



Informational Memo

Management Services - Memo No. 23-031

Date: January 18, 2023

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 December 2022

Attached is the FY 2022-23 General Fund Revenue and Expenditure Reports for period ending December 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 December 2022. This month reflects a 16.9% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and an 18.6% increase over the same period of the prior year. As these revenues are for sales made in November, the full impact of holiday sales are not yet reflected.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect November TPT reported/received in December. 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 and inflation impacts. The Smart and Safe funding that was anticipated to be received in December was delayed, and will therefore be shown in next month's report as it was received in January. 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 December 2022, reflect an overall increase of 15.7% above budget, and an 18.8% increase compared to prior year actuals. Also, when comparing the TPT collections received in December 2022 to the same month in the prior year, collections are up 14.6%.

Finally, the FY 2022-23 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through December 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 54.7% spending through December 2022, compared to 53.9% 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 December 2022

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

General Fund Revenue Summary

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

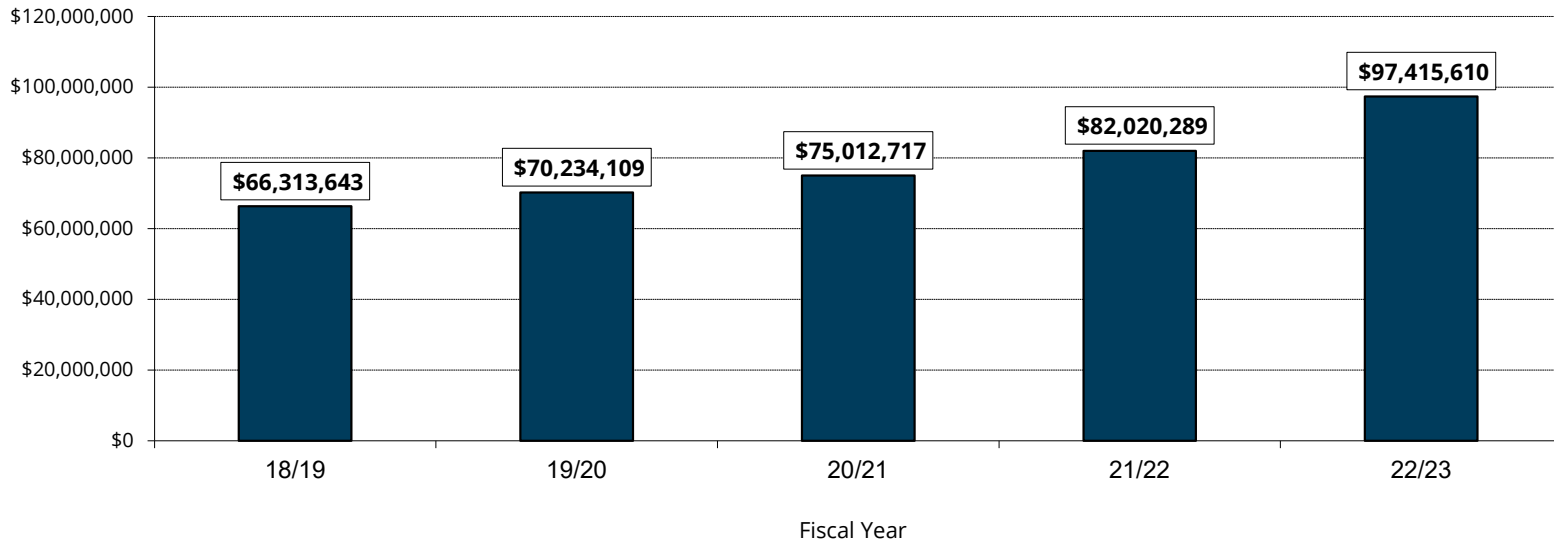
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2022-23 Adopted Budget	FY 2022-23 Budget Prorated Based on Historical Trend	FY 2022-23 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2021-22 Actual Revenues for Same Period	Difference + or - from FY 2021-22 to FY 2022-23	% Change of Actuals to Same Period FY 2021-22
Local Sales Tax Collections	\$ 173,200,000	\$ 84,172,950	\$ 97,415,610	\$ 13,242,660	15.7%	\$ 82,020,289	\$ 15,395,321	18.8%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,748,400	920,564	1,973,856	1,053,292	114.4%	1,551,913	421,942	27.2%
Total Local Sales Tax Revenue	\$ 174,948,400	\$ 85,093,514	\$ 99,389,466	\$ 14,295,952	16.8%	\$ 83,572,202	\$ 15,817,264	18.9%
Franchise Fees	3,451,000	805,405	751,542	(53,863)	-6.7%	776,442	(24,900)	-3.2%
Primary Property Taxes	8,663,078	4,534,841	4,517,173	(17,668)	-0.4%	4,474,753	42,420	0.9%
Voter Authorized Local Revenue	32,000,000	14,111,918	18,289,786	4,177,868	29.6%	17,126,652	1,163,134	6.8%
Vehicle License Tax	13,500,000	6,151,835	5,989,963	(161,872)	-2.6%	5,333,476	656,487	12.3%
Urban Revenue Sharing	42,720,000	21,300,393	26,506,809	5,206,416	24.4%	17,812,000	8,694,809	48.8%
Smart and Safe*	605,000	-	-	-	0.0%	-	-	0.0%
Licenses & Permits	6,718,500	2,742,907	3,591,786	848,879	30.9%	3,596,238	(4,452)	-0.1%
Charges for Services	13,133,500	5,543,481	6,136,763	593,282	10.7%	5,551,044	585,719	10.6%
Fines & Forfeitures	3,413,800	1,638,919	1,909,048	270,129	16.5%	1,516,795	392,253	25.9%
Interest & Investments	2,317,000	907,422	896,532	(10,890)	-1.2%	782,191	114,341	14.6%
Other Revenues	1,558,000	779,000	543,706	(235,294)	-30.2%	1,103,380	(559,674)	-50.7%
Indirect Cost	7,864,624	3,932,312	3,932,312	(0)	0.0%	3,774,293	158,019	4.2%
Total General Fund Revenues	\$ 310,892,902	\$ 147,541,947	\$ 172,454,886	\$ 24,912,939	16.9%	\$ 145,419,466	\$ 27,035,420	18.6%
Prior Month	\$ 310,892,902	\$ 121,686,870	\$ 142,714,168	\$ 21,027,298	17.3%	\$ 119,544,039	\$ 23,170,129	19.4%
Change from Prior Month	\$ -	\$ 25,855,077	\$ 29,740,718	\$ 3,885,641	-0.4%	\$ 25,875,427	\$ 3,865,291	-0.8%

