



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: {{item.number}}

Agenda Date: September 14, 2021

In Control: City Council Special Meeting

DEPARTMENT: Office of Management & Budget

DEPARTMENT HEAD: Scott Huizenga

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

FY 2022 Proposed Budget Worksession

SUMMARY:

Staff presentation on the FY 2022 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Airport
- B. Administration of the City

BACKGROUND INFORMATION:

The FY 2022 Proposed Budget was presented to City Council on August 12, 2021. The budget is balanced as required by law and reflects both the City's continued commitment to long-term recovery and resilience from the COVID-19 pandemic while focusing on critical services emerging from the pandemic. The Proposed Budget restores planned cuts for FY 2022 and increases compensation for employees. It also provides investments in public health, affordable housing, infrastructure, economic development, customer service, and alternative public safety response while also maintaining the City in a strong financial position. Finally, the Proposed Budget leverages better than expected revenues and funding from the American Rescue Plan Act

(ARPA) as outlined in the FY 2022 Trial Budget.

The Proposed FY 2022 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$3.1 billion. The General Fund budget is \$1.36 billion; Restricted Funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$1.12 billion; and the Capital Budget totals \$592 million

Following the presentation of the Proposed Budget a series of City Council budget worksessions are scheduled from August 17 to September 15. 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 16 for the City's fiscal year that begins on October 1.

ISSUE:

A budget worksession is scheduled for Tuesday, September 14 from 2:00 P.M to 5:00 P.M. At this session, the City Council will be presented with the FY 2022 Proposed Budgets for the Airport, and Administration of the City.

Airport

The San Antonio Airport System is home to two airports, San Antonio International Airport (SAT) and Stinson Municipal Airport (SSF). Both are owned and operated by the City.

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 13 domestic and international airlines providing domestic and international air service.

Stinson Municipal Airport was built in 1915 by the Stinson family 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 FY 2022 Proposed Budget for the Airport is funded from Restricted Funds. Below is a summary of the funding and position counts that would be authorized by the FY 2022 Proposed Budget.

FUND	FY 2022 PROPOSED BUDGET	AUTHORIZED POSITIONS
Airport Operating & Maintenance Fund	\$123,506,550	501
Passenger Facility Charge Fund	18,898,362	0
Customer Facility Charge Fund	13,075,053	0
Capital Projects	66,609,000	0
Grants	17,539,917	0

Total	\$239,628,882	501
--------------	----------------------	------------

The FY 2022 Proposed Budget adds \$982,760 for the maintenance of Airport's camera and access control systems.

Included in the FY 2022 Proposed Budget is \$820,000 to host the Routes America 2022 conference, which provides opportunities to develop and increase air service.

The FY 2022 Proposed Budget adds \$123,022 to fund two positions and support the creation of an Airport Revenue Development Team. The objective of the team is to develop non-airline revenue by establishing new lease policies and creating a system to receive and track timely revenue data from airport tenants.

A detailed listing of the Airport's FY 2022 program changes is included in Attachment 1.

Administration of the City

The budget worksessions thus far have focused on departments that provide direct services to the community and visitors. In support of these departments, the City has internal service functions which provide essential services to ensure efficient operations. These services include information and technology, fleet management, procurement, payroll, legal services, audit, public relations, risk management, budget, city clerk and support to the Mayor and Council.

The Proposed FY 2022 Budget for the Administration of the City includes funding from both the General Fund and Restricted Funds. Below is a summary of the budget allocation and position counts that would be authorized by the FY 2022 Proposed Budget in the General Fund.

General Fund Department	FY 2022 PROPOSED BUDGET	AUTHORIZED POSITIONS
City Auditor	\$3,353,796	23
City Clerk	4,762,042	35
City Manager	3,853,538	18
Diversity, Equity & Inclusion Office	2,192,217	17
Historic Preservation	2,581,159	21
Innovation	1,856,459	11
Management and Budget	3,050,703	19
Mayor & Council	12,868,577	18
Municipal Elections	849,891	0
Non-Departmental*	24,172,313	2
World Heritage	1,512,133	8
Total	\$61,052,828	172

Note: * The total budget for non-departmental is \$26,930,789. Included in non-departmental are

two departments that are being reported on separately to include World Heritage \$1,512,133, and the Carver Center, which is managed by Convention and Sports Facilities \$1,246,343.

