



Informational Memo

Management Services - Memo No. 24-033

Date: October 19, 2023

To: Mayor and Council

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

From: Matt Dunbar, Budget & Policy Assistant Director *MD*

Subject: Fiscal Year (FY) 2023-24 General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through September 2023

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending September 30, 2023.

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 September 2023. This month reflects an 7.7% increase in total General Fund revenues from the budgeted revenues we would have anticipated receiving to date based on historical trends, and an 9.8% 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 August TPT reported/received in September. The State is reporting under collection in State Income Tax with the transition to a flat tax, which will have a direct impact on Urban Revenue Sharing as the City updates the forecast. Current Urban Revenue Sharing reflects taxes collected at the State two years prior, so are anticipated to come in within budget. Overall, year to date (YTD) collections in Local TPT and State Shared TPT Revenue came in above budget as a result of continued strong spending and development in our local economy. It is important to note, that fluctuations related to development/contracting are considered one-time, as once the developments are

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completed, the related permit and local TPT collections cease. The Local TPT collections through September 2023, reflect an overall increase of 6.3% above budget, and a 3.2% increase compared to prior year actuals. Also, when comparing the TPT collections received in September 2023 to the same month in the prior year, collections are up 6.1%.

Finally, the FY 2023-24 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through September 2023. 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 \$73M, resulted in 42.4% spending through September 2023, compared to 38.5% for the same period last year. The difference coming primarily from the increased PSPRS payment amount, which was \$23M more than the prior year payment of \$50M.

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

Attachments: FY 2023-24 General Fund Monthly Revenue and Expenditure Reports through September 2023