Note:

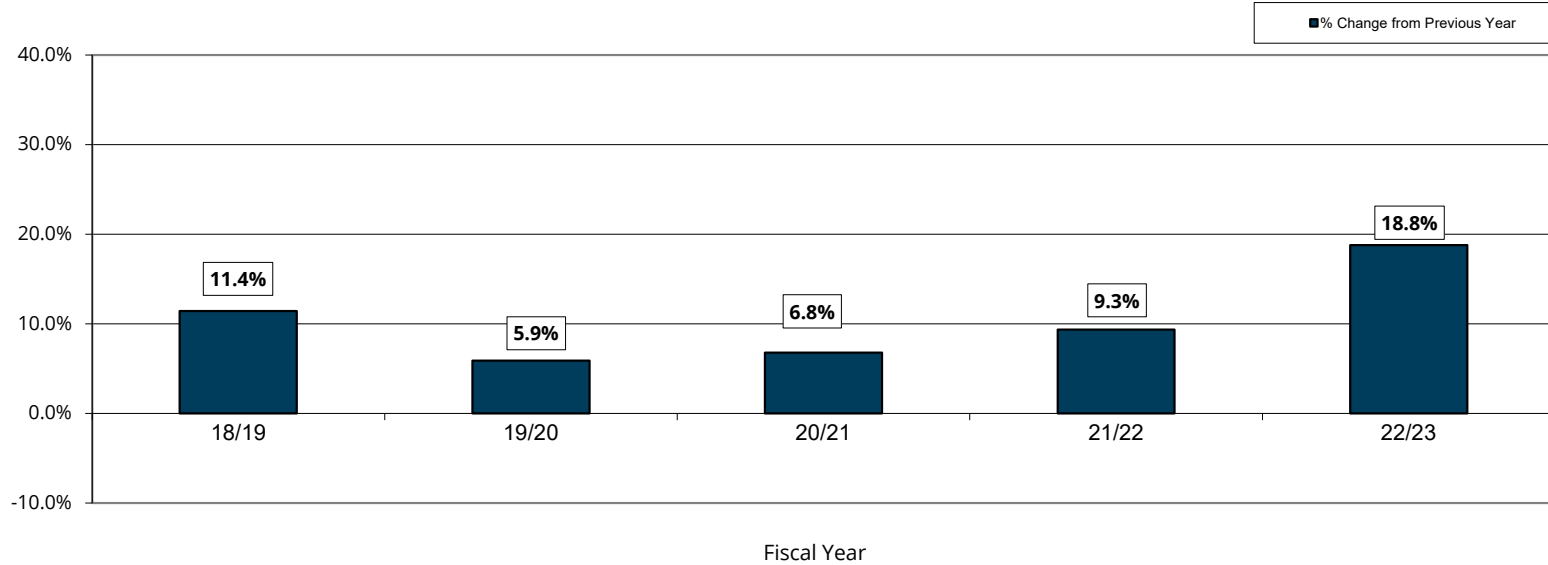
FY 2022-23 Adopted Budget excludes one-time Interfund Transfers-In of \$1,250,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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 December (Based on Sales Through November)



