



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 21

**Agenda Date:** May 19, 2022

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Management & Budget

**DEPARTMENT HEAD:** Justina Tate

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

FY 2022 Mid-Year Budget Adjustment

**SUMMARY:**

A mid-year budget adjustment is recommended to the FY 2022 Adopted Operating and Capital Budget that will result in a revised budget based on actual revenues and expenditures for the first six months of the fiscal year (October to March) and projections for the remaining six months of the fiscal year (April to September) in the General Fund and various Restricted Funds; including an increase in the number of full-time equivalents for the Mayor and City Council Support Staff from seven and one-half (7.5) to eight (8).

**BACKGROUND INFORMATION:**

As part of the City's financial management practices, the City Manager recommends a Mid-Year Budget Adjustment for City Council consideration annually. This Adjustment aligns revenues and expenses based on actual activity for the first six months of the fiscal year (October to March) and updated projections for the remaining six months of the fiscal year (April to September). The result of this adjustment is a revised Budget for the Fiscal Year.

On September 16, 2021, the City Council adopted a balanced budget for the City's fiscal year 2022

that began October 1, 2021. As part of the City's financial management practices, City staff meets with the City Manager on a monthly basis to review the financial performance of the City and on a quarterly basis, a report is provided to the City Council. Quarterly financial reports are prepared and presented to the City Council.

The FY 2022 Six Plus Six Financial Report was presented to the City Council at the May 11th "B" Session. At this presentation the City Council was provided with a briefing and recommended Mid-Year Budget Adjustments:

1. Recommended adjustments to FY 2022 General Fund and Restricted Funds reflecting actual activity for the first six months of the fiscal year (October to March) and projections for the remaining six months of the fiscal year (April to September). This adjustment results in a revised budget for several funds (See Attachment I).
2. Recommended adjustment to increase the number of full-time equivalents for the Mayor and City Council Aides from seven and one-half (7.5) to eight (8). The estimated additional cost has been included in the FY 2022 General Fund Expenditure estimate for the Mayor and Council Support Budget. The mid-year adjustment is \$18,528 for each council district budget for a total of \$203,808 for the mayor and city council budget for the four months of June to September in FY 2022. The total annual adjustment is \$55,586 for each council district for a total of \$611,446 for the mayor and city council budget. (See Attachment II)

#### **ISSUE:**

The FY 2022 Six Plus Six Financial Report presented to City Council during the May 11th "B" Session provided City Council with an informational briefing on the City's FY 2022 financial status of revenues and expenses through the first six months of the fiscal year (October to March) and projections for the remaining six months (April to September).

At this presentation the City Council was provided with a briefing and recommended Mid-Year Budget Adjustments:

1. Recommended adjustments to FY 2022 General Fund and Restricted Funds reflecting actual activity for the first six months of the fiscal year (October to March) and projections for the remaining six months of the fiscal year (April to September). This adjustment results in a revised budget for several funds (See Attachment I).
2. Recommended adjustment to increase the number of full-time equivalents for the Mayor and City Council Aides from seven and one-half (7.5) to eight (8). The estimated additional cost has been included in the FY 2022 General Fund Expenditure estimate for the Mayor and Council Support Budget. The mid-year adjustment is \$18,528 for each council district budget for a total of \$203,808 for the mayor and city council budget for the four months of June to September in FY 2022. The total annual adjustment is \$55,586 for each council district for a total of \$611,446 for the mayor and city council budget. (See Attachment II)

#### **ALTERNATIVES:**

This Mid-Year Budget Adjustment is part of the City's Financial Practices to review and adjust the Adopted Budget to reflect actual and projected financial performance for the fiscal year.

**FISCAL IMPACT:**

The FY 2022 Mid-Year Budget Adjustment adjusts appropriation levels and adjusts budgeted revenues within the General Fund and certain Restricted Funds.

**RECOMMENDATION:**

Staff recommends approval of this item.