



# *City of San Antonio*

## FISCAL YEAR 2010 THREE PLUS NINE BUDGET & FINANCE REPORT February 17, 2010

### REVENUES AND EXPENDITURES

- 1ST QUARTER ACTUALS UNAUDITED (OCTOBER 2009—DECEMBER 2009)
- NINE MONTH PROJECTION (JANUARY 2010—SEPTEMBER 2010)

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# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

City of San Antonio

## GENERAL FUND EXPENDITURES

	FY 2010 ADOPTED BUDGET	FY 2010 3-MONTH BUDGET	FY 2010 3-MONTH ACTUALS*	3-MONTH VARIANCE FAVORABLE (UNFAVORABLE)	FY 2010 ESTIMATE	12-MONTH VARIANCE FAVORABLE (UNFAVORABLE)
<b>AVAILABLE FUNDS</b>						
Beginning Balance						
1 (Excluding Financial Reserves)	\$ 81,933,603	\$ 20,483,401	\$ 20,483,401	\$ 0	\$ 99,933,603	\$ 18,000,000
<b>REVENUES</b>						
Current Property Tax	\$ 244,465,405	\$ 120,689,853	\$ 120,906,180	\$ 216,328	\$ 244,465,405	\$ 0
2 City Sales Tax	189,565,423	44,560,578	43,656,124	(904,454)	188,660,969	(904,454)
3 CPS Energy	251,053,000	50,937,000	55,264,820	4,327,820	257,753,000	6,700,000
Business & Franchise Tax	29,872,482	8,222,797	8,222,797	0	29,872,482	0
Liquor by the Drink Tax	5,516,680	1,379,170	1,309,816	(69,354)	5,750,000	233,320
Delinquent Property Tax	2,658,500	1,089,985	1,284,421	194,436	2,658,500	0
Penalty & Int. on Delinquent Taxes	2,048,240	286,754	328,130	41,376	2,048,240	0
Licenses and Permits	5,647,275	1,246,252	1,359,103	112,851	5,525,386	(121,889)
4 San Antonio Water System	10,155,356	2,607,180	2,156,226	(450,954)	10,155,356	0
Other Agencies	8,214,376	1,455,882	1,568,632	112,751	8,383,816	169,440
Charges for Current Services						
General Government	4,576,918	987,397	1,241,545	254,148	4,586,659	9,741
5 Public Safety	23,571,432	5,807,754	6,111,748	303,994	23,756,137	184,704
6 Highways & Streets	673,682	168,421	68,443	(99,978)	500,379	(173,303)
7 Health	3,523,991	832,840	1,108,738	275,898	3,760,019	236,028
Recreation & Culture	11,026,183	1,988,008	2,193,221	205,213	11,144,982	118,799
Fines	14,234,582	3,028,004	3,063,953	35,948	14,234,582	0
Miscellaneous Revenue						
Sale of Property	3,515,709	697,196	725,856	28,660	3,521,069	5,360
Use of Money & Property	1,643,548	410,887	370,592	(40,295)	1,619,510	(24,038)
8 Interest on Earnings	1,990,480	292,672	192,839	(99,833)	915,713	(1,074,767)
Recovery of Expenditures	1,192,081	294,430	463,742	169,312	1,215,153	23,072
Miscellaneous	161,558	27,890	80,556	52,666	121,088	(40,470)
9 Interfund Charges	886,759	123,369	303,107	179,738	1,346,728	459,969
<b>TOTAL REVENUE</b>	<b>\$ 816,193,660</b>	<b>\$ 247,134,318</b>	<b>\$ 251,980,591</b>	<b>\$ 4,846,272</b>	<b>\$ 821,995,173</b>	<b>\$ 5,801,513</b>
10 TRANSFERS FROM OTHER FUNDS	\$ 27,955,291	\$ 6,537,841	\$ 6,282,885	\$ (254,957)	\$ 27,008,918	\$ (946,373)
<b>TOTAL REVENUE AND TRANSFERS</b>	<b>\$ 844,148,952</b>	<b>\$ 253,672,160</b>	<b>\$ 258,263,475</b>	<b>\$ 4,591,316</b>	<b>\$ 849,004,092</b>	<b>\$ 4,855,140</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$ 926,082,555</b>	<b>\$ 231,520,639</b>	<b>\$ 278,746,876</b>	<b>\$ 4,591,316</b>	<b>\$ 948,937,695</b>	<b>\$ 22,855,140</b>

\*Unaudited Actuals.

