



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 1

Agenda Date: August 17, 2022

In Control: City Council B Session

DEPARTMENT: Office of Management & Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

City Council Worksession on the FY 2023 Proposed Budget

SUMMARY:

Staff presentation on the FY 2023 Proposed Budget focusing on, but not limited to, the following City policies and initiatives:

- A. Public Works & Capital Budget
- B. Parks & Recreation
- C. Debt Plan

BACKGROUND INFORMATION:

The FY 2023 Proposed Budget was presented to City Council on August 11, 2022. The proposed budget reflects both City Council and Community priorities, invests in San Antonio's ongoing economic recovery by giving funds back to taxpayers through property tax relief and CPS Energy credits. The budget also focuses on the retention and recruitment of City employees and makes the greatest investments ever in infrastructure and facilities.

The Proposed FY 2023 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$3.5 billion. The General Fund budget is \$1.5 billion; restricted funds such as Airport, Development Services, Solid Waste, and Hotel Occupancy Tax total \$1.2 billion; and the Capital Budget totals \$641 million.

Following the presentation of the proposed budget, a series of City Council budget worksessions are scheduled from August 16 to September 14. 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 15 for the City's fiscal year that begins on October 1.

ISSUE:

A budget worksession is scheduled for Wednesday, August 17 from 2:00 P.M. to 5:00 PM. At this session, the City Council will be presented with the FY 2023 Proposed Budgets for the Public Works and Capital Budget and Parks Departments. The Debt Management Plan will also be presented.

Public Works

The FY 2023 Proposed Budget for the Public Works department includes funding from the General Fund and multiple restricted funds. Below is a summary of the funding and position counts that would be authorized by the FY 2023 Proposed Budget.

FUND	FY 2023 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund ¹	\$114,507,467	337
Advanced Transportation Fund	6,642,732	35
Capital Management Services Fund	22,177,510	177
Right of Way Management Fund	4,126,144	39
Storm Water Operating Fund	52,231,938	277
Storm Water Regional Facilities Fund	3,055,179	14
Capital Projects	437,162,203	0
Grants	2,804,994	0
Covid Grants	15,000,000	0
Total	\$657,708,167	879

Note:

1. The total General Fund FY 2023 Proposed Budget is \$116,507,467, of which \$2,000,000 is transferred to the Capital Budget.

Street Maintenance

The FY 2023 Proposed Budget funds the Street Maintenance Program to \$116 million for 1,288

street projects. Of the total program, \$100 million is allocated based on 100% street condition per Council District and \$6 million funded in the 2022 Bond is allocated based on 50% street network size and 50% street condition per Council District as stipulated by the Streets, Bridges, and Sidewalks Bond Committee. An additional \$10 million one-time funding has been awarded from the American Rescue Plan Act of 2021 and is allocated based on miles of “F” Streets per Council District. To ensure the timely delivery of street projects, an additional six positions will be added in FY 2023.

Advanced Transportation District Fund

The FY 2023 Proposed Budget includes \$26,505,638 for the Advanced Transportation District (ATD) Fund which is administered by Public Works as well as the Transportation Department. Funded by a ¼-cent sales tax approved by voters in November 2004, revenues are restricted to programs and projects that increase mobility, reduce traffic congestion, improve neighborhood connectivity, and provide coordinating planning. Of the \$26.5 million budget, \$24,562,732 is allocated to the Public Works Department.

The FY 2023 Proposed Public Works ATD Budget includes funding of \$21,000,000 for citywide sidewalk improvements, of which \$13 Million is funded through ATD. Additionally, the FY 2023 Proposed Public Works ATD Budget funds three new positions for the Traffic Signal Management System and the Transportation and Infrastructure Management Center (TIMC).

Capital Management Services Fund

The FY 2023 Proposed Budget includes \$26,480,439 for the Capital Management Services Fund (CMS) which is administered by Public Works, Transportation Department as well as various other City departments that manage capital projects. The CMS Fund was established in FY 2007 to oversee project delivery of the City’s capital and infrastructure improvement projects primarily funded by the City’s bond issuances. On May 7, 2022, San Antonio voters approved a landmark \$1.2 billion Bond Program consisting of 183 projects that fall within six propositions.

The FY 2023 Proposed Public Works Capital Management Services Fund (CMS) Budget is \$22,177,510. Additionally, the FY 2023 Proposed Public Works CMS Budget funds 11 new positions. Seven positions to support the completion of projects on time, three positions to focus on F Streets, and one new executive position to ensure Bond Program and other capital project milestones are met.

Right of Way Management Fund

The FY 2023 Proposed Budget for the Right of Way Fund is \$5,126,144. The City of San Antonio’s Right of Way (ROW) Management is responsible for a variety of permits related to construction and non-construction activities within the City’s infrastructure. In order to ensure public safety and mobility, permits are required to operate in the City’s ROW. Through permitting, Public Works ensures that all construction activities are well coordinated, and impacts are mitigated to reduce public inconvenience, guarantee proper street repair and ensure all regulations are enforced appropriately.

This fund is supported by Right of Way fees, which are paid by right-of-way users (those who cut through City streets to access underground utilities) including, but not limited to SAWS and CPS

Energy.

