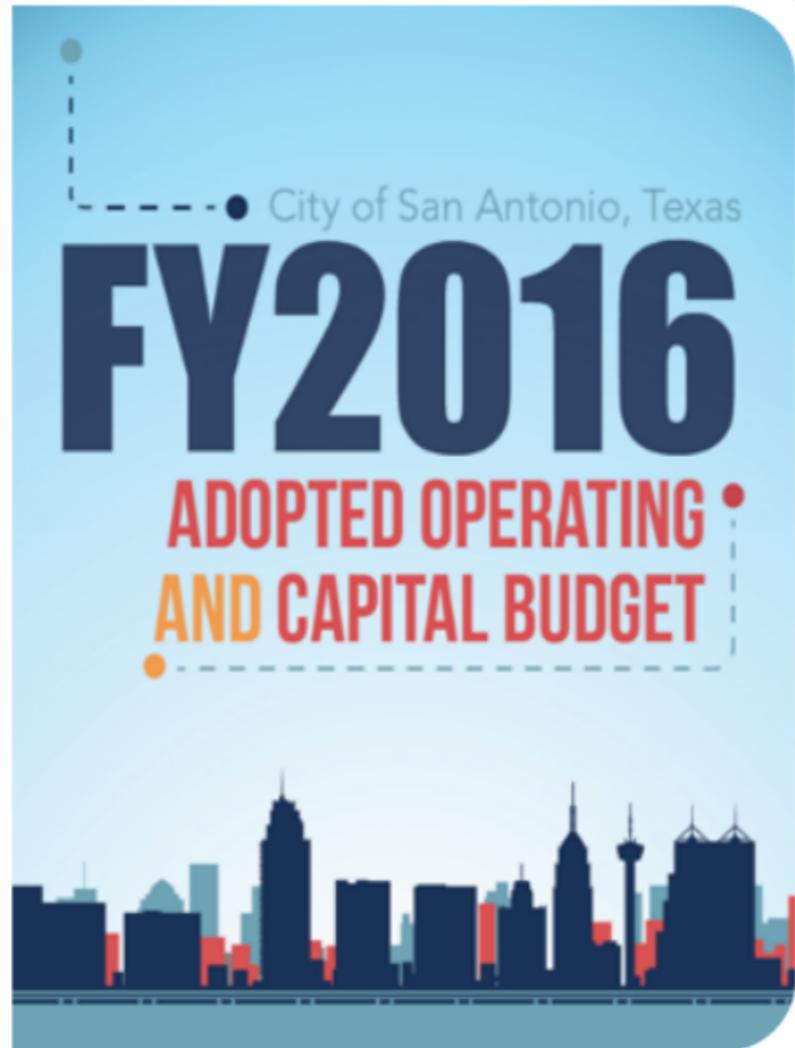


Presentation Overview



- **FY 2016 6+6 Report**
- **Mid-Year Adjustment**
- **Financial Forecast**
- **Next Steps in Budget Process**

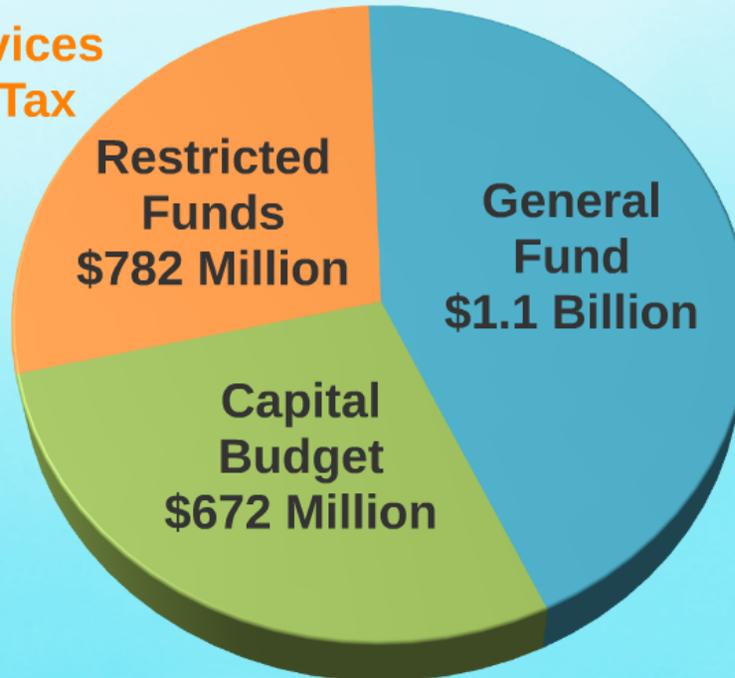
City Budget Overview



Total City Budget \$2.5 Billion

Restricted Funds:

Airport Funds
Development Services
Hotel Occupancy Tax
Solid Waste
Storm Water



General Fund:

Supports most basic City Services:
Police
Fire
Streets
Parks
Library
Code Enforcement

Capital Programs:

2012 Bond Projects
Airport Projects
Convention Center Expansion

GENERAL FUND AVAILABLE RESOURCES DISTRIBUTED OVER MAJOR SPENDING AREAS

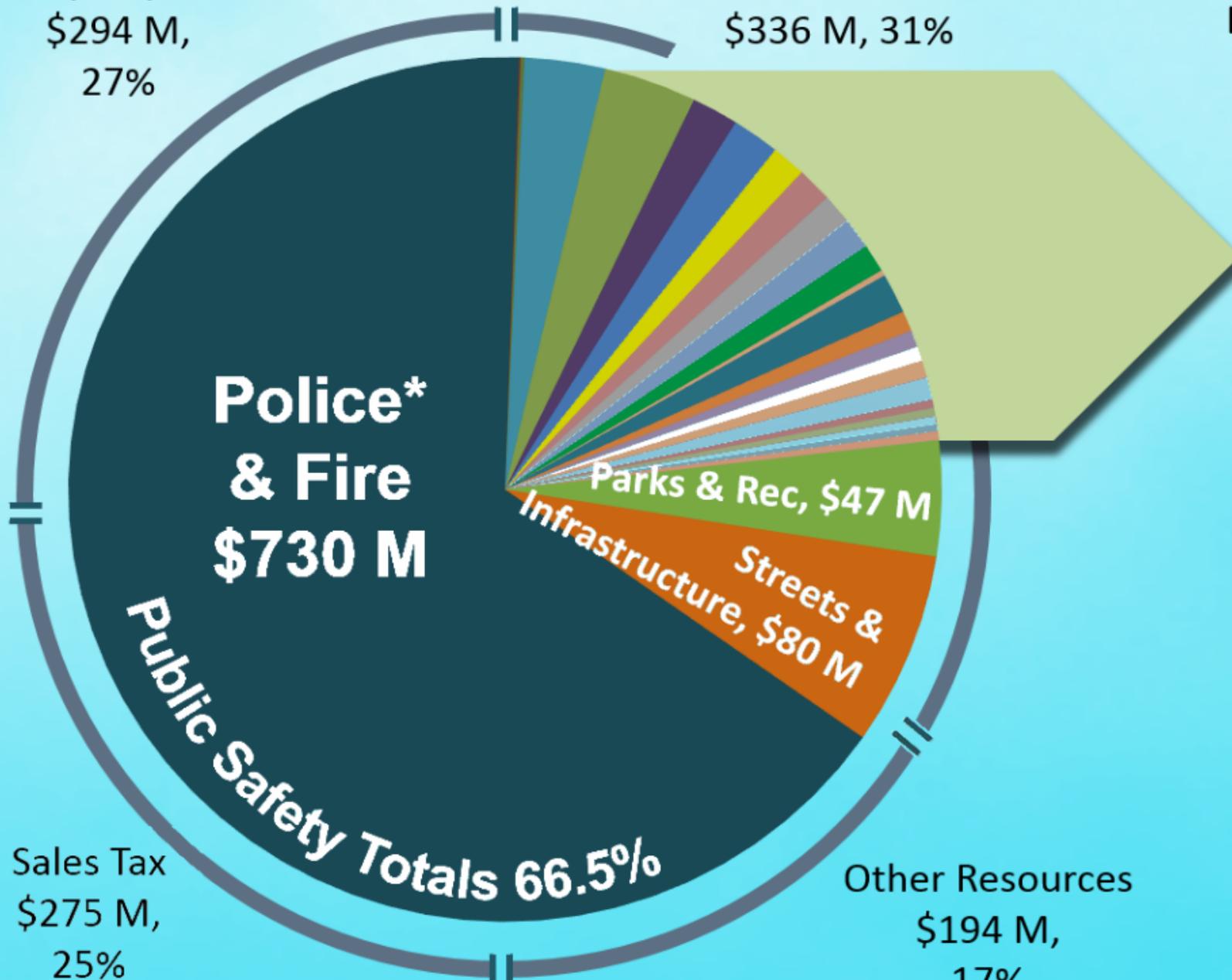
General Fund: \$1.1 Billion

Property Tax
\$294 M,
27%

CPS Revenues
\$336 M, 31%

Other Operating Departments - \$242 M

- Human Services
- Library
- Municipal Court
- Code Enforcement
- Animal Care
- Health
- Center City
- Planning
- Historic Preservation
- East Point Office
- Government & Public Affairs
- Economic Development
- Non-Departmental Administration:
 - City Attorney
 - City Auditor, City Clerk
 - Human Resources
 - Finance & Budget
 - Mayor and Council
 - City Manager
 - Transfers