Significant First Quarter and FY 2010 variances are explained on the following page.

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All financial data is from the City's financial management system. This is an unaudited financial report.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

*City of San Antonio*

## GENERAL FUND EXPENDITURES

### VARIANCE ANALYSIS

- 1 **Beginning Balance** - The current FY 2010 Beginning Balance, based on preliminary unaudited financial data is \$18 Million above projections used to develop the FY 2010 Budget. This balance, which represents the ending General Fund balance as of September 30, 2009, is higher than anticipated due to a combination of more than projected revenues and less spending. The beginning balance is preliminary pending the completion of the Comprehensive Annual Financial Report (CAFR) scheduled for March 2010.
- 2 **City Sales Tax** - Sales tax receipts for the first quarter of the fiscal year are 2% below the budget amount. It is projected that the sales tax receipts for the remainder three quarters of the fiscal year will be received at the budget amounts. The sales tax collections were \$100K below the projection in October, \$317K above the projection in November, and \$1.1 M below the projection in December.
- 3 **CPS Energy** - The favorable variance realized for the first quarter is due primarily to higher than anticipated natural gas prices causing a higher fuel adjustment cost to monthly bills as well as colder weather than anticipated. The FY 2010 Budget and projections assume today's current customer rate structure.
- 4 **SAWS Payment** - Revenues from SAWS are below the plan amount for the first quarter due to lower customer demand as a result of more than anticipated rain days for the first three months of the fiscal year. It is anticipated that this unfavorable variance will be offset during the summer months.
- 5 **Public Safety** - The favorable variance is due to increased wrecker fees received as a result of higher than anticipated towing activity.
- 6 **Highways & Streets** - Fees for new street light installation are below projections, reflecting the weakness in the housing development portion of the economy.
- 7 **Health** - The favorable variance is due to higher than anticipated customer requests for certified copies of birth and death certificates.
- 8 **Interest on Earnings** - Interest earnings are projected to be lower than the budgeted amount due to interest rates being lower than planned. The interest on investments for FY 2010 was budgeted at a rate of return of 1.18%. Due to current market conditions it is anticipated that the rate of return for FY 2010 will now be 0.52%.
- 9 **Interfund Charges** - Revenue from indirect cost charges to grants is projected at a higher amount than the adopted budget.
- 10 **Transfers from Other Funds** - The unfavorable variance reflects a decrease in the transfer to the General Fund for History and Preservation. This transfer is limited to 15% of HOT Tax Collections by State Law.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

