



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 1

Agenda Date: August 21, 2024

In Control: City Council Budget Work 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:

Staff presentation on the FY 2025 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

A. Airport

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. There priorities include Streets and Sidewalks, Animal Care Services, Public Safety, services to assist the Homeless and Encampment Cleanups, and Affordable Housing.

Budget Worksessions

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

Community Input:

Eleven townhall meetings across the City are taking place beginning August 19 and ending on August 31. At these meetings the public will have an opportunity to provide their feedback on the proposed budget.

Additionally, 2 public hearings on the City's Property Tax Rate and Proposed Budget will be 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 before September 27.

ISSUE:

The FY 2025 Proposed Operating and Capital Budget for the San Antonio International Airport will be presented on Wednesday, August 21 from 2:00 P.M. to 5:00 PM.

Airport

The San Antonio Airport System is home to two airports, San Antonio International Airport (SAT) and Stinson Municipal Airport (SSF). San Antonio International Airport was built in 1941 as a military base and became a commercial airport in 1953. SAT encompasses over 2,600 acres with two terminals and includes 14 domestic and international airlines providing domestic and international air service. Stinson Municipal Airport was built in 1915 and is the second oldest continuing operating general aviation airport. With one terminal and over 360 acres, SSF serves as a general aviation reliever airport for SAT.

The budget presentation on Wednesday, August 21, will provide an overview of the FY 2025 Proposed Budget for the Airport to include airport activity for the year, updates on the Airport capital budget, and new revenues. Attachment 1 includes the FY 2025 Airport Department

Summary and Attachment 2 outlines the adjusted airport fees.

ALTERNATIVES:

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

FISCAL IMPACT:

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

RECOMMENDATION:

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