



Informational Memo

Management Services - Memo No. 24-042

Date: November 20, 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 October 2023

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending October 31, 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 October 2023. This month reflects a 5.8% increase in total General Fund revenues from the budgeted revenues we would have anticipated receiving to date based on historical trends, and an 8.2% 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. 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 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

completed, the related permit and local TPT collections cease. The Local TPT collections through October 2023, reflect an overall increase of 2.9% above budget, and a 0.2% increase compared to prior year actuals. Also, when comparing the TPT collections received in October 2023 to the same month in the prior year, collections are down 8.7%.

Finally, the FY 2023-24 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through October 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 47.7% spending through October 2023, compared to 43.8% 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 October 2023

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

General Fund Revenue Summary

FY 2023-24 Year-To-Date Actuals Through October 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	\$ 63,038,353	\$ 64,851,611	\$ 1,813,258	2.9%	\$ 64,704,703	\$ 146,908	0.2%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	515,119	2,959,293	2,444,174	474.5%	1,137,672	1,821,621	160.1%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 63,553,472	\$ 67,810,904	\$ 4,257,432	6.7%	\$ 65,842,375	\$ 1,968,529	3.0%
Franchise Fees	3,471,000	284,614	109,803	(174,811)	-61.4%	306,254	(196,451)	-64.1%
Primary Property Taxes	8,731,611	666,697	736,833	70,136	10.5%	845,102	(108,269)	-12.8%
State Shared Sales Tax Revenue	39,000,000	10,777,502	11,665,558	888,056	8.2%	11,644,227	21,331	0.2%
Vehicle License Tax	13,000,000	3,873,687	3,964,725	91,038	2.4%	3,880,823	83,902	2.2%
Urban Revenue Sharing	74,000,000	24,536,543	24,795,346	258,803	1.1%	17,671,206	7,124,140	40.3%
Smart and Safe	1,100,000	-	-	-	0.0%	-	-	0.0%
Public Safety State Allocation*	-	-	1,125,000	1,125,000	0.0%	-	1,125,000	0.0%
Licenses & Permits	6,864,900	1,435,606	816,454	(619,152)	-43.1%	2,296,075	(1,479,621)	-64.4%
Charges for Services	13,932,139	3,348,296	4,292,922	944,626	28.2%	3,912,496	380,426	9.7%
Fines & Forfeitures	3,549,850	1,170,870	1,411,265	240,395	20.5%	1,338,248	73,017	5.5%
Interest & Investments	3,818,000	883,789	692,808	(190,981)	-21.6%	475,665	217,143	45.7%
Other Revenues	1,753,200	584,405	292,446	(291,959)	-50.0%	450,876	(158,430)	-35.1%
Indirect Cost	7,978,182	2,659,417	2,659,394	(23)	0.0%	2,621,541	37,853	1.4%
Total General Fund Revenues	\$ 374,057,282	\$ 113,774,898	\$ 120,373,458	\$ 6,598,560	5.8%	\$ 111,284,888	\$ 9,088,570	8.2%
Prior Month	\$ 374,057,282	\$ 83,454,062	\$ 89,865,450	\$ 6,411,388	7.7%	\$ 81,836,538	\$ 8,028,913	9.8%
Change from Prior Month	\$ -	\$ 30,320,836	\$ 30,508,008	\$ 187,172	-1.9%	\$ 29,448,350	\$ 1,059,658	-1.6%

