



Informational Memo

Management Services - Memo No. 23-020

Date: October 12, 2022

To: Mayor and Council

Thru: Tadd Wille, Acting City Manager *TW*
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 September 2022

Attached is the FY 2022-23 General Fund Revenue and Expenditure Reports for period ending September 30, 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 September 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 an 21.1% 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. 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 September 2022, reflect an overall increase of 16.4% above budget, and a 21.5%

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increase compared to prior year actuals. Also, when comparing the TPT collections received in September 2022 to the same month in the prior year, collections are up 25.8%.

Finally, the FY 2022-23 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through September 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 38.5% spending through September 2022, compared to 35.3% 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 September 2022

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

General Fund Revenue Summary

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

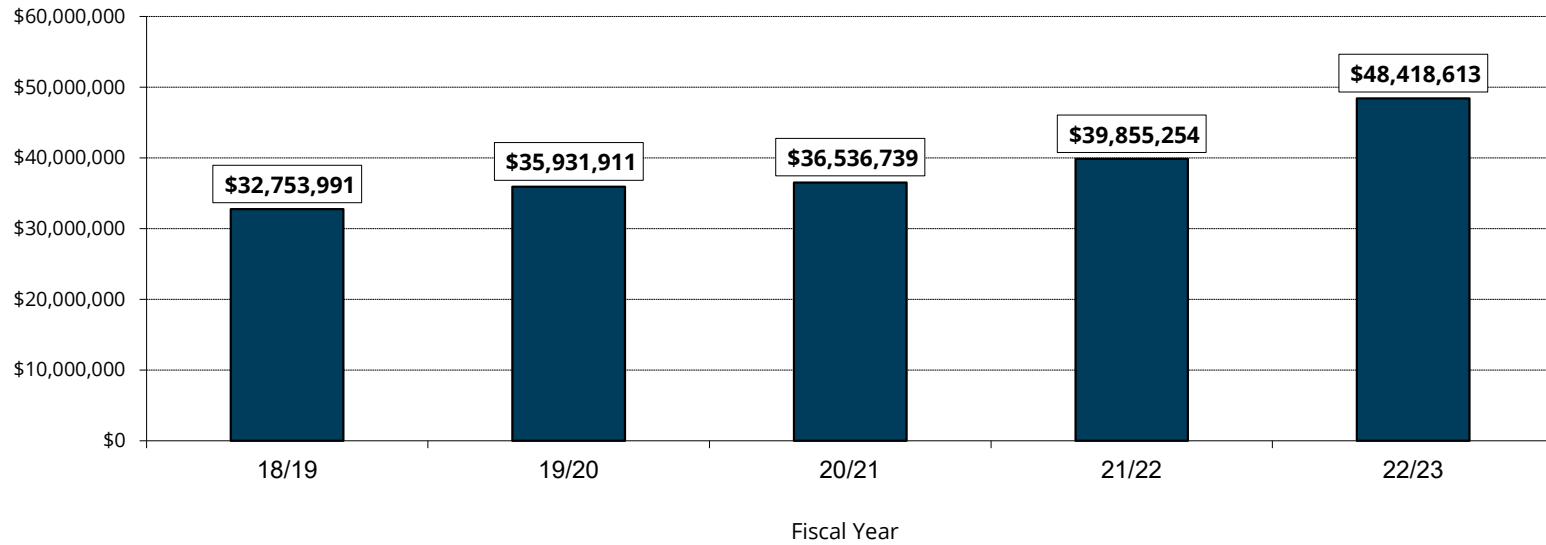
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2022-23 Adopted Budget	FY 2022-23 Budget Prorated Based on Historical Trend	FY 2022-23 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2021-22 Actual Revenues for Same Period	Difference + or - from FY 2021-22 to FY 2022-23	% Change of Actuals to Same Period FY 2021-22
Local Sales Tax Collections	\$ 173,200,000	\$ 41,597,578	\$ 48,418,613	\$ 6,821,035	16.4%	\$ 39,855,254	\$ 8,563,359	21.5%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,748,400	396,515	827,477	430,963	108.7%	988,496	(161,019)	-16.3%
Total Local Sales Tax Revenue	\$ 174,948,400	\$ 41,994,093	\$ 49,246,090	\$ 7,251,997	17.3%	\$ 40,843,750	\$ 8,402,340	20.6%
Franchise Fees	3,451,000	38,532	77,627	39,095	101.5%	67,920	9,707	14.3%
Primary Property Taxes	8,663,078	81,434	68,171	(13,263)	-16.3%	56,752	11,419	20.1%
Voter Authorized Local Revenue	32,000,000	6,149,492	8,378,286	2,228,794	36.2%	7,471,304	906,982	12.1%
Vehicle License Tax	13,500,000	2,943,578	2,788,742	(154,836)	-5.3%	2,487,995	300,747	12.1%
Urban Revenue Sharing	42,720,000	10,590,590	13,253,405	2,662,815	25.1%	8,712,471	4,540,934	52.1%
Smart and Safe*	605,000	-	-	-	0.0%	-	-	0.0%
Licenses & Permits	6,718,500	1,150,066	1,758,340	608,274	52.9%	1,498,426	259,914	17.3%
Charges for Services	13,133,500	2,625,616	2,685,104	59,488	2.3%	2,447,770	237,334	9.7%
Fines & Forfeitures	3,413,800	869,277	994,265	124,988	14.4%	835,057	159,208	19.1%
Interest & Investments	2,317,000	376,879	322,289	(54,590)	-14.5%	290,298	31,991	11.0%
Other Revenues	1,558,000	389,501	298,063	(91,438)	-23.5%	964,515	(666,452)	-69.1%
Indirect Cost	7,864,624	1,966,159	1,966,156	(3)	0.0%	1,887,146	79,010	4.2%
Total General Fund Revenues	\$ 310,892,902	\$ 69,175,217	\$ 81,836,538	\$ 12,661,321	18.3%	\$ 67,563,404	\$ 14,273,134	21.1%
Prior Month	\$ 310,892,902	\$ 45,849,888	\$ 52,452,661	\$ 6,602,773	14.4%	\$ 44,149,095	\$ 8,303,566	18.8%
Change from Prior Month	\$ -	\$ 23,325,329	\$ 29,383,877	\$ 6,058,548	3.9%	\$ 23,414,309	\$ 5,969,568	2.3%

