



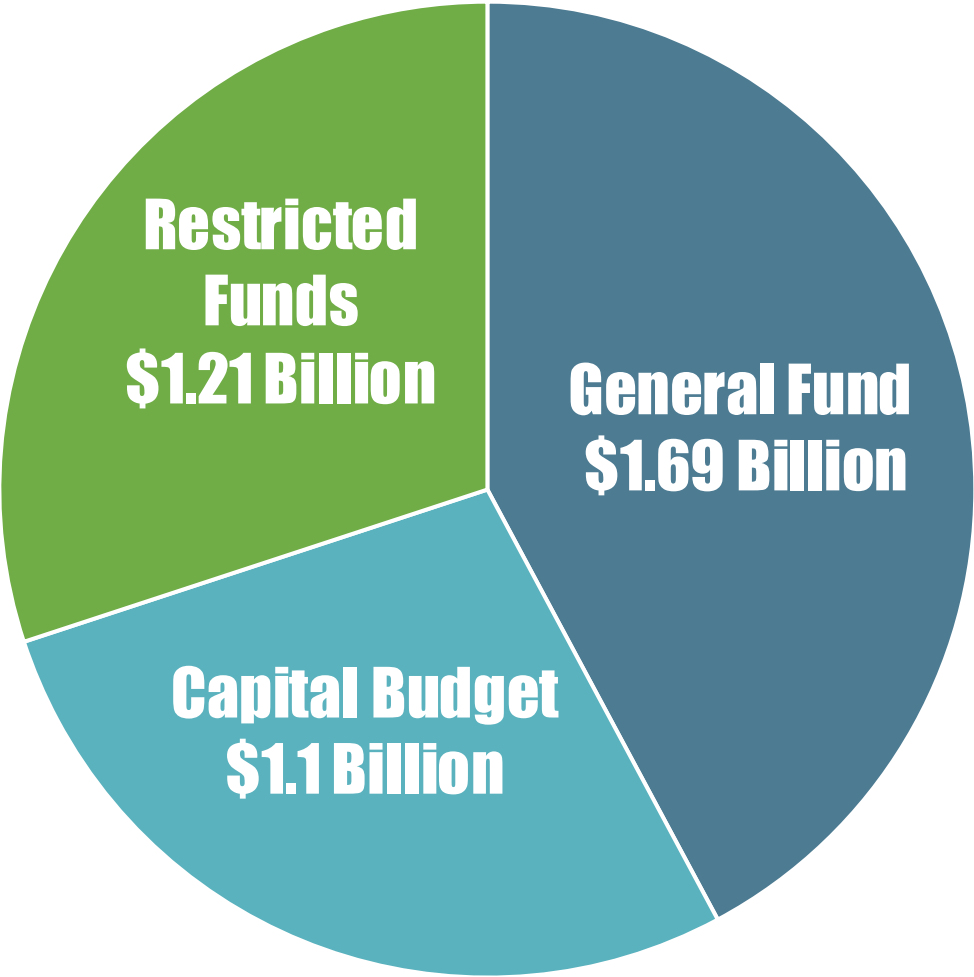
# City of San Antonio **FY 2026 Proposed Budget**

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ReCOSA Brown Bag | August 15, 2025  
Presented by Justina Tate, Budget Director



