

AN ORDINANCE 2017-05-11-0325

AMENDING THE FY 2017 ANNUAL OPERATING AND CAPITAL BUDGET TO ADJUST REVENUE AND APPROPRIATION LEVELS AND ADJUSTING PERSONNEL LEVELS, REFLECTING THE MID-YEAR BUDGET ADJUSTMENT RECOMMENDATION.

* * * * *

WHEREAS, in accordance with the applicable provisions of the City Charter and the Texas Local Government Code, and pursuant to Ordinance No. 2016-09-15-0693, passed and approved September 15, 2016 (the "FY 2017 Budget Ordinance"), the City's Annual Operating Budget for FY 2017 was adopted (the "FY 2017 Budget"); and

WHEREAS, the Budget contains the projected revenues and expenditures for the operations of the City for the Fiscal Year 2017 (the "Fiscal Year"); and

WHEREAS, on May 10, 2017 City staff presented the City Council with the "Six Plus Six" Budget and Finance Report, which consisted of actual revenues and expenses for the period of October 1 to March 31 and projections for the period of April 1 to September 30 for the FY 2017 Budget; and

WHEREAS, the recommended FY 2017 Mid-Year Budget Adjustments were presented and discussed in detail with the City Council; and

WHEREAS, as part of the May 10, 2017 presentation to the City Council, City staff presented revised projections for revenues and expenses in the General Fund and Restricted Funds as set forth in **Attachment I** of this Ordinance in the General Fund and Restricted Funds; and

WHEREAS, following extensive discussions and deliberations on the subject, the City Council desires to accept all of the City staff recommendations; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO

SECTION 1. General Fund and Restricted Funds Revenue and Expenditure Adjustments. The FY 2017 Budget is hereby amended to reflect the revised revenues and expenditure projections shown in **Attachment I**.

SECTION 2. General Fund Mid-Year Budget Adjustment. As discussed at the May 10, 2017 presentation to City Council shown in **Attachment II**, the following mid-year adjustments are included in the General Fund:

- A. The budgeted appropriation of \$1 Million for the FY 2017 COPS Grant Cash match is hereby approved to be reallocated for cadet and equipment cost associated with 15 new Police

Uniformed positions in the amount of \$700,000 and for the Stand Up SA, Cure Violence Program in the amount of \$300,000.

- B. The allocation of \$150,000 from the \$1 Million General Fund Contingency in the FY 2017 Budget to provide legal services to low-income residents is hereby approved. These legal services will include education seminars, counseling and legal representation on a variety of issues including veteran issues, landlord-tenant, identification recovery for Haven for Hope (homeless) community, immigration, and simple wills. A recommendation of legal services provider(s) will be brought to the City Council for approval following a formal procurement process which is anticipated to be completed within 90 days of the approval of this Ordinance.
- C. The allocation of \$30,000 from the \$1 Million General Fund Contingency in the FY 2017 Budget is hereby approved to augment the City's Ambassador Program by doubling the number of participants in the Ambassador Program for City Council District 2 is hereby approved.

SECTION 3. Restricted Funds Mid-Year Budget Adjustment. As discussed at the May 10, 2017 presentation to City Council shown in **Attachment II**, the following mid-year adjustments are hereby approved:

- A. **Convention and Sports Facilities Fund.** The following appropriations are hereby authorized from better than budgeted Alamodome and Convention Center revenues as follows:
 - a. Funds in the amount of \$633,000 are authorized for smoke control testing and general improvements at the Alamodome.
 - b. Funds in the amount of \$278,000 are authorized for contractual event staffing for Alamodome events.
 - c. Funds in the amount of \$3 million are authorized to be transferred to the Alamodome Renovation project for Audio System, Video Scoreboards and Wi-Fi at the Alamodome.
- B. **Tricentennial Fund.** The following appropriations are hereby authorized from better than budgeted Hotel Occupancy Tax revenues as follows:
 - a. Funds in the amount of \$50,000 are authorized to support the 2018 New Year's event.
 - b. Funds in the amount of \$50,000 are authorized to support fundraising and marketing efforts.
- C. **Capital Budget.** The allocation of \$1 Million in the FY 2017 Capital Budget to the Child Safe Headquarters Building project is hereby amended by removing the requirement that City's contribution is contingent upon the County's contribution to Child Safe.

The Deputy Chief Financial Officer is authorized to make any and all entries in the SAP Financial System that are necessary to reflect the actions taken in this Ordinance.

SECTION 4. Police Uniformed Personnel Positions: Consistent with Section 2A of this ordinance, effective June 1, 2017, the number of uniformed Police positions for FY 2017 is fixed by fund and rank as follows:

Rank	General Fund	Grant Funds	Total
Police Officer	1,527	4	1,531
Police Detective-Investigator	544	12	556
Police Sergeant	239	3	242
Police Lieutenant	49	0	49
Police Captain	20	0	20
Deputy Chief	6	0	6
Assistant Chief	2	0	2
Police Chief	1	0	1
Total	2,388	19	2,407

SECTION 5. FY 2017 Budget Ordinance in Full Force and Effect. Except as amended by prior ordinances, and as amended by the foregoing provisions of this Ordinance, the FY 2017 Budget Ordinance shall remain unchanged and in full force and effect.

SECTION 6. Effective Date. This Ordinance is effective immediately, upon passage by eight (8) affirmative votes; otherwise, effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 11th day of May, 2017.

M A Y O R

Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk
Andrew Segovia, City Attorney

Agenda Item:	13 (in consent vote: 5, 6, 7A, 7B, 8A, 8B, 9, 10, 11, 12, 13, 14, 15, 16)						
Date:	05/11/2017						
Time:	09:23:04 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance amending the FY 2017 Annual Operating Budget based on actual revenues and expenditures for the first six months of FY 2017 (October 2016 to March 2017) and projections for the remaining six months of FY 2017 (April 2017 to September 2017) in the General Fund and various Restricted Funds and authorizing positions. [María Villagómez, Assistant City Manager; Justina Tate, Director, Management and Budget]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8	x					
Joe Krier	District 9		x				x
Michael Gallagher	District 10		x			x	

ATTACHMENT I
FISCAL YEAR 2017 MID-YEAR BUDGET ADJUSTMENT
GENERAL FUND REVENUES

GENERAL FUND	ADOPTED	REVISED
Revenues	FY 2017 BUDGET	FY 2017 BUDGET
Current Property Tax	\$ 317,504,778	\$ 317,504,778
City Sales Tax	275,848,790	275,848,790
CPS Energy	342,747,851	341,107,246
Business & Franchise Tax	31,554,998	30,775,971
Liquor by the Drink Tax	8,323,000	8,600,000
Delinquent Property Tax	2,741,105	2,741,105
Penalty & Interest on Delinquent Property Taxes	2,130,696	2,130,696
Licenses & Permits	8,809,947	9,015,638
San Antonio Water System	14,374,768	16,061,739
Other Agencies	7,648,342	7,629,865
Charges for Current Services		
General Government	4,044,326	3,676,164
Public Safety	40,620,856	41,269,487
Highways & Streets	975,470	1,005,243
Health	3,043,812	3,000,627
Recreation & Culture	11,941,394	13,217,915
Fines	12,402,492	11,672,435
Miscellaneous Revenue		
Sale of Property	3,400,533	4,704,480
Use of Money & Property	2,121,084	2,429,684
Interest Earnings	1,465,821	1,430,359
Recovery of Expenditures	2,273,853	3,022,314
Miscellaneous	427,238	659,068
Interfund Charges & Transfers	1,850,000	1,850,000
Transfer from Other Funds	39,039,262	38,830,262
TOTAL REVENUES	\$ 1,135,290,416	\$ 1,138,183,866

ATTACHMENT I
FISCAL YEAR 2017 MID-YEAR BUDGET ADJUSTMENT
GENERAL FUND APPROPRIATIONS

GENERAL FUND	ADOPTED	REVISED
Departmental Appropriations	FY 2017 BUDGET	FY 2017 BUDGET
Animal Care	\$ 13,936,260	\$ 13,935,580
Center City Development & Operations	17,809,774	17,809,728
City Attorney	8,467,232	8,306,573
City Auditor	2,995,344	2,995,344
City Clerk	3,706,846	3,706,048
City Manager	3,465,296	3,465,296
Code Enforcement	14,807,242	15,041,162
Eastpoint Office	795,474	795,474
Economic Development	10,365,082	10,289,943
Finance	12,088,387	12,088,357
Fire	308,338,935	308,132,669
Government & Public Affairs	7,745,954	7,745,052
Health	12,965,159	12,884,727
Historic Preservation	1,795,630	1,823,806
Human Resources	6,258,284	6,254,194
Human Services	21,754,970	21,447,328
Innovation	955,074	946,412
Library	39,810,054	39,533,115
Management & Budget	2,759,983	2,753,621
Mayor & Council	8,132,451	8,132,451
Municipal Court	11,002,798	10,505,337
Municipal Detention Center	3,439,539	3,751,261
Municipal Elections	1,212,865	1,211,973
Parks & Recreation	49,828,822	49,447,057
Parks Police	15,043,782	14,793,909
Planning	5,288,529	5,280,931
Police	427,846,588	424,850,364
Outside Agencies	19,365,505	19,365,505
Non-Departmental	19,554,411	19,004,654
Transportation & Capital Improvements	89,147,073	89,042,423
Transfers	2,659,896	2,659,896
TOTAL APPROPRIATIONS	\$ 1,143,343,239	\$ 1,138,000,190