Local Sales Tax Revenue* % Change from December 2022 through December 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 December Each Year (Year-to-Date)

Sales Tax Category	FY21-22	% 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
	% of Total										
Utilities	9.0%	3.1%	\$ 9,811,697	2.5%	\$ 9,513,722	8.8%	\$ 9,284,712	-2.5%	\$ 8,531,800	8.0%	\$ 8,751,486
Telecommunications	0.9%	-2.2%	\$ 796,420	-14.5%	\$ 814,606	-20.3%	\$ 952,859	7.1%	\$ 1,195,503	-11.2%	\$ 1,115,995
Publishing / Advertising / Printing / Transportation	0.1%	14.7%	\$ 115,188	-1.3%	\$ 100,439	151.5%	\$ 101,807	-57.4%	\$ 40,486	-8.6%	\$ 95,115
Restaurants & Bars	9.3%	10.5%	\$ 8,215,960	29.2%	\$ 7,437,778	-8.9%	\$ 5,755,855	6.0%	\$ 6,319,649	9.1%	\$ 5,960,149
Amusements	0.8%	28.0%	\$ 671,200	85.6%	\$ 524,539	-51.5%	\$ 282,610	3.0%	\$ 582,481	13.1%	\$ 565,670
Real Property Rentals	11.9%	11.8%	\$ 11,153,133	8.7%	\$ 9,974,133	0.5%	\$ 9,179,515	13.0%	\$ 9,138,383	11.8%	\$ 8,089,713
Tangible Personal Property Rentals	2.4%	15.6%	\$ 2,361,484	11.3%	\$ 2,043,044	-14.3%	\$ 1,836,372	6.9%	\$ 2,142,757	5.4%	\$ 2,004,142
Hotels / Motels	3.3%	26.1%	\$ 2,664,144	72.4%	\$ 2,113,376	-31.1%	\$ 1,225,532	18.6%	\$ 1,778,099	9.9%	\$ 1,499,468
Contracting	9.9%	94.5%	\$ 13,266,635	-10.3%	\$ 6,819,591	0.2%	\$ 7,599,783	5.9%	\$ 7,584,552	23.2%	\$ 7,160,665
Retail / Manufactured Buildings / Jet Fuel	48.6%	13.9%	\$ 44,923,362	11.1%	\$ 39,437,214	16.4%	\$ 35,503,482	7.0%	\$ 30,505,111	10.5%	\$ 28,517,092
Use Tax	3.9%	6.0%	\$ 3,436,388	-1.5%	\$ 3,241,846	36.2%	\$ 3,290,190	-5.4%	\$ 2,415,285	30.4%	\$ 2,554,147
Total Sales Tax Revenue*	100.0%	18.8%	\$ 97,415,610	9.3%	\$ 82,020,289	6.8%	\$ 75,012,717	5.9%	\$ 70,234,109	11.4%	\$ 66,313,643