Public Safety Totals 66.5%

* Police Budget includes Parks Police

FY 2016 General Fund 6+6 Report

Budget is balanced

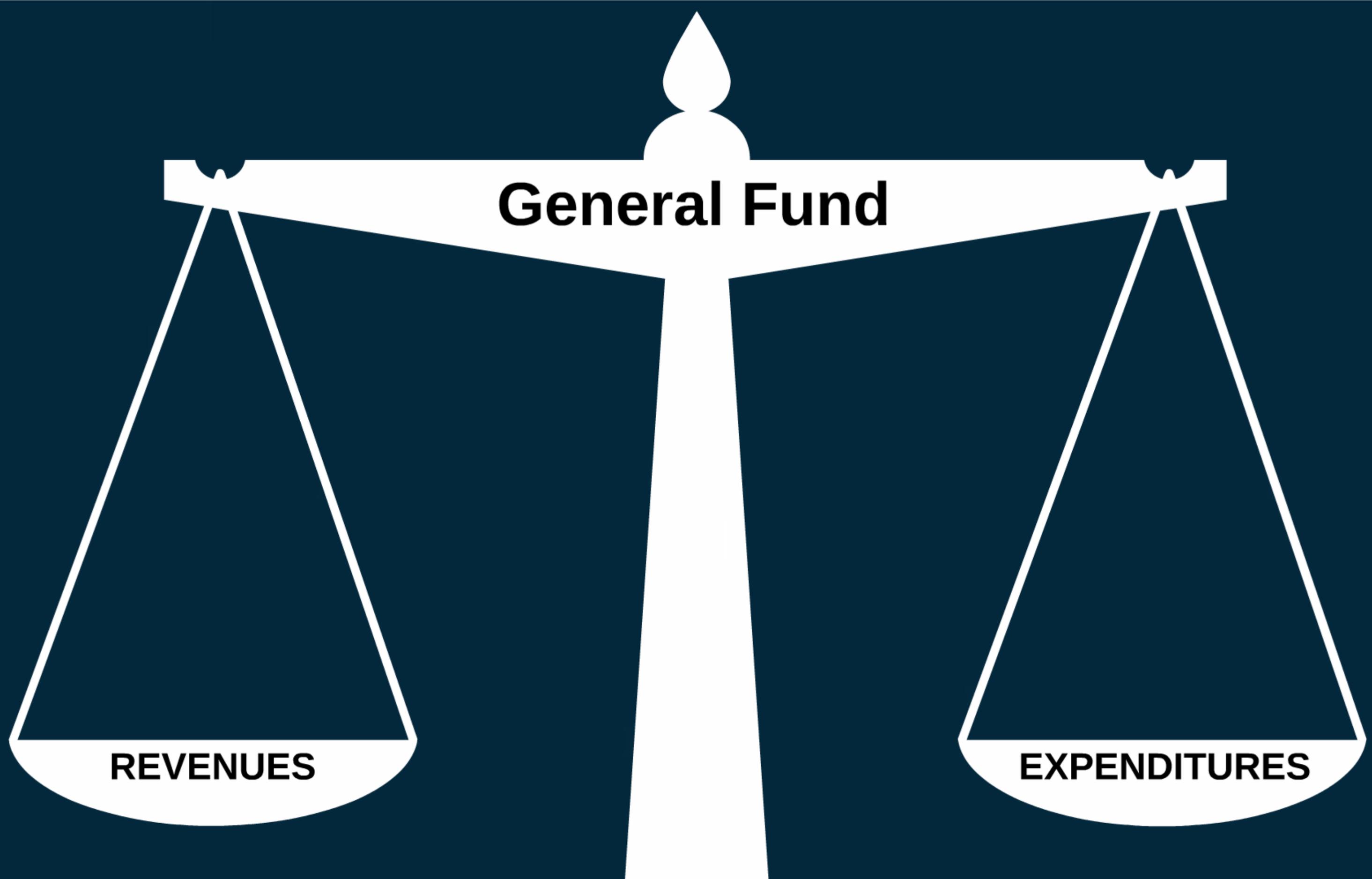
Revenues are down, primarily Sales tax and CPS

Savings in department expenses, primarily from fuel

General Fund FY 2016 Projection

FY 2015 Ending Balance	Less Revenues	Less Expense	FY 2016 Net Ending Balance
\$3.8M	(\$11.0M)	\$7.8M	\$0.57M

\$572,000 Ending Balance; \$375,000 proposed for Mid-Year Adjustment to SA Pets Alive



FY 2016 General Fund REVENUES

\$11 Million less in revenue or 1% of the General Fund Budget

(\$ in Millions)	Adopted Budget	6+6 Estimate	Variance
Property Tax	\$293.7	\$293.7	\$0
Sales Tax	274.6	267.4	(7.2)
CPS	335.9	326.3	(9.6)
Other	192.4	198.2	5.8
Total	\$1,096.7	\$1,085.6	(\$11.0)

FY 2016 General Fund EXPENDITURES

\$7.8 million in expenditure savings or less than 1% of the General Fund Budget

(\$ in Millions)	Adopted Budget	6+6 Projection	Variance
Department Expenditures	\$1,092.2	\$1,088.7	\$3.3
Fuel	9.2	5.7	3.5
Contingency	1.0	0	1.0
Lone Star Rail Allocation	0.45	0.45	0.0
Total	\$1,102.8	\$1,094.9	\$7.8

FY 2016 General Fund 6+6 Summary

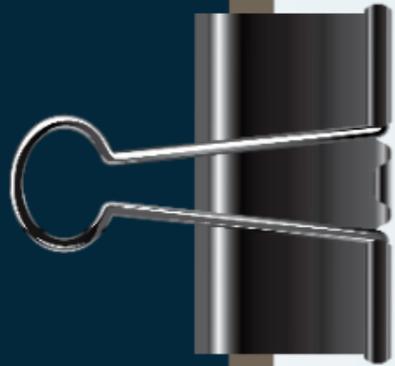
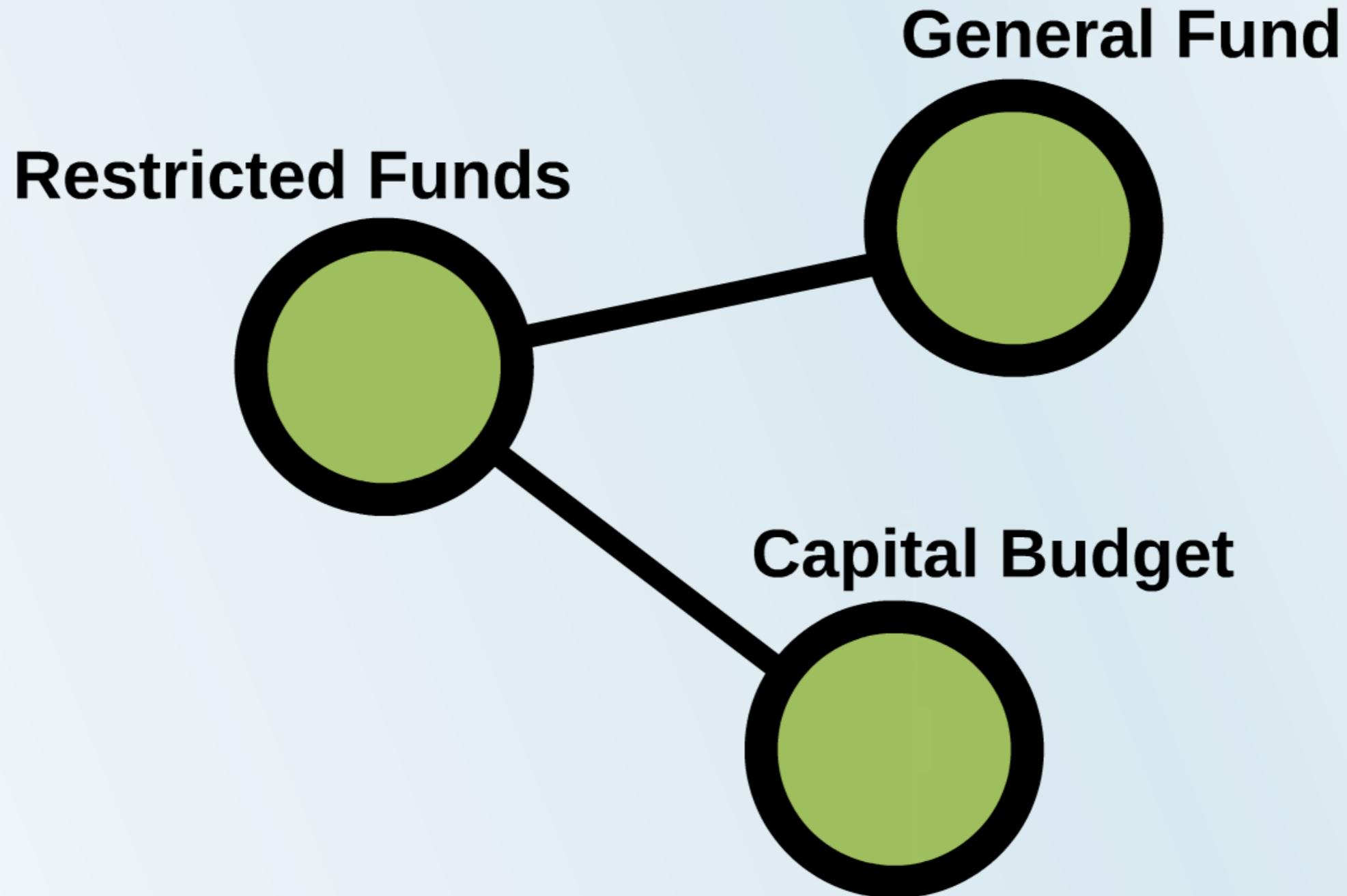
Budget is balanced

Revenues are down primarily Sales tax and CPS

Savings in department expenses

Net ending balance of \$572,000; of which \$375,000 recommended for mid-year adjustment

