



Informational Memo

Management Services - Memo No. 23-017

Date: September 27, 2022

To: Mayor and Council

Thru: Joshua H. Wright, City Manager *JHW*
Dawn Lang, Deputy City Manager/CFO *DLL*

From: Matt Dunbar, Budget & Policy Officer *MD*

Subject: Fiscal Year (FY) 2022-23 General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through August 2022

Attached is the FY 2022-23 General Fund Revenue and Expenditure Reports for the two-month period ending August 31, 2022. No report was issued in July due to the year-end close process that extends into August.

Included with this memo are the following attachments:

- Attachment 1 – General Fund Revenue Summary
- Attachment 2 – Local Sales Tax Revenue Five-Year Comparison
- Attachment 3 – Local Sales Tax Revenue by Class
- Attachment 4 – Local Sales Tax Revenue Month-by-Month Comparison to Prior Year
- Attachment 5 – General Fund Expenditure Summary

The General Fund Revenue Summary (Attachment 1) gives a budget to actual comparison of revenues through August 2022. This month reflects a 14.4% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and an 18.8% increase over the same period of the prior year.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect July TPT reported/received in August. Overall, year to date (YTD) collections in Local TPT, Voter Authorized Local Revenues (VALR), also known as State Shared Revenue, and Urban Revenue Sharing all came in above budget as a result of continued strong spending. It is important to note, that fluctuations related to development/contracting are considered one-time, since once the developments are completed, the related permit and local TPT collections cease. The Local TPT collections through August 2022, reflect an overall increase of 14% above budget, and a 19.3% increase compared to prior year actuals.

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Also, when comparing the TPT collections received in August 2022 to the same month in the prior year, collections are up 25.5%.

Finally, the FY 2022-23 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through August 2022. This report then compares this spending percentage to the prior fiscal year. Overall department spending, including an increased one-time Public Safety Personnel Retirement System (PSPRS) unfunded liability payment of \$50M, resulted in 31.4% spending through August 2022, compared to 20.5% for the same period last year. The difference coming primarily from the increased PSPRS payment amount, which was \$28M more than the prior year payment of \$22M.

Should you have any questions regarding this information, please contact Dawn Lang at x2255 or Matt Dunbar at x2256.

Attachments: FY 2022-23 General Fund Monthly Revenue and Expenditure Reports through August 2022

