated that the voter turnout for the City of San Antonio General Election was 18.3%. She presented the total votes cast for each candidate. She declared that as a result of the General Election, the following individuals were elected for a two-year term of office commencing on June 1, 2021:

Adriana Rocha Garcia, Member of Council, Place No. 4
Melissa Cabello Havrda, Member of Council, Place No. 6
Ana E. Sandoval, Member of Council, Place No. 7
Manny Pelaez, Member of Council, Place No. 8
Clayton Perry, Member of Council, Place No. 10
Ron Nirenberg, Member of Council, Place No. 11 (Mayor)

City Clerk Flores administered the Oath of Office to the afore mentioned Councilmembers and presented the Certificates of Election. She briefed the City Council on the Run-off Election for Council Districts 1, 2, 3, 5 and 9 which would be held on Saturday, June 5, 2021. She noted that the results of the Run-off Election would be canvassed on June 15, 2021 along with a drawing for Mayor Pro-Tem terms. She added that the first B Session for those elected would be on June 16, 2021.

1B. Ordinance canvassing the results of the May 1, 2021 Charter Amendment Election.

City Clerk Flores reported that the Charter Amendment Election for Proposition A passed with 84,800 votes for and 76,781 votes against.

1C. Ordinance canvassing the results of the May 1, 2021 Special Election.

City Clerk Flores stated that the Special Election for Proposition B failed with 73,306 votes for and 76,781 votes against.

Councilmember Sandoval moved to approve Items 1A, 1B and 1. Councilmember Viagran seconded the motion. The motion prevailed by the following vote:

AYE: 11 – Mayor Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage, and Perry

2. Briefing on the FY 2021 Six Plus Six Financial Report (2nd Quarter Actuals with Annualized Projections), Mid Year Budget Adjustment Recommendations and Five-Year Financial Forecast. [Maria Villagomez, Deputy City Manager; Scott Huizenga, Director, Management and Budget]

Scott Huizenga, Director of Management and Budget stated that the economy remained unsettled due to the ongoing public health crisis and the availability of vaccines and the low positivity test rates were increasing confidence. He noted that record amount of stimulus funding could add to the economy.

Mr. Huizenga reported that the unemployment rate had decreased to 6.4% in April 2021 compared to 14.1% last year, but was higher than in 2019. He indicated that room nights sold in April 2021 had more than doubled compared to 2020, but were approximately 13% lower than in 2019. He stated that the Airport had seen a significant increase in passengers in 2021 compared to 2020, but were lower than 2019. He noted that building permits had decreased in 2020 but the activity in 2021 was stronger than in 2019. He added that the City experienced a revenue loss of \$248 million over FY 2020 and FY 2021.

Mr. Huizenga stated that the total City Budget for FY 2021 was \$2.9 billion of which \$1.29 billion from General Fund; \$999 million from Restricted Funds; and \$641 million of the Capital Budget. He reported that the Budget was balanced by a reduction in spending over three years (FY 2020, FY 2021, and FY 2022). He indicated that \$87 million in reductions were included in the General Fund to balance the FY 2021 and FY 2022 Budgets. He noted that this was accomplished by reduction in the Street Maintenance Program, eliminating economic development incentives and deferring civilian compensation increases. He added that the Budgets for Hotel Occupancy Tax (HOT) departments, Visit SA, and Arts Agencies were reduced below 2019 levels.

Mr. Huizenga reported that the General Fund was supported by four revenue sources: 1) Property tax (\$397.9 million); 2) Sales tax (\$295.4 million); 3) CPS Energy (\$351.5 million); and 4) Other resources (\$242.6 million). He stated that as of the second quarter, revenues were slightly below Budget by about \$1.3 million through the first six months of the year. He noted that approximately \$8 million in department savings was realized due to facility closures, basic services at facilities, charges to grant funds and Coronavirus Relief Funds. He added that by the end of FY 2021 staff projected a \$4.6 million surplus in the General Fund.