Mid-Year Requests



General Fund FY 2016 Mid-Year Adjustments

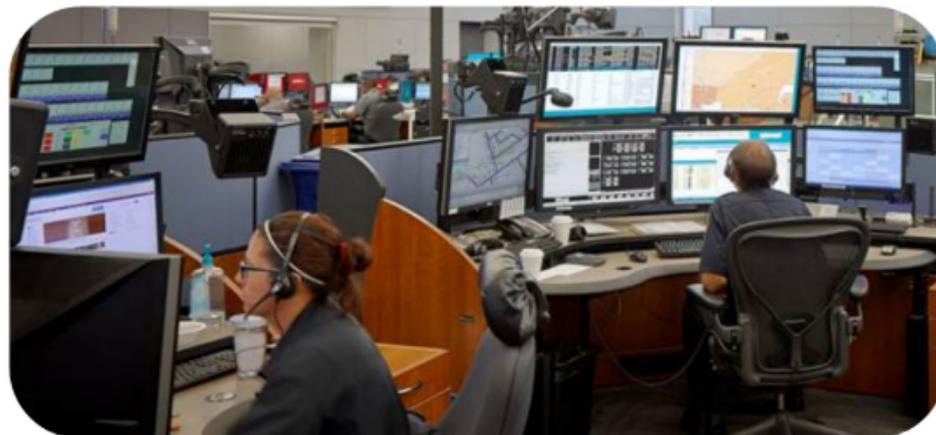
Animal Care Services – San Antonio Pets Alive: \$375,000

- Match of \$150,000 required
- Hire CEO within 60 days
- City seat on SAPA board
- Release RFP for operations of Adoption Center at Brackenridge Park



General Fund FY 2016 Mid-Year Adjustments

- Police: Convert 30 temporary position to full time civilian call takers for the 911 Call Center
 - 24 of the 30 positions are filled
- Implemented changes beginning in the fall of 2015 to improve performance of call center
 - Re-assigned expeditors and temporary positions
- Results of improvements made
 - % of calls answered within 10 seconds: 53% in FY 2015; April 2016 average: 89%
 - % of abandoned calls: 22% in FY 2015; April 2016 average: 18%



General Fund FY 2016 Mid-Year Adjustments

Fire: Reclassify 3 firefighters to fire engineers

- Funded in FY 2016 with fire department budget savings; \$43,000 impact in FY 2017

Fire: Convert two temporary civilians to full-time for applicant processing



Restricted Funds

FY 2016 Mid-Year Adjustments

Public Education Government Fund– \$102,000

- Expand City Council Chambers Videoconferencing capabilities

Alamodome - \$300,000 for Locker Room

Development Services – Add 2 positions for permit review and inspection of solar permits

- Paid in 2016 from Development Services Budget
- \$113,000 in FY 2017



FY 2016 Capital Budget

Reallocate \$400,000 for CD2 Bark Park funding

- \$200,000 to softball field improvements at Lincoln Park
- \$200,000 for a statue of Dr. Martin Luther King

Greenway Linear Park Improvement Projects as presented to City Council on May 4 “B” Session



Financial Forecast



What is the Financial Forecast?

- **Early financial outlook for the City as the budget development process begins in FY 2017**
- **Initiates Council Policy discussions for the budget**
- **Financial Forecast is not a budget**



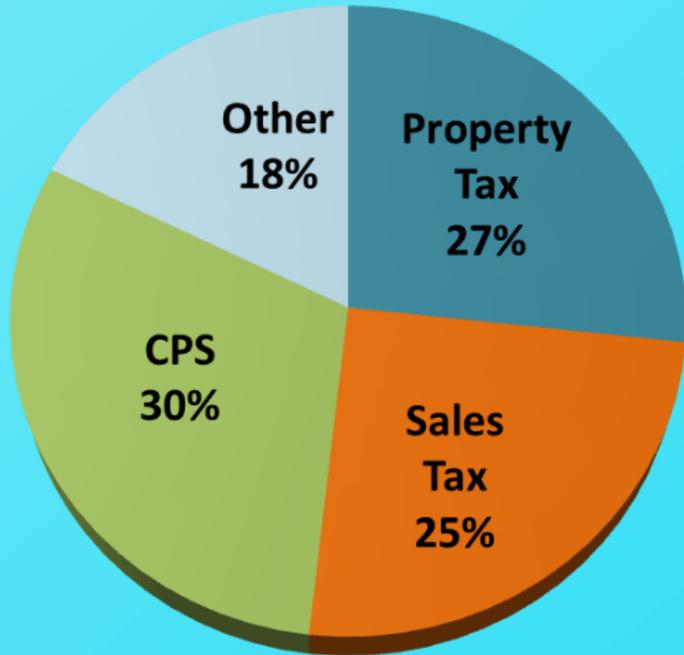
General Fund Forecast

- **Structurally balanced**
- **Maintains General Fund ending balance at 15%**
- **Reflects evergreen for police and fire expired collective bargaining contracts**
- **Fully funds uniform police and fire vacancies**
- **No new police officers or firefighters added**

Closer Look at General Fund

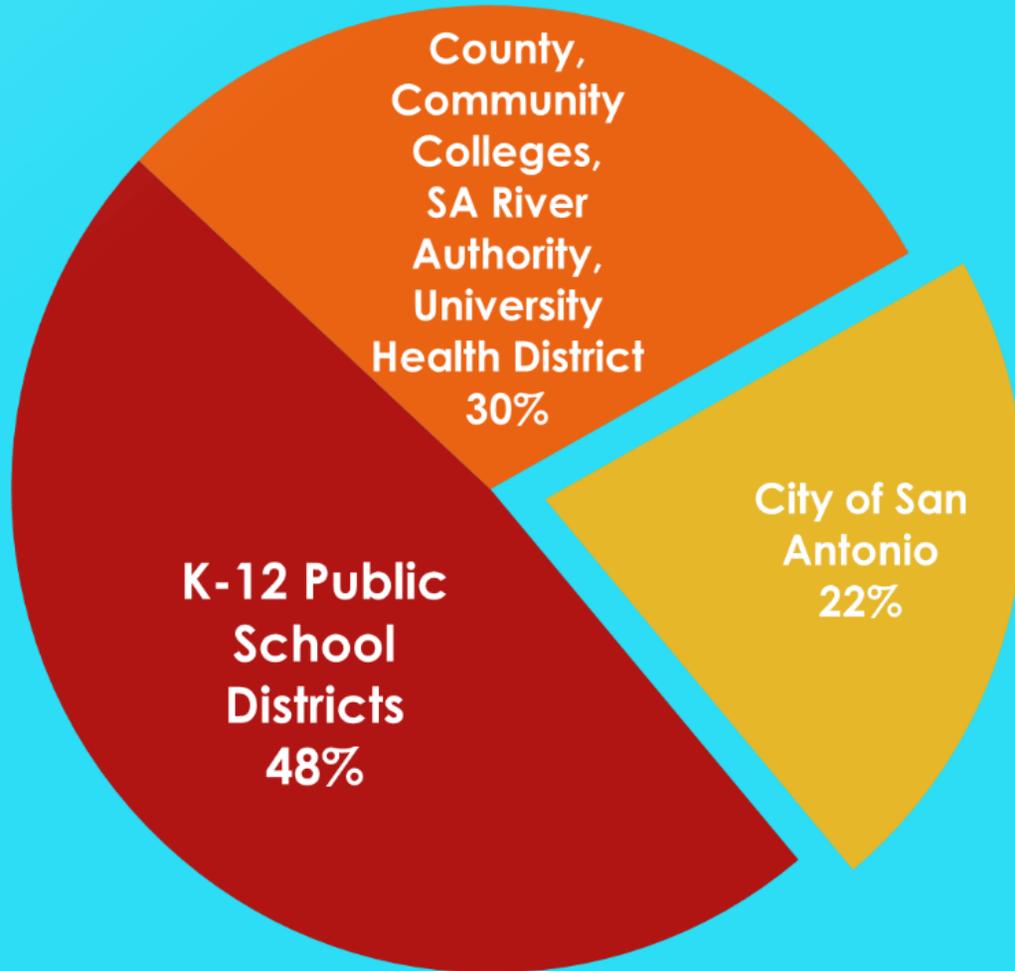


General Fund Revenue Assumptions



- 3% average growth in General Fund revenues
- 4% average growth in Property Tax
- 3.5% average growth in Sales Tax
- 3.2% average growth in CPS revenues

Distribution of Property Tax Bill



The City of San Antonio receives less than 25% of the property tax bill

Property Tax Value Growth

The Financial Forecast projects a 4% annual average property tax value growth

Property Tax Value Growth	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Base Valuation	5.5%	2.5%	1.5%	1.5%	1.5%
New Improvements	2.0%	1.5%	1.5%	1.5%	1.5%
Total	7.5%	4.0%	3.0%	3.0%	3.0%
Additional Revenue to General Fund (\$ in Millions)	\$19.2	\$12.6	\$9.8	\$10.1	\$10.4

Property tax rate of 55.827 cents per \$100 in valuation is maintained during the forecast period



Expenditure Assumptions in Forecast Period

- Maintains current level of service
- Includes mandated operating costs for completed capital projects and the south San Antonio area annexation
- Reflects \$50 million for street maintenance program and \$5 million for sidewalks



Street Maintenance Program

\$50 million in street maintenance every year of the forecast

\$ in Millions	FY 2016 Budget	FY 2017 to FY 2021
General Fund	\$35.0	\$35.0
Use of one-time lump sum allocation for police and fire collective bargaining	8.5	-
Short-Term Tax Notes	20.5	15.0
Total	\$64.0	\$50.0

