



# City of San Antonio

## Agenda Memorandum

**File Number:**17-3130

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**Agenda Item Number:** 1.

**Agenda Date:** 5/10/2017

**In Control:** City Council B Session

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**DEPARTMENT:** Office of Management and Budget (OMB)

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

FY 2017 Six Plus Six Financial Report, and FY 2018 - FY 2022 Five-Year Financial Forecast

**SUMMARY:**

**Fiscal Year (FY) 2017 Six Plus Six Financial Report (2<sup>nd</sup> Quarter Actuals with Annualized Projections), Mid-Year Budget Adjustment Recommendations, and FY 2018 - FY 2022 Five-Year Financial Forecast.** City Council will be provided with an informational briefing on the City's FY 2017 Budget status through the second quarter (October through March) of the fiscal year and will be provided with projections on revenues and expenditures for the remaining six months of the fiscal year (April through September). City Council also will be presented with the City's Five-Year Financial Forecast covering FY 2018 through FY 2022. The Forecast will focus on the City's General Fund, Development Services Enterprise Fund, Solid Waste Enterprise Fund, and the Hotel Occupancy Tax (HOT) Related Funds.

**BACKGROUND INFORMATION:**

**FY 2017 Six Plus Six Financial Report (2<sup>nd</sup> Quarter Actuals with Annualized Projections) and FY 2017 Mid-Year Budget Adjustment Recommendations**

City Council adopted a balanced budget on September 15, 2016 for the City's fiscal year that began October 1, 2016.

As part of the City's financial management practices, City Council will be provided an update on the City's FY 2017 Budget. The FY 2017 Six Plus Six Budget and Financial Status Report will focus on the financial performance through the Second Quarter (October through March) of the fiscal year and will provide

projections for the remaining six months of the fiscal year (March through September).

Additionally, the FY 2017 Proposed Mid-Year Budget adjustment will be presented to the City Council. This recommends adjustments based on revenue and expense actual activity seen in the first six months of the fiscal year along with revenue and expense projections for the remainder of the fiscal year. The recommended FY 2017 Mid-Year Budget Adjustment Ordinance will be considered during the May 11, 2017 City Council "A" Session.

**FY 2018 to FY 2022 Five-Year Financial Forecast.** Also presented to City Council on May 10, will be the City's Five-Year Financial Forecast covering FY 2018 through FY 2022. The Financial Forecast provides a current and long-range financial assessment addressing revenues, City services and programs, and financial reserves. The Forecast will focus on the City's General Fund, Development Services Enterprise Fund, Solid Waste Enterprise Fund, and the HOT Related Funds.

The Financial Forecast is a projection of revenues and expenses for the next five fiscal years based on a set of known economic assumptions as of April 2017. The Financial Forecast is not a budget, it is intended to provide the City Council and the community with an early financial outlook for the City as the budget development process begins for FY 2018.

#### **ISSUE:**

City Council will be presented with the FY 2017 Six Plus Six Financial Report (2nd Quarter Actuals with Annualized Projections) along with the FY 2017 Mid-Year Budget Adjustment Recommendations for the operating and capital budgets. The recommended FY 2017 Mid-Year Budget Adjustment Ordinance will be considered during the May 11, 2017 City Council "A" Session.

The City's Five-Year Financial Forecast for FY 2018 to FY 2022 will be presented to the City Council. This Forecast will provide the City Council with financial projections and help identify significant issues that need to be addressed in the upcoming FY 2018 Budget Development Process. The Forecast will focus on the City's General Fund, Development Services Enterprise Fund, Solid Waste Enterprise Fund, and the HOT Related Funds.

#### **ALTERNATIVES:**

This is an informational briefing only.

#### **FISCAL IMPACT:**

This briefing is for informational purposes. The FY 2017 Mid-Year Adjustment recommendations will be considered at the May 11, 2017 City Council "A" session.

#### **RECOMMENDATION:**

The FY 2017 Six Plus Six Budget and Finance Report presentation is a briefing item with no staff recommendation to be considered by the City Council. The recommended Mid-Year Budget Adjustment will be considered by City Council at the May 11, 2017 "A" Session.

The Five-Year Financial Forecast is a briefing item with no staff recommendation to be considered by the City Council.