Mr. Huizenga stated that the ending balance for FY 2020 was \$20.2 million and there was \$0.4 more revenue in FY 2021, \$4.2 million less expense in FY 2021 for an ending balance of \$24.8 million for FY 2021. He reported that the Budget for HOT Fund revenues in FY 2021 was approximately \$61.7 million and revenues were approximately \$10.6 million below Budget. He indicated that revenues for the Convention Center and the Alamodome were trending lower than Budget but had begun to moderate during the second quarter.

Mr. Huizenga reported that the Budget for the Development Services Fund was \$35.2 million and it was anticipated that development fee revenues would be above the Budget driven by strong residential permit activity and by the end of FY 2021, staff projected a \$6.2 million surplus in the Development Services Fund. He noted that the Airport Operating Fund was expected to be on Budget by the end of FY 2021.

Mr. Huizenga stated that the proposed Mid-Year Budget Adjustment Ordinance would be considered by City Council next week which would include a request for rent and fee waivers at certain facilities, for parking contracts and for barge use fees. He noted that a proposed use of the delegate agency and mental health reserve would be included in the Mid-Year Budget Adjustment. He reported that \$1.8 million in delegate agency and mental health reserves would be utilized to address COVID-19 impacts.

Mr. Huizenga reported that the \$2 million allocated for a 2017 Parks Bond Project: Council District 3 YMCA would be reallocated to two different projects due to the inability to raise funds.

Mr. Huizenga indicated that the financial forecast was an early financial outlook for the City and would initiate City Council policy discussions for the Budget. He stated that City trends, inflation, known or reasonably known program and operating changes, and the economic outlook were incorporated into the financial forecast. He reported that themes of the financial forecast included:

- Continued economic uncertainty
- Consumer and housing demand and infusion of Federal stimulus was encouraging

- Revenue would gradually rebound as facilities and services were reopened
- Maintained current services
- Structural imbalance exacerbated revenue loss

Mr. Huizenga stated that the financial forecast reflected the recommendation of the Finance Department in consultation with the Bexar County Appraisal District (BCAD) for a 3% increase in the property tax for FYs 2022 and 2023 and a 3.5% increase in property tax for FYs 2024, 2025 and 2026. He indicated that future growth was subject to the State imposed cap of 3.5% on base valuation growth over time and was factored in the forecast.

Mr. Huizenga reported that the forecast assumed an average sales tax growth rate of 3.6% over the term of the forecast. He stated that revenues from CPS Energy would fluctuate during the year due to the weather and other anomalies and the forecast was aligned with the long term average of 2.4 %.

Mr. Huizenga stated that General Fund revenues, the City would see revenue rise to FY 2019 levels in FY 2022. He reported that General Fund revenues were decreased by \$40 million in FY 2020 and FY 2021 due to the impact of the COVID-19 Pandemic. He indicated that the loss would impact the City throughout the forecast period. He stated that the major program assumptions included:

- Maintain current levels of service
- Include Fire Department collective bargaining agreement increases
- Add operating costs for bond projects and grant matches
- Reflect increases in medical inflation and modest inflationary increases for commodities
- Assume restoration of some FY 2022 planned reductions

Mr. Huizenga indicated that the City Manager recommended for FY 2022, the restoration of :

- Street Maintenance Program
- Employee furloughs
- Civilian hiring freeze (partially restored)
- Economic development incentives
- Civilian compensation increase
- Citywide planning
- Employee home incentive and fellowship