City of San Antonio

## GENERAL FUND EXPENDITURES

	FY 2010 ADOPTED BUDGET	FY 2010 3-MONTH BUDGET	FY 2010 3-MONTH ACTUALS *	3-MONTH VARIANCE FAVORABLE (UNFAVORABLE)	FY 2010 ESTIMATE	12-MONTH VARIANCE FAVORABLE (UNFAVORABLE)
<b>APPROPRIATIONS</b>						
Animal Care	\$ 7,516,035	\$ 1,939,667	\$ 1,846,370	\$ 93,297	\$ 7,516,035	\$ 0
1 City Attorney	6,953,006	1,809,083	1,831,612	(22,529)	6,953,006	0
City Auditor	2,772,436	703,428	639,218	64,210	2,772,436	0
City Clerk	2,073,712	533,769	530,561	3,208	2,073,712	0
City Manager	2,860,781	723,518	713,630	9,889	2,860,781	0
Communication & Public Affairs	1,032,892	301,709	219,598	82,111	1,032,892	0
2 Community Initiatives	26,371,958	3,947,560	3,260,786	686,774	26,371,958	0
3 Customer Service & 311 System	3,652,770	978,356	1,001,849	(23,493)	3,652,770	0
Downtown Operations	8,997,762	2,238,616	1,961,444	277,172	8,997,762	0
4 Economic Dev & International Affairs	2,386,759	637,953	712,646	(74,694)	2,386,759	0
Finance	7,013,194	1,772,919	1,763,633	9,286	7,013,194	0
Fire	224,597,612	57,599,534	57,295,600	303,934	224,597,612	0
Health	12,192,123	2,884,807	2,744,317	140,490	12,192,123	0
Housing & Neighborhood Svcs.	10,536,913	2,669,893	2,663,213	6,680	10,536,913	0
5 Human Resources	3,850,741	974,988	1,009,428	(34,440)	3,850,741	0
Intergovernmental Relations	920,005	168,421	160,150	8,271	920,005	0
Library	29,124,445	7,762,812	7,759,935	2,877	29,124,445	0
Management & Budget	2,177,856	569,174	555,051	14,123	2,177,856	0
Mayor and Council	4,452,917	1,178,389	1,164,301	14,088	4,452,917	0
Municipal Courts	11,504,434	2,879,532	2,819,613	59,919	11,504,434	0
Municipal Elections	42,660	10,665	4,436	6,229	42,660	0
Parks and Recreation	56,711,474	12,760,081	12,456,633	303,448	56,711,474	0
Police	318,181,048	80,492,281	80,461,931	30,350	318,181,048	0
Public Works	64,174,330	9,501,062	9,325,715	175,347	64,174,330	0
Agencies	7,356,758	1,692,054	1,623,619	68,435	7,356,758	0
Non-Departmental	49,221,153	7,815,827	7,753,728	62,099	49,221,153	0
One-Time Projects	1,179,998	189,318	145,799	43,519	1,179,998	0
Transfers	19,221,471	4,986,973	4,986,973	0	19,221,471	0
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 887,077,240</b>	<b>\$ 209,722,388</b>	<b>\$ 207,411,789</b>	<b>\$ 2,310,600</b>	<b>\$ 887,077,239</b>	<b>\$ 0</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$ 926,082,555</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 948,937,695</b>	<b>\$ 22,855,140</b>
<b>GROSS ENDING BALANCE</b>	<b>\$ 39,005,315</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 61,860,455</b>	<b>\$ 22,855,140</b>
<b>LESS BUDGETED RESERVES</b>						
Financial Reserves (Incremental Amount for 9%)	\$ 678,998				\$ 678,998	\$ 0
Reserve for 2-Yr Balanced Budget Plan	38,326,317				38,326,317	0
Ending Balance	<u>\$ 0</u>				<u>\$ 22,855,140</u>	<u>\$ 22,855,140</u>
<b>BUDGETED RESERVES SUMMARY</b>						
Total Annual Budgeted Financial Reserves	\$ 79,836,945				\$ 79,836,945	
Annual Budgeted Financial Reserves as a % of Appropriations	9%				9%	

\* Unaudited actuals. Excludes Prior Year Encumbrances and Carryforward Expenditures.

Significant First Quarter and FY 2010 variances are explained on the following page.