Note:

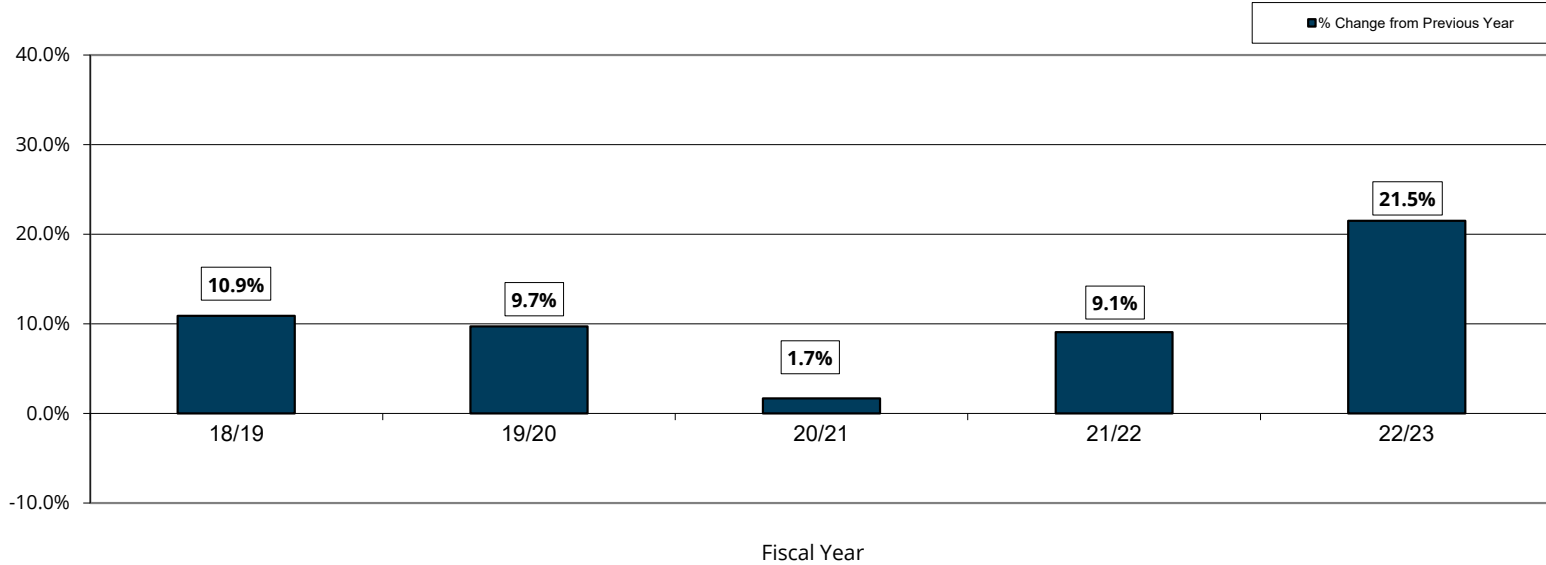
FY 2022-23 Adopted Budget excludes one-time Interfund Transfers-In of \$1,250,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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 September (Based on Sales Through August)