ATTACHMENT I
FISCAL YEAR 2017 MID-YEAR BUDGET ADJUSTMENT
OTHER FUND REVENUES AND APPROPRIATIONS

OTHER FUNDS	ADOPTED FY 2017 BUDGET	REVISED FY 2017 BUDGET
<u>Enterprise Funds</u>		
Aviation Fund		
Revenues	93,822,734	93,032,277
Expenses	62,633,843	62,607,870
Transfers	29,491,228	29,491,228
Development Services Fund		
Revenues	32,699,955	32,710,094
Expenses	31,881,151	31,200,210
Parking Fund		
Revenues	10,912,846	11,929,442
Expenses	10,271,998	10,271,508
Solid Waste Management Fund		
Revenues	104,868,139	106,811,210
Expenses	113,329,062	113,266,334
Market Square Fund		
Revenues	2,812,016	2,933,295
Expenses	2,991,124	2,990,643
<u>Restricted Funds</u>		
Advanced Transportation District Fund		
Revenues	16,500,548	16,500,548
Expenses	8,053,920	8,026,900
Capital Projects	9,500,000	9,500,000
Capital Management Services Fund		
Revenues	19,172,182	18,908,504
Expenses	19,172,182	18,916,041
Facility Services		
Revenues	14,727,751	14,714,768
Expenses	16,592,097	16,790,533
Fleet Services		
Revenues	39,674,821	38,146,224
Expenses	40,095,607	38,441,515
Information Technology Services Fund		
Revenues	57,207,309	57,054,362
Expenses	58,616,696	57,533,972
Purchasing & General Services		
Revenues	5,778,396	5,696,287
Expenses	5,973,078	6,319,815

ATTACHMENT I
FISCAL YEAR 2017 MID-YEAR BUDGET ADJUSTMENT
OTHER FUND REVENUES AND APPROPRIATIONS

OTHER FUNDS	ADOPTED FY 2017 BUDGET	REVISED FY 2017 BUDGET
<u>Restricted Funds</u>		
Hotel Occupancy Tax & Hotel Occupancy Tax Supported Funds		
Revenues		
Hotel Occupancy Tax	\$ 65,740,480	\$ 66,360,782
Convention Center	14,797,103	17,542,162
Alamodome	10,497,384	11,964,044
Other Revenues	1,300,623	1,343,908
Expenditures		
Community & Visitors Facilities	42,768,114	46,656,329
Convention & Visitors Bureau	22,845,375	22,845,375
Arts & Culture	10,274,432	10,274,432
History & Preservation	9,643,478	9,643,478
Tricentennial	2,063,125	2,162,658
Other Expenses	2,867,893	2,867,893
Right of Way Management Fund		
Revenues	2,947,072	3,504,311
Expenses	3,439,668	3,701,894
Storm Water Operations Fund		
Revenues	48,220,846	48,492,129
Expenses	45,154,421	45,133,420
Capital Projects	4,500,000	4,500,000
Storm Water Regional Facilities Fund		
Revenues	5,198,434	5,357,131
Expenses	1,465,584	1,367,235
Capital Projects	4,800,000	4,800,000
Parks Environmental Fund		
Revenues	6,944,544	6,906,466
Expenses	7,055,405	7,045,629
<u>Self Insurance</u>		
Employee Benefits Fund		
Revenues	161,522,518	163,682,067
Expenses	161,522,518	162,497,432
Liability Fund		
Revenues	9,348,596	9,395,342
Expenses	9,552,421	9,441,853
Workers' Compensation Fund		
Revenues	15,375,800	15,434,843
Expenses	15,778,623	15,469,927

FY 2017 Six Plus Six Financial Report & FY 2018 –FY 2022 Five Year Financial Forecast



City Council “B” Session
May 10, 2017

Presentation Overview



Federal & State Budget Update



FY 2017 6+6 Budget and Finance Report



Five Year Forecast



Mid – Year Budget Adjustments

Federal Budget Blue Print

March 2017

\$18

Million

Annual
Reduction in
Grants

plus

\$36.2

Million

HUD 108
Outstanding Loan
(\$4.5 M annual
payment thru
2026)

**\$18
Million
in Annual
Reduction**

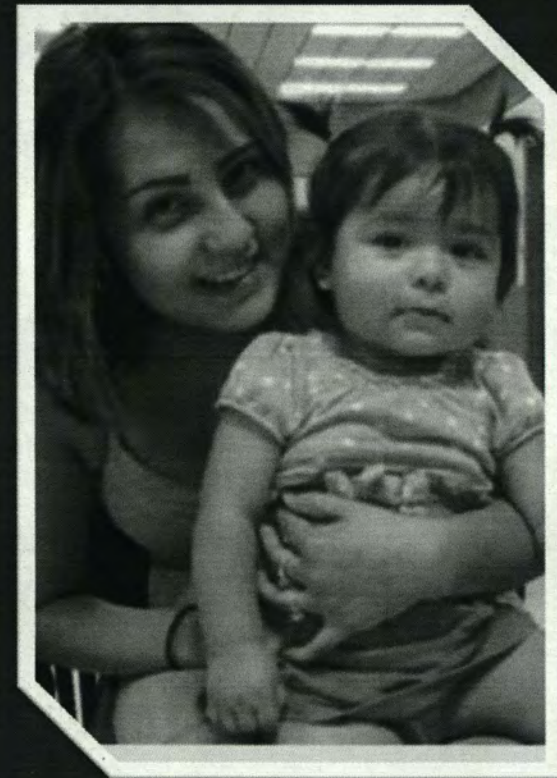
Grant (\$ in Millions)	Annual Amount	City Positions
Eliminates Community Development Block Grant	\$11.5	35
Eliminates HOME Investment Partnership Program	3.8	9
Eliminates Community Services Block Grant	2.0	26
Reduces Supplemental Nutrition Program for Women, Infants, and Children (WIC) by 5.9%	0.4	6
Total	\$17.7	76

CDBG/HOME Reprogramming

- In light of federal cuts, Planning and Finance staff recently finalized detailed review of entitlement funding and program Income for the past 13 years (FY2004 to FY2017)
- Reprogramming available:
 - \$560,000 on average per year in CDBG
 - \$143,000 on average per year in HOME
- Briefing to the Council Housing Committee scheduled on May 24

Women, Infants & Children (WIC)

- FY 2017 WIC budget is \$6.3M
- Participation declined sharply starting December 2016
- Staff adjustments
 - Holding 11 vacant
 - Proposed reduction of 2 vacancies
- Implementing aggressive marketing plan aimed at increasing WIC participation planned for summer



Impact of Federal Budget Blue Print on COSA Partners

Attachment II - FY2017 Mid-Year Budget Ordinance



After School Programs and Challenge



Utility Assistance for Low Income Households



Support Services to Seniors

State Budget – Revenue Caps

8%

Current
Rollback
Rate

4%

Initial
proposal
(January 2017)

5%

Senate
approval
(April 2017)

3% Plus
Inflation

House
proposal
(May 2017)



Had a revenue cap been in place during the past decade

**\$163 to
\$300
Million**

Less revenue to
the City over
10 years

**\$43 to
\$58
Million**

Smaller
General Fund
in FY 2017

**\$2.33 to
\$4.30
Dollars**

Monthly average
savings to City
average Homeowner

\$58 Million

in the General Fund pays for

Hiring 580
Police Officers

More than
the Parks
Budget of \$50
Million

More than the
Library Budget
of \$40 Million

Potential Impact of "Bathroom Bill"

\$411.9 M
annually

Loss of
economic
activity

4,650

Jobs lost

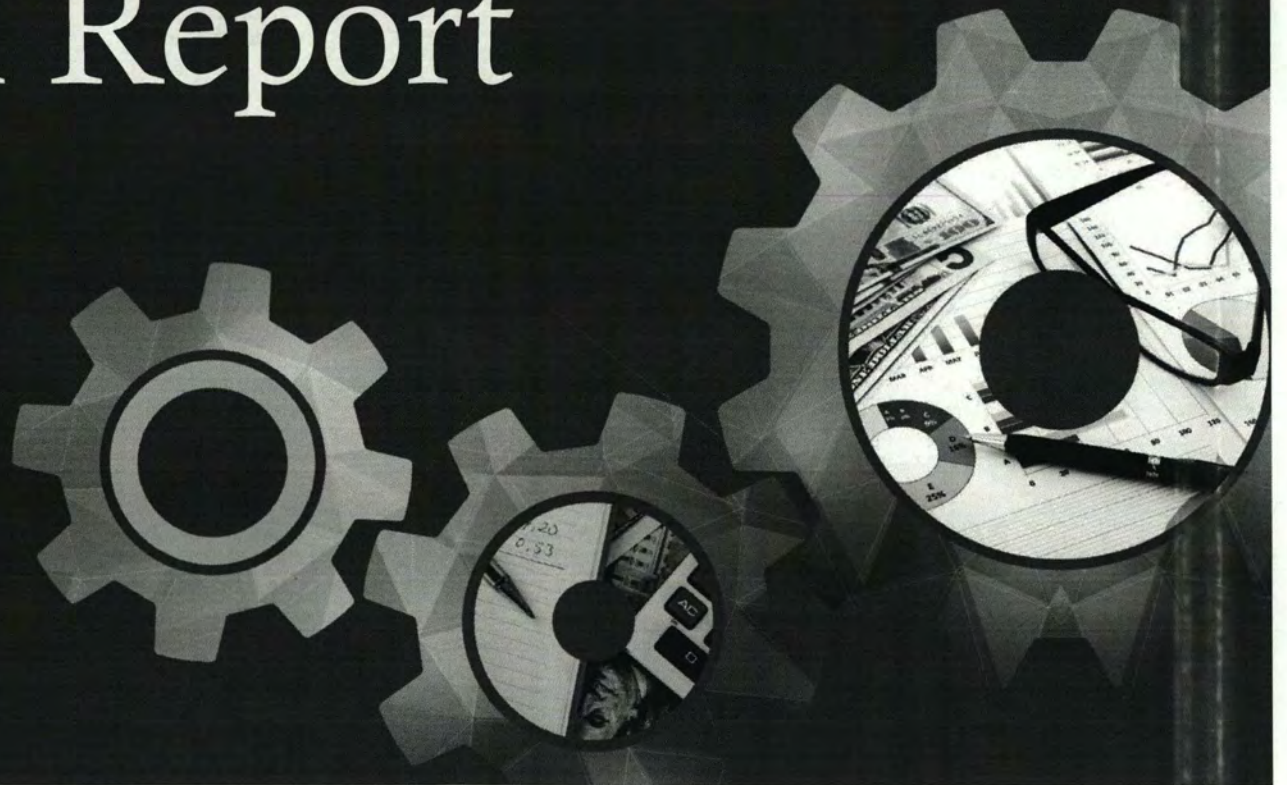
- ✓ Potential effect on Metropolitan Statistical Area as a result of less out of state travel

