

# FY2020

PROPOSED OPERATING  
AND CAPITAL BUDGET

# HIGHLIGHTS





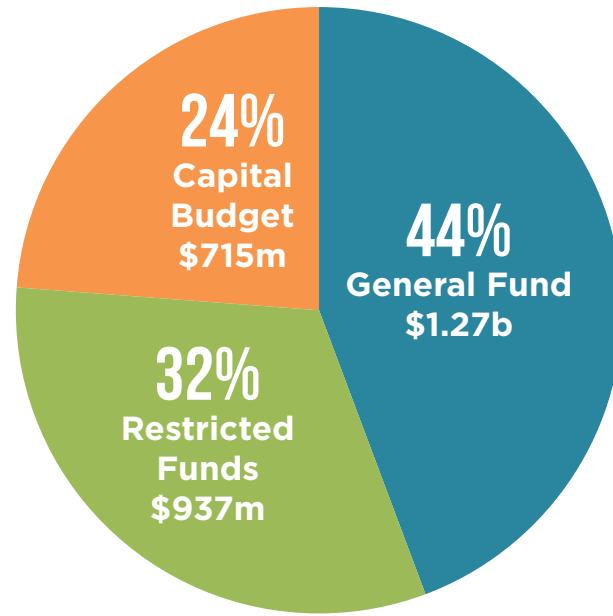
THE FY2020 PROPOSED  
BUDGET FOCUSES ON  
PROPERTY TAX RELIEF,  
STRONG FAMILIES &  
CHILDREN, HOUSING  
AFFORDABILITY, STREET &  
SIDEWALK INFRASTRUCTURE  
AND POLICE.

The FY2020 Proposed Budget features investments in key Council and community priorities, includes a new **\$5,000 homestead exemption with no City property tax rate increase** and is balanced, despite challenges to revenue sources.

# FY2020 TOTAL CITY PROPOSED BUDGET \$2.9 BILLION

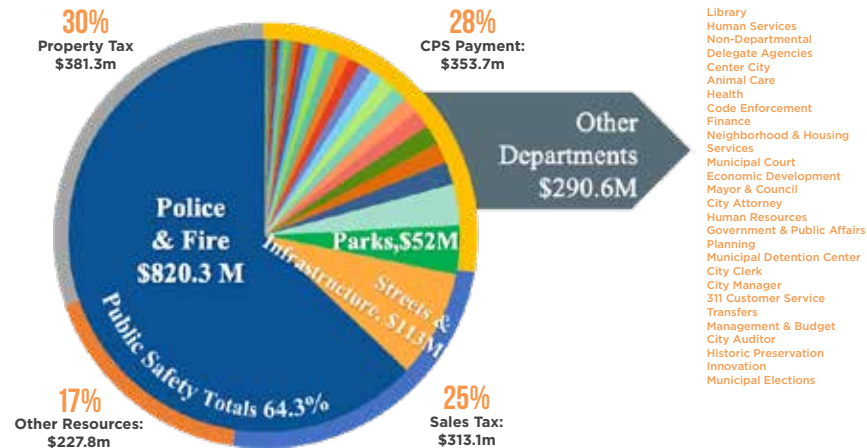
## Total City Budget - \$2.9 Billion

The Proposed Budget for FY2020 is \$2.9 Billion and is comprised of three parts – the General Fund, Restricted Funds (Airport, Solid Waste, and Development Services) and the capital budget which includes the 2017 Bond Program and Airport Projects.



## General Fund - \$1.27 Billion

The City's largest operating fund is the General Fund. The services paid by the General Fund include most basic City services. Police and Fire services represent 64% of the General Fund. The remaining funds are allocated to other important City services including Streets, Parks, Libraries, Human Services, Health, Animal Care, and Code Enforcement.



## CURRENT FINANCIAL CONDITIONS

The FY2020 Proposed Budget addresses several revenue challenges, in part due to the Texas Legislature's elimination of millions of dollars in fees previously paid by cable and telecommunications companies for the use of the public right-of-way effective September 2019 and property tax reforms that will be effective in FY2021. In addition, lower-than-projected CPS Energy revenues and projected decreases in interest earnings as a result of the recent Federal Reserve interest rate reduction left the City with a much tighter revenue picture in FY2020 than in years past.