Mr. Huizenga presented the five-year financial forecast for the General Fund:

| (\$ in millions) | FY 2022 Projection | FY 2023 Projection | FY 2024 Projection | FY 2025 Projection | FY 2026 Projection |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Projected resources ^a | \$1,399.0 | \$1,398.5 | \$1,428.4 | \$1,470.5 | \$1,512.2 |
| Current service expenses | \$1,282.9 | \$1,314.5 | \$1,338.2 | \$1,359.2 | \$1,374.4 |
| Restore FY 2022 reductions | \$31.8 | \$32.4 | \$32.4 | \$32.4 | \$32.4 |
| Civilian compensation | \$6.2 | \$12.4 | \$18.7 | \$25.0 | \$31.3 |
| Two-Year Budget Reserve | \$65.7 | \$69.9 | \$72.3 | \$74.1 | \$76.1 |
| Ending balance/(adj needed) | \$9.9 | (\$32.3) | (\$33.1) | (\$20.2) | (\$1.9) |

| | | | | | |
|--|-------|----------|----------|----------|----------|
| Policy issue – Police CBA ^b | \$0.0 | \$5.9 | \$12.0 | \$18.1 | \$24.4 |
| Net ending balance/(adj needed) | \$9.9 | (\$38.2) | (\$45.1) | (\$38.3) | (\$26.3) |
| a: Includes use of reserves from prior fiscal year | | | | | |
| b: City wage proposal presented to SAPOA | | | | | |

Mr. Huizenga stated that the HOT Fund forecast:

- Assumes full revenue recovery in FY 2025
- Restores staffing levels at the Convention Center and the Alamodome by 2022
- Maintains funding for Arts and Culture at 15% of net HOT increase
- Maintains funding for Visit San Antonio at 35% of net HOT increase

Mr. Huizenga reported that in FY 2020 and FY 2021, revenue loss for the HOT Fund was expected to be over \$120 million as compared to FY 2019.

Mr. Huizenga stated that the Development Services Fund had increased during the COVID-19 Pandemic particularly with respect to residential permitting. He noted that the number of residential permits issued rose by 9% in FY 2020 and that trend extended into FY 2021. He indicated that the number of commercial permits issued had decreased during the same time period. He reported that staff were projecting an annual growth rate in the Development Services Fund of 2.1% for the forecast period. He indicated that the projections would result in a structurally balanced Budget over the forecast period and a three-month operating reserve would be maintained.

Mr. Huizenga reported that passenger traffic at the Airport prior to the COVID-19 Pandemic reached over one million passengers in FY 2019 and traffic had fallen by over 50% for the period ending FY 2020. He stated that staff projected five million passengers in FY 2021 and the projections would be monitored throughout FY 2021. He indicated that revenues for the Airport were expected to fully recover to FY 2019 levels by between FY 2023 and FY 2024. He noted that the forecast for the Airport would include \$72 million in capital funding from the Operating Fund and a three-month operating reserve would be maintained throughout the forecast.

Mr. Huizenga stated that a community input process for the proposed FY 2022 Budget would kick off in June 2021 with an open survey and two open community forums prior to the City Council Goal Setting Session on June 25, 2021. He noted that a trial Budget would be presented to the City Council based on the forecast and City Council input and department Budget submittals on June 16, 2021. He stated that the proposed Budget would be presented to the City Council on August 12, 2021 followed by Budget work sessions and the proposed Budget adoption date was September 16, 2021.

Mr. Huizenga indicated that the economy was recovering but some uncertainty still remained. He added that the City Manager recommended the restoration of funding for street maintenance and employee furloughs and utilization of the American Rescue Plan Act (ARPA) funding to stabilize City services for FY 2022 and beyond.

City Manager Erik Walsh stated that the ARPA was approved by the President and was funded at \$1.9 trillion with 19% allocated to State and local governments. He reported that of the funds allocated to

the City, \$326.9 million was allocated for fiscal recovery; \$69.7 was allocated for housing security; \$38.3 million was allocated for the Airport; \$26.6 was allocated for health disparities; and \$4 million was allocated for the Head Start Program. He indicated that Personal Financial Management (PFM) consultants were retained to augment analytical and planning efforts to maximize Federal funds and build and prepare for long-term financial sustainability. He noted that PFM would help the City maximize and verify potential losses in accordance with guidelines set by the U.S. Treasury Department. He stated that the guidelines were released on May 10, 2021 and staff were reviewing them. He reported that the City received additional funds for COVID-19 vaccinations, the Airport, Head Start and Child Care Development Block totaling \$26.7 million. He added that on June 2, 2021 the City Council would be provided with:

