



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 1.

Agenda Date: 8/27/2019

In Control: City Council Special Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

City Council Worksession on the FY 2020 Proposed Budget

SUMMARY:

Staff presentation on the FY 2020 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Library
- B. Parks and Recreation
- C. Solid Waste Management Department
- D. Animal Care Services
- E. Development Services/Code Enforcement

BACKGROUND INFORMATION:

The FY 2020 Proposed Budget was presented to City Council on August 8, 2019. 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 strong families and children, police, streets, sidewalks and transportation, affordable housing, and property tax relief.

The Proposed FY 2020 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$2.9 billion. The General Fund budget is \$1.27 billion; restricted funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$937 million; and the Capital Budget totals \$715 million.

Following the presentation of the proposed budget a series of city council budget worksessions are scheduled from August 13 to September 11. 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 12 for the City's fiscal year that begins on October 1.

ISSUE:

A budget worksession is scheduled for Tuesday, August 27 from 10:00 A.M. to 12:00 P.M. and from 2:00 P.M. to 5:00 P.M. at the Municipal Plaza "B" Room. At this session, the City Council will be presented with the FY 2020 Proposed Budgets for the Library, Parks and Recreation, Solid Waste Management, Animal Care Services, and Development Services/Code Enforcement departments.

San Antonio Public Library

The Proposed FY 2020 Budget for the San Antonio Public Library includes funding from the General Fund and Grants. Below is a summary of the funding and position counts that would be authorized by the FY 2020 Proposed Budget.

| FUND | FY 2020 PROPOSED BUDGET | AUTHORIZED POSITIONS |
|--------------|--------------------------------|-----------------------------|
| General Fund | \$42,860,815 | 560 |
| Grants | 1,000,000 | 0 |
| Total | \$43,860,815 | 560 |

The San Antonio Public Library currently maintains and operates 30 locations, including 27 neighborhood branches, the Pruitt Library at Roosevelt High School, the Library Portal at the Briscoe Western Art Museum, and the Central Library.

The Proposed Budget includes \$1.7 million for investments at the Library. The General Fund Budget includes \$919,648 for computer and furniture replacement at 18 locations and to replace a total of 470 library computers; 333 of these devices will be for public use and 137 will be for staff use.

The Capital budget includes \$822,000 to maintain several libraries. Funds in the amount of \$581,000 is included to replace the roof at the Brook Hollow Branch library, the addition of a trail and amenities at the Schafer Branch library, and HVAC improvements at the Westfall Branch library. A total of \$241,000 is included for building renovations and other improvements for the Igo Branch library.

The FY 2020 Proposed Budget also includes several revenue adjustments to include an event coordinator fee and changes in fees for the use of the Central Library auditorium. The list of revenue changes for the Library is included in Attachment 1.

Parks and Recreation

The Proposed FY 2020 Budget for the Parks & Recreation Department includes funding from the General

Fund, Restricted Funds, and Grants. Below is a summary of the funding and position counts that would be authorized by the FY 2020 Proposed Budget.

| FUND | FY 2020 PROPOSED BUDGET | AUTHORIZED POSITIONS |
|--|--------------------------------|-----------------------------|
| General Fund | \$51,657,612 | 398 |
| Parks Environmental Fund | 11,022,745 | 146 |
| City Cemeteries Fund | 207,190 | 1 |
| Tree Canopy Preservation & Mitigation Fund | 1,706,515 | 3 |
| Parks 2015 Venues-Operating* | 344,829 | 0 |
| Edwards Aquifer Land Acquisition 2015-Operating* | 438,704 | 0 |
| Grants | 1,469,196 | 0 |
| Capital Projects | 50,313,150 | 0 |
| Total | \$117,159,941 | 548 |

*The total Parks Development & Expansion 2015 Venue Projects FY 2020 Proposed Budget is \$17,241,444, of which \$15,555,615 is transferred to capital projects and \$1,341,000 is transferred to the General Fund to support parks maintenance operations of the linear creekway system. The total Edwards Aquifer Land Acquisition 2015 Venue Projects FY 2020 Proposed Budget is \$20,751,248, of which \$20,000,000 is transferred to capital projects and \$312,544 is transferred to the General Fund to support the management and administration of the Edwards Aquifer Land Acquisition and monitoring program.

Parks: General Fund

The FY 2020 Proposed Budget includes \$1,905,926 and 16 positions for required maintenance of newly completed greenways and park development. This funding will support an additional 12.8 miles of trails, with 175.42 new acres of parks. The new park amenities include an amphitheater and parking lot at Maverick Park; Miller's Pond Park shade canopy and floating fishing pier; a skywalk and fencing at Hardberger Park; a permanent restroom building at Culebra Creek Park; emergency call boxes, boardwalk and low water crossings at Espada Connection; new trailheads, low water crossings, bridge and detention basin at Leon Greenway to Salado Greenway Connect; new trailhead and low water crossings at Salado North (1604 to Eisenhower); and a new trailhead at Apache Creek.