c: Tadd Wille, Assistant City Manager
Andy Bass, Deputy City Manager

General Fund Revenue Summary

FY 2022-23 Year-To-Date Actuals Through August 2022

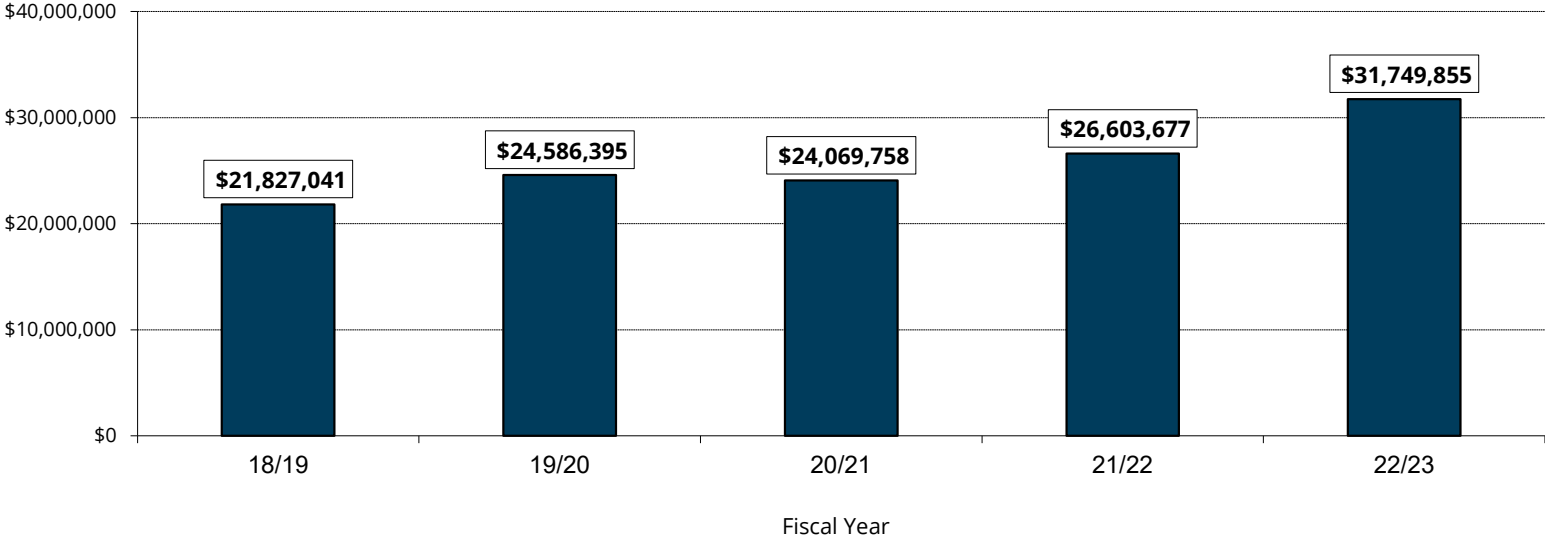
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2022-23 Adopted Budget	FY 2022-23 Budget Prorated Based on Historical Trend	FY 2022-23 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2021-22 Actual Revenues for Same Period	Difference + or - from FY 2021-22 to FY 2022-23	% Change of Actuals to Same Period FY 2021-22
Local Sales Tax Collections	\$ 173,200,000	\$ 27,840,175	\$ 31,749,855	\$ 3,909,680	14.0%	\$ 26,603,677	\$ 5,146,178	19.3%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,748,400	208,105	551,740	343,635	165.1%	194,165	357,575	184.2%
Total Local Sales Tax Revenue	\$ 174,948,400	\$ 28,048,280	\$ 32,301,595	\$ 4,253,315	15.2%	\$ 26,797,842	\$ 5,503,753	20.5%
Franchise Fees	3,451,000	16,625	39,405	22,780	137.0%	34,147	5,258	15.4%
Primary Property Taxes	8,663,078	44,339	32,720	(11,619)	-26.2%	25,129	7,591	30.2%
Voter Authorized Local Revenue	32,000,000	3,928,356	4,499,598	571,242	14.5%	4,746,058	(246,460)	-5.2%
Vehicle License Tax	13,500,000	1,837,697	1,615,575	(222,122)	-12.1%	1,419,537	196,038	13.8%
Urban Revenue Sharing	42,720,000	7,020,656	8,835,603	1,814,947	25.9%	5,679,295	3,156,308	55.6%
Smart and Safe*	605,000	-	-	-	0.0%	-	-	0.0%
Licenses & Permits	6,718,500	733,858	1,102,671	368,813	50.3%	1,082,130	20,541	1.9%
Charges for Services	13,133,500	1,857,688	1,699,405	(158,283)	-8.5%	1,836,467	(137,062)	-7.5%
Fines & Forfeitures	3,413,800	597,260	662,187	64,927	10.9%	558,297	103,890	18.6%
Interest & Investments	2,317,000	194,688	169,353	(25,335)	-13.0%	162,555	6,798	4.2%
Other Revenues	1,558,000	259,667	183,778	(75,889)	-29.2%	549,540	(365,762)	-66.6%
Indirect Cost	7,864,624	1,310,774	1,310,771	(3)	0.0%	1,258,098	52,673	4.2%
Total General Fund Revenues	\$ 310,892,902	\$ 45,849,888	\$ 52,452,661	\$ 6,602,773	14.4%	\$ 44,149,095	\$ 8,303,566	18.8%
Prior Month	\$ 310,892,902	\$ 22,484,435	\$ 25,262,006	\$ 2,777,571	12.4%	\$ 21,603,516	\$ 3,658,490	16.9%
Change from Prior Month	\$ -	\$ 23,365,453	\$ 27,190,655	\$ 3,825,202	2.0%	\$ 22,545,579	\$ 4,645,076	1.9%