- Update on the Recovery and Resiliency Plan
 - Update on the ARPA funds and guidelines
 - Update on any additional Federal funding sources
3. Briefing on the SA: Ready to Work FY 2022 - FY 2027 Financial Forecast and FY 2022 Proposed Budget. [Alejandra Lopez; Assistant City Manager and Interim Director, Economic Development]

Assistant City Manager Alex Lopez stated that the guiding principles of the SA: Ready to Work Program included:

- Focused approach
- Alignment
- Equity
- Collaboration

Ms. Lopez reported that the goals for the program included: 1) Unemployed, underemployed or underserved residents could access and complete the program; 2) Training and education aligned with current and anticipated high-demand, well-paid careers; and 3) Participants secure high-demand, well-paid careers. She stated that the objectives of the program included:

- Increased access to industry-recognized certification training and college
- Provide wraparound services and emergency funding to ensure success
- Increased collaboration within the workforce ecosystem
- Promote accountability and adaptability throughout process

She indicated that the core services available through the SA: Ready to Work Program included: 1) Workforce training; 2) Wraparound support; 3) Degree completion; and 4) Emergency financial assistance. She reported that actions to date included:

- Stakeholder meetings
- Economic and Workforce Development meetings
- Advisory Board
- City Council pre-solicitation briefings

- RFP community conversations
- Public posting of draft RFP

Ms. Lopez stated that the SA: Ready to Work Program's financial outlook was based on certain assumptions. She noted that a preliminary financial forecast was presented in December 2020 and assumptions had been revised based on experience with Train for Jobs and discussions with the Advisory Board. She added that the financial assumptions were updated based on those assumptions.

Ms. Lopez noted that the fiscal year for the program was from July-June. She presented the SA: Ready to Work financial assumptions:

| Level of Training | FY 2022 ¹ | FY 2023 | FY 2024 | FY 2025 ¹ | FY 2026 ² | FY 2027 ² |
|-------------------------|----------------------|---------|---------|----------------------|----------------------|----------------------|
| Certificate | 3,000 | 4,500 | 4,000 | 4,000 | 1,200 | 0 |
| Associates ³ | 650 | 975 | 2,000 | 2,000 | 600 | 600 |
| Bachelors ³ | 1,350 | 2,025 | 4,000 | 4,000 | 1,200 | 1,200 |
| Total | 5,000 | 7,500 | 10,000 | 10,000 | 3,000 | 1,800 |

1. Program enrollment to begin in late 2021 and continue through December 2025
2. Continued support for participants enrolled before December 2025
3. Class enrollment to begin in Spring 2022
4. Totals reflected duplicated participants

Ms. Lopez reported that Budget projections included:

- Approximately \$400 per participant for intake and assessment
- An average of \$1,300 per year per participant for wraparound support
- \$2,100 annually for certificate programs, \$2,200 per year for an Associates and \$4,100 per year for Bachelors
- \$500 per year per participant for emergency assistance

Ms. Lopez presented the financial forecast for the entire program from 2021 through 2027:

| (\$ in millions) | FY 2021 ¹ | FY 2022 | FY 2023 | FY 2024 | FY 2025 ¹ | FY 2026 ² | FY 2027 ² |
|--|----------------------|---------|---------|---------|----------------------|----------------------|----------------------|
| Beginning Balance | \$0.0 | \$9.8 | \$26.6 | \$30 | \$19.7 | \$10 | \$11.6 |
| Revenues | \$10.1 | \$39.5 | \$41 | \$42.5 | \$44 | \$23.1 | \$0 |
| City Cost: Administration ³ | \$0.1 | \$1.5 | \$1.5 | \$1.6 | \$1.6 | \$1.4 | \$0.9 |
| State Sales Tax Admin Fee (2%) | \$0.2 | \$0.8 | \$0.8 | \$0.8 | \$0.9 | \$0.5 | \$0 |
| City Cost: Support Programs | \$0.0 | \$0.7 | \$0.7 | \$0.7 | \$0.7 | \$0.6 | \$0 |
| Intake & Assessment ⁴ | \$0.0 | \$2.2 | \$2.6 | \$3.5 | \$3.6 | \$1.1 | \$0 |
| Wrap Around Services ⁴ | \$0.0 | \$6.5 | \$10 | \$13.6 | \$13.9 | \$4.1 | \$2.5 |
| Tuition/Certifications ⁴ | \$0.0 | \$9.8 | \$20.2 | \$30.1 | \$30.5 | \$13 | \$6.7 |