Sidewalk Program

\$5 million in sidewalks every year of the forecast

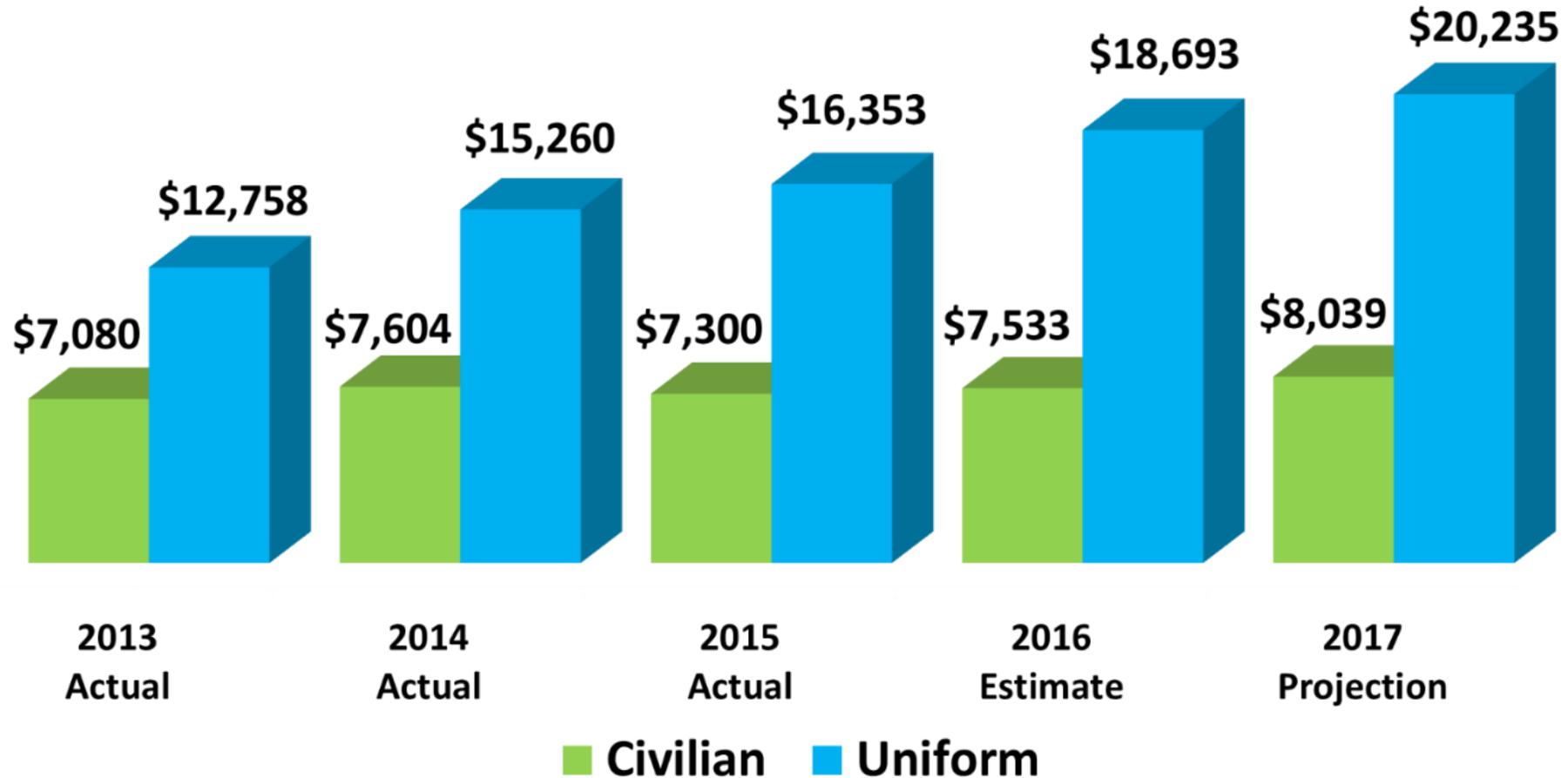
\$ in Millions	FY 2016 Budget	FY 2017 to FY 2021
Advanced Transportation District	\$5.0	\$5.0
Certificates of Obligation	10.0	-
Total	\$15.0	\$5.0



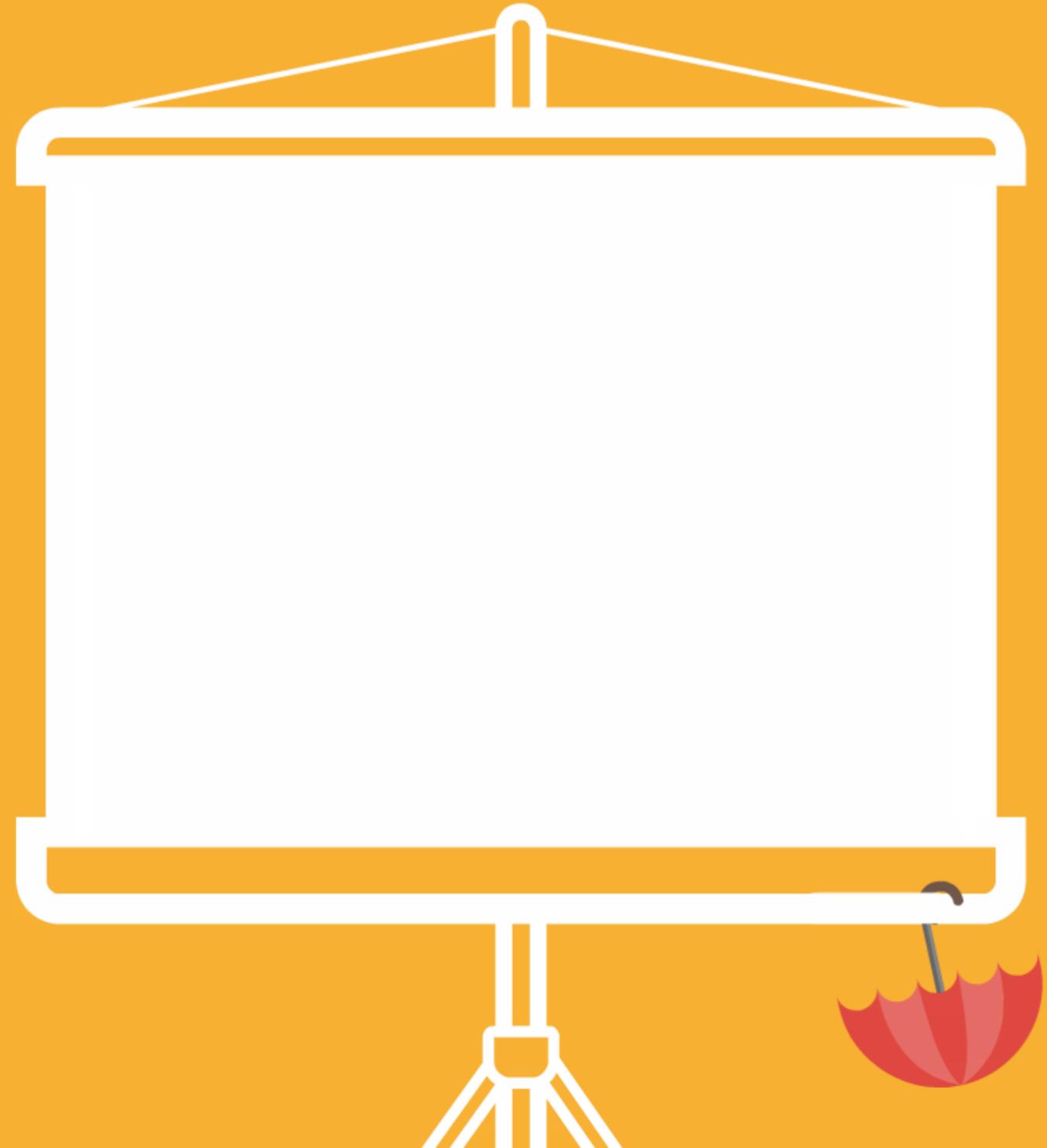
Expenditure Assumptions in Forecast Period

- **Reflects civilian living wage at \$13 per hour**
- **Continues civilian step pay plan**
- **Includes civilian performance pay for non-step pay plan employees**
- **Reflects evergreen for police and fire expired collective bargaining contracts**
- **Fully funds uniform police and fire vacancies**
- **No new police officers or firefighters added**

City's Cost of Active Employee Healthcare



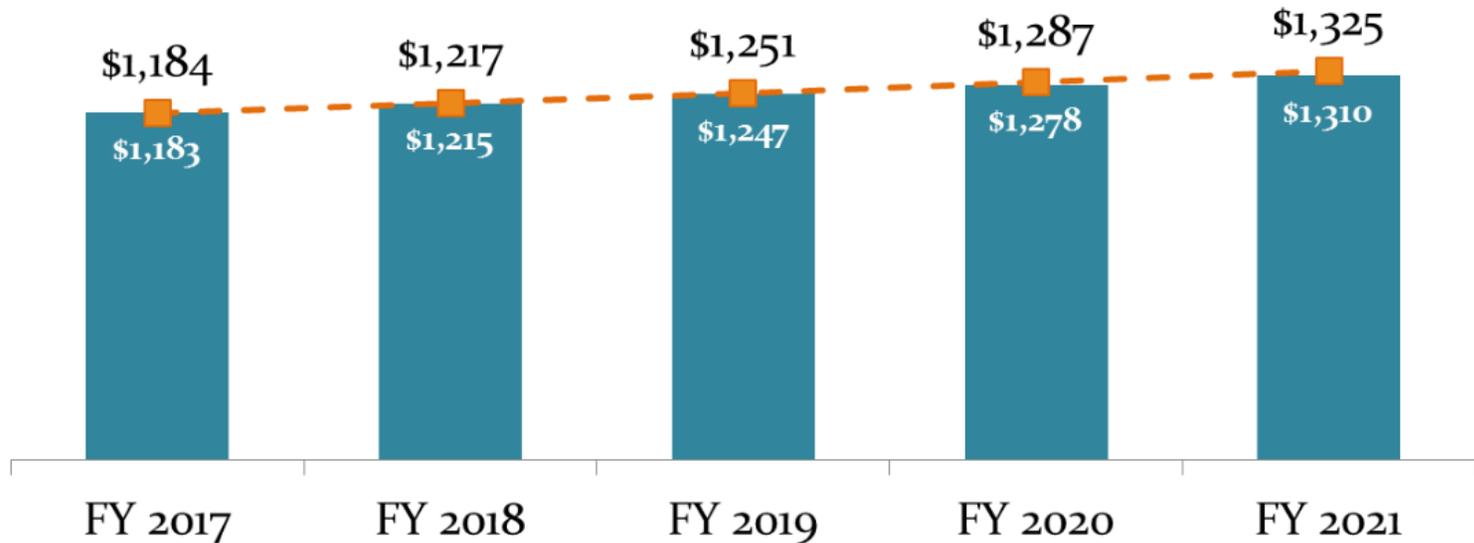
General Fund Five Year Forecast



General Fund Five Year Financial Forecast

(\$ In Millions)

