



City of San Antonio

Agenda Memorandum

File Number:21-3192

Agenda Item Number: 2.

Agenda Date: 5/12/2021

In Control: City Council B Session

DEPARTMENT: Office of Management and Budget (OMB)

DEPARTMENT HEAD: Scott Huizenga

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

FY 2021 Six Plus Six Financial Report, Mid-Year Budget Adjustment Recommendations, and FY 2022-FY 2026 Five-Year Financial Forecast

SUMMARY:

City Council will be provided with an informational briefing on the FY 2021 Six Plus Six Financial Report, Mid-Year Budget Adjustment Recommendations, and the Five-Year Financial Forecast covering FY 2022 through FY 2026.

The City Council will be provided with an informational briefing on the City's FY 2021 Budget status through the second quarter (October through March) of the fiscal year and projections on revenues and expenditures for the remaining six months of the fiscal year (April through September). The City Council also will be presented with the City's Five-Year Financial Forecast covering Fiscal Year 2022 through Fiscal Year 2026. The Forecast will focus on the City's General Fund, Development Services Enterprise Fund, Airport Funds, and the Hotel Occupancy Tax (HOT) Related Funds.

BACKGROUND INFORMATION:

FY 2021 Six Plus Six Financial Report (2nd Quarter Actuals with Annualized Projections) and FY 2021 Mid-Year Budget Adjustment Recommendations.

On September 17, 2020, the City Council approved the FY 2021 Operating and Capital Budget. As part of the City's financial management practices, the City Council will be provided an update on the City's FY 2021 Budget. The FY 2021 Six Plus Six Financial Report will focus on the financial and operational 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 (April through September).

Additionally, the FY 2021 Proposed Mid-Year Budget adjustment will be presented to the City Council. This

adjustment 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 2021 Mid-year Budget Adjustment Ordinance will be considered during the May 20 City Council “A” Session.

FY 2022 to FY 2026 Five-Year Financial Forecast.

The Five-Year 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 Fund, Airport Operating 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 assumptions as of May 2021. 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 2022. The Five-Year Forecast will provide the base for the FY 2022 Trial Budget to be presented in June to the City Council and to the public.

ISSUE:

The FY 2022 Six Plus Six Financial Report (2nd Quarter Actuals with Annualized Projections) will be presented along with the FY 2022 Mid-Year Budget Adjustment Recommendations to the operating and capital budgets. The recommended FY 2022 Mid-year Budget Adjustment Ordinance will be considered during the May 20 City Council “A” Session. City Council will be presented with the City’s Five-Year Financial Forecast for FY 2022 to FY 2026. This will provide the City Council with financial projections and help identify significant issues that need to be addressed in the upcoming FY 2022 Budget Development Process. The Forecast will focus on the City’s General Fund, Development Services Fund, Airport Funds, and the Hotel Occupancy Tax (HOT) Related Funds.

ALTERNATIVES:

This is an informational briefing only.

FISCAL IMPACT:

This is an informational briefing only. The FY 2021 Mid-Year Adjustment recommendations will be considered at the May 20, 2021 City Council “A” session.

RECOMMENDATION:

This is an informational briefing only.