



City of San Antonio

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In control: City Council Special Session

On agenda: 8/28/2018

Title: Staff presentation on the FY 2019 Proposed Budget focusing on, but not limited to, the following City Departments: [Sheryl Sculley, City Manager; Justina Tate, Director, Management and Budget]

A. Airport
B. Center City Development Office
C. Economic Development

Sponsors:

Indexes:

Code sections:

Attachments: 1. Staff Presentation-Airport, 2. Staff Presentation-CCDO, 3. Staff Presentation-EDD

Date	Ver.	Action By	Action	Result
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DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

City Council Worksession on the FY 2019 Proposed Budget

SUMMARY:

Staff presentation on the FY 2019 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Airport
- B. Center City Development Office
- C. Economic Development

BACKGROUND INFORMATION:

The FY 2019 Proposed Budget was presented to City Council on August 9, 2018. The budget is balanced as required by law and reflects the City's continued commitment to providing public services and programs that enhance the quality of life for the San Antonio residents. Guided by the City Council policy direction and community input, the proposed budget focuses on streets and sidewalks, affordable housing, and filling police vacancies with no increase to the City's property tax rate.

The Proposed FY 2019 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$2.8 billion. The General Fund budget is \$1.26 billion; restricted funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$889 million; and the Capital Budget totals \$690 million.

Following the presentation of the proposed budget a series of city council budget worksessions are scheduled from August 14 to September 5. At these sessions, City staff will review the budget proposals with the Mayor and City Council in detail. The budget is scheduled to be adopted on September 13 for the City's fiscal year that begins on October 1.

ISSUE:

A budget worksession is scheduled for Tuesday, August 28 from 9:00 A.M. to 12:00 P.M. at the Municipal Plaza "B" Room. At this session, the City Council will be presented with the FY 2019 Proposed Budgets for the Airport, Center City Development Office, and Economic Development departments.

Airport

The Proposed FY 2019 Budget for the Aviation Department includes funding from Restricted Funds. Below is a summary of the funding and position counts that would be authorized by the FY 2019 Proposed Budget.

FUND	FY 2019 PROPOSED BUDGET	AUTHORIZED POSITIONS
Airport Operating & Maintenance Fund	\$97,884,131	494
Customer Facility Charge	12,248,922	0
Passenger Facility Charge	17,679,597	0
Capital Projects	75,122,975	0
Total	\$202,935,625	494

The FY 2019 Proposed Budget for the Aviation Department includes a number of improvements designed to enhance customer experience, public safety and operational efficiencies. A total of eight positions are recommended totaling \$477,281 in FY 2019.

In terms of public safety and security, the budget includes \$244,782 and four additional positions. Two Security Compliance Analyst would be added to increase coverage during overnight hours and two Duty Manager positions would be added to the Integrated Control Center to aid in public safety dispatch as well as monitoring of the airport's access points.

In order to enhance the operational efficiency of the airport system, funds in the amount of \$232,499 and four

additional positions are proposed. With over 9,000,000 passengers per year, the San Antonio International Airport is a 24/7 operation that requires constant attention to maintenance (both janitorial and facility systems such as electrical, plumbing, and HVAC). The budget proposes adding one position to support after hours electrical maintenance of the Airfield. In addition, three positions are added to support operational needs in order to respond to increasing demand for fiscal services: Procurement Specialist III, Senior Accountant, and Contract Officer.

Center City Development Office

The Proposed FY 2019 Budget for the Center City Development & Operations Department includes funding from the General Fund and Restricted Funds. Below is a summary of the funding and position counts that would be authorized by the FY 2019 Proposed Budget.

FUND	FY 2019 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund	\$16,573,649	66
Inner City Incentive Fund	2,000,000	0
Parking Operation & Maintenance Fund	11,188,801	92
Market Square Fund	2,815,698	7
Capital Projects	4,923,641	0
Total	\$37,501,789	165

The total Center City Development and Operations FY 2019 General Fund Budget is \$18,573,649 of which \$2,000,000 is transferred to the Inner City Incentive Fund. The total Market Square FY 2019 Budget is \$3,039,077, of which \$223,379 is transferred to the Parking Operating and Maintenance Fund.

General Fund

The FY 2019 Proposed Budget maintains current service levels for the Center City Development & Operations Department. The budget continues funding \$2.5 million towards inner city reinvestment/infill policy (ICRIP) waivers to encourage development and revitalization of the center city. In addition, the budget includes \$114,763 for Fiscal Operation Enhancements. A total of 2 positions are being added to provide comprehensive oversight of fiscal operations, preparation and monitoring of various budgets, and scheduled review of performance milestones to ensure fiscal compliance with high-profile contracts.

Parking Operating & Maintenance Fund

The Parking Fund was established in FY 1980 to account for revenues and expenditures associated with the operation and maintenance of the City's parking structures and parking areas and required debt service for outstanding bonds. The FY 2019 Proposed Budget maintains current service levels for the Parking Fund. The FY 2019 Proposed Budget includes an increase to special event rates from \$11 to \$15 at Dolorosa Lot, Durango Lot, IH 37 Lot, Market Square Lot, Marina Garage, Houston Street Garage, St. Mary's Garage, and Broadway Parking Lot and from \$8 to \$10 at the Houston/Nolan Lot. These fees would generate about \$128,690 in additional revenues to fund operations and maintenance.

Economic Development

The Proposed FY 2019 Budget for the Economic Development Department includes funding from the General Fund and Restricted Funds. Below is a summary of the funding and position counts that would be authorized by the FY 2019 Proposed Budget.

FUND	FY 2019 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund	\$7,856,310	37
General Fund- Workforce Development Agencies	3,365,023	0
Economic Development Incentive Fund	2,324,774	0
Starbright Industrial Corporation Fund	1,663,177	0
Total	\$15,209,284	37

The FY 2019 General Fund appropriation for Economic Development is \$11,769,487 of which \$2,324,774 is transferred to the Economic Development Incentive Fund (EDIF) and \$1,663,177 is transferred to the Starbright Industrial Development Corporation Fund.

Economic Development initiatives in San Antonio foster job creation and investment in targeted industries including advanced manufacturing, aerospace, cybersecurity and information technology, biosciences and healthcare, and the new energy economy. The City of San Antonio collaborates with the San Antonio Economic Development Foundation, Bexar County, Workforce Solutions Alamo, CPS Energy, and other agencies to help targeted industries meet their business goals, provide good jobs, and increase investments in the community. Economic Development also focuses on alignment of local industry workforce needs with training providers through SA Works and invests in delegate agencies and other partners to provide training and support for distressed populations to ensure inroads into the growing San Antonio economy.

The FY 2019 Proposed Budget includes \$2.25 million for city-wide incentives to stimulate the creation and retention of jobs and investment in San Antonio in a globally competitive environment.

This budget also adds \$250,000 for the LiftFund Loan Buydown Program. This program is anticipated to assist small, minority, or women owned businesses in targeted areas of the city to obtain \$700,000 to \$800,000 in loans with 0% interest.

ALTERNATIVES:

This item is a scheduled worksession for the FY 2019 Proposed Budget.

FISCAL IMPACT:

This presentation provides a briefing on the major initiatives within the Economic Development, Center City

Development Office, and Airport departments. The FY 2019 Budget is scheduled to be adopted by City Council on September 13, 2018.

RECOMMENDATION:

This item is a worksession for discussion of the FY 2019 Proposed Budget and is for briefing purposes only.