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All financial data is from the City's financial management system. This is an unaudited financial report.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

*City of San Antonio*

## GENERAL FUND EXPENDITURES

### VARIANCE ANALYSIS

- 1 City Attorney** - Expenditures for the first quarter have exceeded the budget amount due to more employees utilizing the personal leave buyback program than anticipated. The Department is anticipating savings in the upcoming months that will offset the unfavorable variance by the end of the fiscal year.
- 2 Community Initiatives** - The favorable variance for the first quarter is due to a lag in receiving invoices for agencies related contracts and executing new contracts. It is anticipated that these expenditures will be realized in future months and the department will be within budget for the fiscal year.
- 3 Customer Service & 311 System** - Expenditures for the first quarter have exceeded the budget amount due to more employees utilizing the personal leave buyback program than anticipated. The Department is anticipating savings in the upcoming months that will offset the unfavorable variance by the end of the fiscal year.
- 4 Economic Development & International Affairs** - The unfavorable variance in the first quarter is due to expenses related to reorganization efforts. The department is anticipating to come within budget by the end of the fiscal year.
- 5 Human Resources** - Expenditures for the first quarter have exceeded the budget amount due to more employees utilizing the personal leave buyback program than anticipated. The Department is anticipating savings in the upcoming months that will offset the unfavorable variance by the end of the fiscal year.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

City of San Antonio

## ENTERPRISE & RESTRICTED FUNDS

	FY 2010 ADOPTED BUDGET	FY 2010 3-MONTH BUDGET	FY 2010 3-MONTH ACTUALS *	VARIANCE FAVORABLE (UNFAVORABLE)	FY 2010 ESTIMATE	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>Enterprise Funds</u></b>						
<b>Airport Fund</b>						
Revenues \$	66,130,233	\$ 15,961,465	\$ 16,608,758	\$ 647,293	\$ 67,390,848	\$ 1,260,615
Expenses	67,652,631	16,934,643	15,677,181	1,257,462	67,477,272	175,359
<b>1 Parking Fund</b>						
Revenues	9,410,447	2,262,086	2,117,007	(145,079)	9,360,362	(50,085)
Expenses	9,218,457	2,097,969	1,984,681	113,288	9,172,500	45,957
<b>2 Planning &amp; Development Services Fund</b>						
Revenues	24,387,761	5,288,253	4,888,099	(400,154)	22,268,789	(2,118,972)
Expenditures	23,217,850	5,538,072	5,647,334	(109,262)	22,311,680	906,170
<b>3 Solid Waste Management Fund</b>						
Revenues	81,225,305	20,381,326	20,479,297	97,971	81,270,598	45,293
Expenses	84,268,254	21,038,205	19,395,524	1,642,681	82,790,426	1,477,828
<b><u>Restricted Funds</u></b>						
<b>4 Advanced Transportation District Fund</b>						
Revenues	11,003,407	2,588,309	2,543,396	(44,913)	10,827,461	(175,946)
Expenditures	11,522,211	2,880,993	2,863,789	17,204	11,520,086	2,125
<b>Capital Improvements Management Services Fund</b>						
Revenues	15,687,069	3,921,767	3,985,744	63,977	15,687,069	0
Expenditures	15,687,069	3,991,911	3,965,490	26,421	15,687,069	0
<b>Facility Services Fund</b>						
Revenues	13,994,233	3,498,558	3,497,147	(1,411)	13,989,665	(4,568)
Expenses	13,658,403	2,935,930	2,787,789	148,141	13,643,215	15,188
<b>Golf Course Fund</b>						
Revenues	1,071,193	117,777	117,777	0	1,071,193	0
Expenses	610,191	152,774	152,774	0	610,191	0
<b>5 Hotel Occupancy Tax &amp; Hotel Occupancy Tax Supported Funds</b>						
<i>Revenues</i>						
Hotel Occupancy Tax	53,302,500	10,974,244	9,491,174	(1,483,070)	46,993,345	(6,309,155)
Convention Center	10,535,871	2,300,617	1,927,954	(372,663)	10,353,208	(182,663)
Alamodome	6,075,109	1,343,074	1,039,162	(303,912)	6,157,939	82,830
Municipal Auditorium	524,749	224,119	250,600	26,481	551,230	26,481
Other Revenues	2,134,131	260,116	177,245	(82,871)	1,857,256	(276,875)
<i>Expenditures</i>						
Comm. & Visitors Fac.	35,665,339	8,390,842	7,989,918	400,924	34,548,553	1,116,786
Conv. & Visitors Bur.	20,134,449	3,624,990	3,339,720	285,270	19,126,333	1,008,116
Cultural Affairs	7,995,375	2,339,774	2,291,339	48,435	7,660,139	335,236
History & Preservation	7,995,375	1,678,633	1,423,676	254,957	7,049,002	946,373
Other Expenses	3,446,331	862,025	862,025	0	3,448,099	(1,768)