Local Sales Tax Revenue* % Change from September 2022 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)

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%	3.1%	\$ 5,438,421	2.7%	\$ 5,275,268	8.8%	\$ 5,136,864	-3.1%	\$ 4,721,578	1.9%	\$ 4,871,659
Telecommunications	0.9%	-6.0%	\$ 390,596	-21.1%	\$ 415,317	-12.2%	\$ 526,118	1.9%	\$ 599,219	-8.0%	\$ 587,947
Publishing / Advertising / Printing / Transportation	0.1%	32.8%	\$ 57,114	4.5%	\$ 43,017	-542.3%	\$ 41,164	-120.6%	\$ (9,306)	-8.5%	\$ 45,183
Restaurants & Bars	9.3%	12.7%	\$ 4,108,325	32.7%	\$ 3,645,531	-11.2%	\$ 2,747,763	5.8%	\$ 3,095,845	9.5%	\$ 2,925,140
Amusements	0.8%	33.3%	\$ 343,142	172.8%	\$ 257,502	-66.0%	\$ 94,394	2.9%	\$ 277,852	5.0%	\$ 269,987
Real Property Rentals	11.9%	15.2%	\$ 5,336,700	3.2%	\$ 4,630,549	-3.1%	\$ 4,486,716	17.3%	\$ 4,630,994	16.4%	\$ 3,946,637
Tangible Personal Property Rentals	2.4%	12.4%	\$ 1,130,902	12.0%	\$ 1,006,132	-24.7%	\$ 898,226	32.1%	\$ 1,193,556	-2.0%	\$ 903,607
Hotels / Motels	3.3%	29.2%	\$ 1,136,427	63.8%	\$ 879,858	-26.2%	\$ 537,295	26.0%	\$ 728,342	10.2%	\$ 578,081
Contracting	9.9%	95.8%	\$ 6,518,272	-6.7%	\$ 3,328,345	-21.6%	\$ 3,567,062	46.3%	\$ 4,551,026	8.0%	\$ 3,111,537
Retail / Manufactured Buildings / Jet Fuel	48.6%	17.3%	\$ 22,165,970	10.5%	\$ 18,902,745	14.2%	\$ 17,103,702	5.2%	\$ 14,970,516	12.6%	\$ 14,231,562
Use Tax	3.9%	21.9%	\$ 1,792,745	5.3%	\$ 1,470,991	19.2%	\$ 1,397,435	-8.6%	\$ 1,172,289	64.3%	\$ 1,282,652
Total Sales Tax Revenue*	100.0%	21.5%	\$ 48,418,613	9.1%	\$ 39,855,254	1.7%	\$ 36,536,739	9.7%	\$ 35,931,911	10.9%	\$ 32,753,991

Sales Tax Revenue By Class

Through September (Month-over-Month)