\$135 M

Economic
activity from
NCAA Final
Four

- ✓ Potential effect on San Antonio as a result of relocation of the Final Four

FY 2017 Six Plus Six Financial Report



FY 2017 Total City Budget: \$2.5 Billion

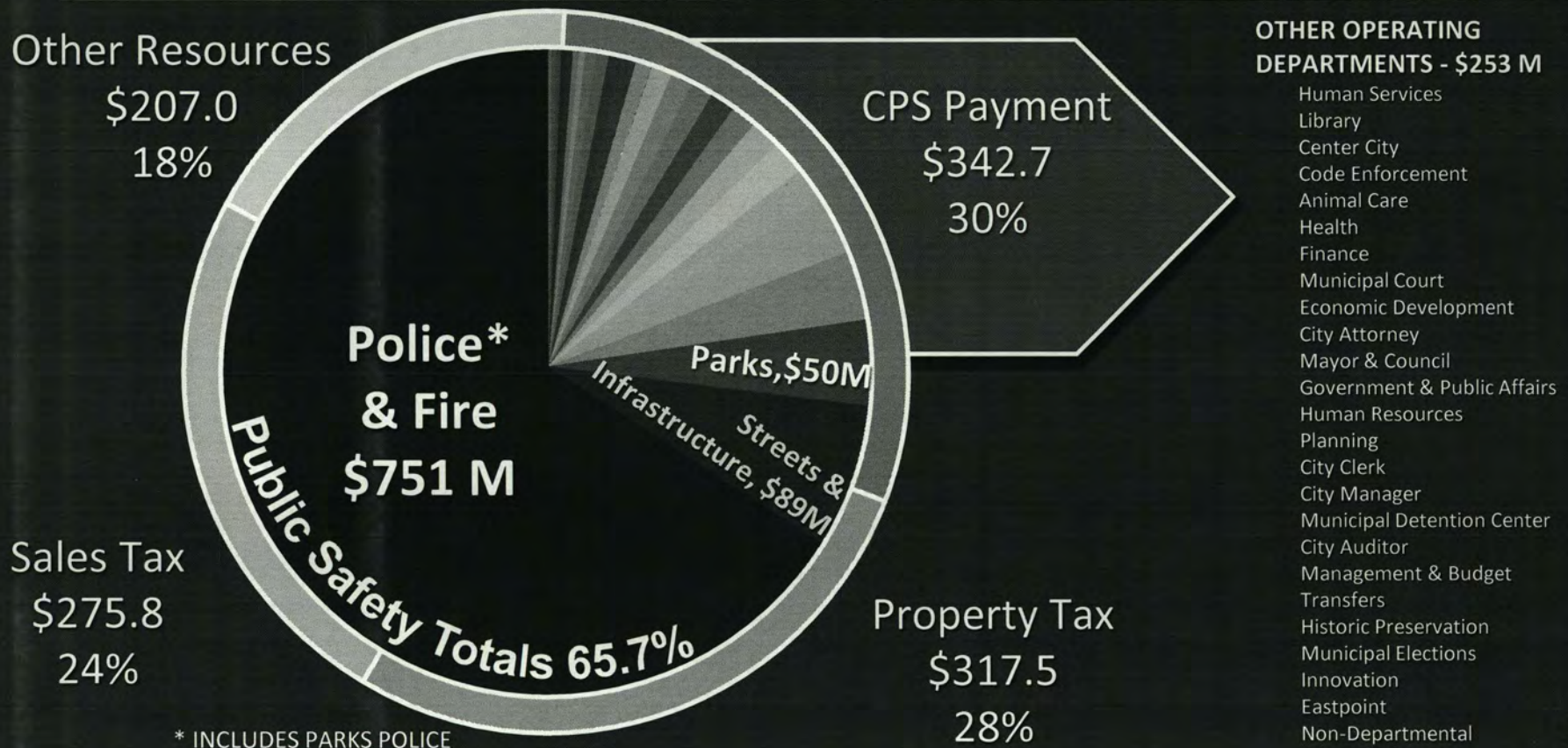
**General
Fund
\$1.14 Billion**



**Restricted
Funds
\$824 Million**

**Capital
Budget
\$585 Million**

FY 2017 General Fund Budget: \$1.14B



General Fund

FY 2017 Six Plus Six Projections

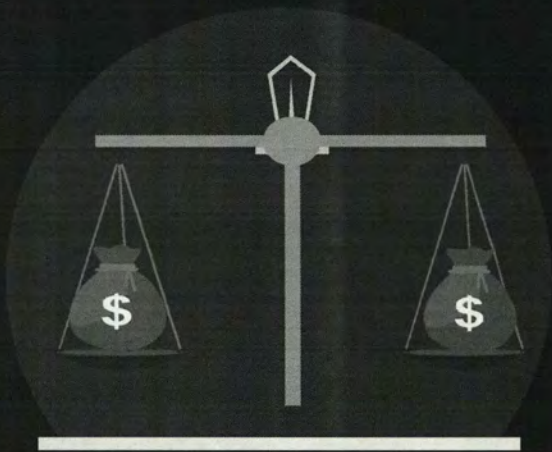
- Overall \$8.2M better in general fund ending balance since FY 2016 Year End Report presentation in December 2016
 - \$2.9M in slightly more revenues
 - \$5.3M in department savings



General Fund

Attachment II - FY 2017 Mid Year Budget Ordinance

FY 2017 Six Plus Six Projections



Budget is
Balanced



Revenues
slightly ahead
of budget



Savings in
Departments

FY 2017 General Fund Revenues

\$2.9 Million in projected additional revenue

Revenue Source (\$ in Millions)	FY 2017 Adopted Budget	FY 2017 6+6 Estimate	Variance
Property Tax	\$317.5	\$317.5	\$0
Sales Tax	275.8	275.8	0
CPS	342.7	341.1	(1.6)
Other	199.3	203.8	4.5
Total	\$1,135.3	\$1,138.2	\$2.9

FY 2017 General Fund Property Tax Revenue (\$ in Millions)

Attachment II - FY 2017 Mid Year Budget Ordinance



2nd Quarter Results

Budget	\$290.1
Actual (<i>Oct to March</i>)	\$290.1
Variance	\$0

FY 2017 Estimate

Budget	\$317.5
Projection (<i>Oct to Sept</i>)	\$317.5
Variance	\$0

FY 2017 General Fund Sales Tax Revenue (\$ in Millions)

Attachment II - FY 2017 Mid Year Budget Ordinance

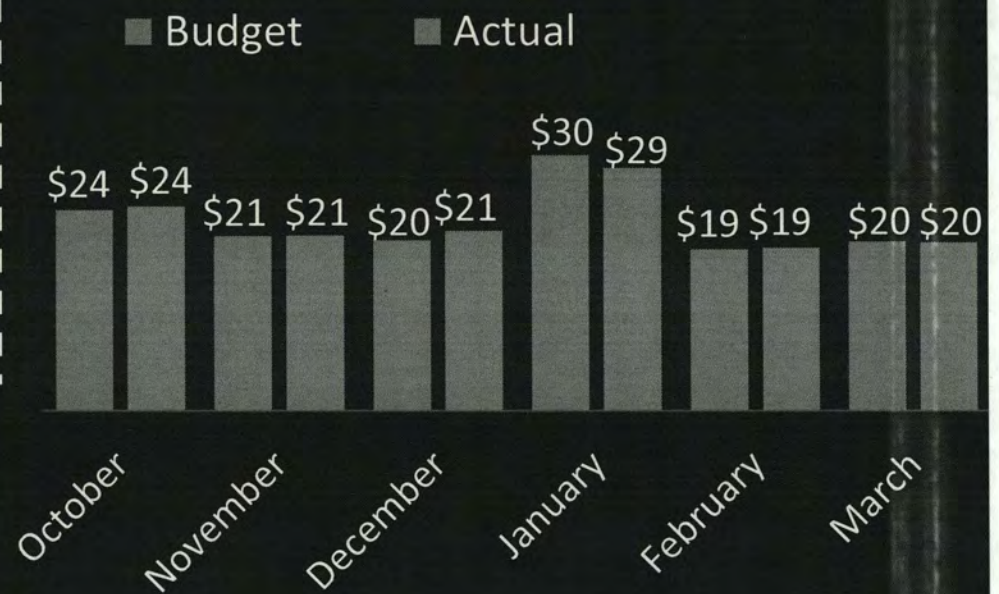


2nd Quarter

FY 2017 Estimate

Budget	\$134.8
Actual (Oct to March)	\$135.0
Variance	\$0.2

Budget	\$275.8
Projection (Oct to Sept)	\$275.8
Variance	\$0



Texas Cities Sales Tax Revenues

City	2017 Jan to May (% changes over 2016)
Austin	4.51%
Dallas	3.79%
Houston	-0.24%
Fort Worth	7.1%
San Antonio	2.57%



