



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 1

**Agenda Date:** September 12, 2024

**In Control:** Public Comment Session

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**DEPARTMENT:** Office of Management & Budget

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Public Hearings for the 2024 Ad Valorem Tax Rate and FY 2025 Proposed Budget

**SUMMARY:**

On Thursday, September 12, 2024, at 9:00 AM in the Norma S. Rodriguez City Council Chamber, two Public Hearings are scheduled:

- 1) 2024 Proposed Ad Valorem Tax Rate Public Hearing for the FY 2025 Proposed Budget
- 2) FY 2025 Proposed Budget Public Hearing

**BACKGROUND INFORMATION:**

The City Manager presented the FY 2025 Proposed Budget to the Mayor and City Council on August 15, 2024.

### **About the City Budget**

The FY 2025 Proposed Budget is \$3.96 billion for all funds and \$1.67 billion for the City's General Fund. To mitigate rising costs the budget proposes \$36.6 million in spending reductions over the next two years. These reductions were accomplished by transferring expenses from the General Fund to our Capital Budget and other funds, reducing development incentives, aligning workforce development spending, and adjusting department's budgets to actual spending and service demands. These reductions allow the city to remain resilient and continue investing in the top priorities of the community.

The need to be more resourceful and mindful of spending is due to expenses growing faster than revenue and revenue growth returning to pre-pandemic levels. There is no change to the City's property tax rate.

The Proposed Budget reflects both the priorities of the City Council and the community. Investments in key, core areas are proposed while continuing to support the services the community expects. These priorities include Streets and Sidewalks, Animal Care Services, Public Safety, services to assist the Homeless and Encampment Cleanups, and Affordable Housing.

### **Budget Work Sessions**

Department Directors began presenting their budgets in detail to the City Council at a series of budget work sessions on August 21 and will culminate on September 18.

### **Community Input:**

Eleven townhall meetings across the City took place between August 19 and August 31. At these meetings the public provided feedback on the proposed budget.

Additionally, 2 public hearings on the City's Property Tax Rate and Proposed Budget were scheduled. The first hearing took place on September 4 and the second hearing is scheduled on September 12 at City Council Chambers.

### **Budget Adoption:**

The budget is scheduled to be adopted on September 19 for the City's fiscal year that begins on October 1. By City Charter the Budget must be approved not later than September 27.

State Law currently requires that a municipality hold one Tax Rate Public Hearing when the Proposed Ad Valorem Tax Rate exceeds the lower of the No-New Revenue Tax Rate or the Voter- Approval Tax Rate. Additionally, the City Charter requires that one Public Hearing on the Proposed Budget be held.

As in prior years, two City's Property Tax Rate/Proposed Budget Hearings were scheduled. The first Public Hearing is scheduled for Wednesday, September 4, 2024 and the second Public Hearing is scheduled for Thursday, September 12, 2024 at City Council Chambers.

Notices for the Budget and/or Ad Valorem Tax Rate Public Hearings were published in the Express-News in English and in La Prensa Texas in Spanish on Sunday, August 25 and Sunday, September 1. Copies of the Proposed Budget are available for purchase and/or inspection in the Office of the City Clerk, City Hall, 100 Military Plaza as well as online at [www.sanantonio.gov/budget](http://www.sanantonio.gov/budget).

### **ISSUE:**

On Thursday September 12, 2024, at 9:00 AM in the Norma S. Rodriguez City Council Chamber, two Public Hearings are scheduled:

- 1) 2024 Proposed Ad Valorem Tax Rate Public Hearing
- 2) FY 2025 Proposed Budget Public Hearing

Members of the public can offer testimony at each of these public hearings. To submit comments or sign up to speak, please go to [www.saspeakup.com](http://www.saspeakup.com) and click on the link associated with the Agenda for the Budget Public Hearing for instructions.

Members of the public wishing to speak at either Budget Public Hearing may also sign-in to speak beginning at 8:00 AM to 8:45 AM on Thursday, September 12. VIA vouchers and parking validations for City Tower Garage can be requested at the West Lobby Kiosk for those signed up to speak.

Each public hearing will be available to the public at: AT&T channel 99; Grande channel 20; Spectrum channel 21; digital antenna 16, [www.sanantonio.gov/TVSA](http://www.sanantonio.gov/TVSA). Each public hearing will also be available by calling (210) 207-5555 (English and Spanish available).

**ALTERNATIVES:**

These are required hearings, there are no alternatives.

**FISCAL IMPACT:**

The public hearings on the 2024 Ad Valorem Property Tax Rate for the FY 2025 Proposed Budget and the Proposed Budget will not require City Council action. Final approval of the FY 2025 Proposed Budget is scheduled for September 19, 2024.

**RECOMMENDATION:**

This item is a public hearing for input on the FY 2025 Proposed Budget.