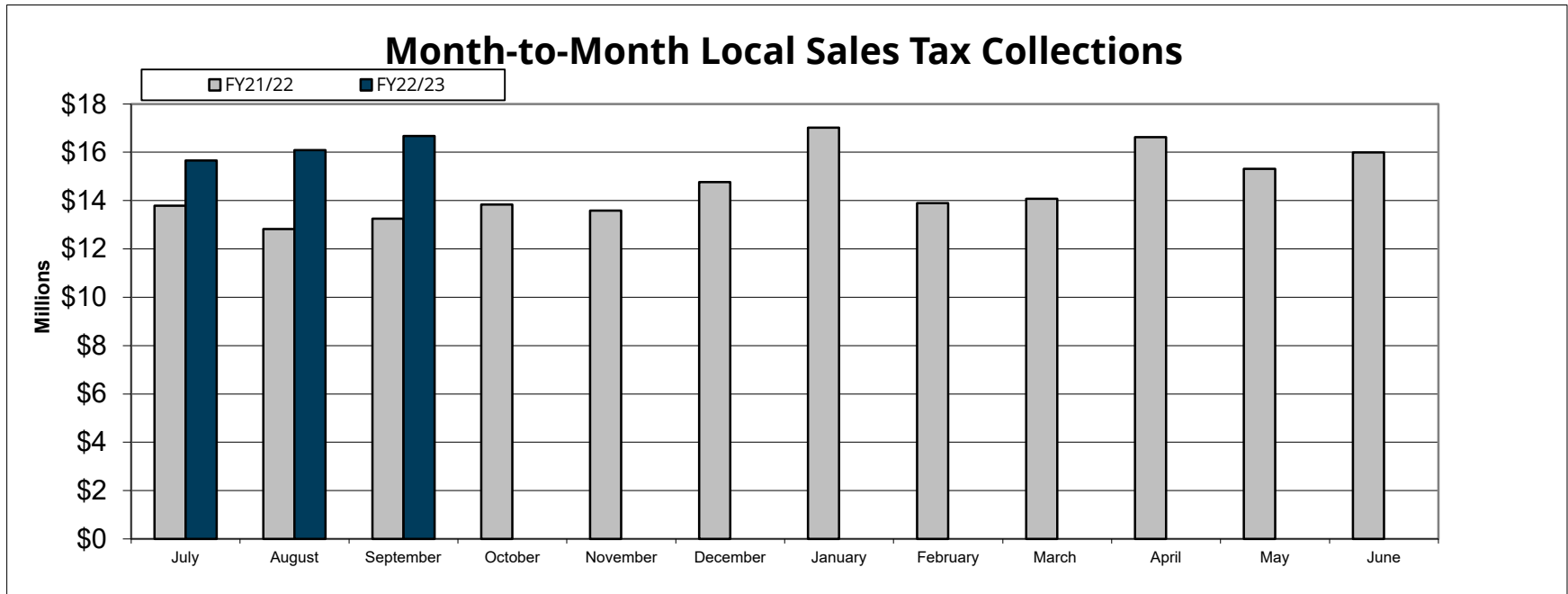
Sales Tax Category	% Chg Fm PY	September FY 2022-23	% Chg Fm PY	September FY 2021-22	% Chg Fm PY	September FY 2020-21	% Chg Fm PY	September FY 2019-20	% Chg Fm PY	September FY 2018-19
Utilities	7.2%	\$ 2,069,758	-2.9%	\$ 1,930,659	6.6%	\$ 1,988,469	-4.7%	\$ 1,864,919	16.8%	\$ 1,956,540
Telecommunications	-10.7%	\$ 129,376	-15.5%	\$ 144,806	-13.8%	\$ 171,465	-1.2%	\$ 198,893	-0.4%	\$ 201,208
Publishing / Advertising / Printing / Transportation	62.8%	\$ 23,799	-1.8%	\$ 14,621	18.8%	\$ 14,884	-14.6%	\$ 12,524	-6.3%	\$ 14,663
Restaurants & Bars	14.7%	\$ 1,391,140	32.5%	\$ 1,212,741	-13.2%	\$ 915,421	9.8%	\$ 1,054,748	5.2%	\$ 960,529
Amusements	14.2%	\$ 108,401	124.1%	\$ 94,932	-50.8%	\$ 42,357	2.8%	\$ 86,079	21.2%	\$ 83,707
Real Property Rentals	38.1%	\$ 1,791,850	-13.4%	\$ 1,297,540	6.7%	\$ 1,497,484	7.0%	\$ 1,404,016	19.6%	\$ 1,311,610
Tangible Personal Property Rentals	16.6%	\$ 402,305	21.7%	\$ 345,005	-21.1%	\$ 283,411	19.9%	\$ 359,237	1.8%	\$ 299,647
Hotels / Motels	21.7%	\$ 384,117	88.5%	\$ 315,747	-32.7%	\$ 167,492	22.1%	\$ 248,845	9.1%	\$ 203,885
Contracting	97.2%	\$ 2,330,349	-6.8%	\$ 1,181,902	13.2%	\$ 1,268,050	41.5%	\$ 1,120,550	-19.8%	\$ 792,149
Retail / Manufactured Buildings / Jet Fuel	20.2%	\$ 7,534,162	10.1%	\$ 6,267,973	17.4%	\$ 5,695,251	2.3%	\$ 4,850,284	11.8%	\$ 4,742,642
Use Tax	13.0%	\$ 503,501	5.4%	\$ 445,651	190.7%	\$ 422,698	-59.6%	\$ 145,422	4.3%	\$ 360,370
Total Sales Tax Revenue*	25.8%	\$ 16,668,758	6.3%	\$ 13,251,577	9.9%	\$ 12,466,981	3.8%	\$ 11,345,516	9.0%	\$ 10,926,950