Note 1: May receipts reflect March Sales Tax
Source: Texas Comptroller of Public Accounts

FY 2017 General Fund CPS Revenues (\$ in Millions)

2nd Quarter Results

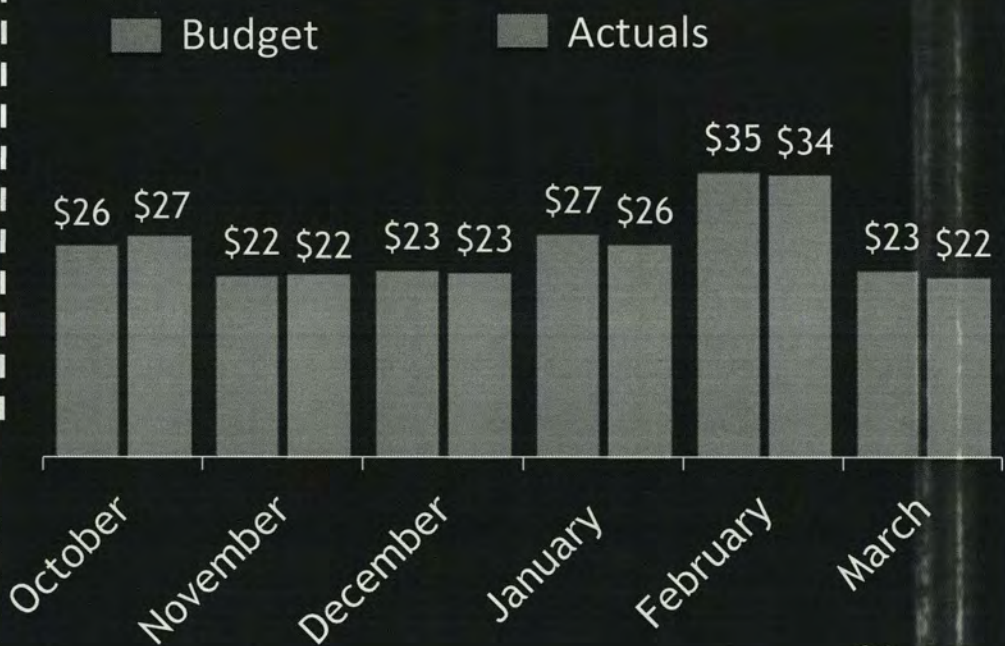


Budget	\$156.2
Actual (Oct to March)	\$154.6
Variance	\$(1.6)

FY 2017 Estimate



Budget	\$342.7
Projection (Oct to Sept)	\$341.1
Variance	\$(1.6)



General Fund Expenditures

Attachment II - FY 2017 Mid Year Budget Ordinance

FY 2017 Six Plus Six Projections

- Less Expense in Department Budgets of \$5.3M or 0.5% of total General Fund
 - Injunction on FLSA Overtime
 - Less Fuel expense
 - Overall Departmental Expenditure Savings

FY 2018 to FY 2022 Five Year General Fund Forecast

Attachment II - FY 2017 Mid Year Budget Ordinance



What is the Financial Forecast?



Early financial outlook for the City as the budget development process begins for FY 2018



Initiates Council Policy discussions for budget

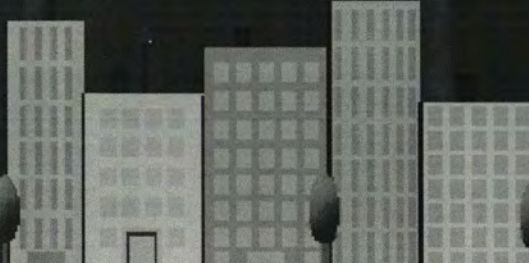


Financial Forecast is not a budget

General Fund Five Year Financial Forecast



- Structurally Balanced
- Overall General Fund revenues projected to increase by 3% while expenditures projected to grow by 2.7% on average every year of forecast

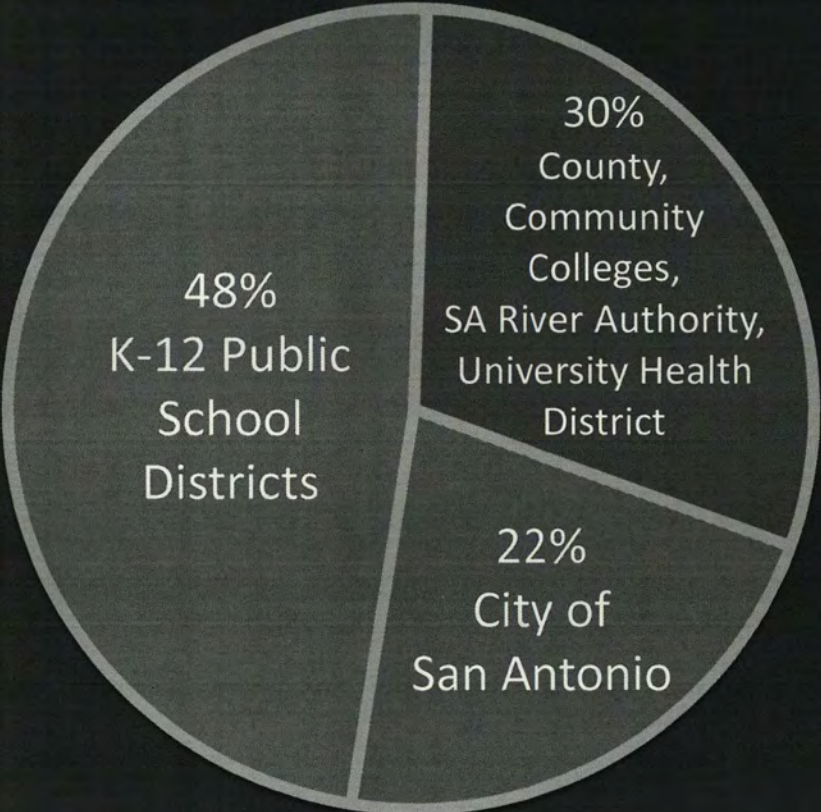


Property Tax Value Growth

Property Tax Value Growth	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Base Valuation	3.34%	2.5%	1.5%	1.5%	1.5%
New Improvements	3.04%	1.5%	1.5%	1.5%	1.5%
Total	6.38%¹	4.0%	3.0%	3.0%	3.0%

*Note 1: After appeals, protests, and corrections
City Property Tax rate of 55.83 cents per \$100 in valuation is maintained during the
forecast period*

Distribution of Property Tax Bill



- The City of San Antonio receives approximately 22% of the property tax bill

Property Tax – Taxable Valuation

Attachment II - FY 2017 Mid Year Budget Ordinance

% Change from Prior Year Actual

10 Year Property Tax – Taxable Valuation History



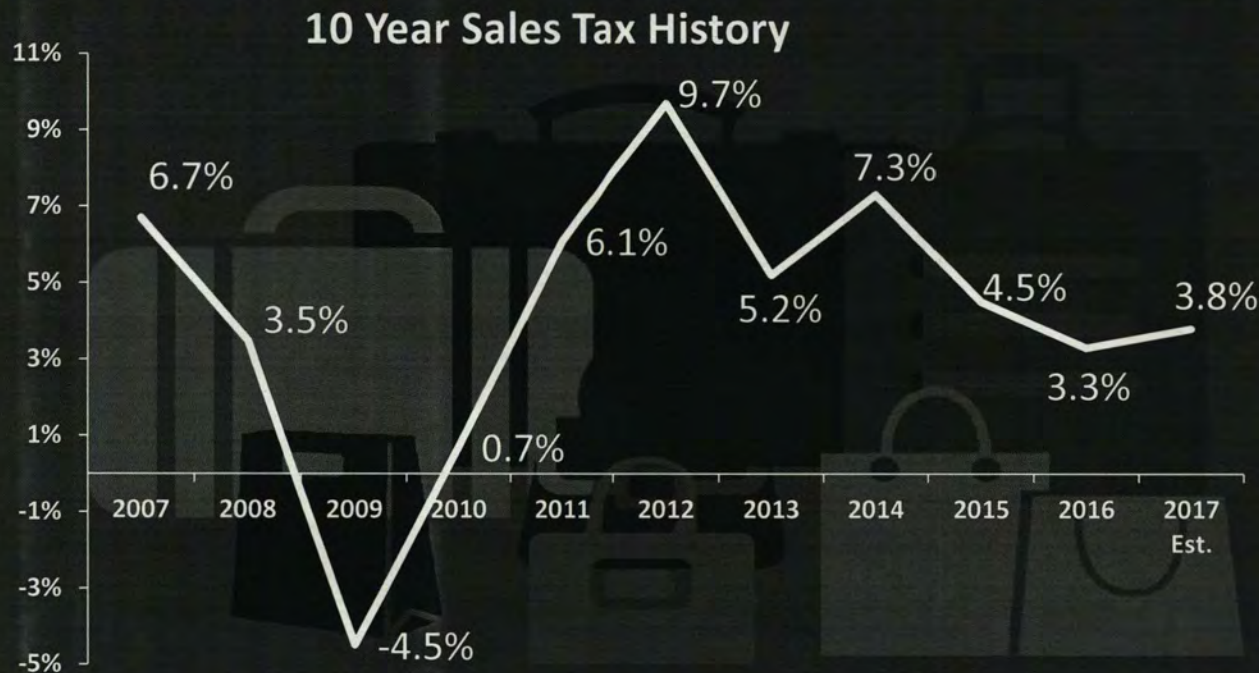
Property Tax Valuation Projections	
FY 2018	6.4%
FY 2019	4.0%
FY 2020	3.0%
FY 2021	3.0%
FY 2022	3.0%

