



# City of San Antonio

## Agenda Memorandum

**File Number:** 19-6139

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**Agenda Item Number:** 32.

**Agenda Date:** 9/12/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Economic Development

**DEPARTMENT HEAD:** Alejandra Lopez

**COUNCIL DISTRICTS IMPACTED:** City-wide

### **SUBJECT:**

Workforce Solutions Alamo (WSA) Board Budget FY 2019-2020

### **SUMMARY:**

An Ordinance approving the Workforce Solutions Alamo Annual Operating Budget for FY 2019-2020 as recommended by the Committee of Six on August 28, 2019, for submission to the Texas Workforce Commission (TWC). The WSA Partnership Agreement requires approval by the City Council, Bexar County Commissioner's Court, and the Area Judges. The WSA Board of Directors recommended approving the proposed 2019-2020 Operating Budget on August 23, 2019, and the Committee of 6 recommended approval on August 28, 2019.

### **BACKGROUND INFORMATION:**

The Texas Workforce Commission (TWC) is the state agency that oversees and provides workforce development funding for services to employers and job seekers in Texas. TWC provides funding and services through 28 regional workforce boards, including the locally created Workforce Solutions Alamo. WSA serves Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, McMullen, Medina, and Wilson counties (the "WSA Service Area").

The WSA Board is a group of 25 individuals appointed by the City, Bexar County and judges from the 12 other counties (the "Area Judges") within the WSA Service Area (collectively, the "Principals"), who represent business, education, economic development, community organizations, and government. Board members are appointed to three-year terms and may serve unlimited terms. The primary role of the WSA Board is to align, focus, and set direction for workforce activities in the WSA Service Area and manage an annual budget of approximately \$105 million in federal and state funding.

The Principals are parties to an Interlocal Agreement through the Chief Elected Officials (the “CEOs”) of the WSA Service Area and a Partnership Agreement with WSA, whereby they oversee the planning, budgeting, administration, and execution of WSA programs. The CEOs have established a “Committee of Six” made up of two representatives each from the City of San Antonio, Bexar County, and the Area Judges to carry out their duties and responsibilities, which include recommending to the Principals the appointment of members to the WSA Board. Currently, Councilmembers Trevino, Rocha Garcia and Perry (alternate) serve on the Committee of Six.

#### **ISSUE:**

The WSA Partnership Agreement requires San Antonio City Council, Bexar County Commissioners Court, and the other 12 WSA Area Judges to review and approve the annual WSA Operating Budget. The proposed Workforce Solutions Alamo budget for FY 2019-2020 was approved by the WSA Board of Directors on August 23, 2019, and by the Committee of Six on August 28, 2019. This proposed budget consists of a planning estimate of \$105 million in federal and state funding sources for multiple programs. The majority of this funding is for direct services for adults and youth, child care services, and operations. The budget breaks down into five main categories:

- Service Delivery (\$87.5 million): contracts for service delivery of programs.
- Facilities and Infrastructure (\$5 million): 16 workforce service centers in the 13 county area.
- Projects (\$1.4 million): targeted funding from the Texas Workforce Commission for specific projects and events.
- Corporate Budget (\$5.6 million): staff and operations for the organization to implement and monitor programs.
- Reserve (\$5.3 million): unobligated funds set aside for financial stability.

These planning estimates restrict the use of the funds for contracted workforce service centers to serve participants in Workforce Innovation & Opportunity Act (WIOA) Adult, WIOA Youth, WIOA Dislocated, WIOA Rapid Response, Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T), Child Care Programs, Trade Act Services, and Vocational Rehabilitation Summer and Earn.

#### **ALTERNATIVES:**

City Council could reject the Operating Budget for FY 2019-2020. Failure by all the Principals to approve the WSA Operating Budget will not conform to the Partnership Agreement to which the City is a party.

#### **FISCAL IMPACT:**

An Ordinance approving the Workforce Solutions Alamo Annual Operating Budget for FY 2019-2020 as recommended by the Committee of Six on August 28, 2019, for submission to the Texas Workforce Commission (TWC). There is no fiscal impact to the City’s budget.

#### **RECOMMENDATION:**

Staff recommends approval of the WSA Annual Operating Budget for FY 2019-2020.