The Proposed Budget adds \$620,237 to the Proposed Office of Diversity, Equity, and Inclusion (DEI) for Language Access and Equity Positions including language access strategic plan. This includes redirecting six existing vacant positions to DEI to ensure meaningful access to city programs and activities for persons with limited English proficiency, enhancement of the City's equity program, and funding for a consultant to study the community's language needs.

The Office of Historic Preservation's FY 2022 Proposed Budget adds \$49,010 for one Historic Preservation Specialist for the Design Review Program.

The Office of Innovation's FY 2022 Proposed Budget adds \$368,265 to enable City departments to maximize taxpayer dollars by testing technology and ideas to gather evidence before making large-scale purchases or proposing new policies (\$275,000) and funds one position to address the digital divide within the community (\$93,265).

Finally, \$60,000 is included in the FY 2022 Proposed Budget to enhance World Heritage programs. Funding includes \$40,000 to support the Mission Marquee program and \$20,000 to support a marketing campaign for the UNESCO Creative City of Gastronomy designation.

Building Equipment Services	FY 2022 Proposed Budget	Authorized Positions
Facility Services Fund	\$23,731,368	149
Fleet Services Fund	23,530,173	69
Equipment Renewal & Replacement Fund	61,764,402	0
Capital Projects	6,208,831	0
Total	\$115,234,774	218

Note: * The total Equipment Renewal & Replacement Fund FY 2022 Proposed Budget is \$62,692,290 of which \$927,888 is transferred to the Fleet Services Fund.

The FY 2022 Proposed Budget adds \$53,431 to the Fleet Services Fund for the addition of one Fleet Acquisition Specialist to support and implement strategies for the SA Tomorrow Sustainability Plan, the Climate Action and Adaptation Plan, as well as to manage non Equipment Renewal & Replacement Fund vehicle transactions.

City Attorney	FY 2022 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund	\$10,244,011	67
Liability Fund	1,546,577	12
Workers' Compensation Fund	698,148	6

Grants	241,683	2
Total	\$12,730,419	87

The FY 2022 Proposed Budget adds \$317,363 to the City Attorney to provide legal expenses, consultant services, public information sessions and social media, and other residual services for FY 2022 Census Redistricting (\$200,000) and to add an Assistant City Attorney to support broadband and CPS Energy's broadband interface (\$117,363).

Finance Department	FY 2022 Proposed Budget	Authorized Positions
General Fund	\$13,785,901	103
Capital Management Services Fund	1,302,617	13
Purchasing & General Services Fund	7,714,359	43
Hotel Occupancy Tax Fund	472,656	5
Capital Projects	2,800,000	0
Total	\$26,075,533	164

Government and Public Affairs	FY 2022 Proposed Budget	Authorized Positions
General Fund	\$6,643,953	45
Public Education & Government Fund	2,286,970	0
Total	\$8,930,923	45

The FY 2022 Proposed Budget redirects existing vacancies and adds \$449,546 to enhance the Open Records Request Division for the Transparency & Open Government program to facilitate compliance with the requirements of the Public Information Act. In addition, \$41,000 is added to upgrade the current version of the eDiscovery program.

Information Technology Services	FY 2022 Proposed Budget	Authorized Positions
Information Technology Services Fund	\$75,306,774	349
Capital Projects	32,972,245	0
Total	\$108,279,019	349

The FY 2022 Proposed Budget adds \$1,803,483 for contractual increases for new and existing software licensing and multi-year agreements as well as to fund cybersecurity facility capital improvements implemented in FY 2021.

The Proposed Budget also includes \$1,361,160 to cover the increased subscription costs for Microsoft Enterprise Mobility and Security services.

The Proposed Budget provides \$177,000 to backup health privacy data to meet health privacy federal requirements and to complete a federally required health privacy compliance assessment.

The FY 2022 Proposed Budget adds \$350,828 for five new positions in the areas of Cloud Security (2), Cybersecurity (2), and IT Security (1).

Risk Management	FY 2022 Proposed Budget	Authorized Positions
Self-Insurance Liability Fund	\$14,714,722	12
Self-Insurance Workers Compensation Fund	17,086,978	16
Total	\$31,801,700	28

A detailed listing of FY 2022 program changes for departments included under the Administration of the City is included in Attachment 2.

ALTERNATIVES:

This item is a scheduled worksession for the FY 2022 Proposed Budget.

FISCAL IMPACT:

This presentation provides briefings on the Airport and Administration of the City. The FY 2022 Budget is scheduled to be adopted by City Council on September 16, 2021.

RECOMMENDATION:

This item is a worksession for discussion of the FY 2022 Proposed Budget and is for briefing purposes only.