| | | | | | | | |
|---|-------|--------|--------|--------|--------|--------|--------|
| Emergency Financial Assistance ⁴ | \$0.0 | \$1.2 | \$1.8 | \$2.5 | \$2.5 | \$0.8 | \$0.5 |
| Total Expenses | \$0.3 | \$22.7 | \$37.6 | \$52.8 | \$53.7 | \$21.5 | \$10.6 |
| Ending Balance | \$9.8 | \$26.6 | \$30 | \$19.7 | \$10 | \$11.6 | \$1 |

1. Program enrollment: end of 2021 – December 2025
2. Continued support for participants enrolled prior to December 2025
3. Total administration was less than 5% of total expenses
4. Estimated contracted cost for support programs

Ms. Lopez reported that in FY 2022 focus would be placed on:

- Select partner agencies
- Implementing data management platform
- Develop framework for evaluating program
- Plan for scaling up program in future years

Ms. Lopez stated that the personnel compliment associated with the implementation of the program contained 11 positions: 3 in administration; 3 fiscal; 4 contract management; and 1 evaluation and outreach. She indicated that various RFPs associated with the program would be issued in May and June 2021 and responses would be evaluated in June – July 2021. She noted that staff would seek City Council approval of the contracts in August – September 2021. She added that the proposed FY 2022 Budget was \$22.7 million

Mayor Nirenberg stated that there was one more Item on the agenda but discussion for Items 2 and 3 would be held now.

Councilmember Viagran stated that she was pleased that staff were looking at restoring a Cost of Living Adjustment (CoLA) for City employees. She asked if the Step Pay Program would be utilized. City Manager Erik Walsh stated that only the CoLA would be utilized at this time. He reminded the City Council that in 2020, a hold was placed on the Step Pay Program with the intention of revamping the Step Pay Program in Spring 2020. He noted that the program was not revamped due to the COVID-19 Pandemic in 2020 but would be in Spring 2022.

Councilmember Gonzales asked if assumptions in the ARPA had been made for the hardest hit areas such as the airport, convention center and HOT Fund. City Manager Walsh stated that the guidelines for the ARPA that the City received on May 10, 2021 were being reviewed to ensure that staff understood the eligibility requirements so no assumptions were made for that in the financial forecast.

Councilmember Treviño asked if any funds from the ending balance would be used to restore the Arts and Culture Budget. City Manager Walsh stated that they would not because staff projected a negative ending balance in the HOT Fund. Councilmember Treviño asked if the City had received its allocation from the ARPA. City Manager Walsh stated that the City would receive one half of the amount this year and the other half next year. He added that as of now the funds had not been received. Councilmember Treviño requested a presentation at a B Session on homeless assistance funds once they were released.

Councilmember Rocha Garcia stated that she believed that funding for arts and culture could be

leveraged through the Destination Marketing Agreement with Visit SA. She asked if the Film Office was closed. Assistant City Manager Lori Houston stated that the office was open but incentives had not been funded for this fiscal year. Councilmember Rocha Garcia asked of the outreach performed for those still unemployed. Ms. Lopez stated that Train for Jobs SA was available to those individuals and one of the City's partners was Workforce Solutions Alamo who were messaging individuals who were part of the unemployment system.