Note:

FY 2022-23 Adopted Budget excludes one-time Interfund Transfers-In of \$1,250,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

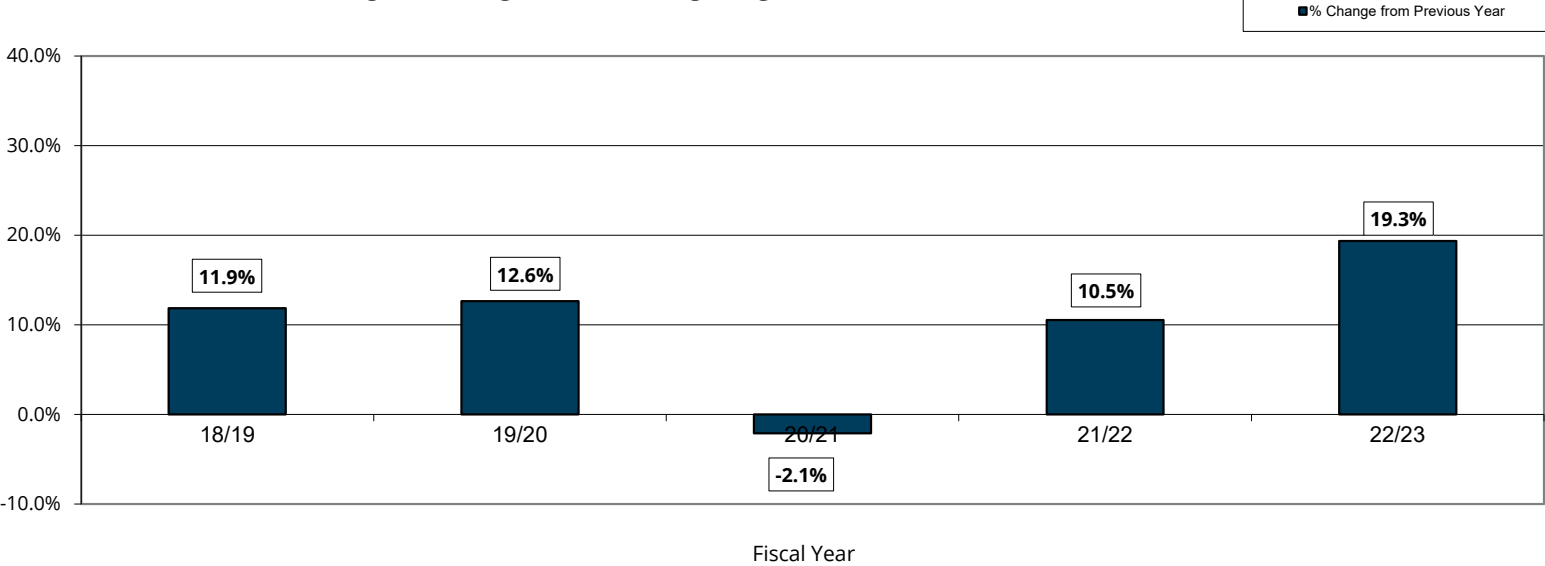
*Smart and Safe is a new revenue line established this FY to delineate the revenues from Prop 207 which allows for adult use of recreational marijuana. These funds are received in December and June of each year.

Local Sales Tax Revenue* Through Month of August (Based on Sales Through July)



Local Sales Tax Revenue*

% Change from August 2022 through August of Previous Year (Year-to-Date)



*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

Sales Tax Revenue By Class

Through August Each Year (Year-to-Date)