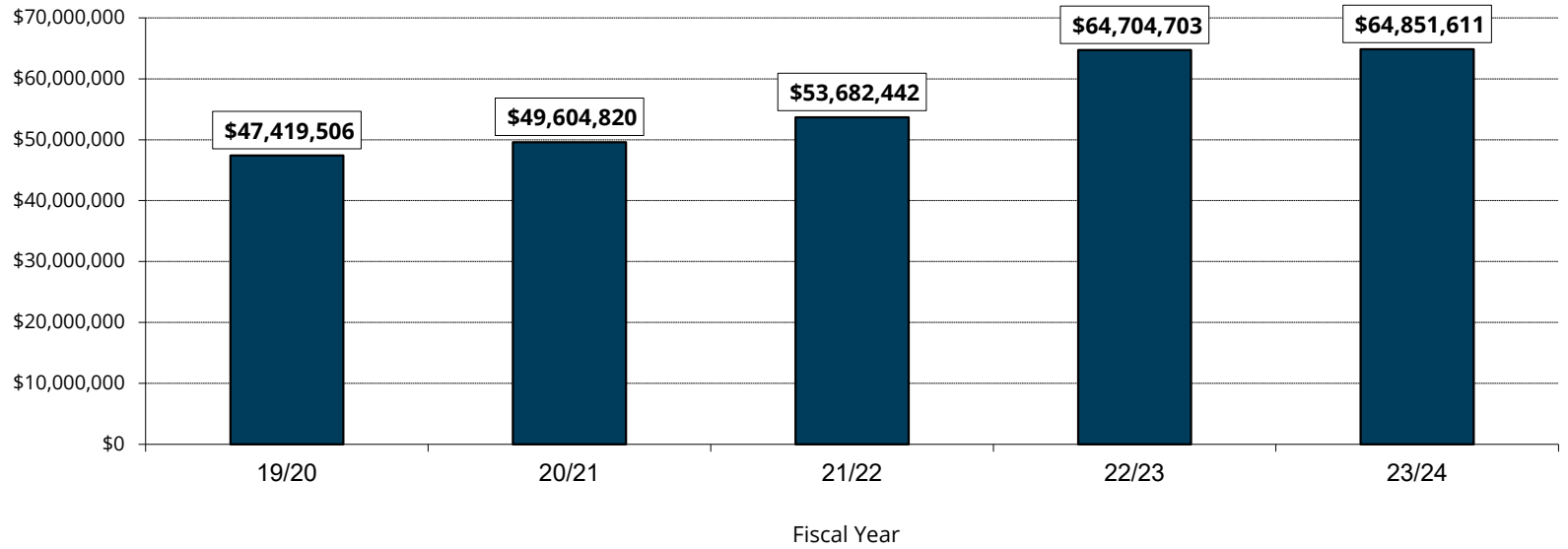
Note:

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.

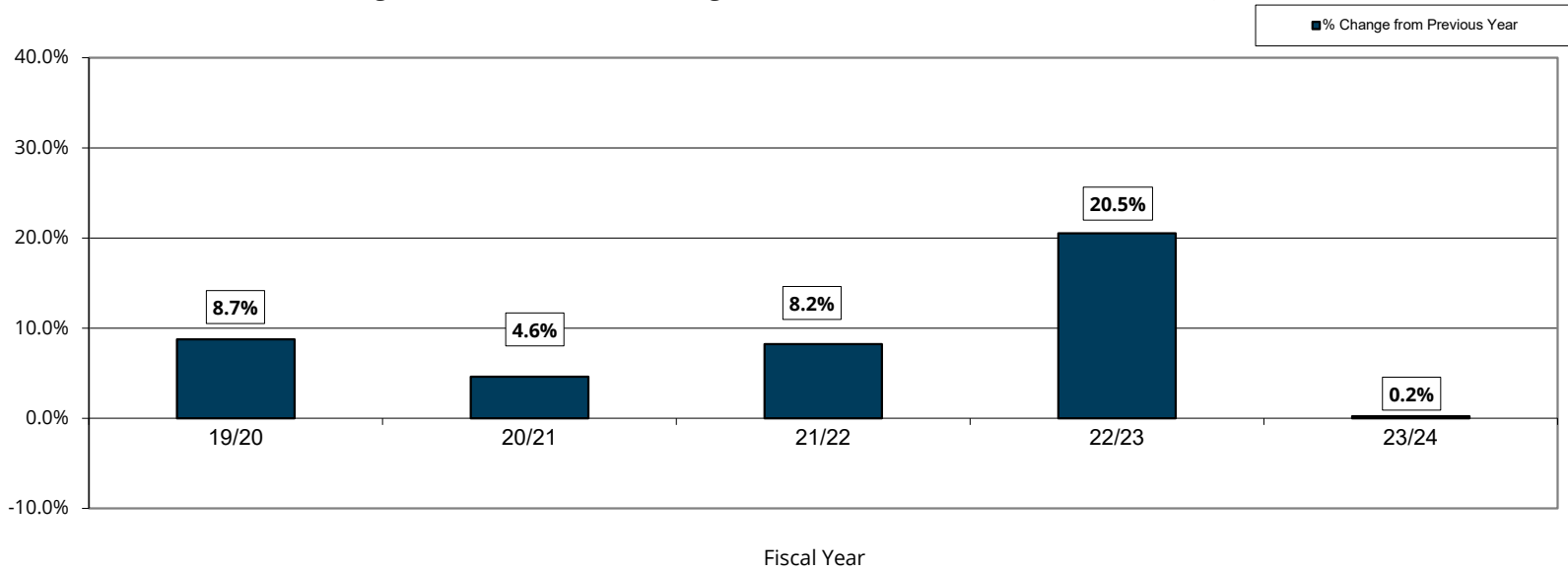
Local Sales Tax Revenue* Through Month of October