Councilmember Courage asked if the consultant would look for any other potential ARPA funding that the City may not know about or were eligible for. City Manager Walsh stated that they would and would also assist the City with recommended strategies. Councilmember Courage stated that the City should restore funding to items which had made a difference in the quality of services provided by the City and the lives of individuals in the community. He advocated for funding for individuals impacted most by the pandemic.

Councilmember Cabello Havrda asked if a best practice review or study had been performed for the SA: Ready to Work Program. Ms. Lopez stated that staff were researching other models to incorporate into the program. Councilmember Cabello Havrda asked what shifts in funding regarding future priority recommendations would be made based on previously prioritized expense activity. City Manager Walsh that staff would review feedback received today and following completion of the trial Budget in June 2020, the City Council could make adjustments and identify priorities over the Summer. Councilmember Cabello Havrda requested that the City keep in mind the industries of arts, culture and entertainment.

Councilmember Andrews-Sullivan asked how much of the \$1.2 million would be allocated to an emergency that would arise. Ms. Lopez stated that the \$1.2 million was allocated for emergencies. Councilmember Andrews-Sullivan asked if any funding was allocated for small businesses. City Manager Walsh stated that no assumptions were made in the financial forecast and would not be until staff had an understanding of the guidelines. Councilmember Andrews-Sullivan asked if the number of permits issued were back to pre-pandemic levels, and if not, how many permits had not been accounted for and what was the revenue loss. Development Services Department Director Michael Shannon stated that the department added a team of Inspectors who looked for that. He added that the number of permits had decreased slightly and he would provide the number to her compared to the numbers from two years ago.

Councilmember Sandoval asked if the health disparities funding would grow existing programs in Metro Health. City Manager Walsh replied that it would. Councilmember Sandoval asked if Metro Health's Five-Year Strategic Plan would be presented to the City Council for review prior to its enactment. City Manager Walsh stated that the plan would be presented to the City Council during the goals and objectives work session. Councilmember Sandoval requested that the plan be presented to the Community Health and Equity Council Committee. She stated that she would like to ensure that Federal funds were set aside for health disparities to carry out the work tasked in the Resolution declaring racism as a public health crisis and to create a community forum symposium to discuss the topic.

Councilmember Pelaez reminded everyone that the needs were unlimited and the resources were limited. He requested a focus on resilient disparities in the Budget. City Manager Walsh stated that

resilient disparities would be included in the trial Budget discussion in June 2020.

Councilmember Perry stated that he would like to see the gaps in the Budget over the last two years and how those gaps could be filled in the Budget process or with ARPA funds. He asked of the return on investment for the SA: Ready to Work Program. Ms. Lopez stated that staff would focus on developing the evaluation framework in FY 2022. Councilmember Perry requested that metrics be built to show the progress over time and stated that the program should be measured due to the amount invested in the program. He requested a review of reserve funds for potential use in critical areas during the Budget process.

Councilmember Treviño expressed support for borrowing against reserve funds, performing mock drills in case of a cyber-attack, review of best practices for the SA: Ready to Work Program and assisting individuals with the most need.

Councilmember Sandoval asked if the annual Budget for Visit SA was presented to the City Council. Ms. Villagomez stated that the allocation for Visit SA was part of the annual Budget process and in the past, Visit SA had presented their Budget to the City Council during the Budget work sessions.

Councilmember Gonzales asked if the City Council could review and adjust the number of certificates and/or bachelor's degrees according to the needs of employers. Ms. Lopez stated that adjustments could be made during the annual Budget process.

Councilmember Andrews-Sullivan noted that under the Consolidated Appropriations Act of 2021, \$325 billion was allocated for small business and \$15 billion was allocated for live venues, movie theaters and museums.

Councilmember Courage asked what the demand fields for jobs were today. Ms. Lopez stated that the demand fields included construction, information technology and cyber security, biosciences, financial and healthcare. Councilmember Courage requested the number of job openings in those fields.

