



# City of San Antonio

## Agenda Memorandum

### File Number:

**POSTING LANGUAGE:** Budget Goal Setting Session for the Mayor and City Council to establish policy direction that will guide the City Manager in developing the FY 2026 Proposed Budget and the FY 2027 Budget Plan. [María Villagómez, Deputy City Manager; Justina Tate, Director, Management and Budget]

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**Agenda Item Number:** {{item.number}}

**Agenda Date:** June 27, 2025

**In Control:** City Council Special Meeting

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**DEPARTMENT:** Office of Management & Budget

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** Citywide

### SUMMARY:

On June 27, 2025, the Mayor and City Council will convene to provide policy direction to the City Manager that will guide the development of the FY 2026 Proposed Budget and the FY 2027 Budget Plan. At this meeting, the Mayor and City Council will be provided with a financial update for FY 2025 and a trial budget for FY 2026 and FY 2027. Additionally at this meeting Staff will provide the results of the Community Budget Survey.

The City of San Antonio's fiscal year begins on October 1 and ends September 30. Each year, the City Manager transmits a budget development calendar to the Mayor and City Council with key dates for each phase of the budget process. The phases include (1) Five-Year Financial Forecast (2) Budget Goal Setting Session and Trial Budget, (3) Community input before the budget is prepared, (4) Proposed Budget for the upcoming fiscal year, (5) Budget worksessions and community input meetings, and public hearings on the proposed budget, and finally (6) adoption of the budget for the next fiscal year. The Annual Operating and Capital Budget must be approved by the Mayor and City Council not later than September 27 of every year in accordance with the City Charter.

**Five-Year Financial Forecast:** On May 7, 2025, Staff presented the City's Five-Year Financial Forecast covering Fiscal Year 2026 through Fiscal Year 2030 focusing on the City's General Fund, Hotel Occupancy Tax, and Development Services.

**Budget Goal Setting Session and Trial Budget:** The purpose of the Budget Goal Setting Session is for the Mayor and City Council to policy direction that will guide the City Manager and staff in developing the upcoming budget. This meeting is scheduled for June 27, 2025.

At this meeting, the FY 2026 Trial Budget will be presented which will include an update on the City's financial position as well as strategies to balance the projected General Fund deficit for FY 2026 and FY 2027. This will allow for further policy direction and input from the Mayor and City Council before the FY 2026 Proposed Budget is prepared.

Furthermore, the results of a community survey will be presented regarding the budget priorities. This survey occurred during the months of May and June.

**Proposed Budget:** On August 14, 2025, the City Manager will present the FY 2026 Proposed Operating and Capital Budget. This will incorporate the policy direction provided by the Mayor and City Council during the Budget Goal Setting Session and Community survey results.

**City Council Budget Worksessions, public input meetings, and public hearings on the Proposed Budget:** After the budget is proposed on August 14, 2025, the Mayor and City Council will have an opportunity to review the budget in detail at several worksessions from August 19 to September 17. Community Input Sessions for the public to comment on the proposed budget will be held during the same period.

**Budget Adoption:** The FY 2026 Budget is scheduled to be approved by Mayor and City Council on September 18, 2025.

**FISCAL IMPACT:**

There is not financial impact associated with the June 27<sup>th</sup> Budget Goal Setting Session. At this meeting the Mayor and City Council will provide policy direction that will guide the City Manager in the development of the FY 2026 Proposed Budget and FY 2027 Budget Plan.