General Fund is structurally balanced

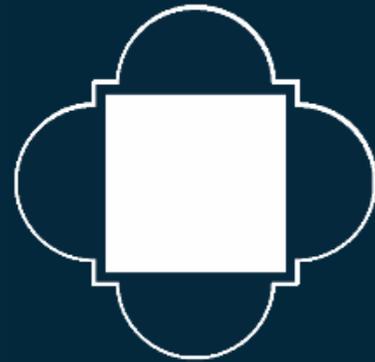


Ending Balance	\$0.9	\$1.5	\$4.4	\$8.7	\$15.1
Public Safety %	66.4%	66.6%	66.5%	66.4%	66.2%

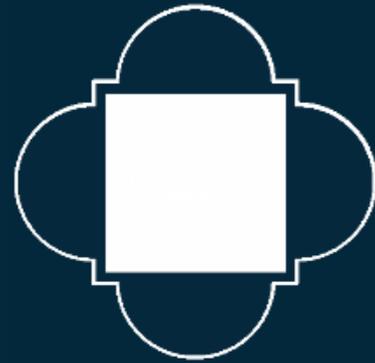
■ Expenditures (includes set aside of reserves for following year)

—■ Revenues - includes Beginning Balance

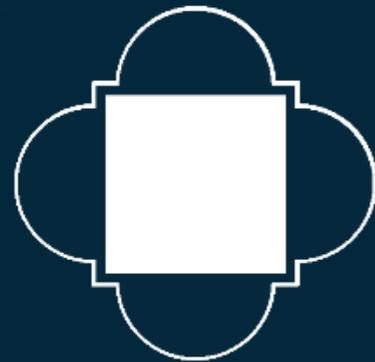
Restricted Funds Forecast



Development Services Fund



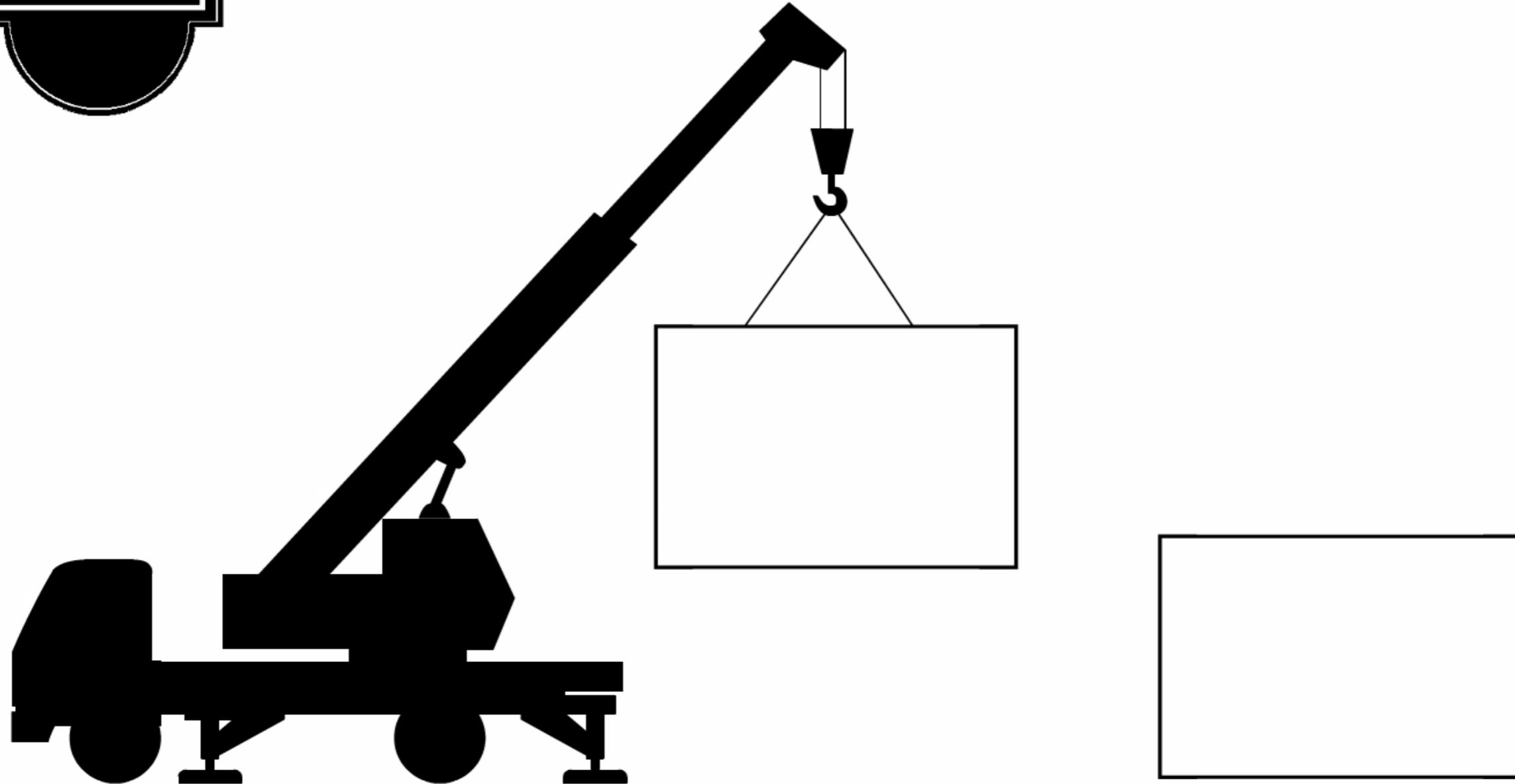
Hotel Occupancy Tax (HOT) Fund



Solid Waste Fund



Development Services Fund



Development Services Fund FY 2016 Results and Projections \$32 Million Annual Budget



2nd Quarter Results



Revenues \$16,000 ahead of
budget



\$334,000 in less expense



FY 2016 Projection



Revenues \$55,000 better
than budget

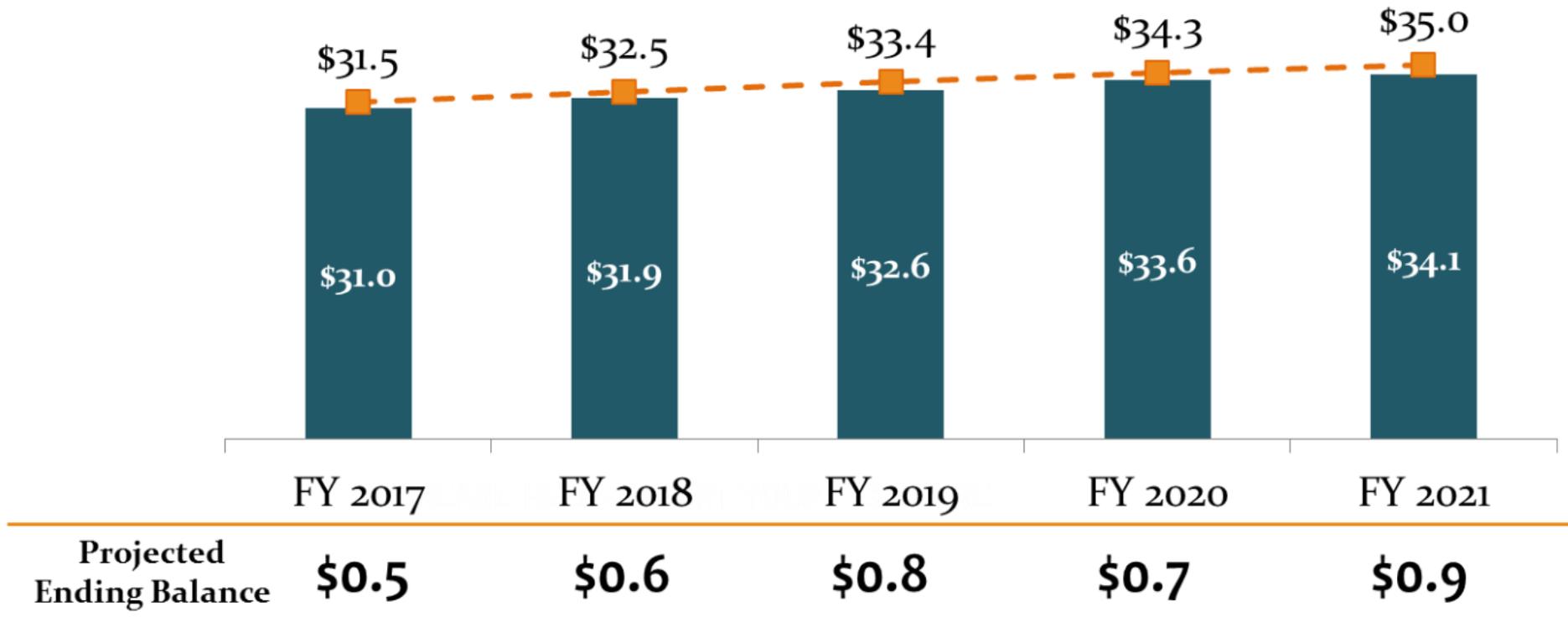


\$224,000 in less expense

Development Services Fund Five Year Financial Forecast

(\$ in Millions)