(Based on Sales Through September)



Local Sales Tax Revenue*

% Change from October 2023 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	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%	7.0%	\$ 7,770,506	3.9%	\$ 7,264,038	1.5%	\$ 6,990,192	7.2%	\$ 6,886,083	-0.2%	\$ 6,425,473
Telecommunications	0.9%	28.0%	\$ 677,648	-3.7%	\$ 529,484	-18.1%	\$ 549,660	-15.9%	\$ 670,974	3.7%	\$ 797,626
Publishing / Advertising / Printing / Transportation	0.1%	-17.0%	\$ 62,276	17.6%	\$ 75,031	8.0%	\$ 63,797	644.4%	\$ 59,093	-86.6%	\$ 7,938
Restaurants & Bars	8.8%	6.5%	\$ 5,715,984	10.1%	\$ 5,366,812	30.0%	\$ 4,873,152	-9.4%	\$ 3,749,413	5.4%	\$ 4,136,482
Amusements	0.7%	12.0%	\$ 511,219	35.4%	\$ 456,640	123.8%	\$ 337,134	-60.5%	\$ 150,636	5.2%	\$ 381,035
Real Property Rentals	11.6%	11.4%	\$ 8,078,895	13.7%	\$ 7,254,119	5.7%	\$ 6,382,672	-2.4%	\$ 6,038,970	14.8%	\$ 6,184,952
Tangible Personal Property Rentals	2.6%	21.0%	\$ 1,920,671	18.7%	\$ 1,587,881	5.3%	\$ 1,337,682	-16.1%	\$ 1,269,875	24.8%	\$ 1,513,560
Hotels / Motels	3.4%	-1.7%	\$ 1,503,064	24.0%	\$ 1,528,345	65.6%	\$ 1,232,832	-26.9%	\$ 744,539	21.7%	\$ 1,018,980
Contracting	13.8%	-2.0%	\$ 8,148,105	85.6%	\$ 8,311,664	-6.1%	\$ 4,478,728	-15.8%	\$ 4,769,212	36.7%	\$ 5,664,352
Retail / Manufactured Buildings / Jet Fuel	46.1%	2.4%	\$ 30,668,618	17.5%	\$ 29,954,056	10.1%	\$ 25,488,710	17.3%	\$ 23,142,626	4.8%	\$ 19,737,242
Use Tax	3.4%	-108.6%	\$ (205,375)	22.0%	\$ 2,376,632	-8.3%	\$ 1,947,884	36.8%	\$ 2,123,397	-4.8%	\$ 1,551,864
Total Sales Tax Revenue*	100.0%	0.2%	\$ 64,851,611	20.5%	\$ 64,704,703	8.2%	\$ 53,682,442	4.6%	\$ 49,604,820	8.7%	\$ 47,419,506

Sales Tax Revenue By Class

Through October (Month-over-Month)