Mayor Nirenberg stated that the City would focus on getting people back to work. He noted that the City had struggled historically with underemployment, unemployment and poverty and the City had to focus on ensuring that individuals did not have to work in multiple jobs just to make ends meet. He indicated that the City had to work with local employers to hire individuals completing the skilled program. He stated that the success metric would be the decrease in poverty.

4. Pre-K 4 SA program overview and briefing on the Pre-K 4 SA FY 2022 Budget for the fiscal year beginning July 1, 2021. [Alejandra Lopez, Assistant City Manager; Sarah Baray, Ph.D., CEO, Pre-K 4 SA]

Pre-K 4 SA CEO Sarah Baray stated that when the COVID-19 Pandemic began, Pre-K 4 SA transformed the way services were delivered. She reported that Pre-K 4 SA provided remote instruction, distributed food and delivered critical supplies to families and Child Development Centers. She noted that due to lower enrollments during the pandemic, Pre-K 4 SA provided critically needed training to teachers.

Dr. Baray reported that during the summer of 2020, Pre-K 4 SA launched Digital Innovations and partnered with Bibliotech and Charles Butt to provide a free subscription to the books digital library to every teacher and every four, five and six year-old in Bexar County. She stated that the Education Centers opened in September 2020 with new safety protocols including daily screening, touchless toilets and sinks and plexiglass dividers. She indicated that Pre-K 4 SA partnered with Metro Health who provided weekly asymptomatic testing for staff and ensured access to vaccine appointments when they became available. She added that to date, 70% of staff were fully vaccinated.

Dr. Baray stated that in November 2020, the voters reauthorized the Pre-K for SA Program for another eight years. She indicated that Pre-K 4 SA made a promise to voters to expand services to ensure that every four year-old had access to affordable, high quality Pre-K. She noted that this would be accomplished through a combination of children served in the Education Centers, in partner school districts and in partnership with childcare centers and home-based providers.

Dr. Baray reported that in January 2021, the Pre-K 4 SA Board met to begin the strategic planning for the next eight years. She stated that the Board identified the following five key overarching goals which would guide the program's work over the next eight years:

1. Expand access to affordable, high-quality Prekindergarten for all four-year-old's in San Antonio
2. Strengthen San Antonio's early learning infrastructure to create an equitable, affordable high quality early learning and care system for young children
3. Elevate and support families as educational leaders and advocates who nurture and strengthen the long-term success of children
4. Ensure San Antonio had a robust corps of highly skilled early learning teachers and leaders
5. Leverage Pre-K 4 SA's position as a national leader and expert in high-quality learning to strengthen San Antonio's educational system and workforce

Dr. Baray stated that 2,000 children would be served in the Education Centers and the majority of the children served were qualified based on income. She indicated that 19% of the children spoke more than one language; and 12% of the children were military affiliated. She noted that 25% of the children fell in the eligibility gap due to the fact that their parents made too much to qualify for free public Pre-K but not enough to afford high quality Pre-K in the private sector. She stated that previously, those children were offered seats on a sliding scale tuition program and with the reauthorization, those seats would be free for families who fell in that gap.

Dr. Baray reported that the demographic data demonstrated that Pre-K 4 SA supported a very diverse population, racially and ethnically, and children with special needs. She indicated that a registration liaison was added to the program that would provide personalized service for students and their families from the beginning to the end of the enrollment process. She stated that Pre-K 4 SA would continue to support and develop the Gardendale Early Learning Program in the Edgewood Independent School District and had partnered with Texas A&M University-San Antonio on the Educare San Antonio Program. She noted that the professional learning division would be realigned and expanded to better serve the educators in the earliest years (birth through age 5) and to serve the school districts with their new reading academies and State literacy requirements.

Dr. Baray stated that Pre-K 4 SA continued to refine the process to support awarding funding for programs with high impact strategies and would develop a data system to determine the efficacy of those investments. She indicated that Pre-K 4 SA continued to support the families and would work to connect families to the new workforce development initiatives.