City's Property Tax Rate has not been increased in the last 24 years, it has been decreased 4 times since 2007

Sales Tax

Attachment II - FY 2017 Mid Year Budget Ordinance

% Change from Prior Year's Actual Collections



Sales Tax Projections	
FY 2018	3.5%
FY 2019	3.5%
FY 2020	3.5%
FY 2021	3.5%
FY 2022	3.5%

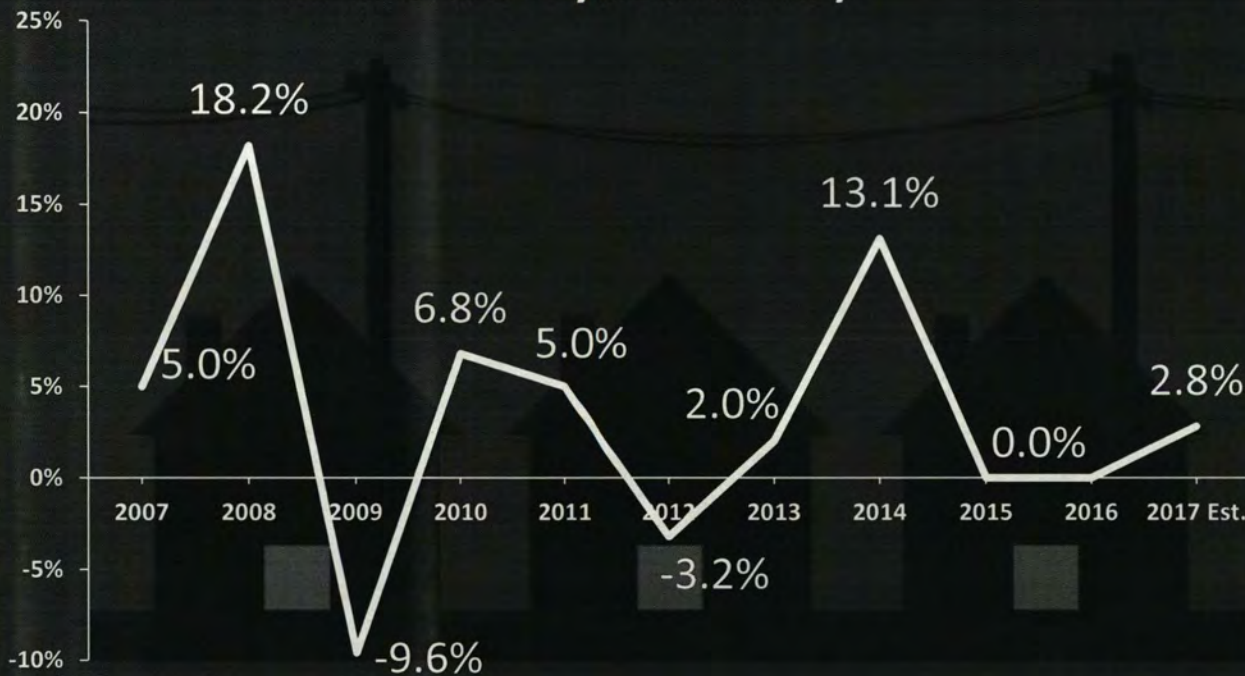
The Five Year Forecast projects a 3.5% average annual growth in sales tax revenue

CPS Payment to City

Attachment II - FY 2017 Mid Year Budget Ordinance

% Change from Prior Year's Actual Collections

10 Year CPS Payment History



CPS Payment Projections

FY 2018	3.3%
FY 2019	3.0%
FY 2020	3.0%
FY 2021	2.5%
FY 2022	2.5%

General Fund Assumptions

- ➔ Maintains current level of service
- ➔ Maintains General Fund Ending Balance at a minimum of 15%
- ➔ Structurally Balanced – Revenues sufficient to cover Expenditures
- ➔ Includes Operations and Maintenance Costs for FY 2017 Bond Program
- ➔ Continues 3-Year implementation of SA Tomorrow

General Fund Assumptions

- ➔ Reflects new Collective Bargaining Agreement with Police and Evergreen for Fire
- ➔ Includes required increase in City contribution to Fire and Police Pre-Fund Retiree Healthcare Fund
- ➔ Includes Step Pay Plan and Performance Pay for Civilian & Maintains Civilian Entry Wage at \$13.75
- ➔ Includes Revenues and Expenses associated with the I-10 West Full Purpose Annexation

General Fund - 5-Year Forecast (\$ in Millions)

- Forecast structurally Balanced before policy issues

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Projected Resources ^a	\$1,246.3	\$1,273.4	\$1,305.1	\$1,349.4	\$1,386.8
Projected Expenses ^b	1,231.3	1,264.8	1,304.8	1,343.7	1,375.1
Available for Policy Issues	\$15.0	\$8.6	\$0.3	\$5.7	\$11.7

- Policy Issues in total exceed available balance

<i>Maintain Streets at \$64 M</i>	10.0	14.1	14.1	14.1	14.1
<i>Police - 25 New Officers/Year</i>	1.7	3.8	6.6	9.8	13.1
<i>Fire - 1 EMS Unit, 3 Ladders & 57 New Firefighters</i>	3.3	4.6	6.4	9.2	10.3
Total Policy Issues	\$15.0	\$22.5	\$27.1	\$33.1	\$37.5

a) Includes Use of Reserves from Prior Fiscal Year

b) Includes Set Aside of Reserves for Following Fiscal Year

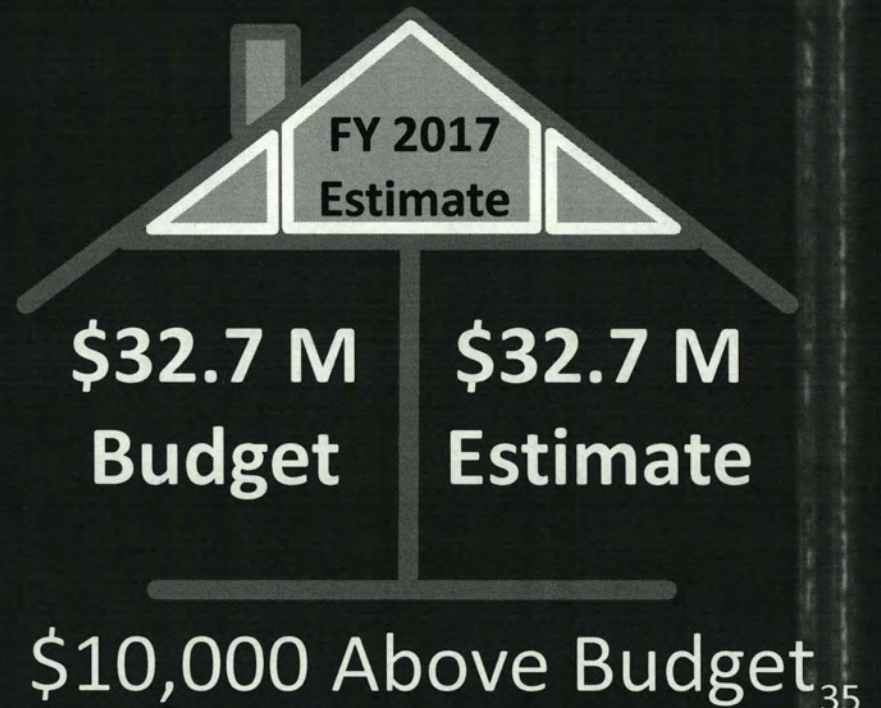
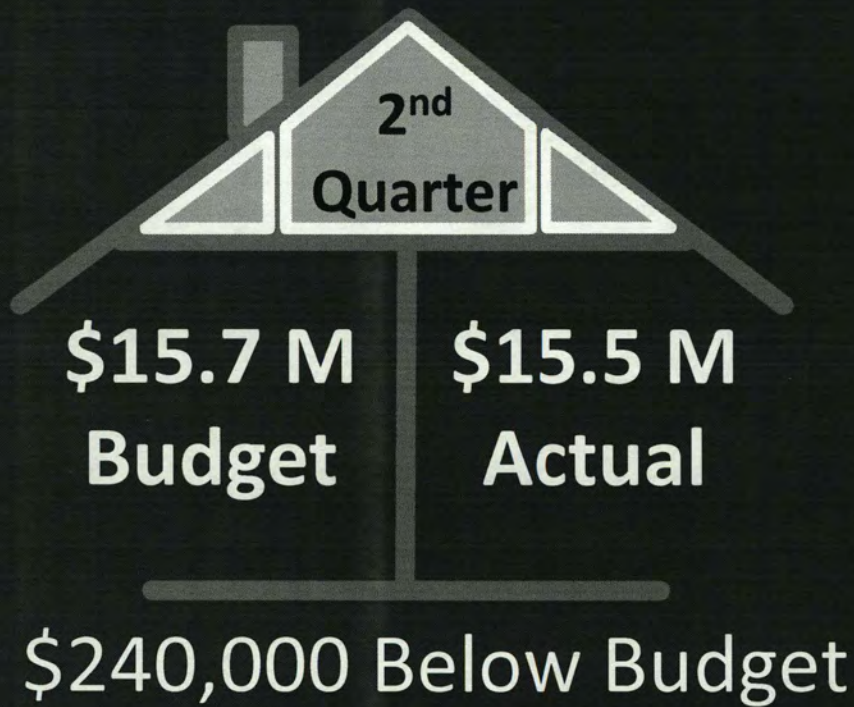
FY 2018 to FY 2022 Five Year Forecast – Development Services

