FY 2014

PROPOSED ANNUAL OPERATING AND CAPITAL BUDGET HIGHLIGHTS

— City of San Antonio, Texas —

As required by law, **the Proposed FY 2014 Proposed Budget is balanced.** The FY 2014 spending plan reflects City Council policy direction and input from the community and focuses on public safety, streets, sidewalks and drainage. There is no City Property Tax rate increase or Storm Water Fee increase included in the budget. There is a proposed increase of 50 cents per month to the Solid Waste Fee to support two new neighborhood bulky waste drop off collection centers and to keep pace with inflationary increases related to disposal and equipment costs.

The Proposed Consolidated Annual Budget, comprised of all funds excluding transfers, totals $2.3 billion, a 1% decrease from FY 2013, with operating expenditures totaling $1.69 billion and the FY 2014 capital program totaling $570 million. Of the total operating expenditures for FY 2014, General Fund expenditures total $989 million.

In the General Fund Five Year Financial Forecast presented in May of 2013, revenues were projected to increase at a slower pace than expenditures necessitating adjustments to be made to the budget. Today, the Proposed FY 2014 Budget presented to the City Council on August 8 is balanced and it reflects the City Council priorities of no City property tax rate increase, budget reductions and some fee increases. Included in the budget are $5 million in proposed revenue adjustments in the General Fund, primarily in EMS transport fees, HazMat inspection fees and recreational fees. The Proposed Budget also maintains the City's financial reserves at $89 million or 9% of General Fund appropriations.

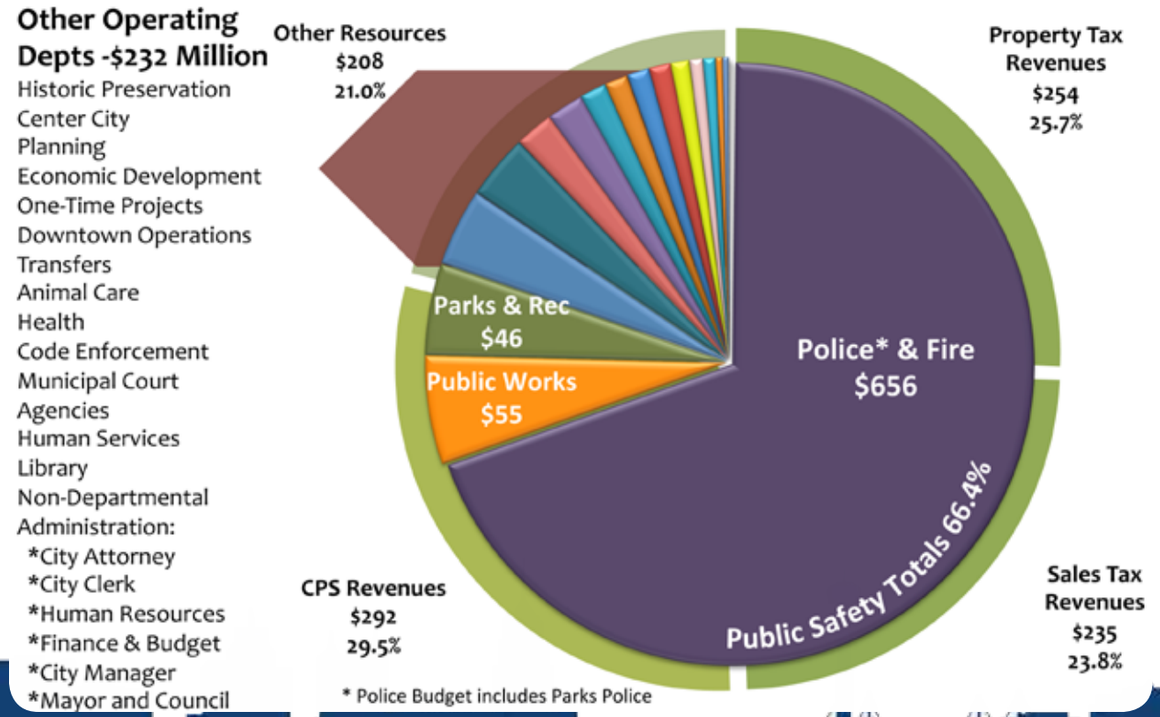
Since 2007, the City has reduced the general fund budget by close to $88 million and has eliminated 1,633 civilian positions with no layoffs. During this same period the City added 307 police officers and 167 firefighters reflecting the community and City Council priorities. The FY 2014 Proposed Budget maintains our focus of providing efficient and effective services by reducing $13 million in the general fund and a total of 279 positions in all funds. These savings are primarily derived from operational efficiencies, process improvements and reducing administrative overhead; however, there are reductions to existing programs and services. These reductions represent on average a 5% cut to Non-Public Safety Departments and Programs in the General Fund. Collectively, the proposed changes included within the FY 2014 Proposed Budget allow the City to focus on the priorities of Public Safety and Street Maintenance while maintaining responsible fiscal health and a strong credit rating.