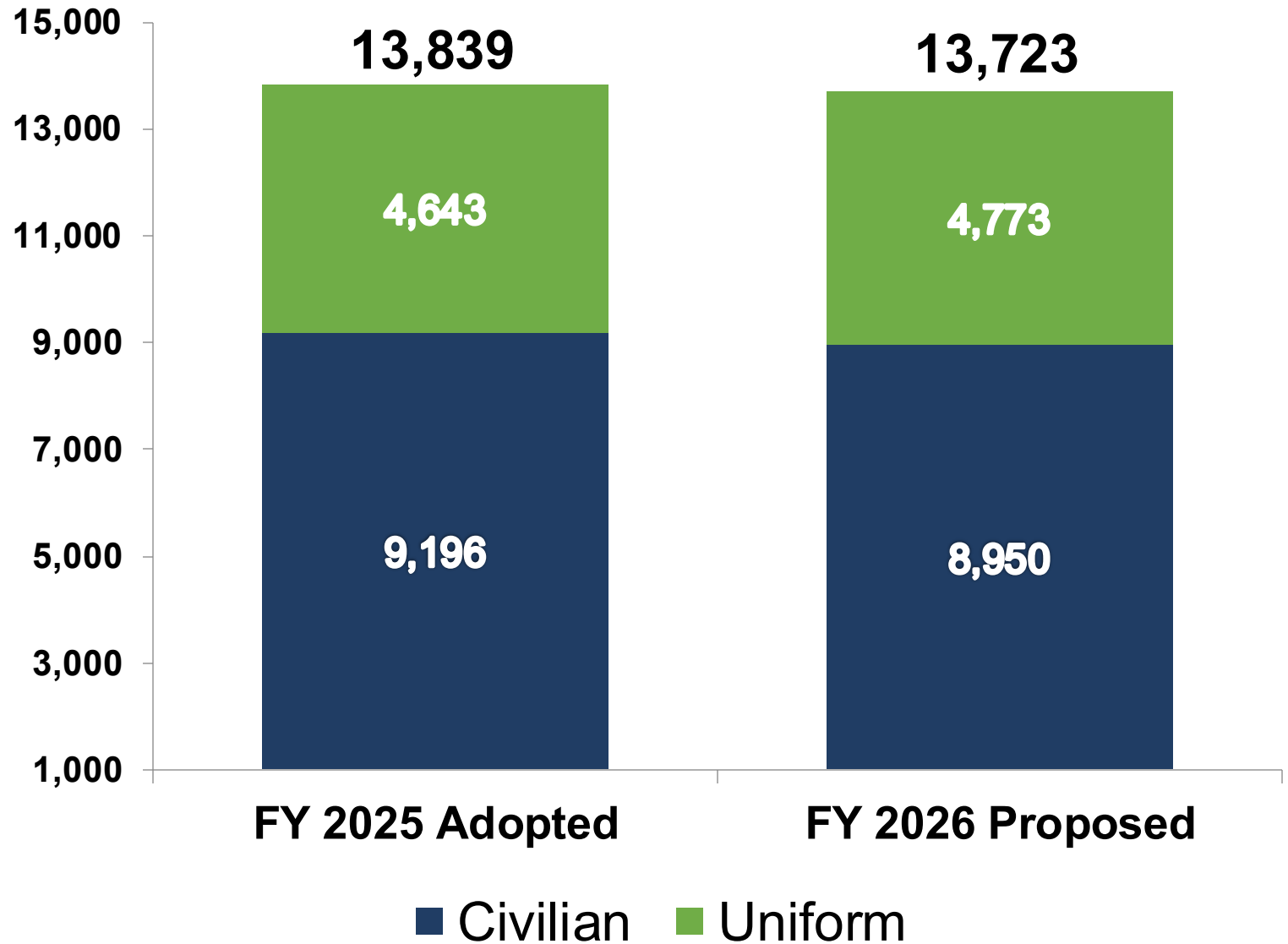
# FY26 Budget Facts: \$4.04 Billion



	FY25	FY26	% Change
Total City Budget	\$3.96 Billion	\$4.04 Billion	2.2%
General Fund	\$1.67 Billion	\$1.69 Billion	1.6%



# FY26 Total City Positions





# General Fund



# Budget Challenges

- Forecast in May and Trial Budget in June projected deficits
- Revenues are still growing but slower than historical growth
- Expenses outpacing revenue growth
- Not unique to San Antonio, cities across Texas and U.S. are facing same challenges
- Uncertainty around continued Federal Funding for programs, initiatives, and infrastructure
- State legislative bills passed by State have negatively impacted property tax revenues and food/liquor license revenues