**To balance the budget and avoid cutting City services the FY2020 General Fund Budget reduces \$6 million in spending and redirects it to Council and community priorities.**

Additionally, to balance the budget, the budget proposes to shift Parks expenses to Parks Environmental Fund with **no impact** to residents by shifting 50¢ from the Solid Waste Environmental Fee to the Parks Environmental Fee. The budget also leverages funds from external partners and increases the transfer rate from SAWS from 2.7% to 4%. Since the creation of the City-owned water and wastewater utility in 1992, the City has **not** increased the transfer rate.



Despite these revenues challenges, in July 2019, the three major credit ratings agencies reaffirmed the City of San Antonio's top-of-class credit ratings. The City received a 'AAA' general obligation bond rating by Standard & Poor's (S&P) and Moody's Investors Service (Moody's) for the tenth consecutive year. Fitch Ratings has also affirmed their 'AA+' rating. San Antonio's bond ratings are

among the highest of any major city in the United States. The ratings enable the City to borrow at the lowest-possible interest rates, **which saves millions of dollars for residents** each year and allow the City to invest more in street construction, sidewalks, drainage improvements and other major capital projects.

## GENERAL FUND

The largest portion of the \$2.9 billion Proposed Budget is the General Fund, which funds the City of San Antonio's core services, like public safety, street maintenance, parks and libraries. The FY2020 General Fund Budget is 1.2 percent larger than FY2019, and it maintains a 15 percent minimum ending balance.

The General Fund is focused on the **four top priorities** identified by the City Council and the community: **strong families & children, housing affordability, streets & sidewalk infrastructure and public safety.**



### \$1.6 million for Domestic Violence Prevention:

The FY2020 Proposed Budget includes a coordinated effort to address family violence in San Antonio. **\$500,000** will be used to develop a family violence prevention communications campaign, a school-based violence prevention program and a parenting program to decrease child abuse. The balance is set aside to be awarded through a competitive process to community-based organizations to facilitate the development of programs to address prioritized gaps identified in the Domestic Violence Comprehensive Plan that will be completed in October 2019.

The Proposed Budget also includes **\$607,000** to fund 50% of the total cost to establish and operate a Trauma Informed Care Certifying Process. Trauma informed approaches help buffer the effects of childhood psychological trauma, reducing the risk of chronic disease and behavioral health issues later in life.



### \$1 million for Homeless Initiatives:

The FY2020 Proposed Budget includes **\$560,000** in a reserve fund to expand support for homeless services across the community. Funds will be allocated through a competitive process to community organizations based on the Homeless Community Strategic Plan's identification of gaps in services and recommendations. The FY2020 Proposed Budget includes an additional **\$500,000** for Haven for Hope to fund shelter and services to appropriately serve emergency overflow families, including additional case management, services for children, security, and facility costs.



### **\$34.4 million for Housing Affordability:**

The FY2020 Proposed Budget deploys a coordinated strategy to address housing affordability by partnering with external stakeholders. Through this approach the City will leverage more than **\$11 million** from external entities for affordable housing investments. In addition to maintaining the City's \$23.3 million from federal grants (CDBG and HOME) and General Fund, partners such as Local Initiatives Support Corporation (LISC), San Antonio Housing Trust and San Antonio Housing Authority (SAHA) will **invest an additional \$5 million** combined with another \$6.2 million from potential grants from tax increment reinvestment zones (TIRZs).



### **\$1.3 million to hire 16 more San Antonio Police Officers:**

Of the 16 new positions, six will be sergeant positions to increase supervision within the Crisis Response Team (CRT), that **handle domestic violence cases** across the City. The remaining ten positions will be SAFFE officers who have the most interaction with residents through community policing, participation in special events and projects. The new SAFFE officers will allow for an Enhanced Crisis Response Follow up initiative where SAPD will contact victims of domestic violence 30 days, 60 days, and 90 days following an incident to minimize the likelihood of re-victimization.