Attachment 4 - FY 2017 Mid Year Budget Ordinance



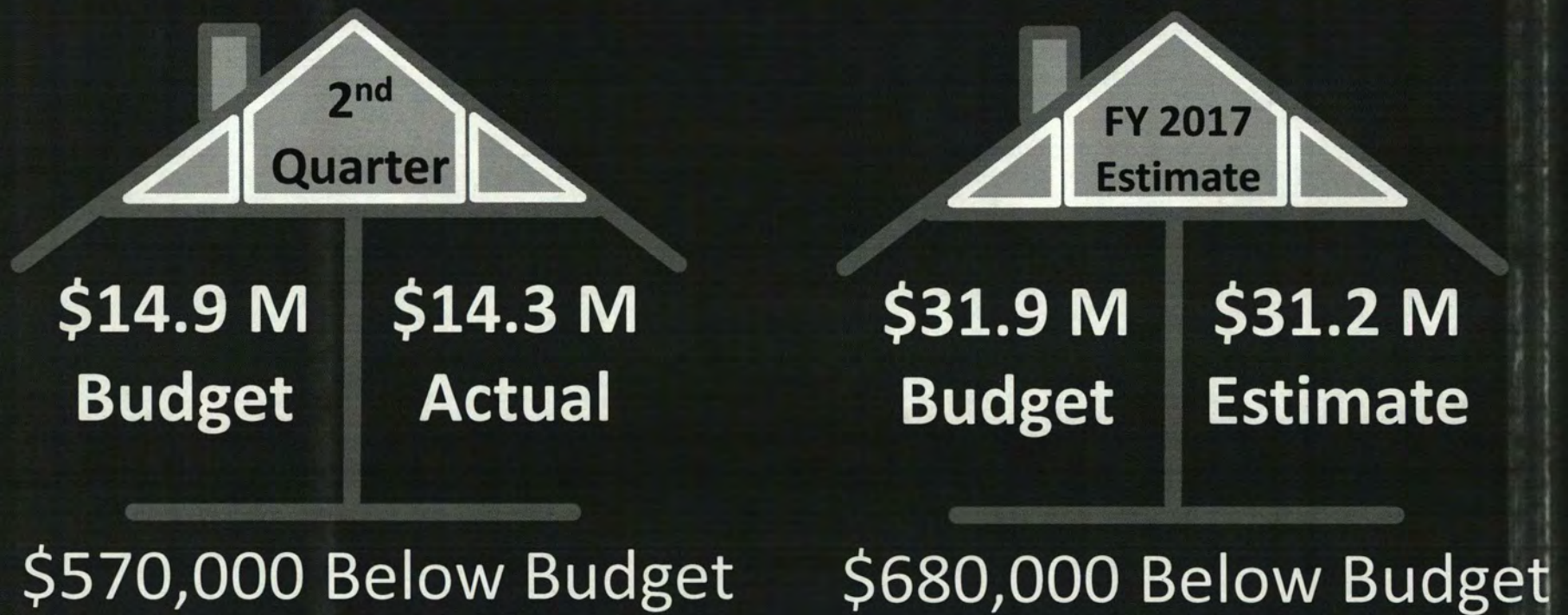
FY 2017 Development Services Fund Revenues

2nd Quarter Financial Results



FY 2017 Development Services Fund Expenditures

2nd Quarter Financial Results



Development Services Fund (\$ in Millions)

Residential Permit Valuation



Residential permit valuation are back to pre-recession levels

Development Services Fund (\$ in Millions)

Commercial Permit Valuation



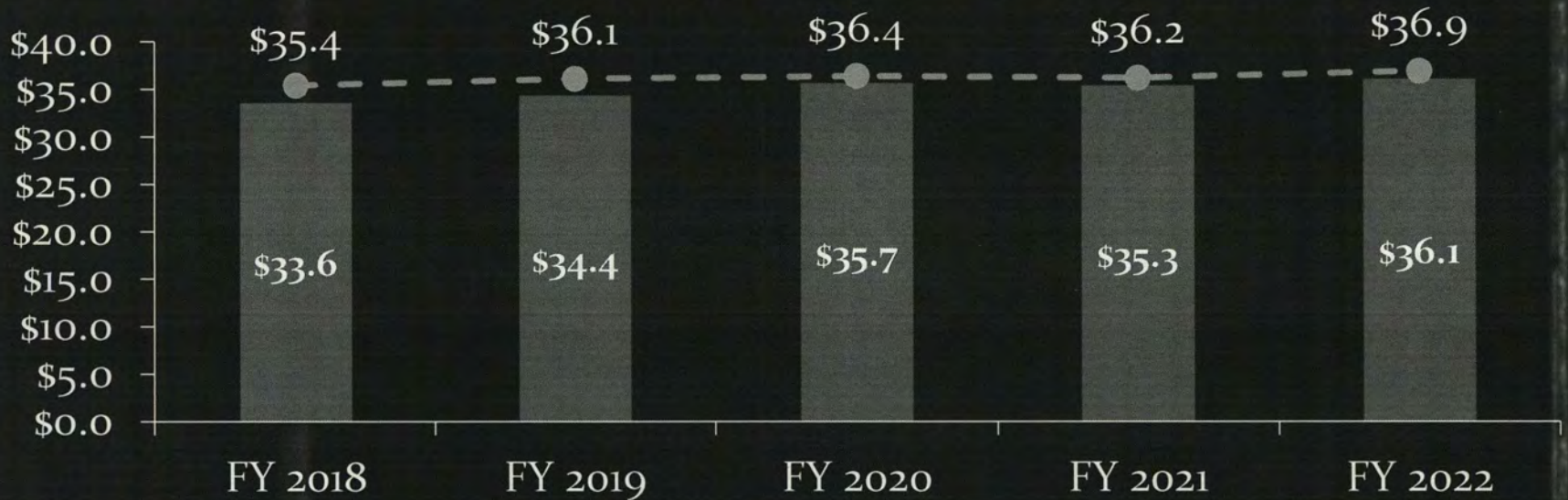
6+6

38

Development Services Fund 5-Year Forecast (\$ in Millions)

Attachment II - FY 2017 Mid Year Budget Ordinance

- Revenues (Includes Fund Balance)
- Expenditures (Includes amount added to Financial Reserves)



Surplus	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	\$1.8	\$1.7	\$0.7	\$0.9	\$0.8

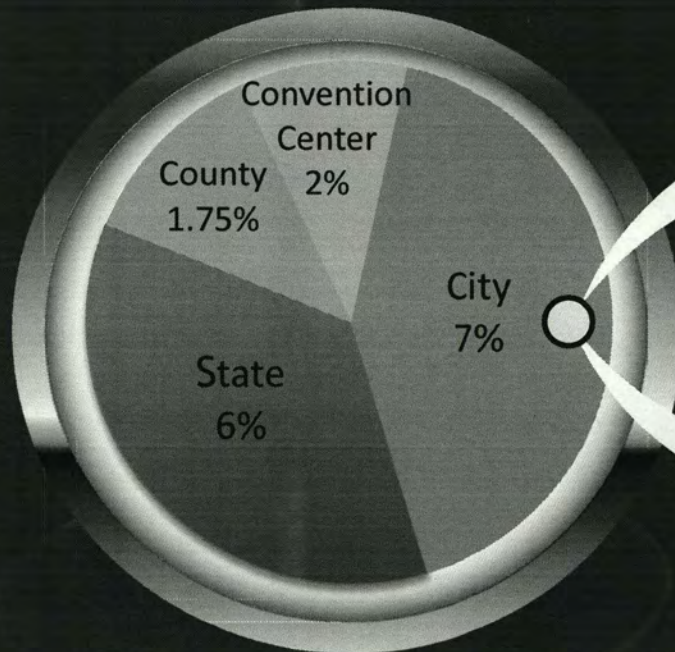
FY 2018 to FY 2022 Five Year Forecast – Hotel Occupancy Tax

Attachment 4 - FY 2017 Mid Year Budget Ordinance

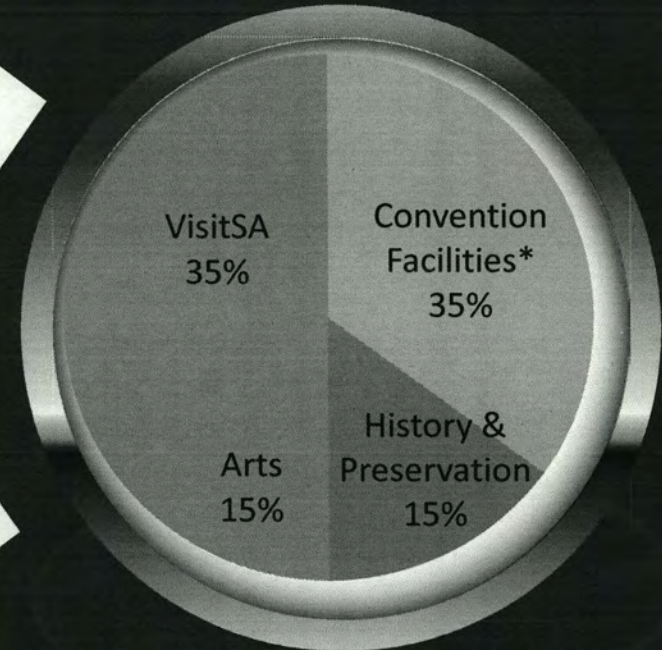


Hotel Occupancy Tax Rate

Adopted FY 2017 Hotel Occupancy Tax (HOT) Rate (16.75%)