# **Budget is balanced in FY26, and lays out a balanced plan for FY27**

## *Our guiding principles*



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graph TD; A[Our guiding principles] --> B[Protect essential and mandated services]; A --> C[Minimize impact to vulnerable populations]; A --> D[Avoid long-term risks as result of changes in budget];
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Protect essential  
and mandated  
services

Minimize impact  
to vulnerable  
populations

Avoid long-term  
risks as result of  
changes in  
budget

# Balancing the General Fund Budget

- Trial Budget projected deficits of \$21 Million in FY26 and \$152 Million in FY27 driven by rising costs outpacing revenue growth
- FY 2026 is balanced with plan to balance FY27
  - Reduced spending with minimal impact to essential services
  - Used savings from completed projects and unspent balances
  - Moved eligible projects to capital
  - Implemented CPS Revenue financial policy
  - Increased fees and fines to add new revenues

# A Disciplined and Strategic Approach to Balancing the Budget

## General Fund - \$ In Millions

<b>Deficit in FY26 &amp; FY27</b>	<b>(\$172.62)</b>
Less Property Tax Revenue (FY26 & FY27)	(\$12.22)
CPS Off System Sales (FY25 to FY27)	\$69.27
Revised revenue projections (FY25 to FY27)	\$8.67
New Adjusted Fines and Fees (FY26 & FY27)	\$12.02
Less Expense (FY25 to FY27)	\$110.98
New Expense & funds added to maintain reserves	(\$16.10)
<b>Projected Balance at the end of FY27</b>	<b>\$0.00</b>



# Taxable Property Values



- Certified roll received in late July
- Base taxable values projected to decline in FY26 and FY 27
- Revenues flat and **\$12.2 million less** compared to the trial budget.

Taxable Value Growth	FY25 Estimate	FY26 Proposed	FY27 Projection
Base Values	2.67%	(0.9%)	(1.10%)
New Values	1.57%	1.76%	1.50%
Total	4.24%	0.86%	0.40%
Revenue (\$ Millions)	\$471.9	\$472.4	\$474.3

- No property tax rate increase; 33<sup>rd</sup> consecutive year
- City's rate remains at 54.159 per \$100 valuation



# Property Tax Relief

- 255,567 Homesteads in San Antonio
- \$233,908 Average taxable value

## **\$151.8 Million** **in Property Tax Relief**

**\$75.8M**  
Homestead  
Exemptions

**\$48.8M**  
over age 65  
Exemptions

**\$24.3M**  
Tax Freeze

**\$2.3M**  
Disabled  
Persons &  
**\$0.6M** in  
childcare  
facilities



# FY26 Major General Fund Revenues

- Overall General Fund Revenues in FY26 are projected to grow 0.8% over FY25 Estimate

	FY25 Estimate	FY26 Proposed	\$ Change	% Change
Property Tax	\$471.9	\$472.4	\$0.5	0.1%
Sales Tax	411.0	419.2	8.2	2.0%
CPS Revenue	490.5	504.4	13.9	2.8%

# Reduced Spending over three years

- Critical review of departmental budgets, savings from unspent funds, completed projects, and other efficiencies and reductions with no major impact to services
- Reduced projected civilian compensation increase from trial budget
- 68 positions eliminated, 35 filled. Vacant positions identified for impacted employees.

Reductions	FY25	FY26	FY27	Total
<i>- Cumulative amounts -</i>				
Efficiencies & Reductions		\$12.7	\$17.2	\$29.9
Move expense to capital and other funds	15.2	5.0	3.0	23.2
Comprehensive Budget Reviews		6.3	10.8	17.1
Reduced civilian compensation increase		3.1	12.8	15.9
Critical Budget Review		6.0	6.5	12.5
Project Savings	8.1			8.1
Unspent Funds	4.3			4.3
<b>Total</b>	<b>\$27.6</b>	<b>\$33.1</b>	<b>\$50.3</b>	<b>\$110.98</b>