The detailed list of FY 2020 mandates for Parks is included in Attachment 2.

Parks: Environmental Fund

The City's FY 2014 Adopted Budget authorized the creation of a monthly \$1 Parks Environmental Fee which is governed by State Statute and generates \$7.2 million in revenue annually. This fee is statutorily limited to functions such as Parks mowing, sanitation and litter removal, and tree trimming.

The FY 2020 Budget proposes to increase the monthly Parks Environmental Fee by \$0.50 to a total of \$1.50 beginning October 1, 2019 and at the same time decrease the monthly Solid Waste Environmental Fee by \$0.50 from \$2.24 to \$1.74. Both of these fees are included in the CPS Energy Bill. These changes in fees will not have an impact on the ratepayer and will allow the General Fund to transfer \$3.6 million in eligible functions to the Parks Environmental Fund. This transfer keeps the General Fund balanced in FY 2020 and FY 2021. With

this proposed increase, the FY 2020 Parks Environmental Fee would generate \$10.9 million in annual revenue.

Solid Waste Management Department

The Solid Waste Management Department (SWMD) provides over 358,000 San Antonio residents with curbside collection of garbage, recycling, organics, brush and bulky items while also operating multiple drop-off locations for brush, bulky items, and household hazardous waste. Additionally, the SWMD manages several other environmental programs for the city including commercial recycling assistance, closed landfill maintenance and dead animal collection. SWMD services also include maintenance and repair to the City's Heavy Truck and Off-Road Equipment Inventory.

The Proposed FY 2020 Budget for the Solid Waste Management Department is \$150 million and is comprised primarily of the Solid Waste Operating and Maintenance Fund and the Fleet Services Fund. Below is a summary of the funding and position counts included in the FY 2020 Proposed Budget.

| FUND | FY 2020 PROPOSED BUDGET | AUTHORIZED POSITIONS |
|--|--------------------------------|-----------------------------|
| Solid Waste Operating & Maintenance Fund | \$130,065,273 | 624 |
| Fleet Services Fund | 19,944,960* | 106 |
| Total | \$150,010,233 | 730 |

*Total Solid Waste Management Fleet Services Fund FY 2020 Proposed Budget is \$20,278,986 of which \$334,026 is transferred to the Solid Waste Operating & Maintenance Fund.

In FY 2010, the City Council adopted the Recycling and Resource Recovery Plan, prepared by the SWMD. It has since been revised, but includes three primary goals: 1) Recycle or divert 60% of the single-family residential waste stream; 2) Ensure that all single-family and multi-family residents have access to convenient recycling programs; and 3) Improve recycling opportunities for businesses

In an effort to meet these goals, city code now requires recycling for multi-family and the SWMD has an assistance and recognition program for commercial recycling. It is also important to note that the SWMD recently completed the department's first waste characterization study to identify what residents are placing in the brown garbage cart. This study, which involved sorting through over 47,000 pounds of trash collected from all 10 council districts, is a major step toward obtaining data that will drive waste reduction and diversion strategies for years to come.

The City's recycling rate is currently at 36%. This year's proposed budget continues to include improvements and strategies that support the City's goal of attaining a 60% residential recycling rate by 2025. The first of these is a change to the fee structure of the Cart Downsizing program. In the Cart Downsizing program, customers are offered a choice of three garbage carts, each with their own rate. The smaller the cart, the lower the rate they are charged. This program is designed to incentivize residents to recycle more and move to a smaller garbage cart. To help motivate more residents to participate in the program, the solid waste fee is being reduced by \$2.00 per month for the small garbage cart. The medium and large garbage cart fees will remain the same. The fee range differential between the small garbage cart and the large garbage cart will be \$12 per month. Over a year, a customer with the small cart saves \$144 annually. The table below reflects the revised rates.

| | |
|-----------------|-------------|
| Solid Waste Fee | Monthly Fee |
|-----------------|-------------|

| Garbage Cart Size | FY 2019 | Proposed FY 2020 |
|-------------------|----------|------------------|
| Small (48 gal) | \$ 16.76 | \$ 14.76 |
| Medium (64 gal) | \$ 18.76 | \$ 18.76 |
| Large (96 gal) | \$ 26.76 | \$ 26.76 |

The Budget proposes a reduction of \$0.50 to the monthly Solid Waste Environmental Fee. This proposed decrease from FY 2019 is combined with a corresponding \$0.50 monthly increase in the Parks Environmental Fee as described under the Parks Section of this memorandum. This will result in no net impact to ratepayers.

| | Monthly Fee | |
|-------------------------------|-------------|------------------|
| | FY 2019 | Proposed FY 2020 |
| Solid Waste Environmental Fee | \$ 2.24 | \$ 1.74 |

The FY 2020 Proposed Budget includes \$1.3 million and 5 positions to address customer growth, enhance SWMD's safety programs and equipment. As previously presented to City Council, when the SWMD customer base grows by 2,160 an additional truck and driver must be added to maintain optimal route sizes. In FY 2020 the SWMD projects the addition of approximately 2,500 new customers, which requires the addition of one Side Load Equipment Operator (driver) and one Automated Side Loader vehicle to account for customer growth and maintenance of peak service levels.