Total Consolidated City Budget (All Funds) $2.3 BILLION

$989M	$700M	$570M
General Fund	Restricted Fund	Capital Budget

San Antonio's Consolidated Budget is **1% less than FY 2013**

GENERAL FUND AVAILABLE RESOURCES DISTRIBUTED OVER MAJOR SPENDING AREAS ($ IN MILLIONS)



• THE GENERAL FUND •

FY 2014 PROPOSED BUDGET:
$988,890,690

The General Fund supports the majority of basic services of the city. Police, Fire, Public Works and Parks Comprise 76.5% of the General Fund Budget. Other important city services include Libraries, Human Services, Health, Animal Care and Code Enforcement.

The basic services provided by the General Fund are supported primarily by: $254 in property tax revenue, $292 in CPS revenues, $235 in sales tax revenues, and $208 in other revenues.

Sales tax is dependent on the health of the local economy. Sales tax revenues are projected to be 3.5% higher in FY 2014 than the FY 2013 estimate.

As the owner of CPS Energy, the City receives an annual financial return on investment from the utility equivalent to 14% of sales.

No change in the City's property tax rate is proposed in the FY 2014 Budget. The City receives less than a quarter of the total property tax bill paid by homeowners and businesses. The majority of property tax paid goes to local school districts, and the remainder is divided among Bexar County, the Alamo Community College District, the University Health District and the San Antonio River Authority. In FY 2014, the City continues its commitment to provide targeted property tax relief and it will forego over $31 million in revenue from Senior and Disabled Homestead Exemptions and Frozen City Tax Payments.

PUBLIC SAFETY

The budget provides **$17.9 million for uniform Police and Fire** Collective Bargaining wage increases and other pays in FY 2014. The Police Department has applied for a COPS Hiring Grant that allows additional police officers for three years. In the Fire Department, 3 uniform fire inspectors are added to increase HazMat inspections.

The Budget includes $307,000 for a City match if the grant is awarded in October 2013 for 10 officers. **$1.3 million** is also included in the budget to add more police in-car video and other equipment.

The Budget also allocates **$3 million** for the replacement of 2 HazMat trucks and other fire equipment.

STREET & SIDEWALK MAINTENANCE

The FY 2014 Proposed Budget provides **$54 million in funding for the Infrastructure Maintenance Plan (IMP.)**

$35M STREETS

$8.5M SIDEWALKS

$4.5 million is for Sidewalks to Schools!

$3.5M DRAINAGE

$7M MARKINGS, ALLEYS, SIGNALS, BIKE FACILITIES

NEIGHBORHOODS

The FY 2014 Proposed Budget continues to promote healthy, strong neighborhood connections through the addition of **$1.25 million in neighborhood initiatives such as the Neighborhood Revitalization (RenewSA) program**. Code Enforcement continues to be a priority ion FY 2014, and there are no service reductions for code recommended in the budget.

$700k RenewSA

$175k FITPASS

$150k SíCLOVÍA

Funding is also included for Animal Care Services to continue to **perform 26,500 spay and neuter surgeries** again next year. Consistently achieving a high volume of spay and neuter surgeries is an effective way to reduce the number of stray animals in our neighborhoods.

