



**CITY OF SAN ANTONIO
OFFICE OF MAYOR GINA ORTIZ JONES
INTERDEPARTMENTAL CORRESPONDENCE**

TO: City Council

FROM: Mayor Gina Ortiz Jones

COPIES TO: Erik Walsh, City Manager; Andy Segovia, City Attorney

SUBJECT: Ready to Work Path Forward

DATE: August 11, 2026

Colleagues,

Based on the memo that the City staff has provided regarding how we might redirect the remaining Ready to Work funds, it is clear there is a path forward to redirect some of those funds without the need for a public vote. According to City staff, about \$4.5 million would have qualified for Ready to Work funds in the FY 2026 General Fund without a public vote, thereby freeing up those resources for core services.

As we will hear on Thursday, the City staff recommends a 3.9% property tax increase in FY 2027 and a 4.4% property tax increase in FY 2028. This reality is exactly why I thought it was important to understand our financial options.

I appreciated hearing from many of you and the conversation this has created as we approach the start of budget discussions this week.

Ideas on a Path Forward

1. **Fund what we can now.** We fund programs in the proposed FY 2027 budget now that are eligible to be funded through the Ready to Work program without the need for a public vote. Taking just the five eligible programs scheduled to be funded in the FY 2027 budget, that amount is ~\$2.44 million. While six programs were identified as eligible to be funded in FY 2026, the City staff recommends zeroing out one of those programs in the proposed FY 2027 budget. That program is the San Antonio Education Partnership – Scholarship and Outreach Program which was funded at \$2.1 million in FY 2026. With funding through Ready to Work, we can save this program.
2. **Backfill and plus up certain programs.** Given City staff identified six programs that are eligible to receive funds, we are not restricted in how much those same six programs may receive in FY 2027. Therefore, we could backfill the \$2.1 million zeroed out from the San Antonio Education Partnership – Scholarship and Outreach Program and even *increase that amount*, if we so choose. We could also *double the funding* for the successful Project QUEST, so they receive \$4 million in FY 2027. In fact, if we choose, we could use the Ready to Work funds to double the funding for all six of these programs in FY 2027.

3. **Redirect freed-up money to core services.** As a result of utilizing Ready to Work money to fund eligible programs in the FY 2027 budget, we could invest newly freed-up funding into agreed upon core services. If we had done this in FY 2026, ~\$4.5 million would have been freed up based on the City staff's memo. While the funding for those same programs in FY 2027 is ~\$2.4 million based on the proposed budget zeroing out the San Antonio Education Partnership – Scholarship and Outreach Program, the monies freed up for core services may still increase as a result of additional analysis done by the City staff deciding which programs are eligible that are currently funded in the General Fund.

Importantly, this path forward allows the City staff to perform an impact analysis of any decisions we might make that would affect the remaining Ready to Work funding profile (i.e., how would Ready to Work be impacted if we chose to double funding in FY 2027 for Project QUEST to \$4 million, as well as backfill and double funding for San Antonio Education Partnership – Scholarship and Outreach Program to \$4.2 million).

I believe this exercise has made us better informed of our options going into the budget sessions and Ready to Work is no longer needed as a topic during the Special Session on Monday, August 17, 2026. We have the flexibility to redirect Ready to Work monies in the FY 2027 budget and ample time to revisit this topic before Ready to Work's next budget request.

I look forward to discussing these ideas on a path forward as we address our community's most pressing needs during this affordability crisis.



Gina Ortiz Jones
Mayor