

Financial Overview

Maintaining a sound fiscal plan that works

Budget Overview

The Annual Operating Budget, which begins October 1, is the City's financial blueprint for delivering high quality services to our residents. The City of San Antonio continues to move forward with sound fiscal planning by redirecting resources toward essential services such as streets and infrastructure improvements; increasing public safety; providing workforce development opportunities and maintaining the City's strong commitment to neighborhood services.

- The City passed an operating and capital budget of more than \$2 billion that continues the City's commitment to streets, public safety and neighborhoods.
- The FY 2008 Budget achieved a two-year balanced budget for fiscal year 2008 and fiscal year 2009.
- Due to strong real estate values, the City reduced its current property tax rate by 0.624 cents.
- The City increased its financial reserves to 8% of General Fund Expenditures. City Council also established a policy goal of 10% of appropriations as a target for budgeted financial reserves.
- In November 2007, Moody's Investors Service upgraded the City's general obligation bond rating from "Aa2" to "Aa1". The upgrade reflected San Antonio's strong regional economy and diverse industries. It also took into consideration the City's moderate debt burden, sound financial management practices, and healthy financial operations supported by a proficient management team.
- The Department of Housing and Urban Development (HUD) requires municipalities to have a spending ratio of no more than 1.5 times the annual funding allocation. This year, San Antonio's spending ratio was .8, which was the best spending ratio in the Southwest Region. The City of San Antonio received a letter of congratulations from HUD.

• In Fiscal Year 2008, the City was awarded more than \$5 million in grant funds for programs and services to address park revitalization, public safety and solar energy initiatives.

Reporting & Monitoring

Reporting and monitoring are key components to managing the City's financial position. Reporting has been strengthened over the course of the past several years and the following summarizes some of the key initiatives that have been implemented.

- Beginning in fiscal year 2008, the City implemented the 3 + 9 quarterly financial report that covered actual financial information for the first quarter plus a projection for the remaining nine months. This report was another tool utilized by the City to monitor financial conditions on a continuing basis.
- In fiscal year 2008, the City prepared the 6 + 6 quarterly financial report at the end of the second quarter based on actual information through the second quarter plus a projection for the remaining six months. This report was utilized as a foundation for potential revisions to the Adopted Budget as part of the Mid-year Budget Adjustment.

Financial Overview (FY2008 Operating Budget)

General Fund Expenditures

\$852.5 million (FY 2008)		
Police	\$290.1 million	34.0%
Fire	\$203.1 million	23.8%
Public Works	\$71.8 million	8.4%
Parks and Recreation	\$55.6 million	6.5%
Library	\$28.4 million	3.3%
Community Initiatives with Delegate Agencies	\$31.7 million	3.7%
Other Expenditures	\$171.8 million	20.3%

General Fund Revenues

\$943.4 million (FY 2008)		
CPS Energy	\$254.0 million	26.9%
Property Tax	\$226.1 million	23.9%
City Sales Tax	\$196.2 million	20.8%
Fines, licenses and permits, other resources	\$267.1 million	28.4%

Tax Rate by Jurisdiction

The following sample statement of property taxes due demonstrates the portion of local taxes that are due to the City of San Antonio. This sample statement compares current tax rates for a home located in the San Antonio Independent School District and valued at \$122,630, which is the FY 2008 average residence homestead value within the City of San Antonio. City taxes represent \$701.81 or 24.02% of the total taxes due.

San Antonio ISD	46.04%
City of San Antonio	24.02%
Bexar County	12.39%
University Health System	9.96%
Alamo Community College Dist.	5.65%
San Antonio River Authority	0.64%
County Road and Flood	1.30%

Moving forward in Fiscal Year 2009, the City of San Antonio received an "AAA" Bond Rating from the Standard and Poor Rating Service due to the many proactive financial initiatives it has implemented successfully over the last three years.

Our city with a heart as big as Texas is positioned to continue in a positive upward direction because San Antonio is "In the Heart of It All!"