One dog can have 1 litter a year with 5 puppies per litter.

One cat can have up to 2 litters a year with 5 kittens per litter.

ECONOMIC DEVELOPMENT

Economic development initiatives in San Antonio foster new jobs and investment in the Targeted Industries outlined in the **SA2020 Vision Plan:** aerospace, cyber-security and information technology, bio-science and healthcare, and the new energy economy. The City of San Antonio collaborates with the San Antonio Economic Development Foundation, Bexar County, Workforce Solutions Alamo, CPS Energy and others to help Targeted Industries meet their business goals and provide good jobs and opportunity for the community. **In FY 2014, the budget includes $1.75 million for city-wide incentives to stimulate the creation and retention of jobs and investment in San Antonio in a globally competitive environment.** The budget also funds **$1.75 million for downtown and Central City neighborhoods** to support market rate housing, retail and amenity development projects and to maintain the momentum of Downtown San Antonio's redevelopment and evolution from tourist destination to **vibrant San Antonio neighborhoods.**

SENIOR SERVICES

The FY 2014 Proposed Budget includes an additional **$1.5 million in funding for senior services.** The additional funding will expand the District 2, District 6 and District 7 Senior Centers to help more of our seniors stay active and healthy.

District 2 Center capcity will double.

District 6 Center will be increased from **22,000 to 30,000** square feet with a redesigned floor space.

New 23,000 square feet Senior Center in **District 7** and will be co-operated by **WellMed Medical Group.**

Number of nutritiously balanced meals served annually City-wide at Senior Centers: **734,000**

EFFICIENCIES, PROCESS IMPROVEMENTS AND OTHER REDUCTIONS - $13 Million

Working with the Office of Innovation, Municipal Court has streamlined their business processes and developed a new staffing model to take advantage of recent technology investments. These improvements will reduce the average time that a customer spends in the Court by **30%** and will also reduce staffing costs by **25%** for a **total savings of $1 million.**

The Budget also reduces **$1.7 million** in administrative overhead in the General Fund, which includes a **50% reduction** to travel and other line-item budgets as well as 11 administrative positions. The City will also achieve savings by transitioning services provided at the Link Centers to existing facilities including Development Services One-Stop, select libraries and other City facilities. Service modifications totaling **$1.3 million** include realignment of parks landscape and sanitation maintenance schedules, and consolidating 10 open play community centers with low attendance with other full service centers in close proximity.

The budget includes a change in the outdoor Swimming Pool program that is anticipated to save **$310,000**. This proposal expands the existing six day per week operation of outdoor swimming pools to a seven day per week operation by limiting the number of days each pool is open. During the peak weekend period (Friday, Saturday, and Sunday) all 24 pools locations will be available on the regular schedules of 1:00 p.m. – 7:00 p.m. or 2:00 p.m. – 8:00 p.m. Alternating pool locations will be available Monday through Thursday to provide swimming opportunities at six different pools on each of those days. There will be no impacts to the extended pool season and lap swimming opportunities.

Delegate agency funding is proposed to be reduced by **5%**, consistent with the average reduction of non-public safety city departments. Funding for Haven for Hope, however remains at the FY 2013 budget levels. **This proposal saves $630,000**.

OTHER FUNDS

STORM WATER OPERATIONS FUND

The City's Storm Water Operations Fund of **$41 million supports drainage and creekway maintenance, flood tunnel operations, river maintenance, street cleaning, engineering, and flood plain management.** In FY 2014, the Alley Maintenance Program continues with $1 million from the Storm Water Fund and $1 million from the Solid Waste Fund.

