



# FY 2013 Preliminary Year-End Financial Report

Sheryl Sculley, City Manager  
Maria Villagómez, Budget Director  
City Council "A" Session ~ December 19, 2013

City of San Antonio



## Agenda

- Year End Report Overview
- General Fund
  - FY 2013 Year-End Report
- Restricted Funds
  - FY 2013 Year-End Report



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## Presentation Overview

- Today's presentation provides a preliminary FY 2013 Year-End financial update since budget adoption on September 12, 2013
- All figures presented today are preliminary/unaudited and will change as the Comprehensive Annual Financial Report (CAFR) is finalized



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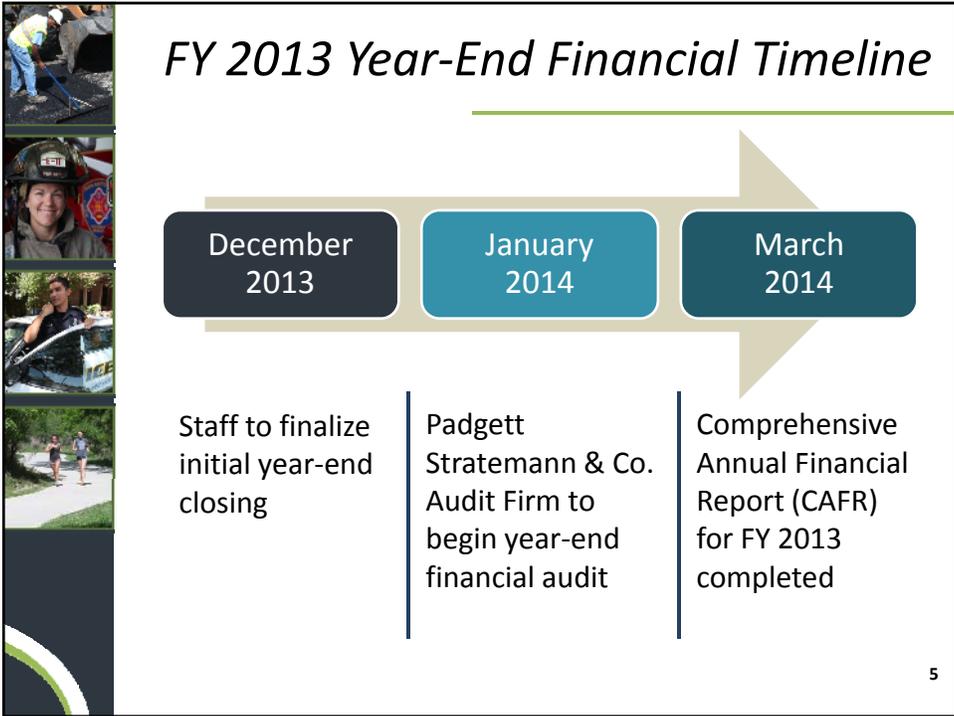


## Financial Management

- Revenues and expenditures reviewed monthly by City Manager, Chief Financial Officer, Finance and Budget Directors
- Quarterly Financial Reports presented to City Council including 3 Plus 9 and 6 Plus 6 Reports
- Mid-Year Adjustment developed to align and update revenue and expenditure budgets with updated information and trends



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## FY 2013 General Fund Year-End Summary

- Additional revenue and less spending result in \$13.6 Million in added ending balance for a total of \$21.2 Million reserved to balance FY 2015
- Although ending balance is better than anticipated, it is not as strong as in prior years
- Moody's cited lower General Fund ending balance as a challenge for the City to maintain current bond rating
- Standard & Poor's currently reviewing General Obligation Bond Rating

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## Additional Revenue

- \$7.4 Million net revenues from:
  - Additional \$1.7 M in Property Tax
  - Additional \$4.1 M in Sales Tax
  - Additional \$5.1 M in CPS Energy
  - Additional \$1.9 M in licenses, permits, and user fees
  - No sales proceeds from the anticipated sale of Zarzamora Center (\$5.4 Million reduction)

FY 2013 General Fund Revenues (\$ in Millions)			
Estimate	Preliminary Actual	Variance	Percentage
\$931.2 <sup>1</sup>	\$938.6	\$7.4	Less than 1%

1) Does not include beginning balance of \$84 Million

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# Less Spending

- \$6.2 Million in less spending from:
  - Savings in personnel line items, commodities and contractual services
  - Savings from non-use of \$1 Million set aside for downtown grocery incentives
  - Savings from construction and completion of projects

FY 2013 General Fund Expenditures (\$ in Millions)			
Estimate	Preliminary Actual	Variance	Percentage
\$977.3	\$971.1	\$6.2	Less than 1%



# Preparing for FY 2015 Budget

- While today's financial update is positive for ending FY 2013, financial challenges exist for upcoming FY 2015 budget cycle
- In September at budget adoption, the FY 2015 Budget Plan projected a \$30 Million budget challenge
- Preliminary FY 2013 (better) ending balance of \$13.6 million would be utilized to partially reduce challenge in FY 2015





## Preparing for FY 2015 Budget

- \$30 Million financial gap does not include:
  - Expenses for the FY 2015 Police and Fire Collective Bargaining Agreement to be negotiated in 2014
  - Civilian wage increases, or any new funding requests



Restricted Funds

City of San Antonio



## Development Services Fund

- Development Services Fund ends FY 2013 within budget
    - \$400,000 less in revenues or 1.3% below projections mainly due less than anticipated commercial activity
    - \$360,000 in less spending; with fund balance
- Development Services fund maintains a strong financial position

