



BEXAR COUNTY TX  
**BUDGET & FINANCE**

# Long-Range Financial Forecast

**Fiscal Year 2025-26**



# Discussion of the Budget Process

## Purpose



- To brief the Commissioners Court on the upcoming budget process
- To notify the Commissioners Court and County offices that this will not be a normal budget process
- No action is required today by the Commissioners Court

# Property Tax Growth

## Property Values

- Bexar Appraisal District normally provides its first draft of property values at the end of April and provides the final certified values at the end of July
- The Budget Office received the first preliminary report from the Bexar Appraisal District
- Below is a comparison of April’s preliminary reports of previous years

Preliminary April Report	2023 (+14.3%)	2024 (+7.7%)	2025 (+5.1%)	Current (+0.7%)
Existing Values Change	\$21.9 billion	\$11.6 billion	\$5.8 billion	-\$4.8 billion
New Values Added	\$7.5 billion	\$6.1 billion	\$6.5 billion	+\$6.6 billion
<b>Growth (\$)</b>	<b>\$29.4 billion</b>	<b>\$17.7 billion</b>	<b>\$12.3 billion</b>	<b>+1.8 billion</b>

# Property Tax Growth

## Property Values



- One factor that resulted in lower property values is an additional \$9 billion in exemptions, including new exemptions approved during the legislative session
- The number of properties with exemptions increased by about 50,000 properties compared to last year
- The April report *does not* include protested values, which will not be available until May
  - Last year, \$97 billion was protested by property owners in May
  - Over the last two years, the County has lost about \$6-7 billion of those protests by July
- Based on this information, for the long-range forecast, we are assuming a \$6 billion loss in protests

# Updated Revenue Projections

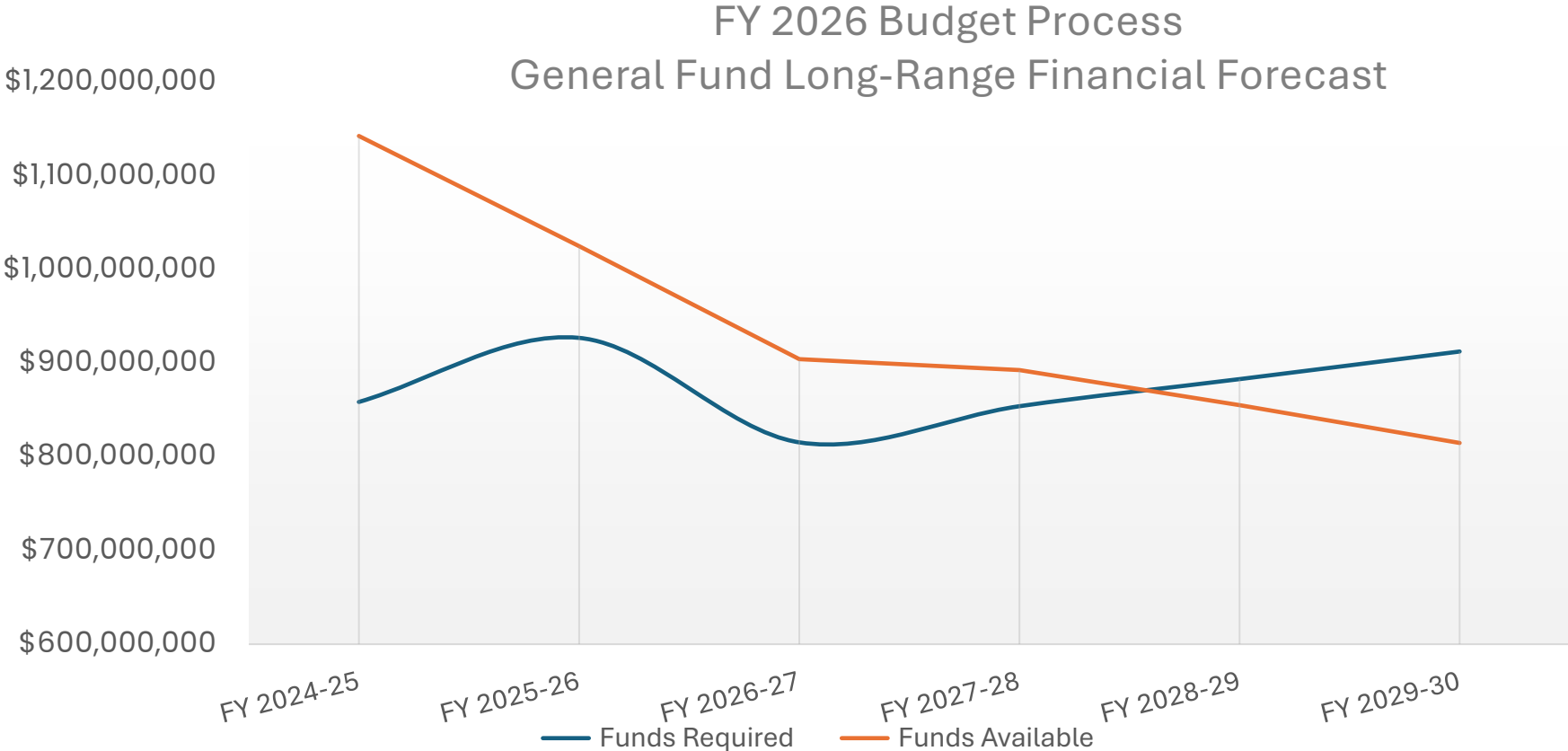
## Revenues

- Based on the assumptions on the previous slides, the revenue projections in the forecast have been updated

	<b>Last Year Forecast</b>	<b>Updated Forecast</b>
FY 2027	2.7%	-1.7%
FY 2028	3%	0%
FY 2029	3.4%	1%
FY 2030	3.4%	2%
FY 2031	-	2%

# Last Year's Forecast

- During the Proposed Budget, the General Fund would exceed its target fund balance in FY 2028-29 by **\$28 million**

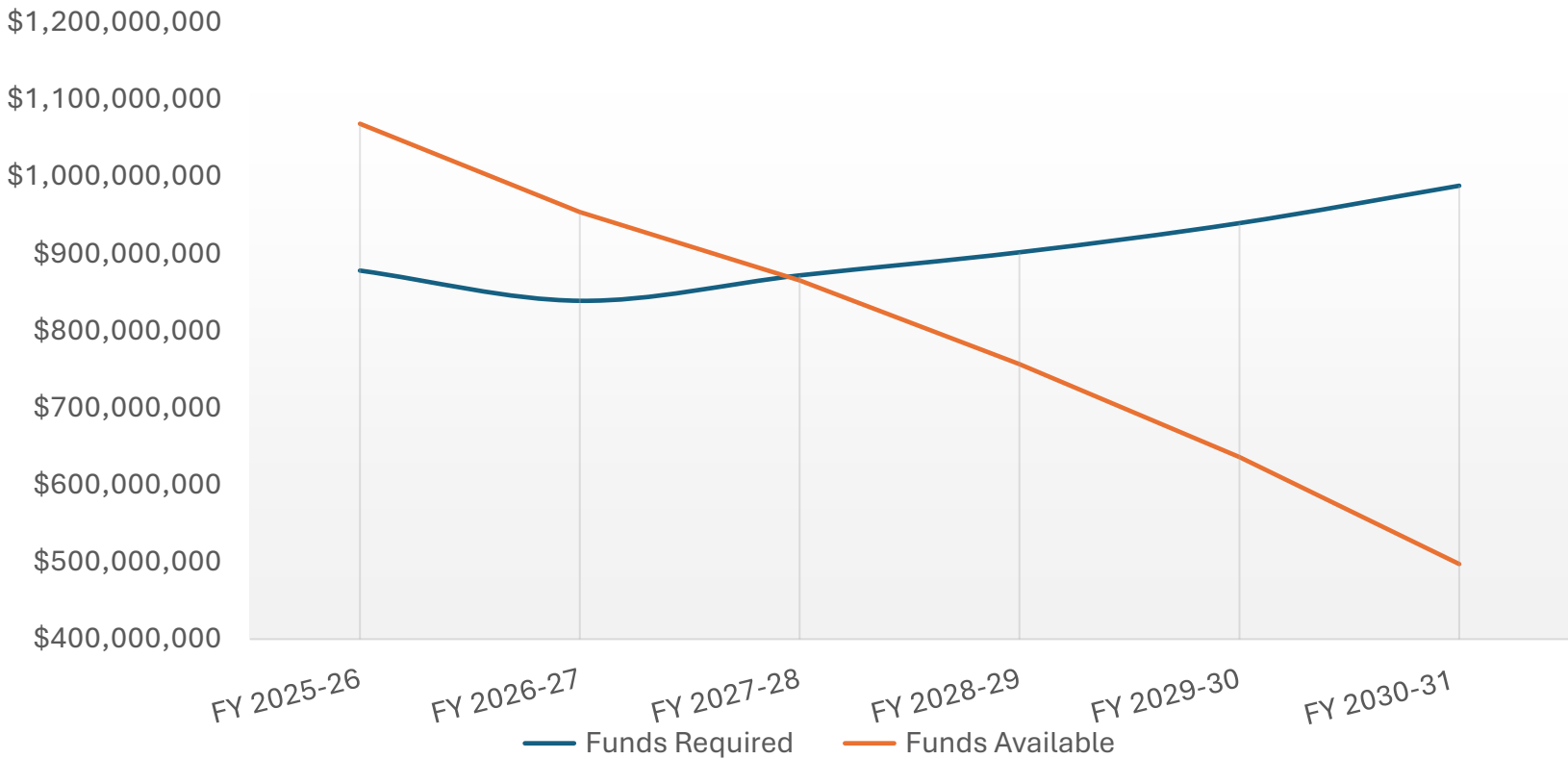


# Updated Forecast

- Currently, the General Fund would exceed its target fund balance in FY 2028-29 by **\$145 million**



General Fund Long-Range Financial Forecast



# Previous Mitigation Actions

- No cost-of-living adjustments
- Freeze vacant civilian positions
- No new program changes
- No new capital projects
- Adjust health insurance plans for employees

# Final Points

- This will **not be a normal** budget process
- Mitigation is necessary for this upcoming process to reduce significant reductions in the future
- The Budget Office will monitor this as we receive the reports in May, June, and July, which are typically received at the end of the month throughout the budget process and report back with any changes