The detailed list of FY 2020 revenues and improvements is included in Attachment 3.

Animal Care Services

The City of San Antonio Animal Care Services is the largest, open admission, municipal shelter in South Texas. Serving San Antonio residents, ACS resides on a 14-acre campus boasting a variety of programs in our community. Animal Care Services' mission is to encourage responsible pet ownership by promoting and protecting the health, safety, and welfare of the residents and pets of San Antonio through education, enforcement, and community partnership.

The Animal Care Services (ACS) Department is funded by the General Fund. Below is a summary of the funding and position count included in the FY 2020 Proposed Budget.

| FUND | FY 2020 PROPOSED BUDGET | AUTHORIZED POSITIONS |
|--------------|-------------------------|----------------------|
| General Fund | \$15,911,823 | 142 |

The FY 2020 Proposed Budget redirects existing funding to add 1 position in order to bring creative design and media purchasing efforts in-house.

A detailed list of FY 2020 improvements is included in Attachment 4.

Development Services/Code Enforcement

The Proposed FY 2020 Budget for the Development Services Department includes funding from the General Fund for Code Enforcement, the Development Services Enterprise Fund, and Grants. Below is a summary of

the funding and position counts included in the FY 2020 Proposed Budget.

| FUND | FY 2020 PROPOSED BUDGET | AUTHORIZED POSITIONS |
|----------------------------------|--------------------------------|-----------------------------|
| General Fund (Code Enforcement)* | \$14,584,981 | 150 |
| Development Services Fund | 37,505,121 | 300 |
| Grants | 187,749 | 3 |
| Total | \$52,277,851 | 453 |

*The total General Fund Code Enforcement FY 2020 Proposed Budget is \$14,864,633 of which \$279,652 is transferred to the Development Services Fund to fund Code Enforcement's proportionate share of the Full Case Management System for land development and code cases.

Development Services: The Proposed Budget for the Development Services Fund anticipates further growth in commercial building activity including projects in downtown and beyond as well as continued strong activity in residential single-family home construction. The total budget adds \$1 million and 14 positions to increase staffing levels to support Development Services' goals of cycle time, consistency, and facilitation.

The budget includes \$523,319 to fund a six-position Strike Team, which will perform residential investigations, enforce City Codes and regulations, and file cases on contractors and investors who are not obtaining the proper permits or closing out inspections. The team will also provide trainings to educate contractors on City regulations for permits and inspections.

In November 2018, the San Antonio City Council passed an ordinance to regulate and permit short-term rentals (STR). Since the passage of the ordinance, over 1,500 STRs have registered with the City. The FY 2020 Proposed Budget includes \$59,962 to add one senior planner position to manage and maintain the STR program including the review and processing of all STR permits.

The FY 2020 Proposed Budget includes an additional \$458,393 to add seven positions to enhance the department's efficiency and quality customer service facilitation. One position will support the new BuildSA platform, the department's centralized system for submitting forms and completing other department processes, to ensure smooth customer utilization of the platform and address any bugs as they arise. Three positions will assist with requests for address verification and assignment, processing non-commercial plans, and the completion of construction inspections. One position will be responsible for conducting research and updating administrative records for billing purposes and proactively contacting contractors who may owe fees. Two positions will directly support reviewing plans and permits associated with the additional 42 square miles in the City's Extraterritorial Jurisdiction Military Protection Areas.

Code Enforcement: The Proposed Budget for Code Enforcement maintains current staffing levels including 116 Code Enforcement positions. The FY 2020 Budget aligns certain line-item budgets such as demolition services to bring them in-line with spending trends over the past several years; these line-item reductions total \$150,000 and will not impact service delivery.

The detailed list of FY 2020 improvements and reductions for Development Services and Code Enforcement are included in Attachment 5.

ALTERNATIVES:

This item is a scheduled worksession for the FY 2020 Proposed Budget.

FISCAL IMPACT:

This presentation provides a briefing on the major initiatives within the Library, Parks and Recreation, Solid Waste Management, Animal Care Services, and Development Services/Code Enforcement departments. The FY 2020 Budget is scheduled to be adopted by City Council on September 12, 2019.

RECOMMENDATION:

This item is a worksession for discussion of the FY 2020 Proposed Budget and is for briefing purposes only.