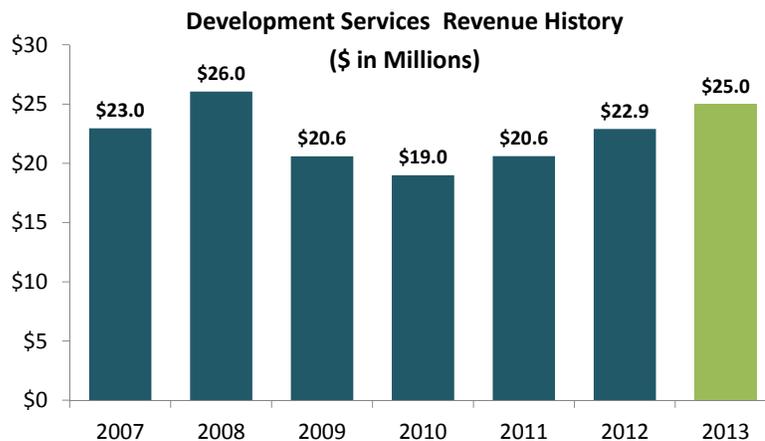


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## Development Services

- Development Services Revenues for FY 2013 are 8.9% higher than FY 2012

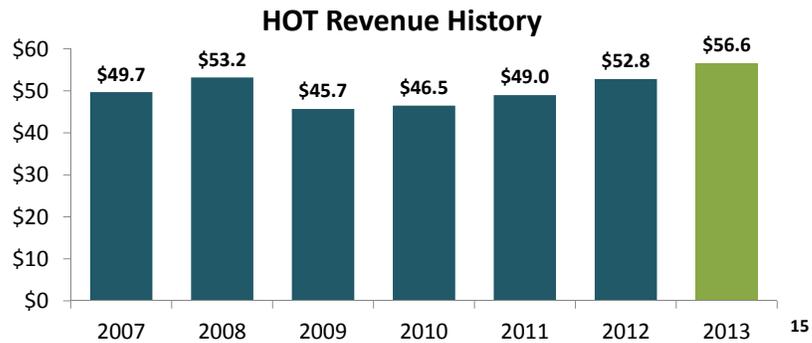


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## *Hotel Occupancy Tax (HOT) Supported Funds*

- Hotel Tax preliminary revenue up \$1.1 Million or 1.9% above projections
- All funds supported by HOT collectively end FY 2013 \$190,000 below expenditure projections



## *Airport Fund*

- Airport Fund ends FY 2013 overall ahead of projections
- \$780,000 more in revenues or 0.9% above projections
- Preliminary expenditures below budget





## Solid Waste Fund

- Solid Waste Fund ends FY 2013 better than anticipated by \$338,000
  - \$198,000 Million less in revenues or 0.2% below projections
  - \$537,000 in less expense or 0.6% below projections

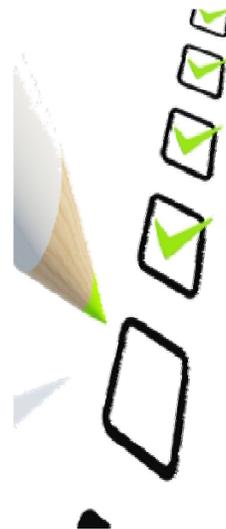


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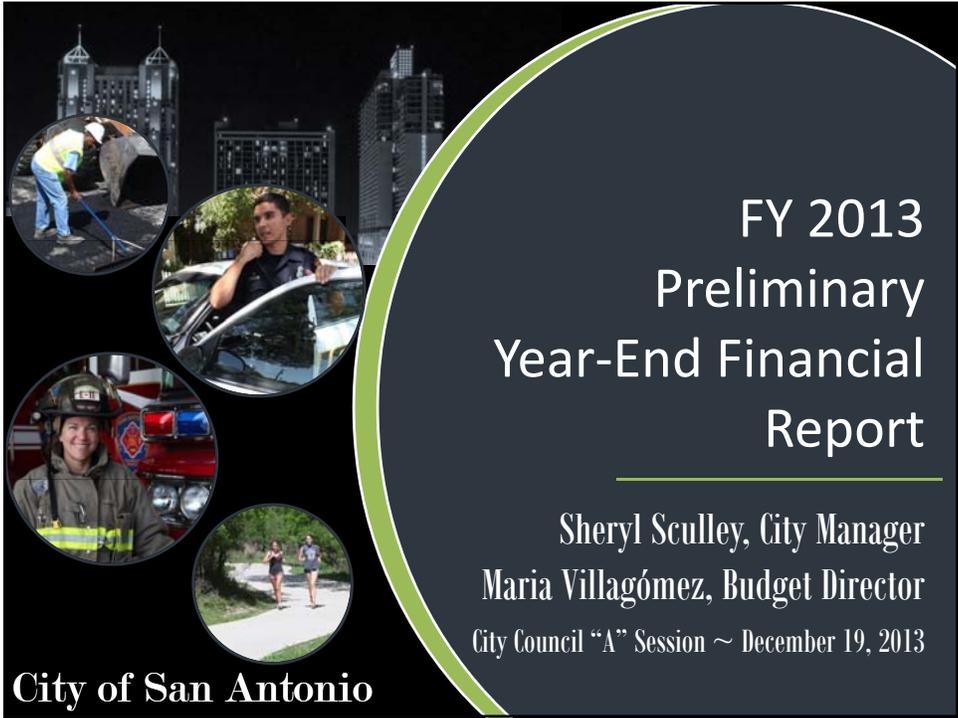


## Summary

- City's FY 2013 General Fund ends with \$21.2 Million fund balance or \$13.6 better than anticipated
- Financial challenge of \$30 Million is projected for FY 2015 not including increases to collective bargaining, civilian wage increases or new funding requests
- FY 2014 First Quarter Financial Report to be presented to City Council in February
- In February 2014 a "B" Session will be held to discuss financial policies with the Mayor and City Council



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