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

General Fund Revenue Summary

FY 2023-24 Year-To-Date Actuals Through September 2023

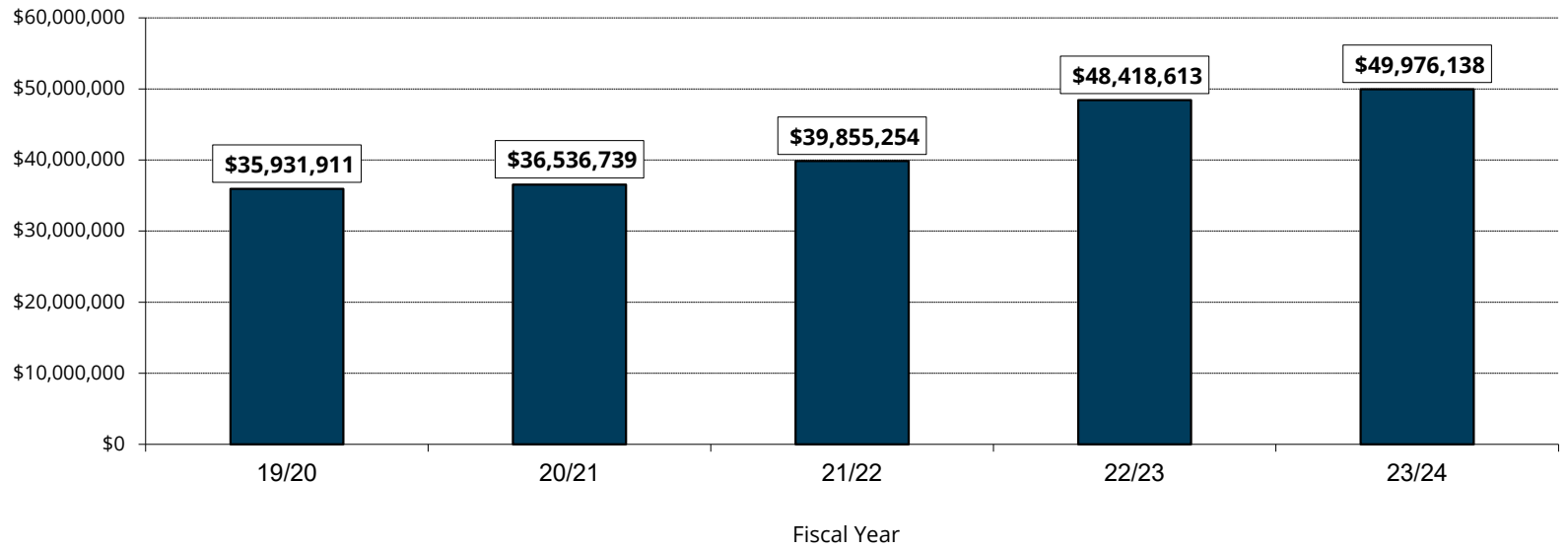
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2023-24 Adopted Budget	FY 2023-24 Budget Prorated Based on Historical Trend	FY 2023-24 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2022-23 Actual Revenues for Same Period	Difference + or - from FY 2022-23 to FY 2023-24	% Change of Actuals to Same Period FY 2022-23
Local Sales Tax Collections	\$ 194,950,000	\$ 47,007,636	\$ 49,976,138	\$ 2,968,502	6.3%	\$ 48,418,613	\$ 1,557,525	3.2%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	359,816	1,902,675	1,542,859	428.8%	827,477	1,075,198	129.9%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 47,367,452	\$ 51,878,813	\$ 4,511,361	9.5%	\$ 49,246,090	\$ 2,632,723	5.3%
Franchise Fees	3,471,000	42,244	(26,103)	(68,348)	-161.8%	77,627	(103,730)	-133.6%
Primary Property Taxes	8,731,611	51,582	53,780	2,198	4.3%	68,171	(14,391)	-21.1%
State Shared Sales Tax Revenue	39,000,000	7,541,862	8,694,949	1,153,087	15.3%	8,378,286	316,663	3.8%
Vehicle License Tax	13,000,000	2,795,246	2,870,440	75,194	2.7%	2,788,742	81,698	2.9%
Urban Revenue Sharing	74,000,000	18,353,610	18,596,510	242,900	1.3%	13,253,405	5,343,105	40.3%
Smart and Safe	1,100,000	-	-	-	0.0%	-	-	0.0%
Public Safety State Allocation*	-	-	562,500	562,500	0.0%	-	562,500	0.0%
Licenses & Permits	6,864,900	962,055	569,574	(392,481)	-40.8%	1,758,340	(1,188,766)	-67.6%
Charges for Services	13,932,139	2,420,572	3,064,866	644,294	26.6%	2,685,104	379,762	14.1%
Fines & Forfeitures	3,549,850	887,554	1,050,777	163,223	18.4%	994,265	56,512	5.7%
Interest & Investments	3,818,000	599,035	317,967	(281,068)	-46.9%	322,289	(4,322)	-1.3%
Other Revenues	1,753,200	438,301	236,831	(201,470)	-46.0%	298,063	(61,232)	-20.5%
Indirect Cost	7,978,182	1,994,549	1,994,546	(3)	0.0%	1,966,156	28,390	1.4%
Total General Fund Revenues	\$ 374,057,282	\$ 83,454,062	\$ 89,865,450	\$ 6,411,387	7.7%	\$ 81,836,538	\$ 8,028,912	9.8%
Prior Month	\$ 374,057,282	\$ 55,107,706	\$ 59,039,808	\$ 3,932,102	7.1%	\$ 52,452,661	\$ 6,587,147	12.6%
Change from Prior Month	\$ -	\$ 28,346,357	\$ 30,825,642	\$ 2,479,286	0.5%	\$ 29,383,877	\$ 1,441,765	-2.7%

Note:

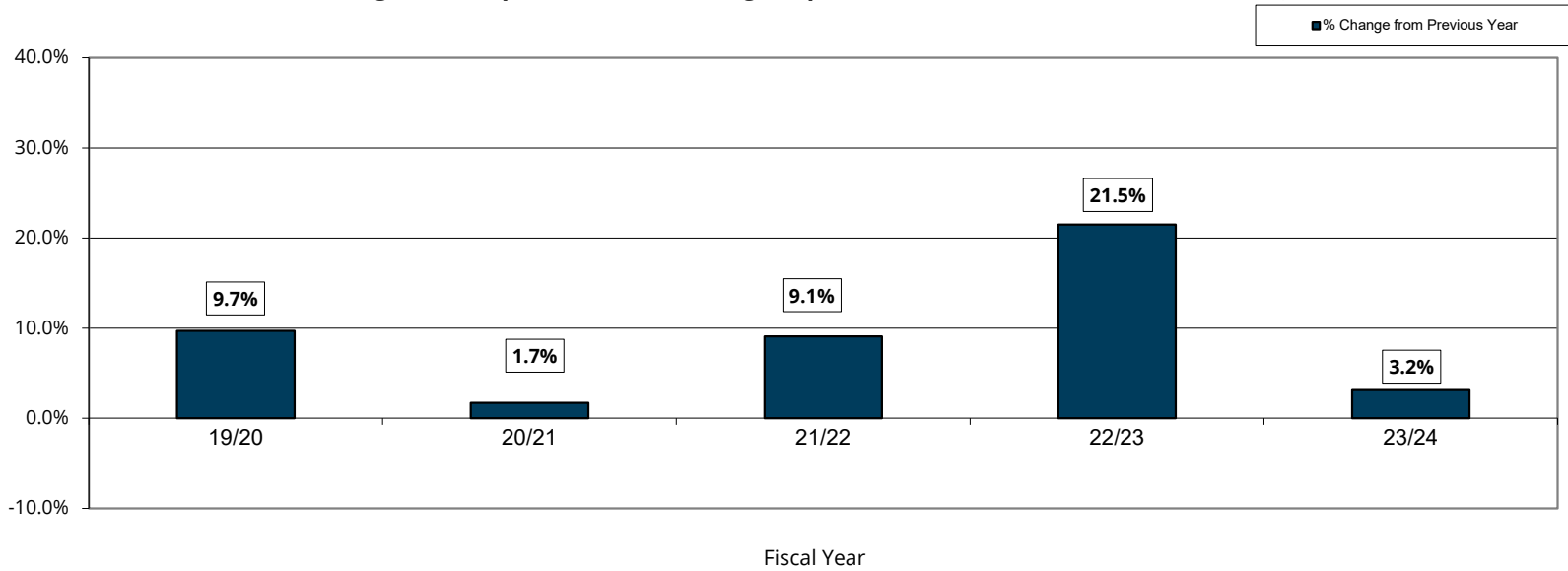
FY 2023-24 Adopted Budget excludes one-time Interfund Transfers-In of \$700,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*Public Safety State Allocation is a new revenue line established this FY with an anticipated total to be received of \$2,250,000.