Sales Tax Revenue By Class

Through December (Month-over-Month)

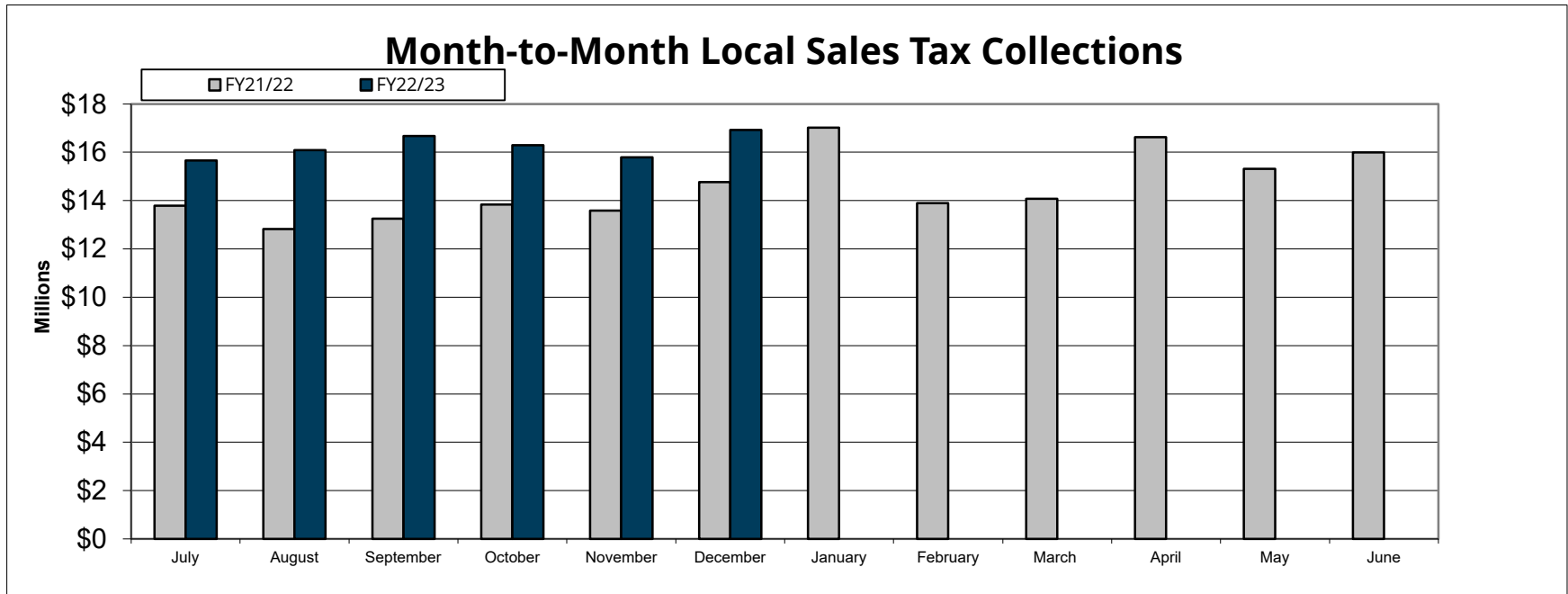
Sales Tax Category	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20	% Chg Fm PY	FY 2018-19
Utilities	-10.3%	\$ 1,130,412	20.6%	\$ 1,260,493	15.4%	\$ 1,045,292	-9.9%	\$ 906,110	48.2%	\$ 1,005,228
Telecommunications	-6.8%	\$ 122,779	-11.7%	\$ 131,743	-23.5%	\$ 149,280	16.9%	\$ 195,072	-16.1%	\$ 166,864
Publishing / Advertising / Printing / Transportation	22.5%	\$ 23,321	-16.9%	\$ 19,040	45.6%	\$ 22,908	-9.0%	\$ 15,733	-17.4%	\$ 17,280
Restaurants & Bars	13.2%	\$ 1,425,019	20.7%	\$ 1,258,316	-9.4%	\$ 1,042,367	9.9%	\$ 1,151,049	12.9%	\$ 1,047,702
Amusements	15.1%	\$ 106,198	16.4%	\$ 92,305	-27.6%	\$ 79,271	11.8%	\$ 109,462	15.7%	\$ 97,943
Real Property Rentals	13.7%	\$ 2,141,180	11.7%	\$ 1,883,901	9.2%	\$ 1,685,996	5.7%	\$ 1,543,465	19.8%	\$ 1,460,740
Tangible Personal Property Rentals	-0.3%	\$ 373,786	40.6%	\$ 375,021	-15.5%	\$ 266,710	-33.5%	\$ 315,751	63.7%	\$ 474,517
Hotels / Motels	43.0%	\$ 629,889	82.8%	\$ 440,618	-37.3%	\$ 241,093	11.6%	\$ 384,540	11.8%	\$ 344,616
Contracting	116.9%	\$ 2,835,997	-31.4%	\$ 1,307,280	92.5%	\$ 1,904,707	-47.0%	\$ 989,589	56.6%	\$ 1,865,946
Retail / Manufactured Buildings / Jet Fuel	4.5%	\$ 7,637,797	14.1%	\$ 7,309,798	11.6%	\$ 6,405,692	13.4%	\$ 5,739,932	7.9%	\$ 5,062,863
Use Tax	-27.6%	\$ 494,391	-1.4%	\$ 683,300	56.9%	\$ 693,001	-4.2%	\$ 441,655	-22.1%	\$ 460,912
Total Sales Tax Revenue*	14.6%	\$ 16,920,770	9.1%	\$ 14,761,816	14.8%	\$ 13,536,318	-1.8%	\$ 11,792,358	17.6%	\$ 12,004,612