Sales Tax Category	FY21-22 % of Total	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20	% Chg Fm PY	FY 2018-19
Utilities	9.0%	0.7%	\$ 3,368,663	6.2%	\$ 3,344,609	10.2%	\$ 3,148,396	-2.0%	\$ 2,856,660	-6.2%	\$ 2,915,118
Telecommunications	0.9%	-3.4%	\$ 261,219	-23.7%	\$ 270,511	-11.4%	\$ 354,653	3.5%	\$ 400,327	-11.5%	\$ 386,739
Publishing / Advertising / Printing / Transportation	0.1%	17.3%	\$ 33,315	8.1%	\$ 28,396	-220.4%	\$ 26,280	-171.5%	\$ (21,830)	-9.5%	\$ 30,521
Restaurants & Bars	9.3%	11.7%	\$ 2,717,185	32.8%	\$ 2,432,790	-10.2%	\$ 1,832,342	3.9%	\$ 2,041,097	11.8%	\$ 1,964,611
Amusements	0.8%	44.4%	\$ 234,741	212.4%	\$ 162,570	-72.9%	\$ 52,037	2.9%	\$ 191,773	-0.9%	\$ 186,281
Real Property Rentals	11.9%	6.4%	\$ 3,544,850	11.5%	\$ 3,333,009	-7.4%	\$ 2,989,233	22.5%	\$ 3,226,978	14.9%	\$ 2,635,027
Tangible Personal Property Rentals	2.4%	10.2%	\$ 728,597	7.5%	\$ 661,127	-26.3%	\$ 614,815	38.1%	\$ 834,318	-3.7%	\$ 603,960
Hotels / Motels	3.3%	33.4%	\$ 752,310	52.5%	\$ 564,111	-22.9%	\$ 369,803	28.1%	\$ 479,497	10.8%	\$ 374,195
Contracting	9.9%	95.1%	\$ 4,187,923	-6.6%	\$ 2,146,443	-33.0%	\$ 2,299,012	47.9%	\$ 3,430,476	22.6%	\$ 2,319,388
Retail / Manufactured Buildings / Jet Fuel	48.6%	15.8%	\$ 14,631,808	10.7%	\$ 12,634,772	12.7%	\$ 11,408,451	6.7%	\$ 10,120,233	12.9%	\$ 9,488,920
Use Tax	3.9%	25.7%	\$ 1,289,244	5.2%	\$ 1,025,340	-5.1%	\$ 974,736	11.3%	\$ 1,026,867	112.1%	\$ 922,281
Total Sales Tax Revenue*	100.0%	19.3%	\$ 31,749,855	10.5%	\$ 26,603,677	-2.1%	\$ 24,069,758	12.6%	\$ 24,586,395	11.9%	\$ 21,827,041

Sales Tax Revenue By Class

Through August (Month-over-Month)

Sales Tax Category	% Chg Fm PY	August FY 2022-23	% Chg Fm PY	August FY 2021-22	% Chg Fm PY	August FY 2020-21	% Chg Fm PY	August FY 2019-20	% Chg Fm PY	August FY 2018-19
Utilities	5.2%	\$ 1,797,037	-0.2%	\$ 1,708,040	5.0%	\$ 1,711,632	7.2%	\$ 1,630,209	-14.2%	\$ 1,520,660
Telecommunications	-1.0%	\$ 128,864	-23.2%	\$ 130,198	-15.6%	\$ 169,489	3.2%	\$ 200,736	-4.0%	\$ 194,514
Publishing / Advertising / Printing / Transportation	17.9%	\$ 16,029	1.3%	\$ 13,592	-9.5%	\$ 13,418	7.4%	\$ 14,829	-17.1%	\$ 13,807
Restaurants & Bars	12.1%	\$ 1,355,758	39.7%	\$ 1,209,138	-12.3%	\$ 865,463	4.3%	\$ 987,146	11.8%	\$ 946,651
Amusements	61.0%	\$ 113,865	-1561.5%	\$ 70,711	-108.2%	\$ (4,838)	-37.0%	\$ 58,723	4.1%	\$ 93,167
Real Property Rentals	8.6%	\$ 1,680,549	8.0%	\$ 1,547,092	-18.8%	\$ 1,432,552	70.7%	\$ 1,765,122	-1.0%	\$ 1,034,158
Tangible Personal Property Rentals	4.6%	\$ 332,411	4.6%	\$ 317,675	-39.5%	\$ 303,757	66.9%	\$ 502,059	-6.7%	\$ 300,864
Hotels / Motels	17.8%	\$ 351,601	45.7%	\$ 298,348	-10.2%	\$ 204,749	40.6%	\$ 228,028	-2.6%	\$ 162,221
Contracting	154.4%	\$ 2,401,100	-24.6%	\$ 943,908	-18.7%	\$ 1,251,247	26.3%	\$ 1,539,272	52.6%	\$ 1,219,107
Retail / Manufactured Buildings / Jet Fuel	20.1%	\$ 7,259,609	9.9%	\$ 6,046,365	11.3%	\$ 5,501,582	6.3%	\$ 4,944,578	12.3%	\$ 4,650,647
Use Tax	22.6%	\$ 650,132	15.4%	\$ 530,181	11.2%	\$ 459,583	16.4%	\$ 413,334	111.2%	\$ 355,076
Total Sales Tax Revenue*	25.5%	\$ 16,086,953	7.6%	\$ 12,815,247	-3.1%	\$ 11,908,634	17.1%	\$ 12,284,035	9.6%	\$ 10,490,872