### **\$380,000 to hire 4 more San Antonio Firefighters:**

**Three** firefighters will be brought on for an enhanced squad pilot program to assist with medical calls at Station 44, which has the **highest call volume** in the city, and **one** position for fire suppression training.



### **\$3.4 million for SAFD equipment:**

Includes a **new clean cab initiative**, which keeps contaminated gear away from firefighters, replacement of bunker gear, engine replacement and other equipment.



### **\$312,000 for 4 more Parks Police Officers:**

For **security at district parks** in the southwest sector of the city and linear creekways for North Salado Creek Greenway.



### **\$272,000 for a Neighborhood Entertainment Zone Safety Program:**

This program assigns **dedicated police officer overtime** to five areas of highly trafficked entertainment corridors in the City to enhance and promote communication with businesses and residents to address quality of life.



### **\$110 million for Street Maintenance:**

Which maintains the investment made in FY2019. Beginning in FY2020, **50%** of the funding will be allocated based on the size of each Council District's street network and **50%** based on the condition of the network.



### **\$17 million for Sidewalk Improvements:**

This investment will address sidewalk gaps and add a new sidewalk repair crew to maintain sidewalk infrastructure. **\$12 million** in funding will come from the 2017-2022 Bond Program, and \$5 million of funding will come from the Advanced Transportation District (ATD) Fund.



### **\$1 million for bicycle facilities and \$219,000 for a new micro-mobility team:**

Which will be dedicated to planning and **implementing micro-mobility lanes** for bicycles, scooters and other alternate forms of transportation.



### **\$5.4 million for Congestion Mitigation and Air Quality:**

Which is the 20% local match to leverage federal funding for four projects to include a comprehensive sustainability and health public outreach initiative, a citywide traffic optimization project, a Medical Center Green Street project, and **increased bus services frequency.**



### **\$1.9 million for parks and greenways:**

**16 new positions** to support the additional miles of voter-approved greenways, multi-use trails, new park acres and amenities.



## RESTRICTED FUNDS

The FY2020 Proposed Budget also includes a number of Restricted Funds, which are self-sustaining through the revenues generated for the services.



### Solid Waste Rate Decrease:

The monthly fee for the small trash cart is **reduced by \$2** to encourage customers to downsize. The **\$0.50 decrease** to the Solid Waste Environmental Fee is offset by corresponding increase to the Parks Environmental Fee. Solid Waste personnel and equipment are added to keep up with growth of city, and enhance the safety program.



### Storm Water Rate Increase:

FY2020 is the fifth and final year of increases to monthly Storm Water Fee using the methodology adopted by City Council in FY2016. FY2020 rate increase is **approximately 2.25%**, which equates to an average annual residential fee increase to \$1.30.



### Development Services:

There are **no fee increases** in the FY2020 Proposed Budget. **14 positions** will be added to address work without permits around the city, regulation of short-term rental properties and land-use regulation of areas around military bases.



### Parking Fund:

The FY2020 Proposed Budget adds **\$1.3 million** for parking garage maintenance and improvements and **\$300,000** for alternative transportation incentives for City employees.

# BUDGET CALENDAR

Throughout the next month, City departments will present their budgets to City Council at several work sessions. City staff will make adjustments to the proposed budget based on feedback from Council and input collected from the community through **SASpeakUp**. City Council will vote to adopt the FY2020 Operating and Capital Budget on **Thursday, Sept. 12**.

**Saturday, August 17**  
noon - 3:30PM

SASpeakUp Community Day At Traders Village

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**Saturday, August 24**  
9AM - noon

SASpeakUp Community Day At The Rustic

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**Wednesday, August 28**  
6PM

FY2020 Ad Valorem Tax Rate Public Hearing & Proposed Budget Hearing

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**Thursday, August 29**  
6:30 - 7:30PM

SASpeakUp Telephone Town Hall Meeting, register at [SASpeakUp.com](https://SASpeakUp.com)

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**Wednesday September 4**  
6PM

FY2020 Ad Valorem Tax Rate Public Hearing and FY2020 Proposed Budget Hearing

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**Thursday, September 12**  
9AM

“A” Session At City Council Chambers



Learn more at [SASpeakUp.com](https://SASpeakUp.com)