Adopted Allocation of City's 7% of HOT Rate



* Department supported by Alamodome and Convention Center Revenues

Hotel Occupancy Tax Fund Revenues

(\$ in Millions)



2nd Quarter Results

Budget	Actuals	Variance
\$31.5	\$32.2	\$0.7

FY 2017 Estimate

Budget	Estimate	Variance
\$65.7	\$66.4	\$0.7

Hotel Occupancy Tax Fund Expenses

Departments supported by HOT tax within Budget



Convention Facilities

\$42.8 Million



Visit SA

\$22.8 Million



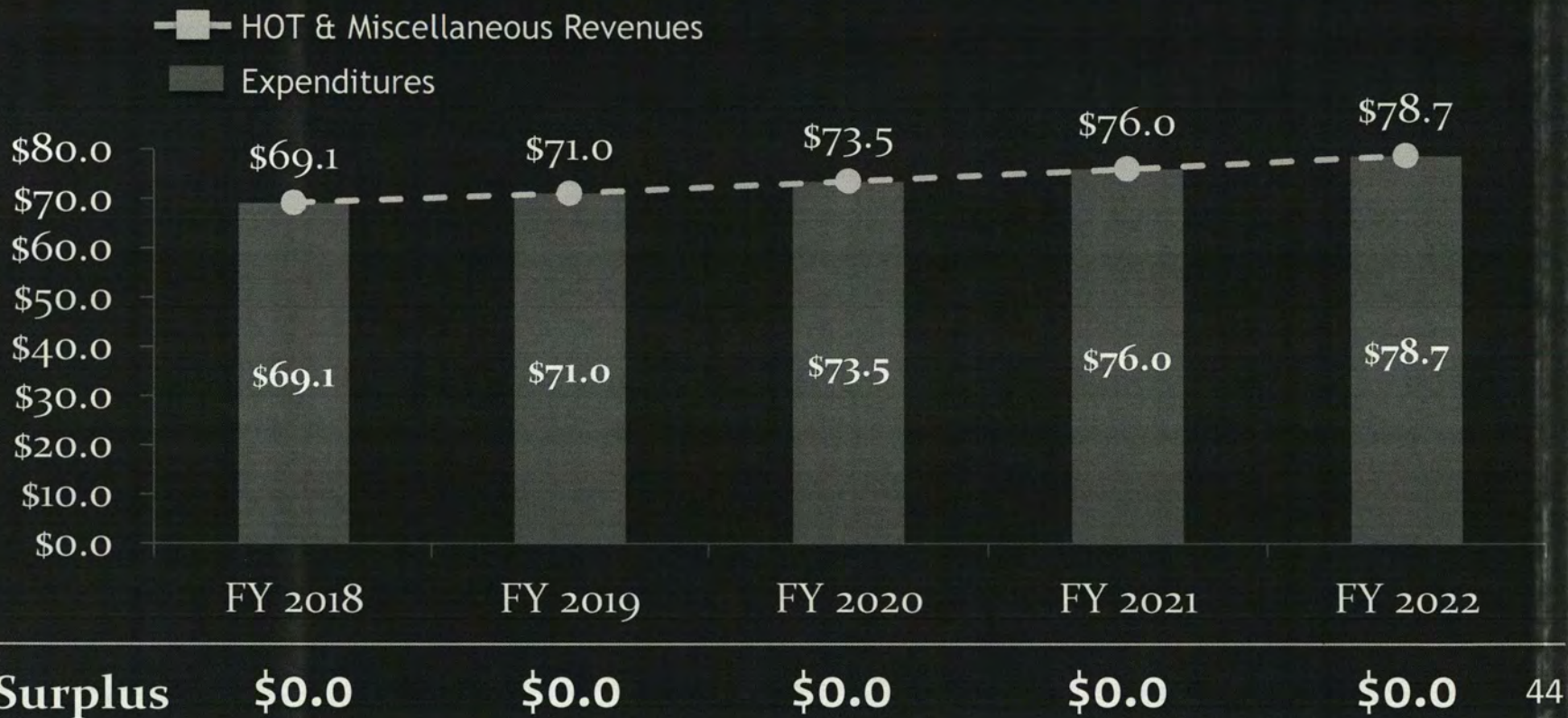
Arts & Culture

\$10.3 Million

Hotel Occupancy Tax

Attachment II - FY 2017 Mid Year Budget Ordinance

5-Year Forecast (\$ in Millions)



FY 2018 to FY 2022

Attachment 4 - FY 2017 Mid Year Budget Ordinance

Five Year Forecast – Solid Waste



FY 2017 Solid Waste Fund Revenues

Attachment 1 - FY 2017 Mid-Year Budget Ordinance

2nd Quarter Financial Results

2nd Quarter

\$52.5M	\$53.6M
Budget	Actual

\$1.1 Million
Ahead of Budget

FY 2017 Estimate

\$104.9M	\$106.8M
Budget	Estimate

\$1.9 Million
Ahead of Budget

FY 2017 Solid Waste Fund Expenditures

2nd Quarter Financial Results

Attachment 1 - FY 2017 Mid Year Budget Performance

2nd Quarter

\$55.6M	\$55.6M
Budget	Actual

\$31,000
Less Spending

FY 2017 Estimate

\$113.3M	\$113.2M
Budget	Estimate

\$63,000
Less Spending

Solid Waste Forecast Assumptions



Organics

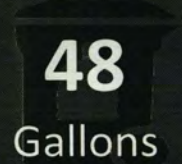

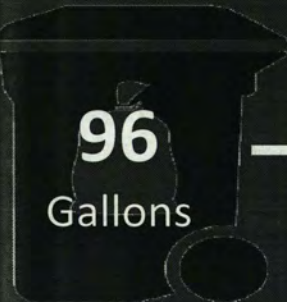
Recycling

Garbage

April 2017 – Pay as
You Throw fully
Implemented

- ✓ Includes resources to reduce Contamination through inspections, Education and Marketing
- ✓ Adds crews and equipment to address increased participation in organics program

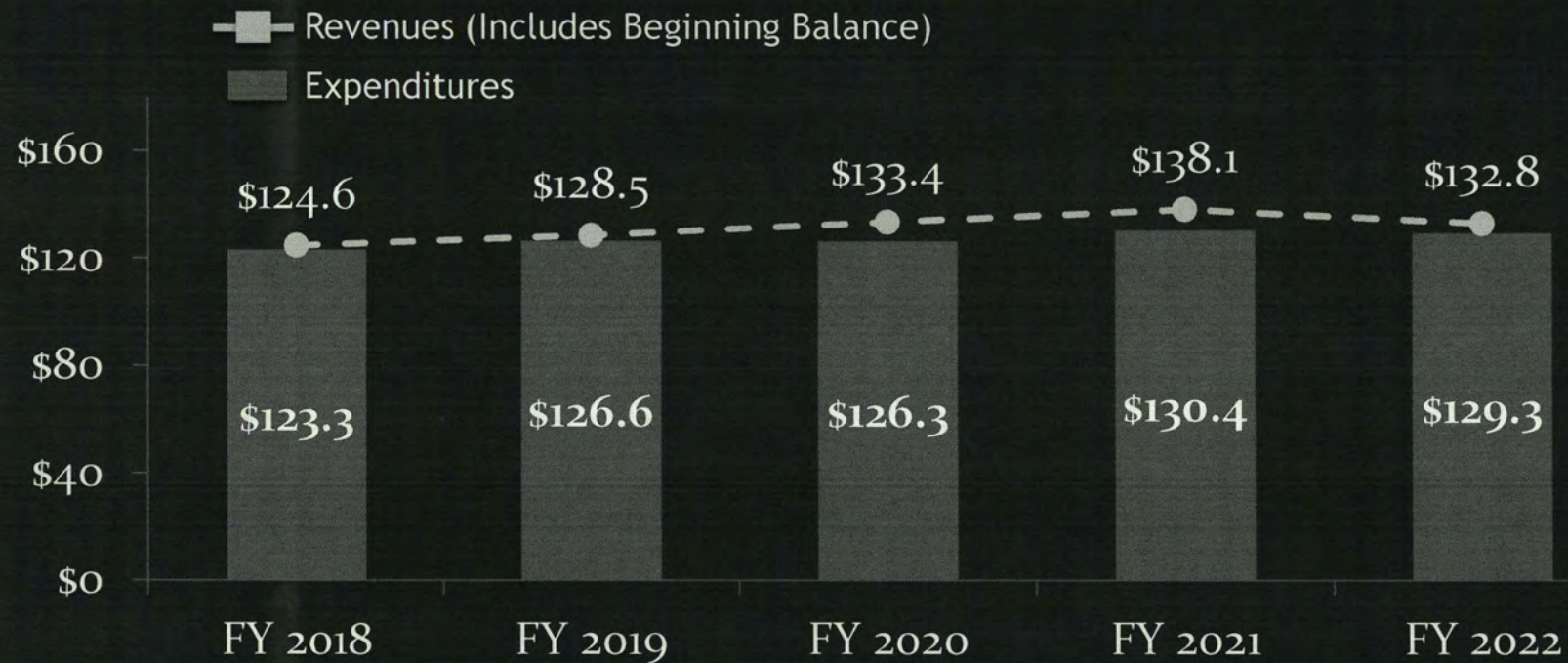
Solid Waste Monthly Rate

	2017 <i>Current</i>	2018 <i>Projected</i>	2019 <i>Projected</i>	2020 <i>Projected</i>	2021 <i>Projected</i>	2022 <i>Projected</i>
 <p>48 Gallons</p>	\$20.43	\$19.93	\$19.43	\$18.93	\$18.43	\$17.93
 <p>64 Gallons</p>	\$20.93	\$21.93	\$21.93	\$21.93	\$21.93	\$21.93
 <p>96 Gallons</p>	\$22.18	\$25.43	\$28.68	\$31.93	\$35.18	\$38.43