Improve an Additional 44 alleyways

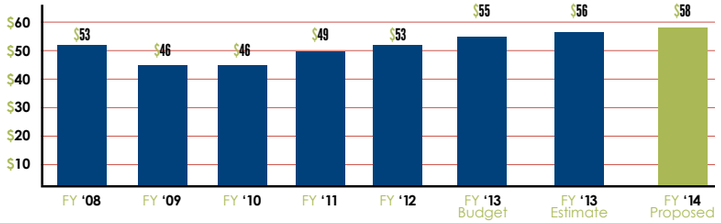
Install locking manhole and grate covers

Update the current Storm Water fee structure

HOTEL OCCUPANCY TAX

The Hotel Occupancy Tax (**HOT**) is used to support tourism, convention activities, arts and cultural programming activities. After a significant decrease in FY 2009 due to the economic recession, Hotel Occupancy Tax collections have recovered and are projected to **contiune to exceed FY 2008 levels**.

In FY 2014, **HOT** is projected to grow **5%** for total revenues of **$57.8 million**!



AVIATION

The FY 2014 Proposed Budget for the Aviation Fund is $87.3 million and includes operating and maintenance budgets for both the San Antonio International Airport and Stinson Municipal Airport facilities. FY 2014 emplanements are estimated to be **4.2 million**, representing an increase of **0.5%** from FY 2013 total emplacements.

DEVELOPMENT SERVICES FUND

The Development Services Fund totals **$25 million** and supports the regulation of development-related activities in the City. Permitting activity in FY 2013 increased slightly from FY 2012 levels, and other department services experienced an increase in activity. The FY 2014 Proposed Budget provides funding to **add 12 positions** to allow the department to continue to meet demand for services and maintain customer service expectations. Revenue from permitting activity will support the additional recommended staff.

SOLID WASTE MANAGEMENT FUND

The Solid Waste Operating and Maintenance Fund is **$96 million** and provides for the operation and management of garbage and recycling pickup, brush collection and other related services. This year's Budget continues the City's progress towards attaining the residential **60%** recycling rate goal by FY 2025 through expansion of the Organics Recycling Subscription Program to approximately **100,000** homes and the addition of two new neighborhood bulky waste drop off collection centers. The two new drop off centers will provide a free and convenient location for all residents to dispose of bulky waste five days a week, year round. To support the two new drop off centers and keep pace with inflationary increases related to disposal and equipment costs, a monthly rate increase of **$0.50** is recommended raising the cost to **$19.93 per month**.

CAPITAL BUDGET

The FY 2014 Capital Program is $570 million. Projects included in the capital budget are new streets and sidewalks, drainage enhancements, park and library facility rehabilitation, aquifer land and easement acquisition and liner park development and the replacement of several fire stations. Many of these projects are included in the City's 2012 to 2017 Bond Program approved by San Antonio voters in May 2012.

In FY 2014, the City will complete renovation to the International Airport Terminal A. Other airport projects include the Consolidated Rental Car Facility and improvements to the US Customs and Border Protection area.

Provide feedback on the FY 2014 Proposed Budget by attending any one of the seven area budget hearings beginning on Monday, August 12. **All budget hearings begin at 6:00 p.m.** and feature a short video to explain more about this year's proposed budget. Council Members and City staff will be available to answer questions and residents are encouraged to attend and participate:

Monday, Aug. 12	**—**	**West Area:**	**District 5 Senior Center, 2701 S. Presa St.**
Tuesday, Aug. 13	—	North Area:	Parkhills Baptist Church, 17747 San Pedro Ave.
Wednesday, Aug. 14	**—**	**Northwest Area:**	**St. Paul's Community Center, 1201 Donaldson Ave.**
Thursday, Aug.15	—	Central Area:	TriPoint YMCA Grantham Center, 3233 N. St. Mary's St.
Tuesday, Aug. 20	**—**	**Southwest Area:**	**St. Margaret Mary Catholic Church, 1314 Fair Ave.**
Wednesday, Aug. 28	—	Citywide:	City Council Chambers, 114 W. Commerce St.
Wednesday, Sept. 4	**—**	**Citywide:**	**City Council Chambers, 114 W. Commerce St.**

You may also provide feedback through the City's Budget Input Box located in City facilities such as Libraries and Senior Centers. The Budget Input Box is also available online through the City's website. To learn more about the FY 2014 Proposed Budget and how you can get involved, **visit the City's website at www.sanantonio.gov**.