\* Unaudited actuals. Excludes Prior Year Encumbrances and Carryforward Expenditures.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

*City of San Antonio*

ENTERPRISE & RESTRICTED FUNDS

## VARIANCE ANALYSIS

**1 Parking Fund Revenues** - Revenues are less than planned due to a decline in demand for parking including 3-hour parking, monthly parking, and flat rate parking. Revenues for event parking also are less than anticipated but are projected to level off by year-end as a result of larger events occurring during the last 3 quarters of the fiscal year.

**2 Planning & Development Services Revenues** - Revenues continue to fall below planned amounts due to decline in commercial and residential permitting as well as a lower valuation of permitted projects.

**Planning & Development Services Expenditures** - Due to the downward trend in commercial and residential permitting activity, the Department has implemented a strategy plan to reduce overall expenditures through freezing vacant positions and associated costs.

**3 Solid Waste Management Fund Expenditures** - The Department is anticipating savings in expenditures due to recently providing in-house garbage collection services to a previously contracted neighborhoods. A decrease in solid waste disposal cost is anticipated as well as savings in fuel expenses.

**4 Advanced Transportation District Revenues** - Revenues are slightly below the budget amount for the first quarter due to less than anticipated ATD Sales Tax Revenue. A projected decrease in interest earnings for the remainder of the fiscal year will further increase the unfavorable variance at the end of the fiscal year.

**5 Hotel Occupancy Tax Revenues** - Hotel Occupancy Tax collections through the first quarter have come in below the budget amount due to the continuing weak economic conditions for the travel and hospitality sectors. The unfavorable variance is the result of lower than anticipated hotel room demand and continued decline in average daily room rates.

**Convention Center Revenues** - Convention Center revenues are below budget for the first quarter by \$377K as a result of lower than anticipated room rental revenues from short-term bookings, \$122K, and commission revenue for concessions, catering services, equipment rentals, A/V and telecommunication services totaling \$242K. These revenues are anticipated to increase by year-end with a late booking for February and tentative catering contracts for the new River-level Ballroom to open in July.

**Alamodome Revenues** - Variance is due primarily to lower than anticipated revenues from major events such as the Notre Dame Football Game (\$300K). This variance is anticipated to be offset in January as a result of a better than projected Valero Alamo Bowl and the unanticipated booking of a volleyball tournament.

**Other Revenues** - Interest earnings are projected to be lower than the budgeted amount due to interest rates being lower than planned. The interest on investments for FY 2010 was budgeted at a rate of return of 1.18%, due to current market conditions it is anticipated that the rate of return for FY 2010 will be 0.52%.

**Community and Visitors Facilities Expenditures** - Expenditures are below the November 2009 budget due to decreased spending in anticipated of mid-year reduction. In addition, spending associated with maintenance and other purchases in subsequent months will decrease the overall favorable variance.