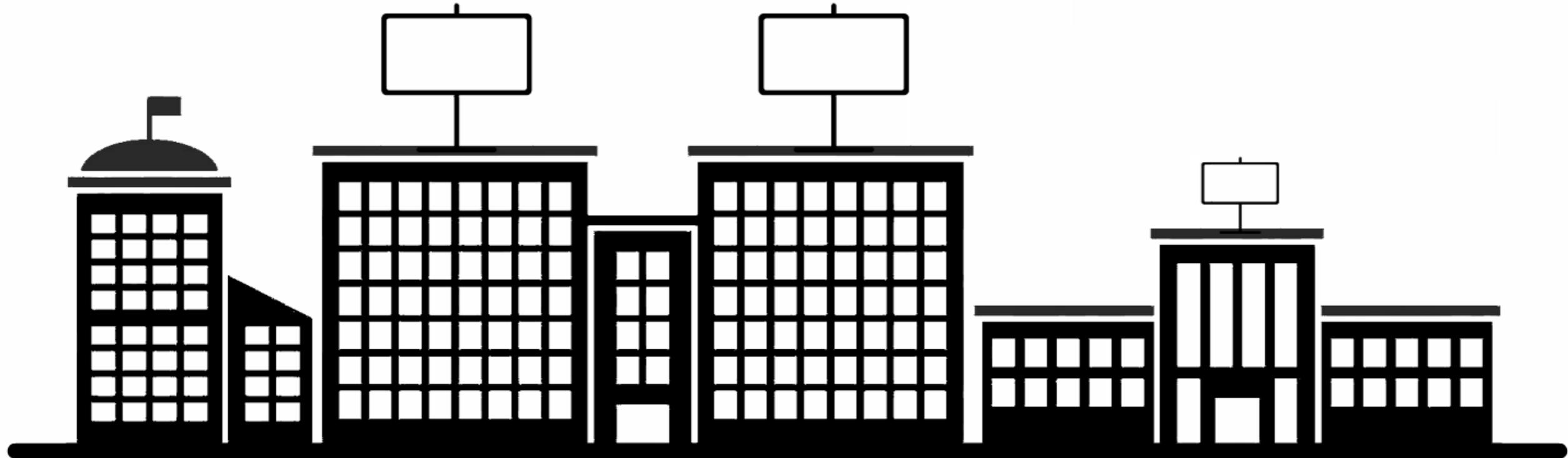
Enterprise fund structurally balanced



-  Revenues (Includes Fund Balance)
-  Expenditures (Includes amount added to Financial Reserves)



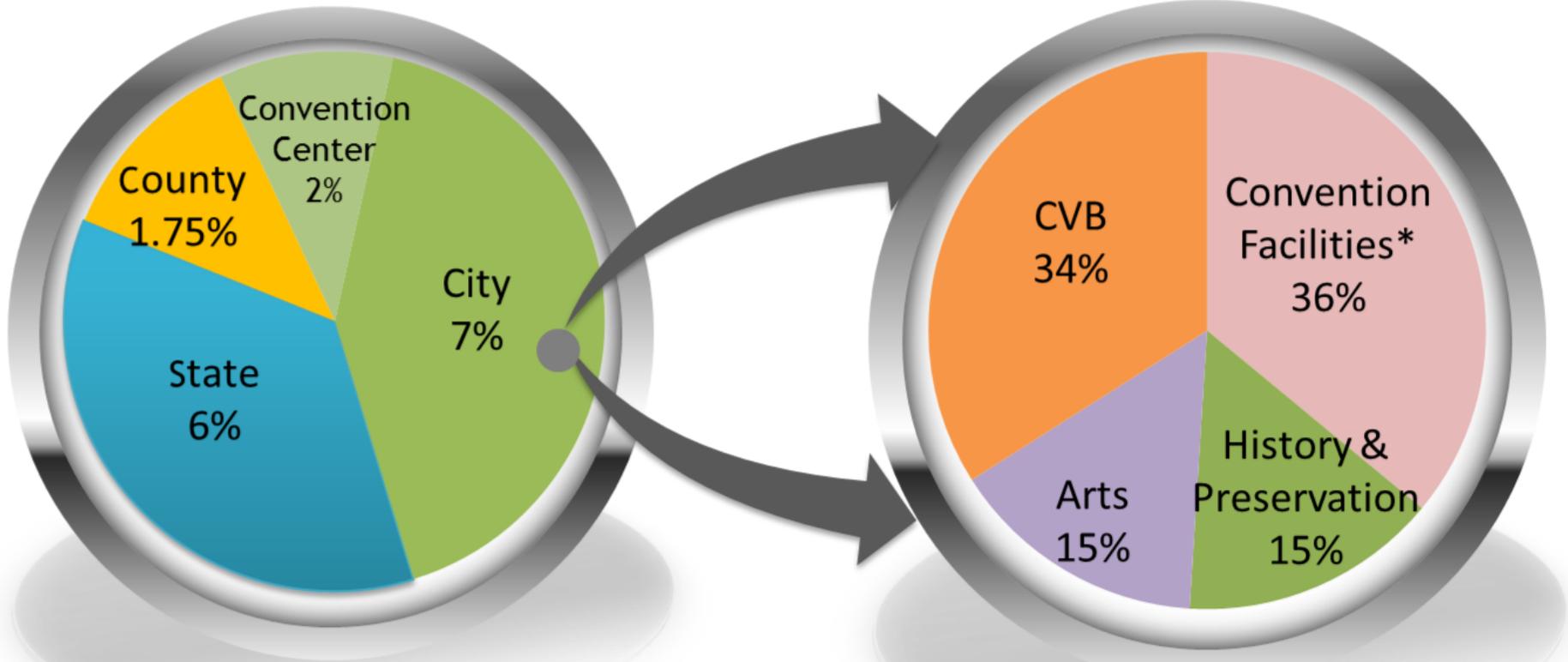
Hotel Occupancy Tax (HOT) Fund



Hotel Occupancy Tax Rate and Allocation

**Hotel Occupancy Tax
Rate (16.75%)**

**Allocation of
HOT 7% Rate to City**



* Department supported by Alamodome and Convention Center revenues

Hotel Occupancy Tax Fund (HOT) FY 2016 Results and Projections

- \$63.9 million HOT Revenue budget
 - \$63.6 million HOT Revenue projection
-

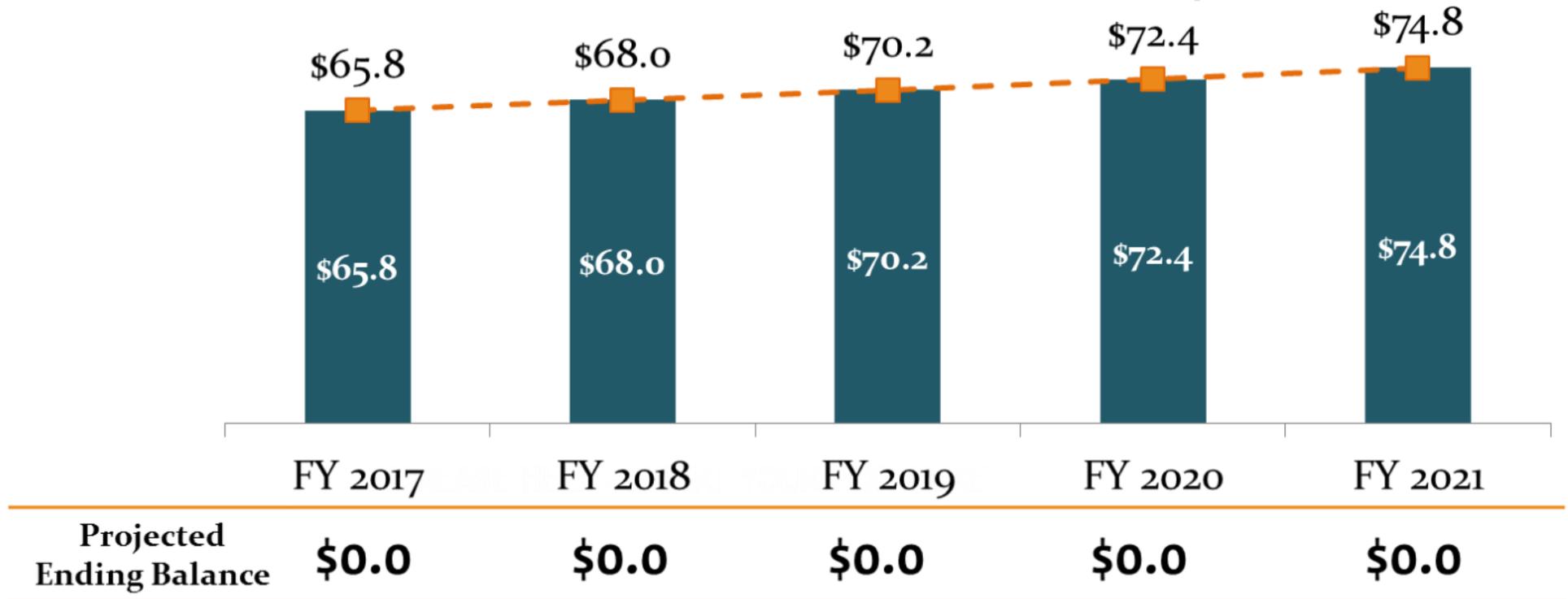
Departments supported by Hotel Occupancy Tax within Budget



