



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: {{item.number}}

Agenda Date: September 18, 2024

In Control: City Council B Session

DEPARTMENT: Office of Management & Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

City Council Work Session on the FY 2025 Proposed Budget

SUMMARY:

City Staff presentation and City Council discussion on potential amendments to the FY 2025 Proposed Operating and Capital Budget.

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

A total of nine worksessions were held between August 21 and September 11 where Department Directors presented their budgets in detail to the City Council.

Two worksessions are scheduled for September 17 and 18 for City Council to discuss potential amendments to the FY 2025 Proposed Budget.

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, two public hearings on the City's Property Tax Rate and Proposed Budget were held on September 4 and 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 no later than September 27.

ISSUE:

A budget work session is scheduled for Wednesday, September 18 from 2:00 PM to 5:00 PM. At this session, the City Council will discuss potential amendments to the FY 2025 Proposed Budget.

ALTERNATIVES:

This item is a scheduled work session for the FY 2025 Proposed Budget.

FISCAL IMPACT:

This item is a work session to discuss potential amendments to the FY 2025 Proposed Operating and Capital Budget. The FY 2025 Budget is scheduled to be adopted by City Council on September 19, 2024.

RECOMMENDATION:

This item is a work session for discussion of the FY 2025 Proposed Budget and is for briefing purposes only.