Storm Water Operating Fund

The FY 2023 Proposed Budget for the Storm Water Operating Fund is \$56,692,967. Revenues for this fund are generated through the Storm Water Utility Fee, which was established in FY 1993 to provide funding for storm water operations services. The fee is assessed to residential, commercial, and industrial properties that discharge storm water into the City's drainage system.

The Proposed Budget includes \$44.8 million for operational services including street sweeping, vegetation management, localized flood control measures, and compliance with the EPA's Municipal Separate Storm Sewer System (MS4) permit requirements administered by the Texas Commission on Environmental Quality. Additionally, \$7.4 Million is allocated for debt service for Stormwater Revenue Bonds.

In addition to funding for storm water operations, \$4.5 million is included in the FY 2023 Proposed Budget to fund six capital drainage projects.

Storm Water Regional Facilities Fund

The FY 2023 Proposed Budget for the Storm Water Regional Facilities Fund is \$3,205,179, providing development plan review and overall regional drainage detention planning. Revenue is earned through a Fee In-Lieu-of (FILO) payment system for developers who can demonstrate that their development will not have an adverse impact downstream. With these funds, the City manages and constructs regional projects to ensure the protection and quality of the regional water supply in development areas. A total of \$150,000 is included in the FY 2023 Proposed Budget to fund one capital drainage project.

A detailed listing of the Public Works Department's FY 2023 program changes is included in Attachment 1.

Parks & Recreation

The San Antonio Parks and Recreation Department operates the City's recreational and cultural programs and maintains more than 255 City-owned parks including swimming pools, gymnasiums, historic cemeteries, sports facilities, and recreation centers. The department is responsible for the maintenance of 16,000 acres of green space, including more than 140 miles of trails in City parks and over 92 miles of hike and bike trails that comprise the Howard W. Peak Trails System.

The FY 2023 Proposed Budget for the Parks & Recreation Department includes funding from the General Fund, Restricted Funds, and Grants. The table below reflects the budget allocation within the FY 2023 Proposed Budget for the Parks & Recreation Department.

FUND	FY 2023 PROPOSED BUDGET	AUTHORIZED POSITIONS
General Fund	\$61,655,679	407
Parks Environmental Fund	12,119,369	145

City Cemeteries Fund	217,123	1
Tree Canopy Preservation & Mitigation Fund	4,294,540	6
Capital Management Services Fund	159,027	2
Grants	347,422	0
Capital Projects	23,863,812	0
Total	\$ 102,656,972	561

Note:

1. The total Tree Canopy Preservation & Mitigation Fund FY 2023 Proposed Budget is \$ 6,786,071, of which \$ 2,491,531 is transferred to the Capital Budget.

The General Fund Budget includes a total of \$1.9 Million and 12 positions to support new facilities, acres, linear trails and the summer youth program. This includes the following items:

- Two positions and equipment to support the Berta Almaguer Dance Studio and Community Center located at Woodlawn Lake Park
- Two positions and equipment to support the Heritage Park Multi-Generational Center
- Three positions to support the maintenance of additional miles of greenway and multi-use trails acquired through the venue sales tax. Approximately, 2.45 trail miles of Linear Creekways with 187 additional amenities across eight locations, and 35 new acres and tree installations will be added.
- Five positions to support the maintenance of additional acres, facilities, and parks developed through bonds issued, grants and other funds. It is estimated that 289 new park amenities at over 20 locations will be added. This includes 1.97 miles of exercise trail and a total of 181 new acres of park land.
- Adds funds to enhance the Summer Youth Program staff-to-participant ratio from 1:25 to 1:15, boosting the quality of programming and engagement with participants.

Parks Tree Canopy Fund: The FY 2023 Proposed Budget adds \$470,000 within the Tree Canopy Preservation and Mitigation Fund for three positions to increase current capacity and growth of the City's Tree Planting Program. This program provides trees, education, and awareness to the community resulting in environmental, economic, health, and social benefits through increased City tree canopy cover and lowered urban heat island effects.

The Budget also includes \$7.7 million for renovations and improvements at 17 park facilities and \$10 million for the Edwards Aquifer Protection Program.

A detailed list of program changes is included in Attachment 2

Capital Budget and Debt Management Plan

The FY 2023-2028 Six-Year Capital Improvement Plan (CIP) totals \$2.87 Billion and 503 projects. The CIP represents the City's long-range physical infrastructure development and improvement plan. Items in the six-year plan include new streets and sidewalks, drainage enhancement projects, park and library facility rehabilitation projects, aquifer land acquisition and linear park development, public health and safety enhancements, airport improvements, technology improvements, flood control projects and municipal facility construction and

refurbishment projects. The capital spending plan for FY 2023 totals \$641 million.

ALTERNATIVES:

This item is a scheduled work session for the FY 2023 Proposed Budget.

FISCAL IMPACT:

This presentation provides briefings on the Public Works, the Capital Budget, Parks and Recreation and the Debt Plan. The FY 2023 Budget is scheduled to be adopted by City Council on September 15, 2022.

RECOMMENDATION:

This item is a work session for discussion of the FY 2023 Proposed Budget and is for briefing purposes only.