Hotel Occupancy Tax Five Year Forecast Projection

(\$ in Millions)

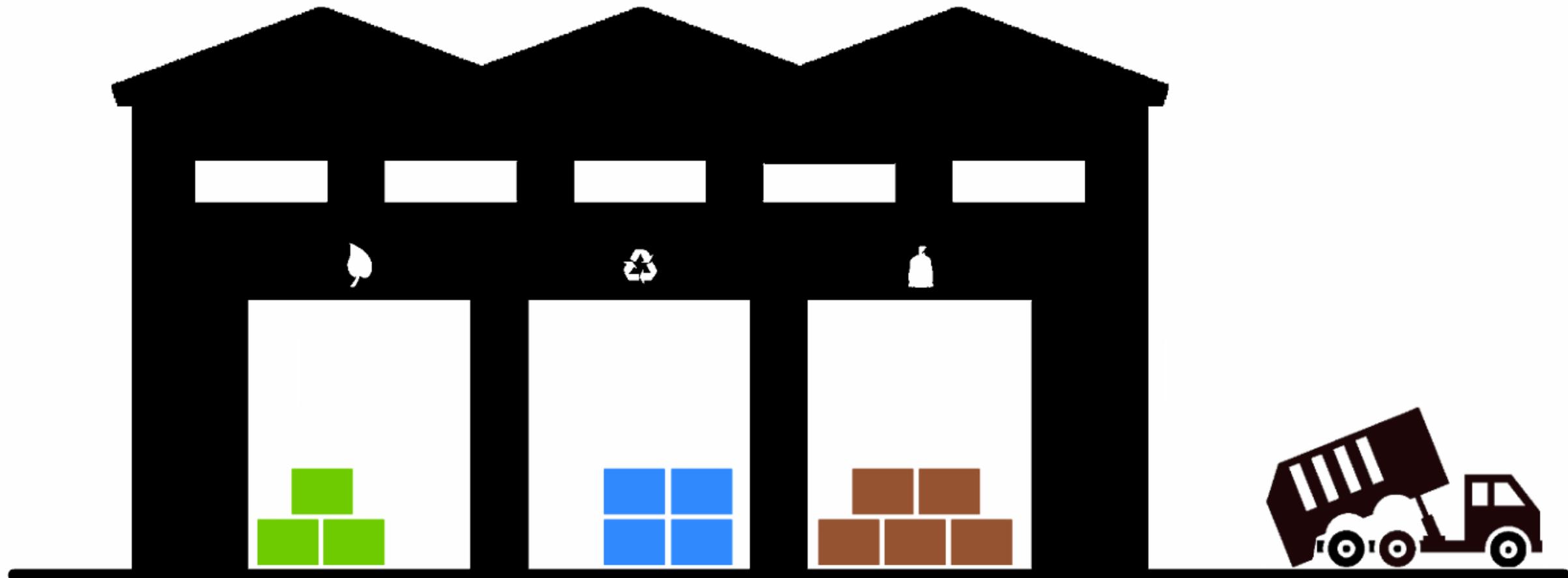
Special Revenue fund structurally balanced and provides funding to cover the debt cost of the convention center expansion



 HOT & Miscellaneous Revenues
 Expenditures



Solid Waste Management Fund



Solid Waste Fund

FY 2016 Results and Projections

\$107 Million Annual Budget



2nd Quarter Results



\$621,000 in more revenue



\$1M in less expense



FY 2016 Projection



\$452,000 in more revenue

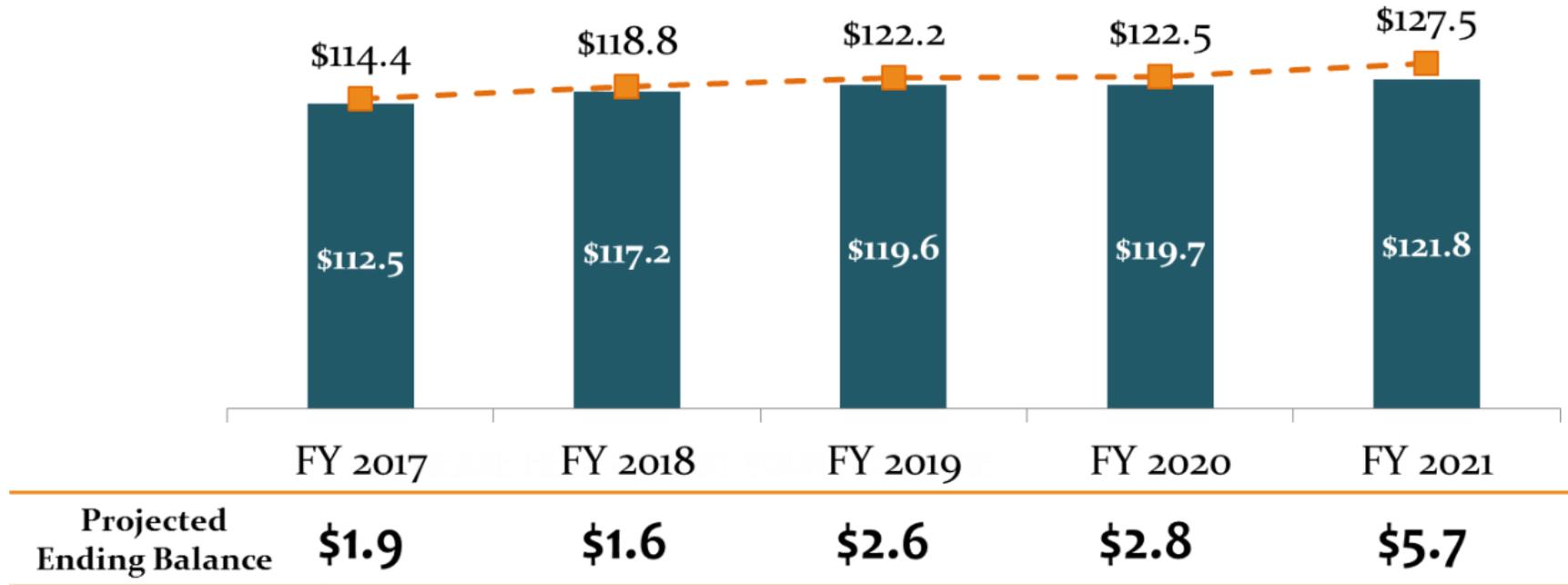


\$2.9M in less expense

Solid Waste Fund Five Year Financial Forecast

(\$ in Millions)

- Enterprise fund structurally balanced
- No rate increase projected in FY 2017; rate increase in FY 2018 and beyond



