



City of San Antonio

Agenda Memorandum

File Number:16-4814

Agenda Item Number: 4A.

Agenda Date: 9/15/2016

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: John Woodruff

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT: Adopting the Annual Consolidated Operating and Capital Budgets for FY 2017

SUMMARY:

An Ordinance adopting the Annual Consolidated Operating and Capital budgets for the City of San Antonio Fiscal Year 2017 that begins October 1st; approving projects included in the FY 2017 to FY 2021 Five-Year Infrastructure Management Plan; approving the FY 2017 to FY 2022 Six-Year Capital Improvements Program for the City of San Antonio; approving certain contracts; providing for a one-time annuity increase for retirees and their beneficiaries and a revision to the City's contribution rate in connection with the Texas Municipal Retirement System; authorizing personnel complements; appropriating funds; and amending related ordinances.

Following the action taken on this item, the City Council will consider, through separate ordinances, the following: 1) the ratification of the FY 2017 Budget, 2) the City's Maintenance & Operation Property Tax Rate for Fiscal Year 2017, 3) the City's Debt Service Property Tax Rate for Fiscal Year 2017, 4) the new fee and fee adjustment ordinance that address revenue adjustments included in the Fiscal Year 2017 Proposed Budget, 5) the FY 2016 Closing Ordinance and 6) adoption of ordinance to amend Chapter 12 of the City Code related to the Vacant Building Registration Program.

BACKGROUND INFORMATION:

The FY 2017 Proposed Budget was presented to the Mayor and City Council on August 18, 2016. The FY 2017 Proposed Budget reflects City Council policy direction, community priorities, and begins the implementation of the SA Tomorrow Comprehensive Plan. The Budget focuses on five key areas: 1) fiscal responsibility, 2) investing in streets and sidewalks, 3) enhancing public safety and quality of life of city neighborhoods, 4) promoting our world heritage site and preparing for the City's Tricentennial Celebration; and 5) building a strong foundation to place San Antonio as a leader in "Smart Cities" initiatives.

The Proposed FY 2017 Consolidated Annual Budget, comprised of all funds excluding transfers, totals \$2.5 billion. The General Fund budget is \$1.14 billion; restricted funds, including Aviation, Development Services, Solid Waste and Hotel Occupancy Tax, total \$823 million; and the Capital Budget totals \$585 million. The Proposed Budget adds a net of 151 new positions for a total of 12,183 authorized positions.

Prior to the Proposed Budget presentation, residents participated in the SASpeakUp campaign. City staff gathered input on the priorities of the community for the FY 2017 Budget by attending various community wide events during the months of April and May. During these events residents were given the opportunity to provide input on their budget priorities through the San Antonio Budget Survey. Residents were also invited to provide input through the City's website, social media, and through the City's Budget Input Box available at city departments, libraries, community centers, and online. The City received over 5,000 comments. A report with the results from these meetings was provided at the June 8th City Council Budget Policy Goal Setting Session. During this Work session, City Council provided policy direction for the development of the FY 2017 Budget.

Following the presentation of the Proposed Budget, a series of City Council budget work sessions were held from August 24 to September 7. These Work sessions presented to City Council detailed information about the proposals addressing City Council-identified service delivery priorities included within the FY 2017 Proposed Budget.

In addition to the Budget Work sessions, five Budget Open Houses were held between August 22 and September 1; and two City-wide Public Hearings on the Budget and the City's Property Tax Rate were held on Wednesday, August 31, 2016 and Wednesday, September 7, 2016. These events allowed San Antonio residents to voice their opinions about the FY 2017 Proposed Budget and Tax Year 2016 Proposed Tax Rate.

Over 280 residents attended the 5 Budget Open Houses and the Public Hearings held on Wednesday, August 31 and over 850 comments were received on the Proposed Budget through the Budget Open Houses, the Budget Public Hearings, SASpeakup Website, and Social Media. A report listing all community comments received was provided to the City Council on September 7, 2016, and is available on the City's website.

On September 15, City Council will consider the adoption of the FY 2017 Proposed Operating and Capital Budget along with any amendments as approved by City Council.

ISSUE:

On September 15, City Council will consider the adoption of the FY 2017 Proposed Operating and Capital Budget along with any amendments as approved by City Council.

City Council will consider several items related to the FY 2017 Budget adoption. The following items will be considered in the order shown below:

1. Adoption of Budget
2. Adoption of Ordinance Ratifying Adoption of Budget
3. Adoption of Ordinance Setting the Maintenance & Operation (M&O) Property Tax Rate
4. Adoption of Ordinance Setting the Debt Service Property Tax Rate
5. Adoption of Fee Adjustment Ordinance
6. Adoption of Closing Ordinance
7. Adoption of Ordinance to amend Chapter 12 of the City Code as related to changes in the Vacant Building Registration Program.

Separate memos have been placed on the September 15 agenda that address the Ratification of the Budget, Ad

Valorem Tax Rate, Revenue Adjustments, and the Closing Ordinance.

ALTERNATIVES:

This item is required by City Charter.

FISCAL IMPACT:

City Council consideration and subsequent adoption of this item by ordinance will adopt expenditures levels for the City of San Antonio Fiscal Year 2017 Operating and Capital Budgets.

RECOMMENDATION:

City Staff recommends approval of this item.