# Investments



# Budget Priorities



**Homelessness**



**Infrastructure**



**Affordable Housing**



**Public Safety**



**Animal Care Services**



**City Employee Compensation**





# Homeless Services

## \$30.5 Million

- Enhanced focus on homeless outreach and encampment clean up
- Established Homeless Services and Strategy Department
  - Coordinate across department and community partners
  - Create comprehensive system of care
  - Develop Long term sustainable path
- \$4.8 million to continue low-barrier shelter hotel
- Increase frequency of abatements of at-risk recurring sites





# Improving Capital Project Delivery

- Capital Delivery Department established
  - 188 positions from Public Works
- Sole focus on delivering bond and capital projects on time, and aligned with community expectations
- Improve community engagement and communication with Council Offices and public
- Will plan future bond programs, and will begin discussions about potential 4-year bond programs beginning in May 2026<sub>16</sub>





# Public Works Department

## \$303.1 Million

- Focus on maintaining infrastructure: streets, sidewalks, drainage, and traffic systems
- 698 Employees
- Revamp the Street Maintenance Program using data-driven strategies and best practices to ensure long-term results. \$500,000 included for this effort





# Street Investment \$122.4 Million



1,464 Projects &  
416 Miles Maintained

# Sidewalk Investment \$17 Million



21 miles of new sidewalks  
11 miles repaired





# Affordable Housing \$30.4 Million

- Continues Strategic Housing Implementation Plan
- Of the 28,094 goal; 13,100 will be constructed, under construction or in pipeline, 47% of goal
- \$5.67 million for rental assistance: 1,839 residents
- \$14.7 million to complete 497 major and minor repairs



# Police

## \$630.6 Million General Fund

- 53 new police officers, 28 for new South Flores Substation and 25 for City-wide proactive patrol
- Continues moving toward officer time goal of 60% of proactive work and 40% of on-call
  - 190 police officers added of 360 goal (165 prior to FY26)
- 65 vacancies from park and airport police to be filled by SAPD trained officers
- 6 academy classes scheduled with estimated 270 graduates





# Fire

## \$428.4 Million General Fund

- 12 new firefighters to increase squad units by 2 to address medical calls at the busiest fire stations: \$1.3 Million
- \$1.4 Million for a department needs assessment focusing on staff, equipment and facilities
- \$291,000 for drones to provide situational awareness, map fire perimeter, and identification of hot spots





# Animal Care Services

## \$33.6 Million

- Continues to make improvements to protecting community through education and enforcement while focusing on positive outcomes of animals

Critical Calls	FY24	FY25	FY 26
% of critical calls responded	62.4%	83.0%	97.0%
Live release rate	84.8%	85.2%	85.0%
Spay/neuter surgeries	33,634	38,930	41,459
Adoptions	5,444	5,342	6,500





# Restricted Funds





# Solid Waste Management \$161.4 Million



Provides trash, recycling, organic, brush and bulky collection to over 380,000 homes

Continued focus on illegal dumping and support of homeless abatements

No new fee increase proposed in the budget



# Next Steps in Budget Process

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## August

- 14<sup>th</sup> Proposed Budget

## August

- Five Budget Work Sessions
- Ten Community Townhalls
- One Youth Townhall

## September

- Seven Budget Work Sessions
- Two Budget & Tax Rate Hearings
- 18<sup>th</sup> Budget Adoption

New Fiscal Year

## October

- 1<sup>st</sup> Beginning of Fiscal Year



# Budget Townhalls

Townhalls budget meetings begin at 6:30pm

Council District	Date	Location
District 3 District 10	Monday, August 18	Southside Lions Senior Center Northeast Senior Center
District 9	Tuesday, August 20	Walker Ranch Senior Center
District 2 District 7	Thursday, August 21	Wheatley Heights Sports Complex Garza Community Center
Youth Town Hall	Saturday, August 23	Central Library
District 5 District 6	Monday, August 25	Normoyle Community Center Cuellar Community Center
District 1 District 4	Tuesday, August 26	Central Library Robinette Community & Senior Center
District 8	Wednesday, August 27	Phil Hardberger Urban Ecology Center





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