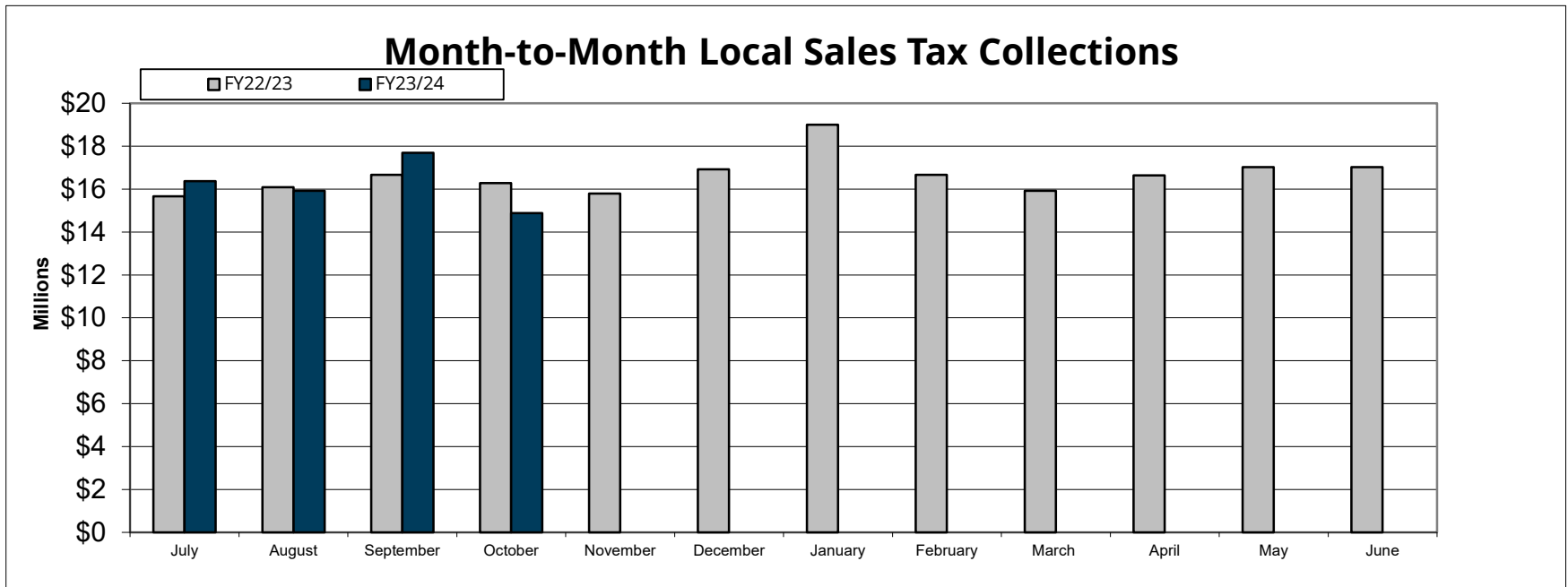
Sales Tax Category	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20
Utilities	8.2%	\$ 1,974,540	6.5%	\$ 1,825,617	-2.0%	\$ 1,714,923	2.7%	\$ 1,749,219	8.6%	\$ 1,703,895
Telecommunications	18.0%	\$ 163,874	3.4%	\$ 138,888	-7.3%	\$ 134,342	-27.0%	\$ 144,856	9.6%	\$ 198,406
Publishing / Advertising / Printing / Transportation	-16.3%	\$ 14,992	-13.8%	\$ 17,917	15.9%	\$ 20,779	4.0%	\$ 17,929	21.3%	\$ 17,244
Restaurants & Bars	16.9%	\$ 1,471,775	2.5%	\$ 1,258,487	22.6%	\$ 1,227,621	-3.7%	\$ 1,001,650	4.1%	\$ 1,040,637
Amusements	14.8%	\$ 130,262	42.5%	\$ 113,498	41.6%	\$ 79,632	-45.5%	\$ 56,242	11.7%	\$ 103,184
Real Property Rentals	8.4%	\$ 2,078,910	9.4%	\$ 1,917,419	12.9%	\$ 1,752,123	-0.1%	\$ 1,552,254	7.7%	\$ 1,553,958
Tangible Personal Property Rentals	10.4%	\$ 504,299	37.8%	\$ 456,980	-10.8%	\$ 331,550	16.1%	\$ 371,649	3.4%	\$ 320,004
Hotels / Motels	11.9%	\$ 438,638	11.0%	\$ 391,918	70.3%	\$ 352,974	-28.7%	\$ 207,244	12.2%	\$ 290,639
Contracting	-45.0%	\$ 985,810	55.9%	\$ 1,793,391	-4.3%	\$ 1,150,383	8.0%	\$ 1,202,150	7.8%	\$ 1,113,327
Retail / Manufactured Buildings / Jet Fuel	-1.7%	\$ 7,655,140	18.3%	\$ 7,788,086	9.1%	\$ 6,585,965	26.7%	\$ 6,038,924	3.6%	\$ 4,766,726
Use Tax	-193.0%	\$ (542,769)	22.4%	\$ 583,888	-34.3%	\$ 476,894	91.3%	\$ 725,963	9.1%	\$ 379,575
Total Sales Tax Revenue*	-8.7%	\$ 14,875,472	17.8%	\$ 16,286,090	5.8%	\$ 13,827,187	13.8%	\$ 13,068,081	5.9%	\$ 11,487,595