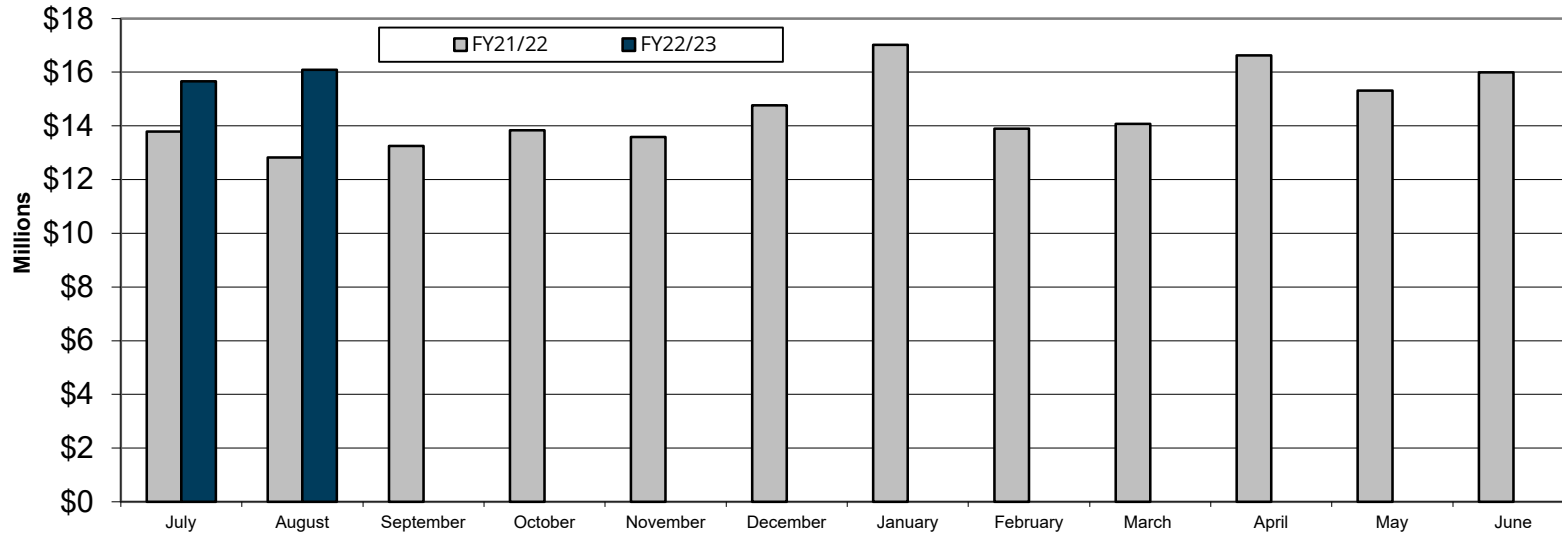
*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