*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	-	(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	\$ 39,855,254	\$ 48,418,612	\$ 8,563,358	21.5%



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

General Fund Expenditure Summary Thru September 2022

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru September 2022	Percentage of Adjusted Budget Expended & Encumbered Thru September 2022	Percentage of Adjusted Budget Expended & Encumbered Thru September 2021	Over/Under Last Year's Percentage
City Clerk	\$ 1,033,622	\$ 1,179,005	\$ 416,926	35.4%	25.3%	10.1%
City Manager and Organization Support ⁽¹⁾	18,646,048	20,430,799	6,021,492	29.5%	27.5%	2.0%
Communications & Public Affairs	2,682,072	3,149,778	958,238	30.4%	33.9%	-3.5%
Community Services	29,928,146	32,821,144	11,738,278	35.8%	35.8%	0.0%
Cultural Development	4,001,437	4,279,120	1,373,404	32.1%	28.4%	3.7%
Development Services	10,008,386	10,689,908	2,405,840	22.5%	25.7%	-3.2%
Fire	39,238,155	42,638,492	13,461,487	31.6%	32.1%	-0.5%
Information Technology	16,084,234	17,991,924	5,247,273	29.2%	27.9%	1.3%
Law	4,236,416	4,453,713	1,124,422	25.2%	29.2%	-4.0%
Magistrate	5,025,617	5,241,502	1,031,243	19.7%	21.3%	-1.6%
Management Services	7,486,762	7,868,149	1,830,003	23.3%	24.4%	-1.1%
Mayor and Council	1,184,388	1,213,509	254,759	21.0%	24.5%	-3.5%
Neighborhood Resources	4,114,985	8,503,513	1,308,564	15.4%	17.8%	-2.4%
Police	83,324,801	91,320,351	24,505,168	26.8%	29.3%	-2.5%
Public Works & Utilities	10,314,947	11,897,302	4,567,815	38.4%	40.6%	-2.2%
Non-Departmental (Personnel Services and O&M)	78,553,795	66,891,366	50,901,167	76.1%	74.1%	2.0%
Subtotal Prior to Contingencies/Reserves	\$ 315,863,811	\$ 330,569,575	\$ 127,146,079	38.5%	35.3%	3.2%
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	39,106,415	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 371,917,111	\$ 371,575,990	\$ 127,146,079	34.2%	30.5%	3.7%

⁽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.