Dr. Baray reported that Early Matters San Antonio was a coalition of business leaders and early learning advocates who worked across the State to advance policies that help to improve the early learning and care system. She noted that Pre-K 4 SA was partnering with business leaders in partnership with Workforce Solutions Alamo (WSA) and United Way San Antonio's Ready Kid SA Coalition to ensure that the work made a powerful impact.

Dr. Baray stated that the Pre-K 4 SA Board of Directors adopted the FY 2022 Budget on April 6, 2021 and the Budget presented today would include updated projections which the Board would be presented with on May 13, 2021. She presented the eight-year financial forecast for Pre-K 4 SA and the FY 2022 revenues for the proposed Budget. She reviewed the FY 2022 proposed Budget:

| FY 2022 Appropriations (in millions) | | | |
|--|---------------------|---------------------|------------|
| Program | FY 2021 Adopted | FY 2022 Proposed | Variance % |
| Pre-K 4 SA Education Center Services | \$24,856,646 | \$27,354,720 | 10% |
| Transportation Services | \$500,000 | \$528,537 | 6% |
| Competitive Grants | \$3,260,406 | \$3,391,799 | 4% |
| Facilities, Leases and Maintenance | \$6,820,408 | \$7,540,567 | 11% |
| Program | FY 2021 Adopted | FY 2022 Proposed | Variance % |
| Professional Learning and Program Innovation | \$1,232,214 | \$1,891,142 | 53% |
| Enrollment/Attendance Services | \$566,921 | \$560,108 | -1% |
| Public Relations/Marketing | \$732,583 | \$992,764 | 36% |
| Administration | \$1,445,947 | \$1,707,672 | 18% |
| Other* | \$2,597,057 | \$1,916,958 | -26% |
| Total Appropriations | \$42,012,182 | \$45,884,267 | 9% |

*includes municipal elections, program assessment, sales tax collection fees and transfers

Dr. Baray reviewed the personnel compliment which included 447 positions for FY 2022.

Councilmember Courage asked if children with special needs or disabled children were enrolled in the program. Dr. Baray stated that those children had always been served in the program. She indicated that the program did not hold special education classes but the vast majority of children in these groups were highly successful in the program because individual support was provided.

Councilmember Perry requested metrics on the effectiveness of professional development provided to schools and programs. He asked why the amount of local match funds had decreased. Dr. Baray

stated that the amount of local match funds had decreased because it was anticipated that school districts would serve more four year-olds in full day programs and Pre-K 4 SA would serve those ineligible for the program or sponsor seats for them in other programs.

Councilmember Andrews-Sullivan asked how many Pre-K 4 SA families received assistance from the Housing Assistance Program. Dr. Baray stated that she would provide that information and noted that the Pre-K 4 SA team connected families to available resources.

Councilmember Gonzales asked how expansion of the Gardendale Early Learning Program could be funded. Dr. Baray stated that Pre-K 4 SA would have to see the plan that the community wanted and would have to determine funding for expansion which could come from Pre-K 4 SA and other grants which were available or through Bond Programs.

Mayor Nirenberg thanked Dr. Baray for the presentation and the voters who supported the reauthorization of Pre-K 4 SA.

EXECUTIVE SESSION

Mayor Nirenberg stated that Executive Session Items posted for today would be carried over to the City Council Meeting of May 13, 2021 and would be considered at any time during the meeting.

- A. Economic development negotiations pursuant to Texas Government Code Section 551.087 (economic development).
- B. The purchase, exchange, lease or value of real property pursuant to Texas Government Code Section 551.072 (real property).
- C. Legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Legal issues related to litigation involving the City pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- E. Legal issues relating to COVID-19 preparedness pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- F. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of public officers or employees and discuss related legal issues pursuant to Texas Government Code Section 551.074 (personnel matters) and Texas Government Code Section 551.071 (consultation with attorney).

ADJOURNMENT

There being no further discussion, Mayor Nirenberg recessed the meeting at 5:43 pm.

APPROVED

RON NIRENBERG
Mayor

Attest:

TINA J. FLORES
City Clerk