Solid Waste Fund

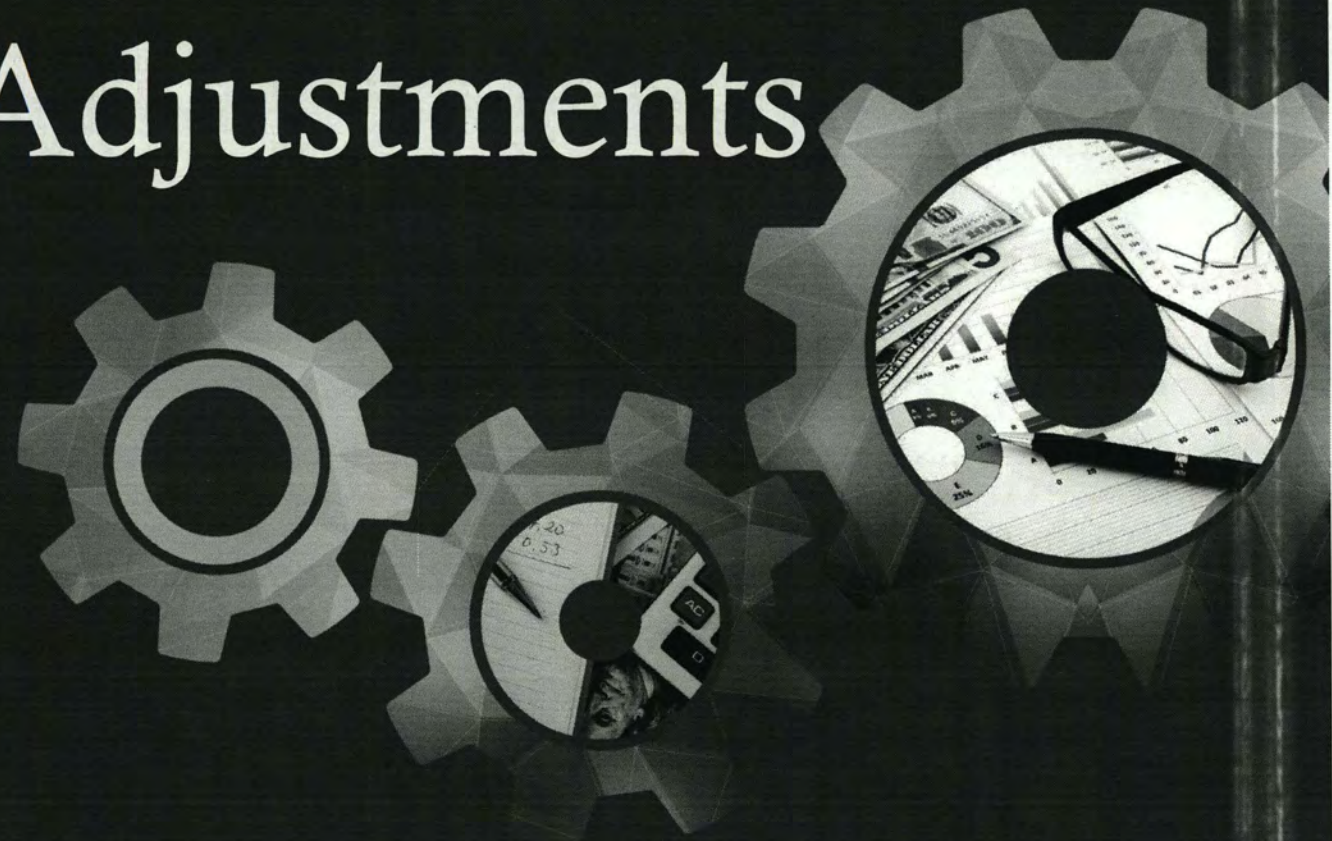
Attachment II - FY 2017 Mid Year Budget Ordinance

5-Year Forecast (\$ in Millions)



Surplus	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	\$1.3	\$1.9	\$7.1	\$7.7	\$3.5

FY 2017 Mid Year Budget Adjustments



General Fund

Reallocation of \$1M COPS Hiring Grant Match

\$700,000

for 15 new Police
Officers



\$300,000

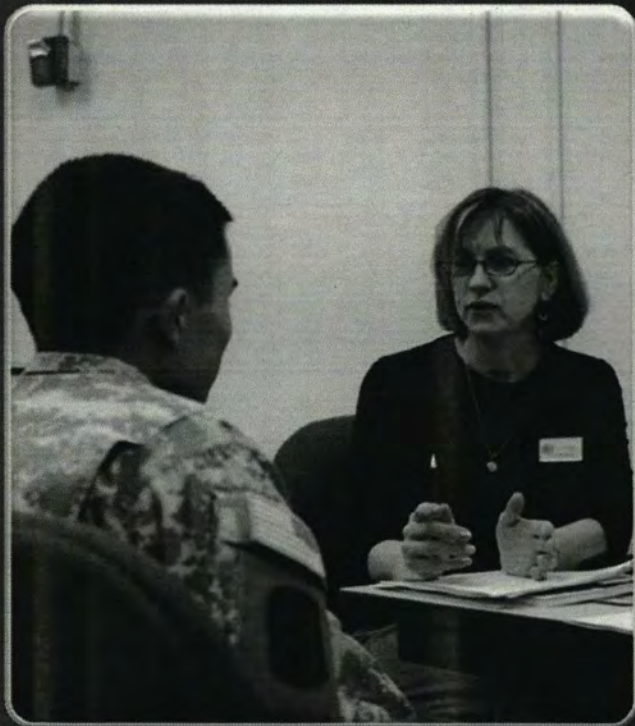
Cure Violence Program



General Fund

Attachment II - FY 2017 Mid Year Budget Ordinance

Legal Services for Low-Income Residents - \$150,000



- Services for veterans, landlord-tenant, ID recovery for Haven for Hope community, immigration, and simple wills
- Partnership with St. Mary's University recommended
- Alternative is to release a Request for Proposal (RFP)

Legal Services

for Low-Income San Antonio Residents

- Grant-match opportunity for Immigrant legal services from VERA Institute of Justice
- Keeps families together by assisting immigrants
- Requires a letter of interest by this week
- VERA will invite cities to apply in early May. If COSA is invited to apply, application will be brought to City Council for approval
- Funds will be awarded by VERA before September 2017

General Fund Augment Ambassador Program - \$30,000



- Current program of \$400,000 supports 120 participants city-wide
- Amendment would double CD2 participants from 10 to 20

Convention, Sports Facilities Fund Alamodome Improvements - \$3.9 Million

- Adjustment funded with better than projected Alamodome and Convention Revenues
- Smoke Control Testing and general improvements \$633K
- Contractual event staffing \$278K
- Audio System, Video Scoreboards and Wi-Fi
 - Estimated project cost \$9 million; City would invest \$3M and will seek partnerships for the balance

Hotel Occupancy Tax Fund Tricentennial - \$100,000

Attachment II - FY 2017 Mid Year Budget Ordinance



New Year's Event Support
\$50,000



Fundraising & Marketing
Support \$50,000

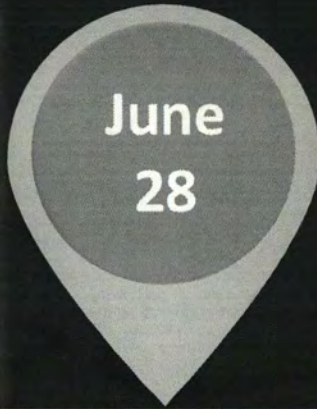
Capital Budget

- Budget approved \$1 Million contribution to Child Safe headquarters contingent upon Bexar County Contribution
- CD2 requests removal of condition

Next Steps in FY 2018 Budget Process



May



**June
28**



**August
10**



**Aug.
to
Sept.**



**Sept.
14**

**Community
Input for
Budget**

**City Council
Policy
Direction for
Budget**

**Proposed
Budget**

**City Council
Budget Work
Sessions &
Community Input**

**Budget
Adoption**

Conclusion

- Uncertainty in Federal Budget and potential grant eliminations/reductions
- State revenue caps that would significantly impact the growing needs of the community
- Today, General Fund financial position is slightly better than at budget adoption; recommend reserving better ending balance for FY 2018 Budget

FY 2017 Six Plus Six Financial Report & FY 2018 –FY 2022 Five Year Financial Forecast



City Council “B” Session
May 10, 2017