**History & Preservation Expenditures** - The favorable variance reflects a decrease transfer to the General Fund for History and Preservation. This transfer is limited to 15% of HOT Tax Collections by State Law.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

City of San Antonio

## ENTERPRISE & RESTRICTED FUNDS

	FY 2010 ADOPTED BUDGET	FY 2010 3-MONTH BUDGET	FY 2010 3-MONTH ACTUALS *	VARIANCE FAVORABLE (UNFAVORABLE)	FY 2010 ESTIMATE	VARIANCE FAVORABLE (UNFAVORABLE)
<b>6 Information Technology Services Fund</b>						
<i>Revenues</i> \$	45,589,460	11,088,734	11,092,689	3,955	45,589,460	0
<i>Expenses</i>	45,102,993	11,073,514	9,763,309	1,310,205	44,675,030	427,963
<b>7 Purchasing &amp; General Services Fund</b>						
<i>Revenues</i>	41,338,977	9,983,152	9,536,493	(446,659)	41,274,752	(64,225)
<i>Expenses</i>	39,484,997	9,124,865	8,731,930	392,935	39,415,715	69,282
<b>8 Right of Way Management Fund</b>						
<i>Revenues</i>	1,265,740	350,254	435,584	85,330	1,328,360	62,620
<i>Expenditures</i>	1,468,876	367,154	393,252	(26,098)	1,468,660	216
<b>Storm Water Operating Fund</b>						
<i>Revenues</i>	37,624,245	9,232,743	9,478,739	245,996	37,886,620	262,375
<i>Expenditures</i>	42,979,170	8,528,135	8,522,384	5,751	42,969,805	9,365
<b>9 Storm Water Regional Facilities Fund</b>						
<i>Revenues</i>	3,088,069	642,485	499,731	(142,754)	2,550,158	(537,911)
<i>Expenditures</i>	18,304,630	514,642	341,858	172,784	18,304,630	0
<b><u>Self-Insurance Funds</u></b>						
<b>10 Employee Benefits Fund</b>						
<i>Revenues</i>	91,866,280	22,966,670	23,032,407	65,737	91,739,609	(126,671)
<i>Expenses</i>	97,446,374	24,719,494	26,228,467	(1,508,973)	98,621,440	(1,175,066)
<b>11 Liability Fund</b>						
<i>Revenues</i>	11,410,740	2,852,685	2,753,647	(99,038)	11,226,499	(184,241)
<i>Expenses</i>	11,549,907	2,876,390	1,909,266	967,124	10,583,410	966,497
<b>12 Workers' Compensation Fund</b>						
<i>Revenues</i>	14,236,503	3,559,126	3,639,293	80,167	14,170,356	(66,147)
<i>Expenses</i>	15,732,367	4,132,096	3,596,545	535,551	15,204,403	527,964

\* Unaudited actuals. Excludes Prior Year Encumbrances and Carryforward Expenditures.



# FY 2010 THREE PLUS NINE BUDGET & FINANCE REPORT

*City of San Antonio*

ENTERPRISE & RESTRICTED FUNDS

## VARIANCE ANALYSIS

- 6 **Information Technology Services Expenses** - The favorable variance is due to computer hardware and computer software maintenance contracts that are being expensed later than anticipated, as well as savings from vacant positions.
- 7 **Purchasing & General Services Revenues** - Revenues are less than the planned amount due to less mechanic work orders issued than anticipated for the 1st Quarter. The Fleet Department anticipates to issue more mechanic work orders in the upcoming months that will offset the majority of this unfavorable variance.
- 8 **Right of Way Revenues** - Revenues are above the adopted budget due to greater than anticipated penalty fees collected through the first quarter of the fiscal year. The overall anticipated increase in revenues for the fiscal year is offset by lower than projected inspections fees and applications fees.
- 9 **Storm Water Regional Facilities Revenues** - Fees in-lieu of on-site detention are below the planned amount due to continued weak economic conditions for commercial development and lower than projected interest earnings.
- 10 **Employee Benefits Expenses** - Higher than anticipated expenses were realized during the 1st Quarter due to more health benefit claims received as well as higher dollar amount claims compared to FY 2009.
- 11 **Liability Expenses** - The positive variance is due to less than anticipated General Liability claims and to lower than planned insurance premiums.
- 12 **Workers' Compensation Expenses** - Less Worker's Compensation claims have been submitted in the 1st Quarter of the Fiscal Year.