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



Local Sales Tax Revenue* % Change from September 2023 through September 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 September Each Year (Year-to-Date) Revised

Sales Tax Category	FY22-23 % of Total	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20
Utilities	8.4%	6.6%	\$ 5,795,966	3.1%	\$ 5,438,421	2.7%	\$ 5,275,268	8.8%	\$ 5,136,864	-3.1%	\$ 4,721,578
Telecommunications	0.9%	31.5%	\$ 513,774	-6.0%	\$ 390,596	-21.1%	\$ 415,317	-12.2%	\$ 526,118	1.9%	\$ 599,219
Publishing / Advertising / Printing / Transportation	0.1%	-17.2%	\$ 47,284	32.8%	\$ 57,114	4.5%	\$ 43,017	-542.3%	\$ 41,164	-120.6%	\$ (9,306)
Restaurants & Bars	8.8%	3.3%	\$ 4,244,209	12.7%	\$ 4,108,325	32.7%	\$ 3,645,531	-11.2%	\$ 2,747,763	5.8%	\$ 3,095,845
Amusements	0.7%	11.0%	\$ 380,956	33.3%	\$ 343,142	172.8%	\$ 257,502	-66.0%	\$ 94,394	2.9%	\$ 277,852
Real Property Rentals	11.6%	12.4%	\$ 5,999,984	15.2%	\$ 5,336,700	3.2%	\$ 4,630,549	-3.1%	\$ 4,486,716	17.3%	\$ 4,630,994
Tangible Personal Property Rentals	2.6%	25.2%	\$ 1,416,371	12.4%	\$ 1,130,902	12.0%	\$ 1,006,132	-24.7%	\$ 898,226	32.1%	\$ 1,193,556
Hotels / Motels	3.4%	-6.3%	\$ 1,064,426	29.2%	\$ 1,136,427	63.8%	\$ 879,858	-26.2%	\$ 537,295	26.0%	\$ 728,342
Contracting	13.8%	9.9%	\$ 7,162,295	95.8%	\$ 6,518,272	-6.7%	\$ 3,328,345	-21.6%	\$ 3,567,062	46.3%	\$ 4,551,026
Retail / Manufactured Buildings / Jet Fuel	46.1%	3.8%	\$ 23,013,477	17.3%	\$ 22,165,970	10.5%	\$ 18,902,745	14.2%	\$ 17,103,702	5.2%	\$ 14,970,516
Use Tax	3.4%	-81.2%	\$ 337,395	21.9%	\$ 1,792,745	5.3%	\$ 1,470,991	19.2%	\$ 1,397,435	-8.6%	\$ 1,172,289
Total Sales Tax Revenue*	100.0%	3.2%	\$ 49,976,138	21.5%	\$ 48,418,613	9.1%	\$ 39,855,254	1.7%	\$ 36,536,739	9.7%	\$ 35,931,911

Sales Tax Revenue By Class

Through September (Month-over-Month)

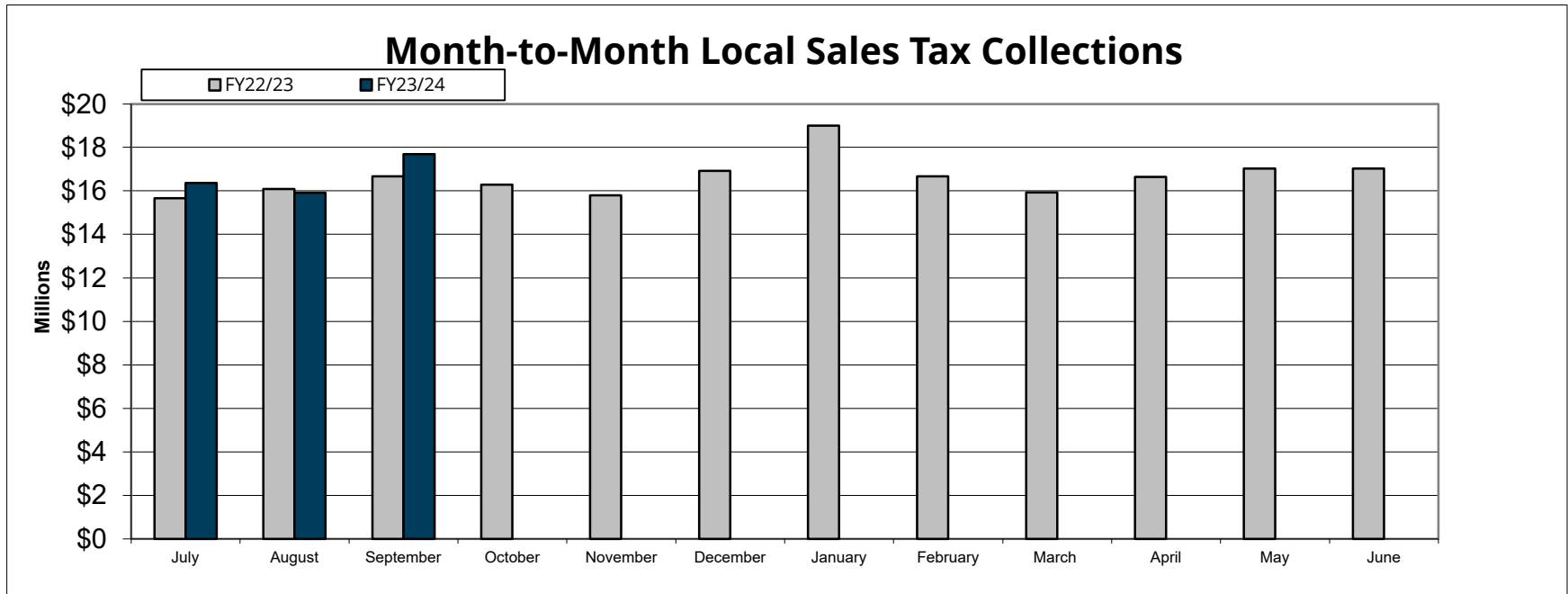
Sales Tax Category	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20
Utilities	11.3%	\$ 2,303,137	7.2%	\$ 2,069,758	-2.9%	\$ 1,930,659	6.6%	\$ 1,988,469	33.7%	\$ 1,864,919
Telecommunications	34.1%	\$ 173,542	-10.7%	\$ 129,376	-15.5%	\$ 144,806	-13.8%	\$ 171,465	3.5%	\$ 198,893
Publishing / Advertising / Printing / Transportation	-39.1%	\$ 14,491	62.8%	\$ 23,799	-1.8%	\$ 14,621	18.8%	\$ 14,884	-25.1%	\$ 12,524
Restaurants & Bars	0.3%	\$ 1,395,774	14.7%	\$ 1,391,140	32.5%	\$ 1,212,741	-13.2%	\$ 915,421	3.6%	\$ 1,054,748
Amusements	4.2%	\$ 112,990	14.2%	\$ 108,401	124.1%	\$ 94,932	-50.8%	\$ 42,357	-7.6%	\$ 86,079
Real Property Rentals	6.9%	\$ 1,916,368	38.1%	\$ 1,791,850	-13.4%	\$ 1,297,540	6.7%	\$ 1,497,484	-12.3%	\$ 1,404,016
Tangible Personal Property Rentals	27.8%	\$ 514,006	16.6%	\$ 402,305	21.7%	\$ 345,005	-21.1%	\$ 283,411	18.5%	\$ 359,237
Hotels / Motels	-12.2%	\$ 337,385	21.7%	\$ 384,117	88.5%	\$ 315,747	-32.7%	\$ 167,492	17.4%	\$ 248,845
Contracting	30.5%	\$ 3,040,840	97.2%	\$ 2,330,349	-6.8%	\$ 1,181,902	13.2%	\$ 1,268,500	1.8%	\$ 1,120,550
Retail / Manufactured Buildings / Jet Fuel	-0.6%	\$ 7,488,565	20.2%	\$ 7,534,162	10.1%	\$ 6,267,973	17.4%	\$ 5,695,251	0.2%	\$ 4,850,284
Use Tax	-21.4%	\$ 395,979	13.0%	\$ 503,501	5.4%	\$ 445,651	190.7%	\$ 422,698	-74.4%	\$ 145,422
Total Sales Tax Revenue*	6.1%	\$ 17,693,076	25.8%	\$ 16,668,758	6.3%	\$ 13,251,577	9.9%	\$ 12,466,981	0.1%	\$ 11,345,516

*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 FY22/23	Monthly Collections FY23/24	\$ Difference + / (-) FY23/24 over FY22/23	% Difference + / (-) FY23/24 over FY22/23
July	15,662,901	16,367,375	704,474	4.5%
August	16,086,953	15,915,687	(171,267)	-1.1%
September	16,668,758	17,693,076	1,024,318	6.1%
October	16,286,090		(16,286,090)	-100.0%
November	15,790,137		(15,790,137)	-100.0%
December	16,920,770		(16,920,770)	-100.0%
January	18,997,718		(18,997,718)	-100.0%
February	16,662,379		(16,662,379)	-100.0%
March	15,926,597		(15,926,597)	-100.0%
April	16,637,632		(16,637,632)	-100.0%
May	17,023,794		(17,023,794)	-100.0%
June	17,019,863		(17,019,863)	-100.0%
Totals	\$ 48,418,612	\$ 49,976,138	\$ 1,557,525	3.2%



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

General Fund Expenditure Summary Thru September 2023

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru September 2023	Percentage of Adjusted Budget Expended & Encumbered Thru September 2023	Percentage of Adjusted Budget Expended & Encumbered Thru September 2022	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 288,178	26.7%	35.4%	-8.7%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,116,505	551,030	26.0%	25.9%	0.1%
Diversity, Equity, and Inclusion	593,070	703,788	128,199	18.2%	22.5%	-4.3%
Human Resources	2,408,834	2,510,111	640,434	25.5%	28.4%	-2.9%
Buildings & Facilities	8,513,745	9,055,133	3,955,548	43.7%	35.9%	7.8%
Fleet Services	1,386,437	1,440,277	351,204	24.4%	32.3%	-7.9%
Economic Development	2,207,660	2,499,650	847,511	33.9%	32.6%	1.3%
Transportation Policy	3,196,401	3,225,510	305,477	9.5%	13.1%	-3.6%
Cultural Development	4,542,297	4,766,867	1,462,261	30.7%	32.1%	-1.4%
Communications & Public Affairs	3,809,110	4,248,337	1,574,176	37.1%	30.4%	6.7%
Community Services	33,452,125	35,913,763	12,221,223	34.0%	35.8%	-1.8%
Development Services	10,980,344	11,432,340	2,577,892	22.5%	22.5%	0.0%
Fire	44,819,411	47,258,973	14,097,044	29.8%	31.6%	-1.8%
Information Technology	21,304,000	24,151,733	9,465,709	39.2%	29.2%	10.0%
Law	4,687,089	4,805,720	1,246,641	25.9%	25.2%	0.7%
Magistrate	5,400,966	5,617,712	1,356,538	24.1%	19.7%	4.4%
Management Services	8,188,881	8,513,844	2,090,985	24.6%	23.3%	1.3%
Mayor and Council	1,262,159	1,298,899	256,418	19.7%	21.0%	-1.3%
Neighborhood Resources	6,700,823	10,191,069	1,075,551	10.6%	15.4%	-4.8%
Police	92,895,766	100,812,491	29,354,958	29.1%	26.8%	2.3%
Public Works & Utilities	10,597,467	12,282,432	6,006,794	48.9%	38.4%	10.5%
Non-Departmental (Personnel Services and O&M)	99,431,981	92,447,397	73,946,094	80.0%	76.1%	3.9%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,370,097	\$ 163,799,865	42.4%	38.5%	3.9%
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	16,124,552	3,430,000	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	55,395,400	50,687,927	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 440,788,775	\$ 440,488,024	\$ 163,799,865	37.2%	34.2%	3.0%

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

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.