*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	1,874,471	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	15,790,137	2,214,106	16.3%
December	14,761,816	16,920,770	2,158,954	14.6%
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	\$ 82,020,288	\$ 97,415,610	\$ 15,395,321	18.8%



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

General Fund Expenditure Summary Thru December 2022

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru December 2022	Percentage of Adjusted Budget Expended & Encumbered Thru December 2022	Percentage of Adjusted Budget Expended & Encumbered Thru December 2021	Over/Under Last Year's Percentage
City Clerk	\$ 1,033,622	\$ 1,179,005	\$ 537,242	45.6%	56.7%	-11.1%
City Manager and Organization Support ⁽¹⁾	18,646,048	20,430,799	9,594,409	47.0%	49.4%	-2.4%
Communications & Public Affairs	2,682,072	3,149,778	1,523,687	48.4%	46.4%	2.0%
Community Services	29,928,146	32,829,927	18,060,792	55.0%	54.4%	0.6%
Cultural Development	4,001,437	4,279,284	2,323,582	54.3%	50.2%	4.1%
Development Services	10,008,386	10,689,908	4,478,686	41.9%	43.7%	-1.8%
Fire	39,238,155	43,207,447	23,897,508	55.3%	54.0%	1.3%
Information Technology	16,084,234	17,991,924	7,650,034	42.5%	44.6%	-2.1%
Law	4,236,416	4,453,713	2,159,964	48.5%	52.1%	-3.6%
Magistrate	5,025,617	5,241,502	1,940,315	37.0%	39.4%	-2.4%
Management Services	7,486,762	7,868,149	3,259,737	41.4%	44.6%	-3.2%
Mayor and Council	1,184,388	1,213,509	508,048	41.9%	42.8%	-0.9%
Neighborhood Resources	4,114,985	8,503,513	2,301,518	27.1%	52.6%	-25.5%
Police	83,324,801	93,584,727	45,507,713	48.6%	51.6%	-3.0%
Public Works & Utilities	10,314,947	11,897,302	6,465,913	54.3%	55.5%	-1.2%
Non-Departmental (Personnel Services and O&M)	78,553,795	66,389,009	51,874,954	78.1%	75.6%	2.5%
Subtotal Prior to Contingencies/Reserves	\$ 315,863,811	\$ 332,909,496	\$ 182,084,102	54.7%	53.9%	0.8%
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	\$ 372,644,076	\$ 182,084,102	48.9%	47.4%	1.5%

⁽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.