Local Sales Tax Revenue

Monthly Actuals Compared to Prior Year

Local Sales Tax Collections *	Monthly Collections FY21/22	Monthly Collections FY22/23	\$ Difference + / (-) FY22/23 over FY21/22	% Difference + / (-) FY22/23 over FY21/22
July	13,788,430	15,662,901	1,874,472	13.6%
August	12,815,247	16,086,953	3,271,706	25.5%
September	13,251,577	-	(13,251,577)	-100.0%
October	13,827,187	-	(13,827,187)	-100.0%
November	13,576,031	-	(13,576,031)	-100.0%
December	14,761,816	-	(14,761,816)	-100.0%
January	17,015,111	-	(17,015,111)	-100.0%
February	13,887,628	-	(13,887,628)	-100.0%
March	14,067,088	-	(14,067,088)	-100.0%
April	16,617,281	-	(16,617,281)	-100.0%
May	15,316,268	-	(15,316,268)	-100.0%
June	15,989,470	-	(15,989,470)	-100.0%
Totals	\$ 26,603,677	\$ 31,749,855	\$ 5,146,178	19.3%

Month-to-Month Local Sales Tax Collections



***Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.**

General Fund Expenditure Summary Thru August 2022

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru August 2022	Percentage of Adjusted Budget Expended & Encumbered Thru August 2022	Percentage of Adjusted Budget Expended & Encumbered Thru August 2021	Over/Under Last Year's Percentage
City Clerk	\$ 1,033,622	\$ 1,146,797	\$ 335,527	29.3%	11.8%	17.5%
City Manager and Organization Support ⁽¹⁾	18,646,048	19,404,967	4,315,951	22.2%	19.6%	2.6%
Communications & Public Affairs	2,682,072	2,708,942	621,604	22.9%	21.8%	1.1%
Community Services	29,928,146	31,922,352	9,166,475	28.7%	27.9%	0.8%
Cultural Development	4,001,437	4,115,404	917,469	22.3%	19.1%	3.2%
Development Services	10,008,386	10,043,981	1,508,988	15.0%	15.4%	-0.4%
Fire	39,238,155	39,699,889	8,444,464	21.3%	20.1%	1.2%
Information Technology	16,084,234	17,374,515	3,793,604	21.8%	22.1%	-0.3%
Law	4,236,416	4,236,416	637,999	15.1%	15.2%	-0.1%
Magistrate	5,025,617	5,069,475	697,779	13.8%	12.6%	1.2%
Management Services	7,486,762	7,486,762	1,177,947	15.7%	15.8%	-0.1%
Mayor and Council	1,184,388	1,187,899	152,391	12.8%	14.9%	-2.1%
Neighborhood Resources	4,114,985	8,280,318	992,902	12.0%	11.0%	1.0%
Police	83,324,801	84,611,203	15,489,963	18.3%	17.7%	0.6%
Public Works & Utilities	10,314,947	11,745,768	4,019,305	34.2%	36.7%	-2.5%
Non-Departmental (Personnel Services and O&M)	78,553,795	78,903,240	50,830,864	64.4%	67.6%	-3.1%
Subtotal Prior to Contingencies/Reserves	\$ 315,863,811	\$ 327,937,928	\$ 103,103,232	31.4%	20.5%	11.0%
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	10,174,000	2,174,000	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	45,879,300	43,770,561	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 371,917,111	\$ 373,882,489	\$ 103,103,232	27.6%	22.8%	4.8%

⁽¹⁾ Organization Support includes Buildings and Facilities, Economic Development, Diversity, Equity & Inclusion, Fleet Services, Human Resources and Transportation Policy.

Adopted Budget: Includes estimated reserves for encumbrance carryforward from the previous fiscal year and full Council approved reserve/contingency established in the budget.

Adjusted Budget: Includes movement of estimated reserves for encumbrance appropriation to departments based on actual end-of-year encumbrances and Council approved contingency transfers. Reserves/Contingency appropriation cannot be spent from Reserve/Contingency line items; it must be moved to spendable lines within Departments.

NOTE: The total Adopted budget compared to the total Adjusted budget always equals when viewing **all** funds. When looking at the General Fund only, it is not uncommon for the amounts to differ. This is due to estimated carryforward appropriation, personnel adjustment appropriation or Council approved contingency transfers being moved to other funds, as directed by Council and authorized by the Budget Resolution.