FY 2018 1st Quarter Financial Report
Presented by City Manager Sheryl Sculley
March 1, 2018 “A” Session
Overview

1st Quarter Financial Status Report

1st Quarter Results of Budget Initiatives

FY 2019 Recommended Budget Calendar
FY 2018 Total City Budget: $2.7 Billion

- General Fund: $1.19 Billion
- Restricted Funds: $858 Million
- Capital Budget: $639 Million
FY 2018 General Fund Budget: $1.19B

Other Resources
$216.2
18.1%

Sales Tax
$285.2
23.8%

Property Tax
$342.2
28.6%

CPS Payment
$352.5
29.5%

Other Operating Departments
- Human Services
- Library
- Center City
- Code Enforcement
- Animal Care
- Health
- Finance
- Municipal Court
- Economic Development
- City Attorney
- Mayor & Council
- Government & Public Affairs
- Human Resources
- Planning
- City Clerk
- City Manager
- Municipal Detention Center
- City Auditor
- Management & Budget
- Transfers
- Historic Preservation
- Municipal Elections
- Innovation
- Eastpoint
- Non-Departmental

* INCLUDES PARKS POLICE
General Fund
FY 2018

1st Quarter Financial Results

$5.9 Million in additional revenue

$1.6 Million in less expense
General Fund FY 2018

Year End Projection

$6.1 Million additional revenue

$1.7 Million less expense
Property Tax ($ in Millions)

- Certified Tax Roll received from Bexar Appraisal District in July
- Little deviation in the revenue received between Budget and estimate

<table>
<thead>
<tr>
<th>1st Quarter</th>
<th>FY 2018 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$179.4</td>
</tr>
<tr>
<td>Actual</td>
<td>$179.4</td>
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<tr>
<td>Variance</td>
<td>$0</td>
</tr>
<tr>
<td>Budget</td>
<td>$342.2</td>
</tr>
<tr>
<td>Estimate</td>
<td>$342.2</td>
</tr>
<tr>
<td>Variance</td>
<td>$0</td>
</tr>
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</table>
Sales Tax
($ in Millions)

1st Quarter

<table>
<thead>
<tr>
<th>1st Quarter</th>
<th>FY 2018 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$68.8</td>
</tr>
<tr>
<td>Actual</td>
<td>$68.4</td>
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<tr>
<td>Variance</td>
<td>($0.4)</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>$25.3</td>
<td>$25.3</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>$22.1</td>
<td>$21.8</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>$21.5</td>
<td>$21.4</td>
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</tr>
<tr>
<td>January</td>
<td>$30.9</td>
<td>$29.9</td>
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</table>

Sales tax collected in January was $1.0 Million below budget
CPS Energy
($ in Millions)

<table>
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<tr>
<th>1st Quarter</th>
<th>FY 2018 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>$72.6</td>
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<tr>
<td>Actual</td>
<td>$71.7</td>
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<tr>
<td>Variance</td>
<td>$(0.9)</td>
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<tr>
<td>Budget</td>
<td>$352.5</td>
</tr>
<tr>
<td>Estimate</td>
<td>$352.5</td>
</tr>
<tr>
<td>Variance</td>
<td>$0</td>
</tr>
</tbody>
</table>

- October: Budget $26, Actual $27
- November: Budget $23, Actual $22
- December: Budget $23, Actual $22
- January: Budget $27, Actual $29

CPS collected in January was $2.2 Million above budget.
General Fund FY 2018 Year End Projection ($ in Millions)

- $6.0 M Additional Ending Balance for FY 2017
- $6.1 M More Revenue in FY 2018
- $1.7 M Less Expense in FY 2018
- $13.8 M Better Ending Balance for FY 2018
Restricted Funds

Hotel Occupancy  Development Services  Solid Waste
Hotel Occupancy Tax Rate

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

- State: 6%
- County: 1.75%
- City: 7%
- Convention Center: 2%

Adopted Allocation of City’s 7% of HOT Rate

- VisitSA: 35%
- Convention Facilities*: 35%
- History & Preservation: 15%
- Arts: 15%

* Department supported by Alamodome and Convention Center Revenues
Hotel Occupancy Tax Fund Revenues

1st Quarter

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Actuals</th>
<th>Variance</th>
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</thead>
<tbody>
<tr>
<td>$15.2</td>
<td>$15.1</td>
<td>$(0.1)</td>
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FY 2018 Estimate

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Estimate</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$68.9</td>
<td>$68.9</td>
<td>$0.0</td>
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</table>
Hotel Occupancy Tax Fund Expenses

Departments supported by HOT tax within Budget

Convention Facilities

Visit SA

Arts & Culture
# Development Services Fund

### First Quarter Results

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7.8 Million</td>
<td>$7.9 Million</td>
</tr>
<tr>
<td>$13K in Additional Revenue</td>
<td>$26K above budget</td>
</tr>
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</table>

### Year End Projection

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>$33.5 Million</td>
<td>$32.9 Million</td>
</tr>
<tr>
<td>Projection at Budget</td>
<td>$160,000 in Less Expense</td>
</tr>
</tbody>
</table>
Solid Waste Management Fund

**First Quarter Results**

**Revenues**

$29.5 Million

$655K in Additional Revenue

**Expenses**

$28.1 Million

$52K below budget

**Year End Projection**

**Revenues**

$118.6 M

$1.6 M ahead of Budget

**Expenses**

$119.3 Million

$400,000 in More Expense
Budget Initiatives
Street Maintenance Program
$99 Million – 1,192 Projects

- 394 4th Quarter Scheduled Projects
- 389 3rd Quarter Scheduled Projects
- 139 2nd Quarter Scheduled Projects

105 Projects will be completed in FY 2019

165 Projects Completed
$4 Million
Police Improvements

42 New Officers

• Two Academy Classes – (101 current cadets) – Includes 25 COPS grant officers
• 3 more classes scheduled
• 8 SAFFE Officers assigned to West and East
• 4 Park Police and 2 Airport Police begin training in Spring
$5.2 Million

43 New Firefighters/EMS

• 1 Training Officer for Airport in January
• Med Unit 32 to go on-line in July 2018
• Ladder 18 to go on-line in July 2018
• 27 firefighters for Medic and Ladder Units in January 2018 Academy Class
FY 2019 Recommended Budget Calendar

- **April 18**: 6 + 6 Report, Mid-Year Budget Adjustment & Five-Year Financial Forecast
- **April 19**: Mid-Year Budget Adjustment Ordinance
- **May 30**: City Council Budget Goal Setting
- **Aug 9**: FY 2019 Proposed Budget
- **Aug – Mid Sept.**: City Council Budget Worksessions & Community Input
- **Sept 13**: FY 2019 Budget Adoption
Summary

- General Fund financial position projected slightly better than at budget adoption
- Uncertainty in Federal and State Budgets could impact City Services
- Recommend reserving better ending balance for FY 2019 Budget