*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	14,875,472	(1,410,617)	-8.7%
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	\$ 64,704,703	\$ 64,851,611	\$ 146,908	0.2%



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

General Fund Expenditure Summary Thru October 2023

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru October 2023	Percentage of Adjusted Budget Expended & Encumbered Thru October 2023	Percentage of Adjusted Budget Expended & Encumbered Thru October 2022	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 374,623	34.8%	36.4%	-1.6%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,116,505	705,932	33.4%	33.3%	0.1%
Diversity, Equity, and Inclusion	593,070	704,552	174,336	24.7%	29.8%	-5.1%
Human Resources	2,408,834	2,510,870	809,674	32.2%	36.1%	-3.9%
Buildings & Facilities	8,513,745	9,055,133	4,580,228	50.6%	43.9%	6.7%
Fleet Services	1,386,437	1,440,277	437,679	30.4%	39.3%	-8.9%
Economic Development	2,207,660	2,499,650	1,116,701	44.7%	37.5%	7.2%
Transportation Policy	3,196,401	3,229,724	443,386	13.7%	14.2%	-0.5%
Cultural Development	4,542,297	4,771,774	1,797,638	37.7%	40.8%	-3.1%
Communications & Public Affairs	3,809,110	4,248,337	1,815,387	42.7%	34.3%	8.4%
Community Services	33,452,125	35,916,720	14,520,181	40.4%	45.1%	-4.7%
Development Services	10,980,344	11,432,340	3,354,329	29.3%	29.7%	-0.4%
Fire	44,819,411	47,486,763	17,418,061	36.7%	38.9%	-2.2%
Information Technology	21,304,000	24,153,471	10,194,293	42.2%	33.8%	8.4%
Law	4,687,089	4,810,626	1,619,917	33.7%	33.3%	0.4%
Magistrate	5,400,966	5,617,814	2,026,646	36.1%	26.0%	10.1%
Management Services	8,188,881	8,515,919	2,703,213	31.7%	29.7%	2.0%
Mayor and Council	1,262,159	1,298,899	344,328	26.5%	28.6%	-2.1%
Neighborhood Resources	6,700,823	10,195,105	1,524,994	15.0%	20.6%	-5.6%
Police	92,895,766	101,018,666	37,390,683	37.0%	33.1%	3.9%
Public Works & Utilities	10,597,467	12,283,156	6,570,376	53.5%	41.5%	12.0%
Non-Departmental (Personnel Services and O&M)	99,431,981	91,982,687	74,477,808	81.0%	76.7%	4.3%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,366,534	\$ 184,400,411	47.7%	43.8%	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	\$ 440,484,461	\$ 184,400,411	41.9%	39.1%	2.8%

⁽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.