



City of San Antonio

Agenda Memorandum

File Number:20-5334

Agenda Item Number: 4A.

Agenda Date: 9/17/2020

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Scott Huizenga

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT: Adopting the Annual Consolidated Operating and Capital Budgets for FY 2021

SUMMARY:

An Ordinance adopting the Annual Consolidated Operating and Capital Budgets for the City of San Antonio Fiscal Year 2021 that begins October 1; approving projects included in the FY 2021 to FY 2025 Five-Year Infrastructure Management Plan; approving the FY 2021 to FY 2026 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 2021 Budget; 2) the City's Maintenance & Operation Property Tax Rate for Fiscal Year 2021; 3) the City's Debt Service Property Tax Rate for Fiscal Year 2021; 4) the new fee and fee adjustment ordinance that address revenue adjustments included in the Fiscal Year 2021 Proposed Budget; and 5) the FY 2020 Closing Ordinance.

BACKGROUND INFORMATION:

The FY 2021 Proposed Budget was presented to City Council on August 6, 2020. 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 public health, housing, homeless and mental health services, children and youth success, and education.

The Proposed FY 2021 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$2.9 billion. The General Fund budget is \$1.28 billion; restricted funds such as Airport, Development Services, Solid Waste, Hotel Occupancy Tax, and State and Federal grants total \$999 million; and the Capital Budget totals \$641 million.

A total of 11 City Council work sessions were held prior to budget adoption on September 17 to present the budget in detail to the City Council. Two sessions were held during the week of August 11: COVID-19 Response/Recovery & Resiliency Plan Update and General Fund Revenue and Expense Budget Overview (August 11); Police Department, Results of the Public Safety Listening Sessions and Collective Bargaining Resolution (August 12). Four additional work sessions were held during the week of August 18 and August 25: Public Health and Human Services/Delegate Agencies (August 18) Economic Development and Neighborhood & Housing Services (August 19); Public Works, Capital Budget, and Debt Management Plan (August 25), Airport, Convention & Sports Facilities, and Arts and Culture, (August 26), and two held during the week of September 1: Employee Compensation and Benefits and Restricted Funds (September 1) and Animal Care Services and Development Services (September 2). Two additional worksessions were held the week of September 8: City Auditor, City Clerk, and Municipal Court (September 8) and an update on the COVID-19 Emergency, and Recovery and Resiliency Program (September 9). A worksession on budget amendments will be held on September 16.

In addition to the budget work sessions 10 Virtual District Meetings and two public hearings were held to obtain input from the community about the proposed FY 2021 budget.

On September 17, City Council will consider the adoption of the FY 2021 Proposed Operating and Capital Budget along with any amendments as approved by City Council.

ISSUE:

On September 17, City Council will consider six actions that are related to the FY 2021 Proposed Operating and Capital Budget. The following items will be considered in the order shown below:

1. Adoption of the FY 2021 Proposed Operating and Capital 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

Separate memos have been placed on the September 17 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 2021 Operating and Capital Budgets.

RECOMMENDATION:

Staff recommends approval of this item.