



MEMORANDUM

To: Mayor and City Council

Through: Ed Van Eenoo, Chief Financial Officer *Ed Van Eenoo*

From: Kerri Lang, Director, Austin Budget & Organizational Excellence (BOE) *Kerri Lang*

Date: November 20, 2025

Subject: **Fiscal Year 2025-2026 Proposed Amended Budget: Staff Recommendation Updated**

The purpose of this memorandum is to respond to City Council's direction for staff to present an omnibus amendment to the Proposed Amended Budget for Fiscal Year 2025-2026 that reflects the City Council's priority-setting as expressed through posts on the City Council message board, submitted amendments, and feedback offered at this week's Budget work session and special-called City Council meeting, while maintaining a balanced General Fund budget.

Staff has identified \$7.2 million in investments targeted at the areas it perceived as Council's highest priorities. These investments include:

ITEM	GENERAL FUND IMPACT
Non-Congregate Shelters	\$2,900,000
Permanent Supportive Housing Services (additional \$2.1 million provided through Housing Trust Fund)	\$202,597
EMS Sworn Overtime to Eliminate Brownouts	\$2,500,000
Increase service hours for the Expanded Mobile Crisis Outreach Team (EMCOT)	\$1,000,000
Child Advocacy Services in Williamson County	\$120,000
Food Pantries at Title I Schools	\$300,000
Home-Delivered Meals for Older Adults	\$200,000
TOTAL	\$7,222,527

In order to facilitate increased investment in these perceived priority areas, staff have identified offsetting reductions totaling \$7.2 million. In line with the City Council's guidance, these proposed reductions:

- Realign new investments in homelessness response to Council's highest-priority initiatives
- Reverse new investments included in earlier iterations of this budget process, but which cannot be sustained given current revenue constraints
- Reduce funding for non-essential contracts and services
- Reflect updated information regarding the timing or magnitude of necessary investments
- Leverage opportunities to use non-General Fund resources to support new investments

These reductions are detailed below:

ITEM	GENERAL FUND IMPACT
Move Homelessness Navigation Services to HOPE Fund	(\$500,000)
Reflect revised cost estimate for Sobering Center	(\$125,000)
Reduce funding for Job Training for Populations with High Barriers to Employment	(\$500,000)
Reduce funding for new Rapid Rehousing Beds	(\$1,000,000)
Reduce funding for Bridge Shelters	(\$750,000)
Reduce funding for Landlord Engagement	(\$600,000)
Reduce funding for Homelessness Diversion Services	(\$500,000)
Add fewer new resources for Parkland and Grounds Maintenance	(\$1,000,000)
Reverse increase in funding for improved maintenance of PARD athletic fields	(\$375,000)
Reduce Facilities Management's third-party contract for One Texas Center	(\$100,000)
Reduce Financial Services' budget for IT staffing and office relocation services	(\$150,000)
Reverse funding for Tax and Estate Planning Pilot Program*	(\$539,601)
Reduce funding for Emergency Rental Assistance*	(\$600,000)
Reduce funding for third-party contracts in Economic Development	(\$110,160)
Delay Forensic Science staff to FY27	(\$372,766)
TOTAL	(\$7,222,527)

* General Fund impact reflected through reduced transfer to Housing Trust Fund

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The attached document, “Exhibit D: Fiscal Year 2025-2026 Proposed Amended Budget: Staff Recommendation” presents an itemized list of these amendments and will be added to Council Agenda Item #4 for consideration.

Should you have any questions or concerns, please contact Kerri Lang, Director of BOE at kerri.lang@austintexas.gov.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Corrie Stokes, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors