



Informational Memo

Management Services - Memo No. 23-027

Date: November 16, 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 October 2022

Attached is the FY 2022-23 General Fund Revenue and Expenditure Reports for period ending October 31, 2022.

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 October 2022. This month reflects an 18.3% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 21.6% 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 September TPT reported/received in October. 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 October 2022, reflect an overall increase of 16.1% above budget, and a 20.5%

increase compared to prior year actuals. Also, when comparing the TPT collections received in October 2022 to the same month in the prior year, collections are up 17.8%.

Finally, the FY 2022-23 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through October 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 43.8% spending through October 2022, compared to 41.0% 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
October 2022

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

General Fund Revenue Summary

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

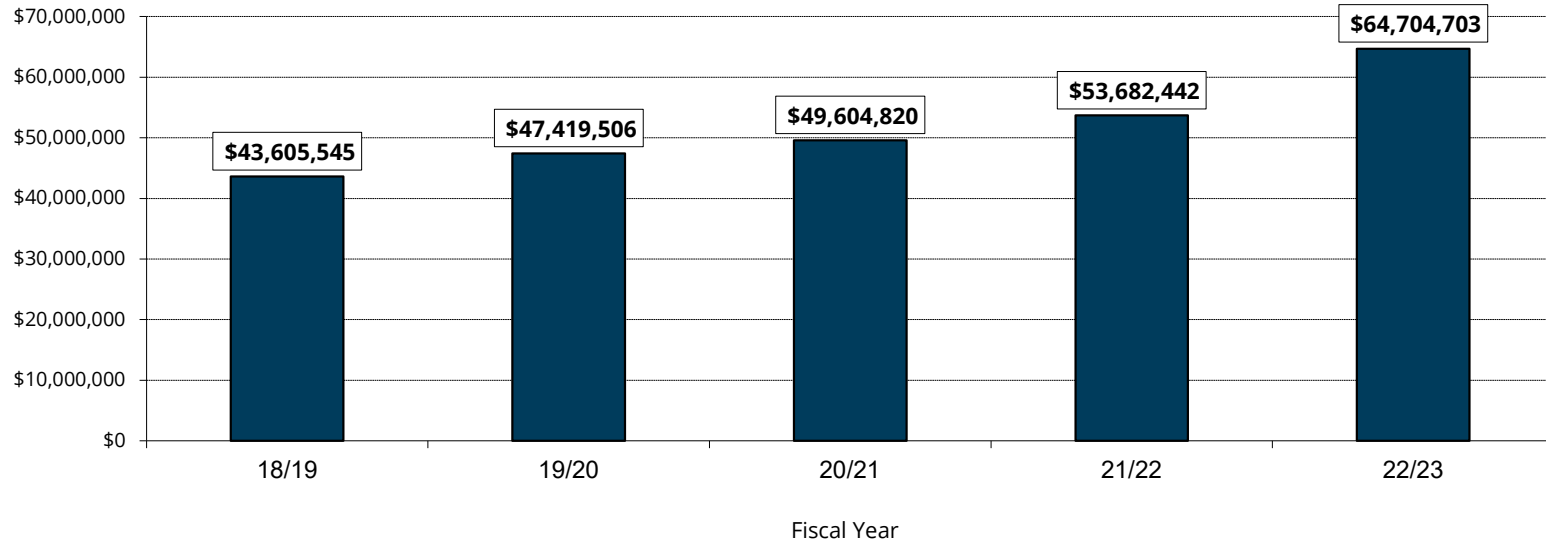
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2022-23 Adopted Budget	FY 2022-23 Budget Prorated Based on Historical Trend	FY 2022-23 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2021-22 Actual Revenues for Same Period	Difference + or - from FY 2021-22 to FY 2022-23	% Change of Actuals to Same Period FY 2021-22
Local Sales Tax Collections	\$ 173,200,000	\$ 55,742,067	\$ 64,704,703	\$ 8,962,636	16.1%	\$ 53,682,442	\$ 11,022,261	20.5%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,748,400	518,630	1,137,672	619,042	119.4%	1,079,250	58,422	5.4%
Total Local Sales Tax Revenue	\$ 174,948,400	\$ 56,260,697	\$ 65,842,375	\$ 9,581,678	17.0%	\$ 54,761,692	\$ 11,080,683	20.2%
Franchise Fees	3,451,000	275,147	306,254	31,107	11.3%	67,920	238,334	350.9%
Primary Property Taxes	8,663,078	595,836	845,102	249,266	41.8%	648,791	196,311	30.3%
Voter Authorized Local Revenue	32,000,000	8,717,930	11,644,227	2,926,297	33.6%	10,629,444	1,014,783	9.5%
Vehicle License Tax	13,500,000	4,099,191	3,880,823	(218,368)	-5.3%	3,480,603	400,220	11.5%
Urban Revenue Sharing	42,720,000	14,160,524	17,671,206	3,510,682	24.8%	11,745,647	5,925,559	50.4%
Smart and Safe*	605,000	-	-	-	0.0%	-	-	0.0%
Licenses & Permits	6,718,500	1,614,903	2,296,075	681,172	42.2%	1,919,963	376,112	19.6%
Charges for Services	13,133,500	3,488,787	3,912,496	423,709	12.1%	3,227,286	685,210	21.2%
Fines & Forfeitures	3,413,800	1,141,968	1,338,248	196,280	17.2%	1,085,237	253,011	23.3%
Interest & Investments	2,317,000	566,442	475,665	(90,777)	-16.0%	473,555	2,110	0.4%
Other Revenues	1,558,000	519,338	450,876	(68,462)	-13.2%	981,562	(530,686)	-54.1%
Indirect Cost	7,864,624	2,621,564	2,621,541	(23)	0.0%	2,516,195	105,346	4.2%
Total General Fund Revenues	\$ 310,892,902	\$ 94,062,327	\$ 111,284,888	\$ 17,222,561	18.3%	\$ 91,537,895	\$ 19,746,993	21.6%
Prior Month	\$ 310,892,902	\$ 69,175,217	\$ 81,836,538	\$ 12,661,321	18.3%	\$ 67,563,404	\$ 14,273,134	21.1%
Change from Prior Month	\$ -	\$ 24,887,110	\$ 29,448,350	\$ 4,561,240	0.0%	\$ 23,974,491	\$ 5,473,859	0.4%

Note:

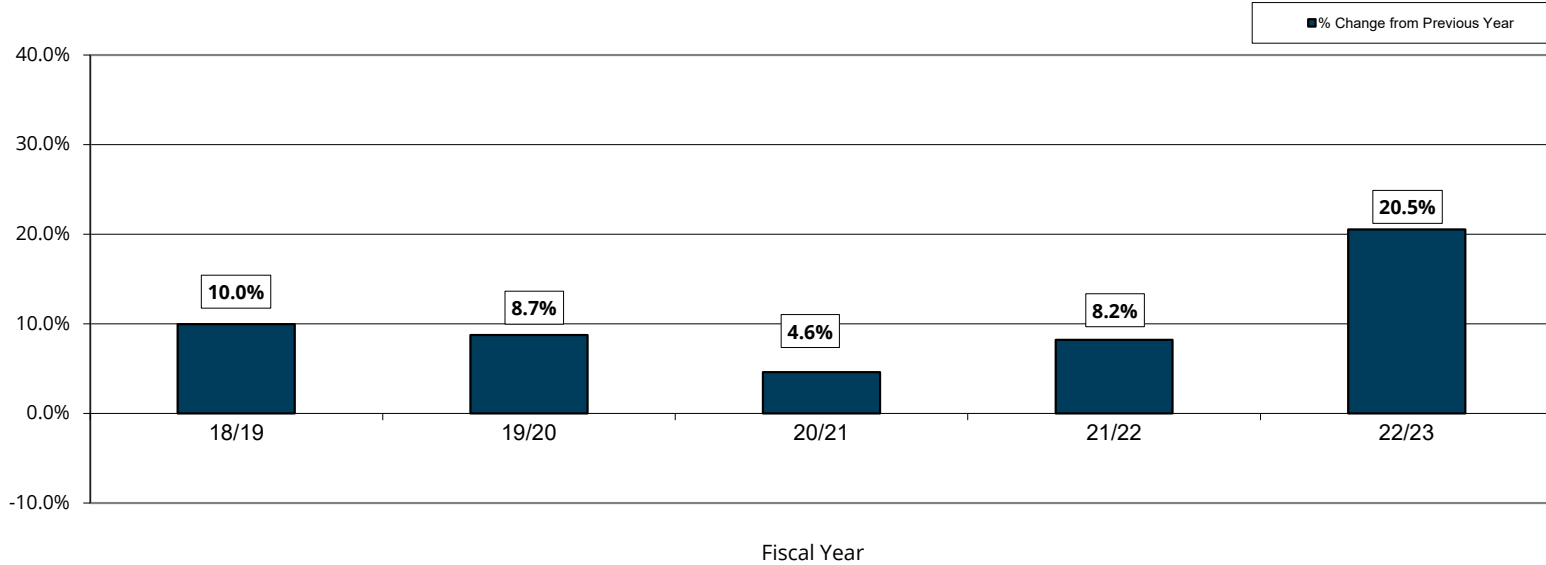
FY 2022-23 Adopted Budget excludes one-time Interfund Transfers-In of \$1,250,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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 October (Based on Sales Through September)



Local Sales Tax Revenue* % Change from October 2022 through October 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 October 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%	3.9%	\$ 7,264,038	1.5%	\$ 6,990,192	7.2%	\$ 6,886,083	-0.2%	\$ 6,425,473	3.6%	\$ 6,441,232
Telecommunications	0.9%	-3.7%	\$ 529,484	-18.1%	\$ 549,660	-15.9%	\$ 670,974	3.7%	\$ 797,626	-10.3%	\$ 768,922
Publishing / Advertising / Printing / Transportation	0.1%	17.6%	\$ 75,031	8.0%	\$ 63,797	644.4%	\$ 59,093	-86.6%	\$ 7,938	-10.9%	\$ 59,403
Restaurants & Bars	9.3%	10.1%	\$ 5,366,812	30.0%	\$ 4,873,152	-9.4%	\$ 3,749,413	5.4%	\$ 4,136,482	9.4%	\$ 3,924,999
Amusements	0.8%	35.4%	\$ 456,640	123.8%	\$ 337,134	-60.5%	\$ 150,636	5.2%	\$ 381,035	6.1%	\$ 362,344
Real Property Rentals	11.9%	13.7%	\$ 7,254,119	5.7%	\$ 6,382,672	-2.4%	\$ 6,038,970	14.8%	\$ 6,184,952	11.2%	\$ 5,389,812
Tangible Personal Property Rentals	2.4%	18.7%	\$ 1,587,881	5.3%	\$ 1,337,682	-16.1%	\$ 1,269,875	24.8%	\$ 1,513,560	-7.8%	\$ 1,213,191
Hotels / Motels	3.3%	24.0%	\$ 1,528,345	65.6%	\$ 1,232,832	-26.9%	\$ 744,539	21.7%	\$ 1,018,980	11.7%	\$ 837,204
Contracting	9.9%	85.6%	\$ 8,311,664	-6.1%	\$ 4,478,728	-15.8%	\$ 4,769,212	36.7%	\$ 5,664,352	9.7%	\$ 4,144,473
Retail / Manufactured Buildings / Jet Fuel	48.6%	17.5%	\$ 29,954,056	10.1%	\$ 25,488,710	17.3%	\$ 23,142,626	4.8%	\$ 19,737,242	11.7%	\$ 18,833,545
Use Tax	3.9%	22.0%	\$ 2,376,632	-8.3%	\$ 1,947,884	36.8%	\$ 2,123,397	-4.8%	\$ 1,551,864	58.5%	\$ 1,630,419
Total Sales Tax Revenue*	100.0%	20.5%	\$ 64,704,703	8.2%	\$ 53,682,442	4.6%	\$ 49,604,820	8.7%	\$ 47,419,506	10.0%	\$ 43,605,545

Sales Tax Revenue By Class

Through October (Month-over-Month)

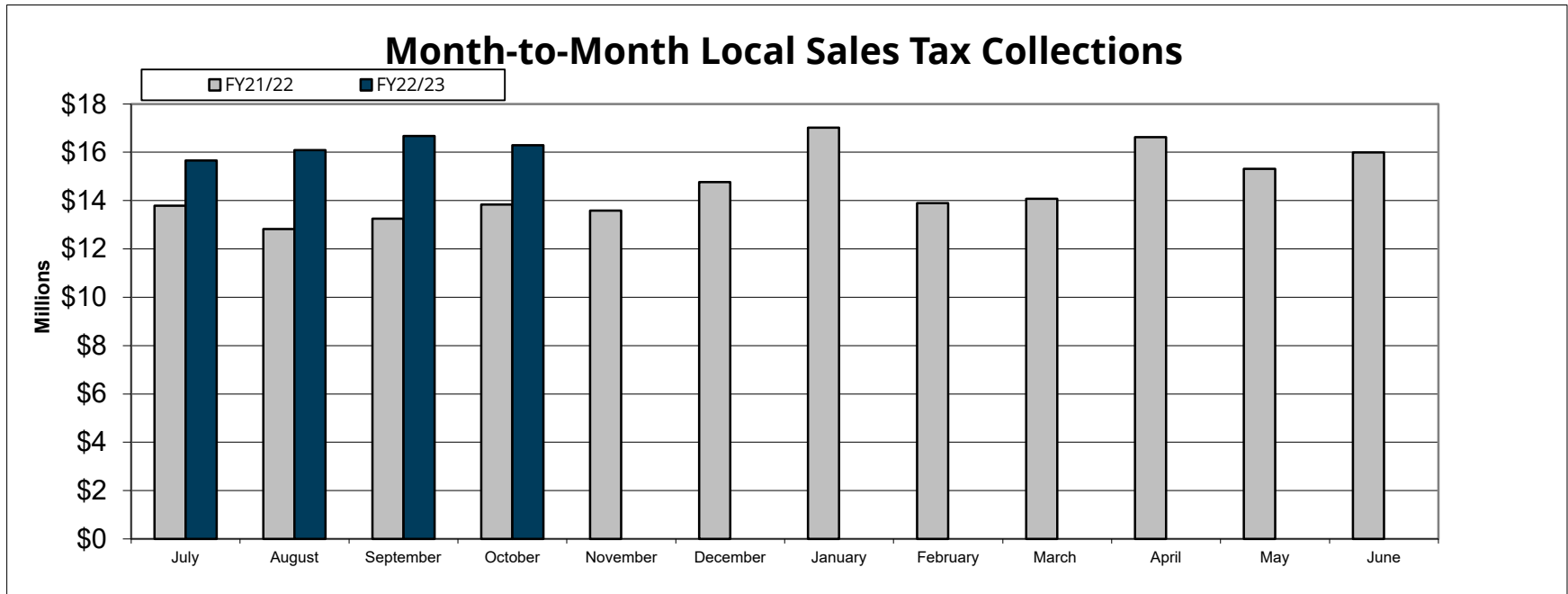
Sales Tax Category	% Chg Fm PY	October FY 2022-23	% Chg Fm PY	October FY 2021-22	% Chg Fm PY	October FY 2020-21	% Chg Fm PY	October FY 2019-20	% Chg Fm PY	October FY 2018-19
Utilities	6.5%	\$ 1,825,617	-2.0%	\$ 1,714,923	2.7%	\$ 1,749,219	8.6%	\$ 1,703,895	9.5%	\$ 1,569,573
Telecommunications	3.4%	\$ 138,888	-7.3%	\$ 134,342	-27.0%	\$ 144,856	9.6%	\$ 198,406	-16.9%	\$ 180,975
Publishing / Advertising / Printing / Transportation	-13.8%	\$ 17,917	15.9%	\$ 20,779	4.0%	\$ 17,929	21.3%	\$ 17,244	-17.8%	\$ 14,220
Restaurants & Bars	2.5%	\$ 1,258,487	22.6%	\$ 1,227,621	-3.7%	\$ 1,001,650	4.1%	\$ 1,040,637	9.0%	\$ 999,859
Amusements	42.5%	\$ 113,498	41.6%	\$ 79,632	-45.5%	\$ 56,242	11.7%	\$ 103,184	9.4%	\$ 92,357
Real Property Rentals	9.4%	\$ 1,917,419	12.9%	\$ 1,752,123	-0.1%	\$ 1,552,254	7.7%	\$ 1,553,958	-0.9%	\$ 1,443,175
Tangible Personal Property Rentals	37.8%	\$ 456,980	-10.8%	\$ 331,550	16.1%	\$ 371,649	3.4%	\$ 320,004	-21.4%	\$ 309,584
Hotels / Motels	11.0%	\$ 391,918	70.3%	\$ 352,974	-28.7%	\$ 207,244	12.2%	\$ 290,639	15.2%	\$ 259,123
Contracting	55.9%	\$ 1,793,391	-4.3%	\$ 1,150,383	8.0%	\$ 1,202,150	7.8%	\$ 1,113,327	15.3%	\$ 1,032,936
Retail / Manufactured Buildings / Jet Fuel	18.3%	\$ 7,788,086	9.1%	\$ 6,585,965	26.7%	\$ 6,038,924	3.6%	\$ 4,766,726	9.1%	\$ 4,601,983
Use Tax	22.4%	\$ 583,888	-34.3%	\$ 476,894	91.3%	\$ 725,963	9.1%	\$ 379,575	40.2%	\$ 347,768
Total Sales Tax Revenue*	17.8%	\$ 16,286,090	5.8%	\$ 13,827,187	13.8%	\$ 13,068,081	5.9%	\$ 11,487,595	7.4%	\$ 10,851,553

*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	16,668,758	3,417,181	25.8%
October	13,827,187	16,286,090	2,458,903	17.8%
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	\$ 53,682,441	\$ 64,704,703	\$ 11,022,261	20.5%



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

General Fund Expenditure Summary Thru October 2022

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru October 2022	Percentage of Adjusted Budget Expended & Encumbered Thru October 2022	Percentage of Adjusted Budget Expended & Encumbered Thru October 2021	Over/Under Last Year's Percentage
City Clerk	\$ 1,033,622	\$ 1,179,005	\$ 429,635	36.4%	35.3%	1.1%
City Manager and Organization Support ⁽¹⁾	18,646,048	20,430,799	7,324,844	35.9%	34.6%	1.3%
Communications & Public Affairs	2,682,072	3,149,778	1,080,477	34.3%	36.4%	-2.1%
Community Services	29,928,146	32,821,144	14,810,285	45.1%	42.0%	3.1%
Cultural Development	4,001,437	4,279,120	1,744,172	40.8%	35.3%	5.5%
Development Services	10,008,386	10,689,908	3,174,859	29.7%	32.8%	-3.1%
Fire	39,238,155	43,026,631	16,738,813	38.9%	38.5%	0.4%
Information Technology	16,084,234	17,991,924	6,078,224	33.8%	33.2%	0.6%
Law	4,236,416	4,453,713	1,482,991	33.3%	36.7%	-3.4%
Magistrate	5,025,617	5,241,502	1,364,319	26.0%	27.1%	-1.1%
Management Services	7,486,762	7,868,149	2,334,696	29.7%	33.7%	-4.0%
Mayor and Council	1,184,388	1,213,509	346,660	28.6%	31.6%	-3.0%
Neighborhood Resources	4,114,985	8,503,513	1,755,005	20.6%	22.4%	-1.8%
Police	83,324,801	93,529,477	30,981,962	33.1%	36.3%	-3.2%
Public Works & Utilities	10,314,947	11,897,302	4,940,116	41.5%	43.8%	-2.3%
Non-Departmental (Personnel Services and O&M)	78,553,795	66,453,206	51,001,389	76.7%	72.1%	4.6%
Subtotal Prior to Contingencies/Reserves	\$ 315,863,811	\$ 332,728,680	\$ 145,588,447	43.8%	41.0%	2.8%
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	10,174,000	1,900,000	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	45,879,300	37,834,580	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 371,917,111	\$ 372,463,260	\$ 145,588,447	39.1%	36.0%	3.1%

⁽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.