 Revenues (Includes Beginning Balance)
 Expenditures

San Antonio

FY 2016

Budget Initiatives
2nd Quarter Highlights



FY 2016 Budget Initiative Highlights

Street Maintenance \$64 Million for 832 projects



FY 2016 Budget Initiative Highlights

Police Gun Shot Detection Pilot \$280,000 for 2 Neighborhoods

- System went live on April 29th
- 12 month pilot through April 2017



San Antonio

24/7

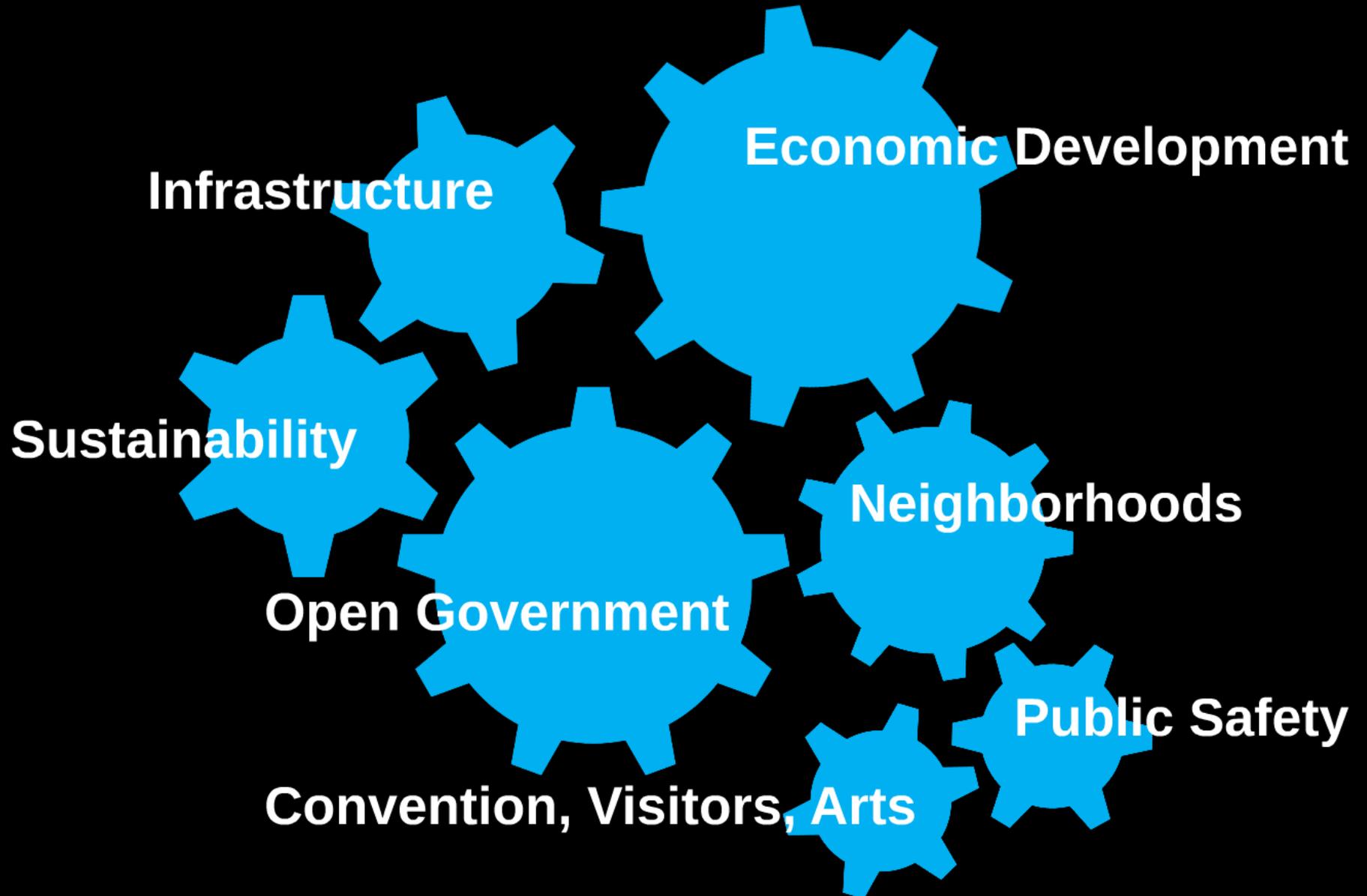
Providing Services/
Measuring Results

Fiscal Year 2016
2nd Quarter Highlights



Performance Measures

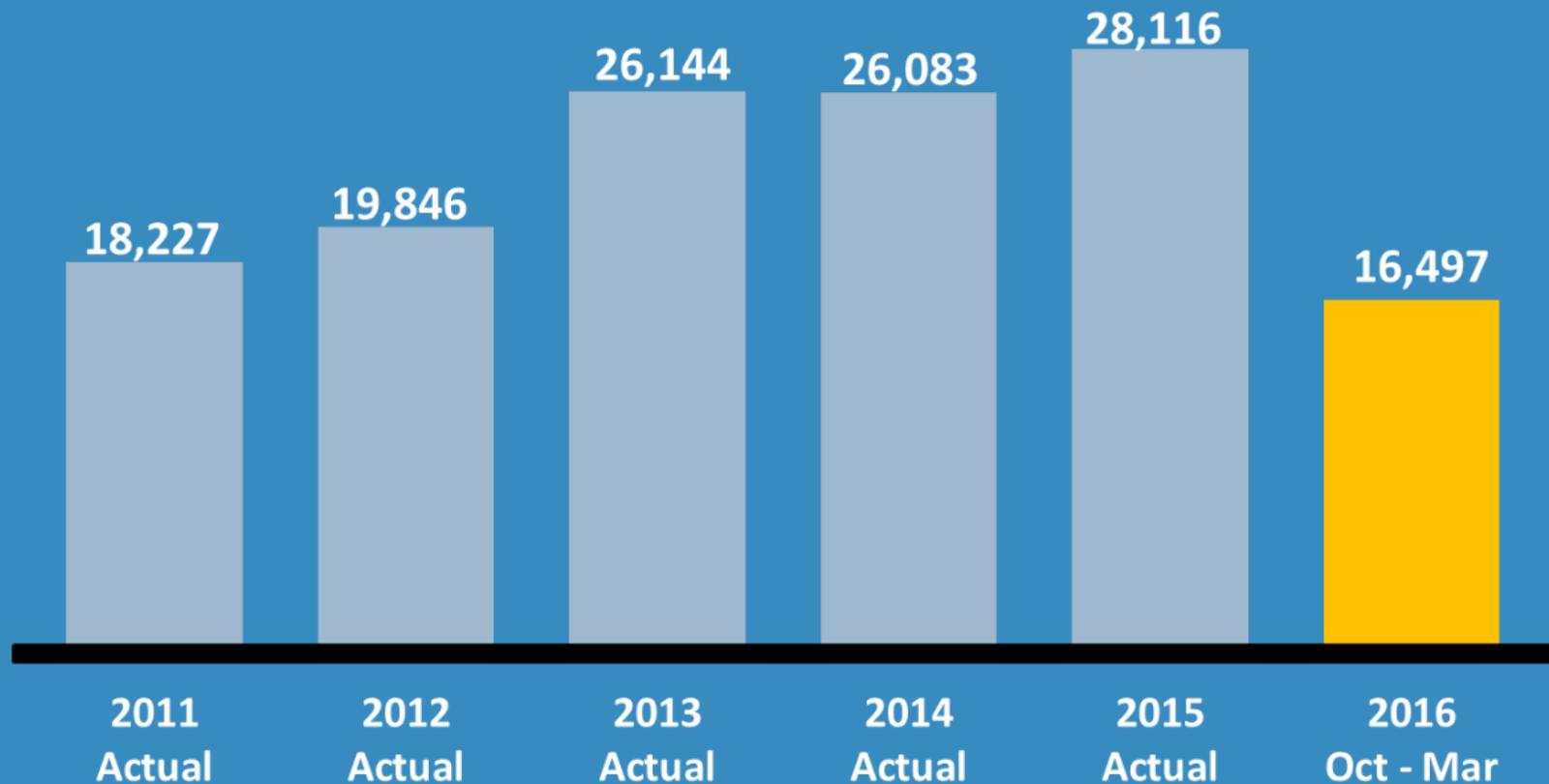
7 Service Areas | 60 Measures



ANIMAL CARE SERVICES

Spay & Neuter Surgeries

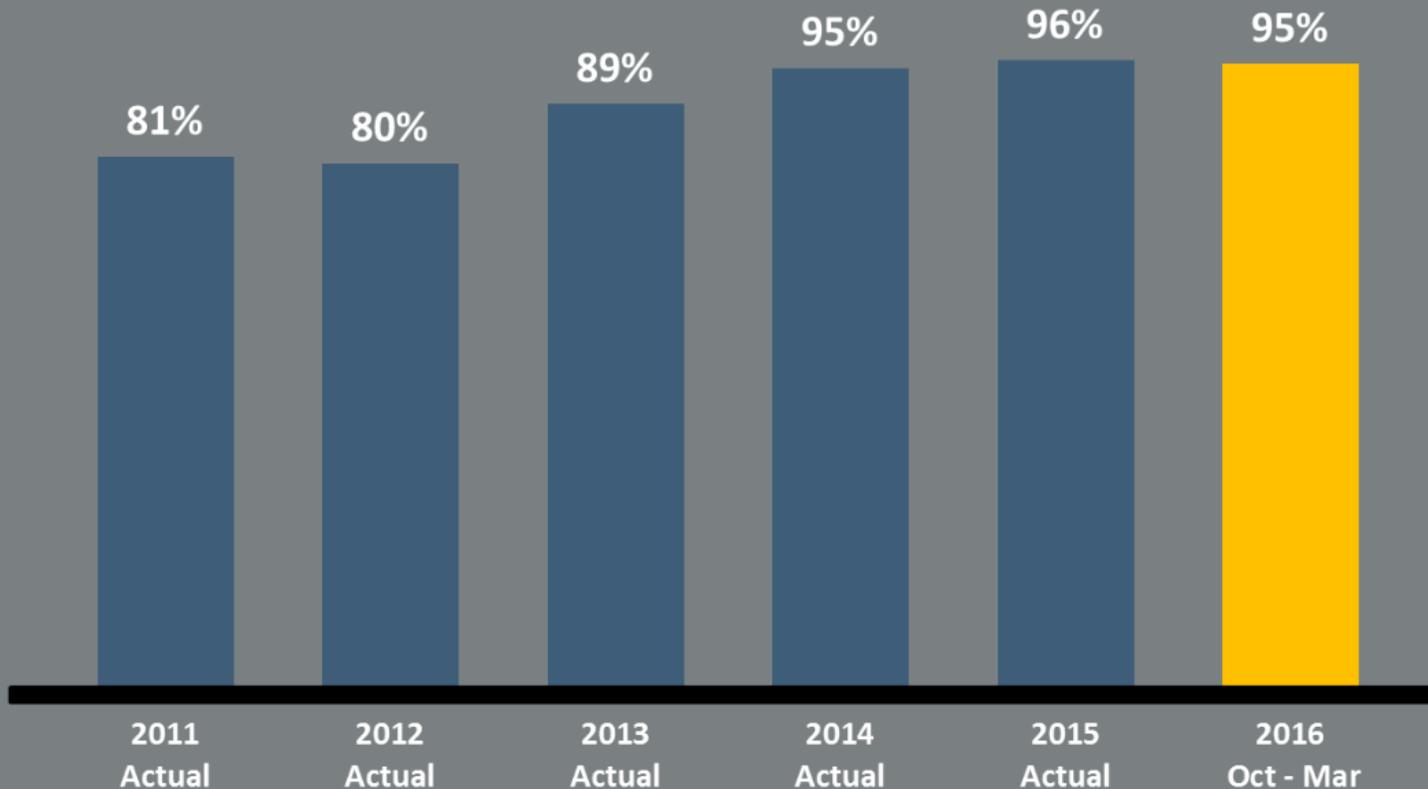
Target: 26,500



CODE ENFORCEMENT COMPLIANCE

Percentage of Code Violations Resolved within 45 days

Target: 90%



Next Steps in the Budget Process



Community &
Employee
Input for
Budget

City Council
Policy
Direction for
Budget

Proposed
Budget

City Council
Budget Work
Sessions &
Community
Input

Adopted
Budget

April
to
May

June 8

August 18

Aug.
to
Sept.

Sept. 15

