



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number: 1**

**Agenda Date:** August 24, 2023

**In Control:** City Council Budget Work Session

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**DEPARTMENT:** Office of Management & Budget

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

City Council Work Session on the FY 2024 Proposed Budget

**SUMMARY:**

Staff presentation on the FY 2024 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Human Services and Delegate Agencies
- B. Neighborhood and Housing Services
- C. Metro Health

**BACKGROUND INFORMATION:**

The FY 2024 Proposed Budget was presented to City Council on August 10, 2023. The proposed budget reflects both City Council and Community priorities focuses on four key areas: property tax relief, keeping San Antonio safe, enhancing quality of life and improving customer service.

The Proposed FY 2024 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$3.7 billion. The General Fund budget is \$1.60 billion; restricted funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$1.33 billion; and the Capital Budget totals \$798 million.

Following the presentation of the proposed budget, a series of City Council budget worksessions are scheduled from August 15 to September 13. At these sessions, City staff will review the budget proposals with the Mayor and City Council in detail. The budget is scheduled to be adopted on September 14 for the City’s fiscal year that begins on October 1.

## **ISSUE:**

A budget worksession is scheduled for Thursday, August 24 from 10:00 A.M. to 1:00 P.M. At this session, the City Council will be presented with the FY 2024 Proposed Budgets for the Human Services Department, Delegate Agencies, Neighborhood and Housing Services Department, and Metropolitan Health Department.

## **Human Services and Delegate Agencies**

The Department of Human Services (DHS) includes financial and social services for residents in need. The FY 2024 Proposed Budget includes a total investment in Human Services of \$274.1 million, with \$33.7 million funded by the General Fund, \$19.5 million funded by the General Fund for Delegate Agencies, and \$220.8 million funded by Grants. In addition to Homeless Outreach and Prevention, the FY 2024 Proposed Budget investments include funding to enhance senior services.

The Proposed FY 2024 Budget for Human Services includes funding from the General Fund and Grants. Below is a summary of the funding and position counts that would be authorized by the FY 2024 Proposed Budget.

| <b>FUND</b>                      | <b>FY 2024<br/>PROPOSED<br/>BUDGET</b> | <b>AUTHORIZED<br/>POSITIONS</b> |
|----------------------------------|--|---------------------------------|
| General Fund                     | \$33,729,275                           | 194                             |
| General Fund – Delegate Agencies | 19,539,154                             | 0                               |
| Grants                           | 186,200,537                            | 260                             |
| ARPA Grants                      | 34,627,124                             | 5                               |
| <b>Total</b>                     | <b>\$274,096,090</b>                   | <b>459</b>                      |

The FY 2024 Proposed Budget adds funding for homeless programs and programs for senior residents. A detailed listing of the Human Services program enhancements is included in Attachment 1.

The FY 2024 Proposed Budget recommends funds for the first year of a two-year funding cycle to several non-profit agencies. This allocation is the result of a competitive process that concluded in the spring of 2023. A listing of recommended agencies and funding allocations is included in Attachment 1.

### **Neighborhood and Housing Services**

Neighborhood and Housing Services Department is responsible for implementing the Strategic Housing Implementation Plan with the goal to produce or preserve over 28,000 homes by 2031. This plan includes affordable housing development, housing preservation and rehabilitation, housing access and stability programs.

The Proposed FY 2024 Budget for the Neighborhood & Housing Services department includes funding from the General Fund, Tax Increment Financing Fund, Capital Management Services Fund, Inner City Incentive Fund, and Grants. Below is a summary of the funding and position counts that would be authorized by the FY 2024 Proposed Budget.

| <b>FUND</b>                      | <b>FY 2024<br/>PROPOSED<br/>BUDGET</b> | <b>AUTHORIZED<br/>POSITIONS</b> |
|----------------------------------|--|---------------------------------|
| General Fund                     | \$24,435,789                           | 43                              |
| Tax Increment Financing Fund     | 1,174,442                              | 10                              |
| Capital Management Services Fund | 1,883,300                              | 19                              |
| Inner City Incentive Fund        | 1,819,630                              | 0                               |
| Grants                           | 22,529,700                             | 50                              |
| Capital Projects                 | 36,070,000                             | 0                               |
| ARPA Grants                      | 25,373,671                             | 1                               |
| <b>Total</b>                     | <b>\$113,286,532</b>                   | <b>123</b>                      |

The FY 2024 Proposed Budget includes a \$41.2 Million investment in Affordable Housing through General Fund and Grant funding for major and minor home repair, under 1 roof, rental assistance, homebuyer assistance, and gap financing. A detailed listing of the Neighborhood and Housing Services Department FY 2024 program changes is included in Attachment 2.

### **San Antonio Metropolitan Health District**

Metro Health provides vital public health services in San Antonio and Bexar County. Services include regulatory functions, emergency planning and disaster response, preventive health, clinical and laboratory services, communicable disease control, violence prevention, behavioral health programming, and advancing health equity, social justice, and policy change. The FY 2024 Proposed Budget includes an investment of \$94.1 million with \$43.6 million funded by the General Fund, and \$50.5 million funded by Grants.

The FY 2024 Proposed Budget for the San Antonio Metropolitan Health District includes funding from the General Fund and Grants. Below is a summary of the funding and position counts that would be authorized by the FY 2024 Proposed Budget.

| <b>FUND</b>         | <b>FY 2024 PROPOSED<br/>BUDGET</b> | <b>AUTHORIZED<br/>POSITIONS</b> |
|---------------------|------------------------------------|---------------------------------|
| General Fund        | \$43,627,824                       | 307                             |
| Grants              | 35,932,266                         | 333                             |
| ARPA & COVID Grants | 14,577,152                         | 12                              |
| <b>Total</b>        | <b>\$94,137,242</b>                | <b>652</b>                      |

The FY 2024 Proposed Budget adds funding for the SA Forward initiative and enhancing investigation and contact tracing for the Tuberculosis program.

The SA Forward plan has been funded by a combination of general fund and grants. The FY 2024 Proposed budget continues to support the SA Forward plan with funding from the General Fund as Grants expire. A detailed listing of the Metro Health Department's FY 2024 program changes is included in Attachment 3.

#### **ALTERNATIVES:**

This item is a scheduled work session for the FY 2024 Proposed Budget.

#### **FISCAL IMPACT:**

This presentation provides briefings on the FY 2024 Proposed Budgets for the Human Services and Delegate Agencies, Neighborhood and Housing Services Department, and Metropolitan Health Department. The FY 2024 Budget is scheduled to be adopted by City Council on September 14, 2023.

#### **RECOMMENDATION:**

This item is a work session for discussion of the FY 2024 Proposed Budget and is for briefing purposes only.