



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 4

Agenda Date: September 15, 2022

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 2023

SUMMARY:

An Ordinance adopting the Annual Consolidated Operating and Capital budgets for the City of San Antonio Fiscal Year 2023 that begins October 1; approving projects included in the FY 2023 to FY 2027 Five-Year Infrastructure Management Plan; approving the FY 2023 to FY 2028 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 2023 Budget, 2) the City's Maintenance & Operation Property Tax Rate for Fiscal Year 2023, 3) the City's Debt Service Property Tax Rate for Fiscal Year 2023, 4) the new fee and fee adjustment ordinance that address revenue adjustments included in the Fiscal Year 2023 Proposed Budget, and 5) the FY 2023 Closing Ordinance.

BACKGROUND INFORMATION:

The FY 2023 Proposed Budget was presented to City Council on August 11, 2022. The budget is balanced as required by law and reflects both City Council and Community priorities. The budget also focuses on the retention and recruitment of City employees and makes investments in infrastructure and facilities.

The Proposed FY 2023 Consolidated Annual Budget, comprised of all funds, excluding transfers, totals \$3.4 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.

A total of 11 City Council work sessions were held prior to budget adoption on September 15 to present the budget in detail to the City Council.

- Two sessions were held during the week of August 15: Electric Utility Customer Credit (August 16); Public Works & Capital, Parks, Debt Management (August 17);
- Two work sessions were held during the week of August 22: Fire, Police and Municipal Court (August 23), Health and Employee Compensation and Benefits (August 24);
- Two sessions were held during the week of August 29: Electric Utility Customer Credit, and Animal Care Services (August 30), Neighborhood and Housing Services, Human Services, and Libraries (August 31)
- Three additional worksessions were held the week of September 5: Development Services & Code Enforcement, Economic Development and Sustainability (September 6); Airport and Solid Waste Management (September 7); Convention Sports Facilities, Arts and Culture, Visit San Antonio (September 8)
- The final two worksessions were held the week of September 12: All other departments (September 13) and to deliberate potential amendments to the FY 2023 Proposed Budget (September 14).

In addition to the budget work sessions 10 City Council District Meetings, 2 TeleTown Halls and two public hearings were held to obtain input from the community about the proposed FY 2023 budget.

On September 15, City Council will consider the adoption of the FY 2023 Proposed Operating and Capital Budget along with any amendments as approved by City Council.

ISSUE:

On September 15, City Council will consider six actions that are related to the FY 2023 Proposed Operating and Capital Budget. The following items will be considered in the order shown below:

1. Adoption of the FY 2023 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 15 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 2023 Operating and Capital Budgets.

RECOMMENDATION:

Staff recommends approval of this item.