



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 4

Agenda Date: September 14, 2023

In Control: City Council A Session

DEPARTMENT: Office of Management & Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Adopting the Annual Consolidated Operating and Capital Budgets for FY 2024

SUMMARY:

An Ordinance adopting the Annual Consolidated Operating and Capital budgets for the City of San Antonio Fiscal Year 2024 that begins October 1; approving projects included in the FY 2024 to FY 2028 Five-Year Infrastructure Management Plan; approving the FY 2024 to FY 2029 Six-Year Capital Improvements Program for the City of San Antonio; approving certain contracts; providing for a one-time annuity increase for retirees and their beneficiaries and a revision to the City's contribution rate in connection with the Texas Municipal Retirement System; authorizing personnel complements; appropriating funds; and amending related ordinances.

Following the action taken on this item, the City Council will consider, through separate ordinances, the following: 1) the ratification of the FY 2024 Budget, 2) the City's Maintenance & Operation Property Tax Rate for Fiscal Year 2024, 3) the City's Debt Service Property Tax Rate for Fiscal Year 2024, 4) the new fee and fee adjustment ordinance that address revenue adjustments included in the Fiscal Year 2024 Proposed Budget, and 5) the FY 2023 Closing Ordinance.

BACKGROUND INFORMATION:

The FY 2024 Proposed Budget was presented to City Council on August 10, 2023. The budget is balanced as required by law and reflects both City Council and Community priorities. The budget also focuses on four key areas, property tax relief, keeping San Antonio Safe, improving the quality of life, and enhancing 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.

A total of 12 City Council work sessions were held prior to budget adoption on September 14 to present the budget in detail to the City Council.

- Two sessions were held during the week of August 14: Public Works, Airport and the Debt Management (August 15); Animal Care Services, 311, and Good Neighbor Program (August 17);
- Two work sessions were held during the week of August 21: Fire, Police and Municipal Court (August 23), Human Services, Neighborhood and Housing Services and Health (August 24);
- Four work sessions were held during the week of August 28: Solid Waste and Development Services (August 29 Morning); Economic Development and Employee Compensations & Benefits (August 29 Afternoon); Convention Sports Facilities, Arts and Culture, Visit San Antonio (August 30) Parks and Resiliency, Energy Efficiency, and Sustainability (August 31)
- Two worksessions were held the week of September 4: Library and Planning (September 5); All other departments (September 6)
- The final two worksessions were held the week of September 11: Two worksessions to deliberate potential amendments to the FY 2024 Proposed Budget (September 12 and September 13).

In addition to the budget work sessions 9 City Council District Town Hall Meetings, and two public hearings were held to obtain input from the community about the proposed FY 2024 budget.

On September 14, City Council will consider the adoption of the FY 2024 Proposed Operating and Capital Budget along with any amendments as approved by City Council.

ISSUE:

On September 14, City Council will consider six actions that are related to the FY 2024 Proposed Operating and Capital Budget. The following items will be considered in the order shown below:

1. Adoption of the FY 2024 Proposed Operating and Capital Budget
2. Adoption of Ordinance Ratifying Adoption of Budget
3. Adoption of Ordinance Setting the Maintenance & Operation (M&O) Property Tax Rate
4. Adoption of Ordinance Setting the Debt Service Property Tax Rate
5. Adoption of Fee Adjustment Ordinance
6. Adoption of Closing Ordinance

Separate memos have been placed on the September 14 agenda that address the Ratification of the Budget, Ad Valorem Tax Rate, Revenue Adjustments, and the Closing Ordinance.

ALTERNATIVES:

This item is required by City Charter.

FISCAL IMPACT:

City Council consideration and subsequent adoption of this item by ordinance will adopt expenditures levels for the City of San Antonio Fiscal Year 2024 Operating and Capital Budgets.

RECOMMENDATION:

Staff recommends approval of this item.