



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 9

Agenda Date: May 9, 2023

In Control: San Antonio Early Childhood Education Municipal Development Corporation Meeting

DEPARTMENT: Workforce Development Office

DEPARTMENT HEAD: Michael Ramsey

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

RTW FY 2023 Re-Estimate and FY 2024 Budget Adoption

SUMMARY:

Staff will brief the Board on RTW Fiscal Year 2023 re-estimated program revenues and expenses, Financial Forecast through Fiscal Year 2028, and Fiscal Year 2024 Annual Operating Budget and Personnel Complement.

This item requests Board action (1) to approve the Fiscal Year 2023 re-estimated program revenues and expenses, and (2) to adopt Fiscal Year 2024 Annual Operating Budget and Personnel Complement.

BACKGROUND INFORMATION:

In November 2020, San Antonio voters approved RTW to increase access to quality training, education, and jobs with benefits for thousands of San Antonio residents. In May 2021 the Pre-K4SA Board approved the Fiscal Year 2021 budget, which included the creation of a new City Workforce Development Office (WDO) with a personnel complement of 11 staff members. In Fall 2021, WDO issued a series of requests for proposals to implement RTW. In May 2022, City Council approved prime contracts for intake, assessment, case management, and marketing services with Workforce Solutions Alamo, Alamo Colleges District, Project Quest, Restore Education, and Creative Noggin to implement the program. In September 2022, City Council approved a contract for program evaluation services with UTSA's Urban Education Institute. In May 2022, the PreK4SA Board and City Council approved the Fiscal Year 2022 budget. In June 2022, WDO launched RTW.

Since January 2022, over 14,000 individuals have applied for RTW. Over 300 employers have pledged to support RTW by engaging in employer initiatives and by hiring RTW participants. As of May 1, 2023, RTW intake agencies have completed interviews of 5,205 applicants, have confirmed 3,894 applicants eligible to date, and have enrolled 2,277 participants in approved training programs. 369 participants already have successfully completed training, and 108 have been placed in quality jobs, with a median starting hourly wage of \$18.68. This starting wage reflects a median hourly wage increase of \$16.00, which equates to an annual increase of over \$33,280 per individual. 89 different employers have hired RTW participants to date.

On April 4, 2023, staff briefed the Board on the program to date, updated Fiscal Year 2023 Re-estimated program revenues and expenses, and proposed Fiscal Year 2024 Annual Operating Budget and Personnel Complement. On April 19, 2023, staff briefed City Council on the same items.

ISSUE:

Staff requests Board action (1) to approve the Fiscal Year 2023 re-estimated program revenues and expenses, and (2) to adopt Fiscal Year 2024 Annual Operating Budget and Personnel Complement.

Financial Forecast. The Financial Forecast provides a current and long-range financial assessment, addressing revenues, expenses, and financial reserves through FY 2028. The Financial Forecast is based on a set of assumptions as of March 2023. The Financial Forecast is not a budget, rather it provides the Pre-K4SA Board, City Council, and the community with a financial outlook for RTW.

Re-Estimated Revenues and Expenses. The Fiscal Year 2023 Re-Estimate reflects updated program revenues and expenses for July 1, 2022, through June 30, 2023. The Fiscal Year 2023 beginning balance is re-estimated at \$55,745,339, revenues are re-estimated at \$49,415,239, and expenditures are re-estimated at \$22,282,431. The Fiscal Year 2023 gross ending balance is re-estimated at \$82,878,148.

Annual Budget and Personnel Complement. The proposed Fiscal Year 2024 Annual Operating Budget reflects anticipated program revenues, expenses, and City personnel costs for July 1, 2023,

through June 30, 2024. The Fiscal Year 2024 Revenues are forecasted at \$51,452,747 and total expenses are proposed to be \$35,192,498, which includes funding for Intake and Assessment (\$2,831,699), Case Management (\$6,950,546), Tuition / Training (\$17,286,128), Emergency Services (\$3,540,026). The personnel complement currently consists of 11 authorized positions; staff recommends one additional staff position (Marketing Manager) for a total of 12 for Fiscal Year 2024.

The Forecast and Budget include funding for emergency assistance up to \$1,500 for eligible costs, including housing, utilities, daycare, food, transportation, internet access, cell phone service plan, and legal assistance relating to job placement.

FISCAL IMPACT:

The Financial Forecast item is for informational purposes only.

Board approval of the Re-estimate will confirm the estimates for program revenues and expenses for Fiscal Year 2023.

Board adoption of the Fiscal Year 2023 Annual Operating Budget and Associated Personnel Complement will appropriate funds for the year beginning July 1, 2023 and ending June 30, 2024.

ALTERNATIVES:

Should the Board not adopt the Re-estimate and Budget as presented, it would delay the implementation of RTW.

RECOMMENDATION:

The Financial Forecast item is for briefing purposes only.

Staff recommends approval of the Re-estimate of Fiscal Year 2023 program revenues and expenses and adoption of the Fiscal Year 2024 Annual Operating Budget and Associated Personnel Complement.