



Informational Memo

Management Services - Memo No. 24-066

Date: February 14, 2024

To: Mayor and Council

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

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

Subject: Fiscal Year (FY) 2023-24 General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through January 2024

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending January 31, 2024.

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 January 2024. This month reflects a 5.4% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received 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 holiday sales for December TPT reported/received in January. The Local TPT collections through January 2024, reflect an overall increase of 4.6% above budget, and a 2.3% increase compared to prior year actuals. Also, when comparing the TPT collections received in January 2024 to the same month in the prior year, collections are up 2.8%.

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.

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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, State Shared Revenue, and Urban Revenue Sharing all 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.

Finally, the FY 2023-24 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through January 2024. 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 63.2% spending through January 2024, compared to 60.4% 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
January 2024

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

General Fund Revenue Summary

FY 2023-24 Year-To-Date Actuals Through January 2024

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	113,753,926	119,034,925	5,280,999	4.6%	116,413,327	2,621,598	2.3%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	1,119,250	3,650,183	2,530,933	226.1%	2,865,639	784,544	27.4%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 114,873,176	\$ 122,685,108	\$ 7,811,932	6.8%	\$ 119,278,966	\$ 3,406,142	2.8%
Franchise Fees	3,471,000	1,571,258	1,572,630	1,372	0.1%	1,783,752	(211,122)	-11.8%
Primary Property Taxes	8,731,611	4,938,222	4,925,442	(12,780)	-0.3%	4,904,323	21,119	0.4%
State Shared Sales Tax Revenue	39,000,000	20,340,538	22,186,607	1,846,069	9.1%	21,246,571	940,036	4.4%
Vehicle License Tax	13,000,000	6,912,272	7,190,536	278,264	4.0%	6,990,564	199,972	2.9%
Urban Revenue Sharing	74,000,000	43,085,339	43,391,856	306,517	0.7%	30,924,611	12,467,245	40.3%
Smart and Safe	1,100,000	391,516	717,994	326,478	83.4%	707,435	10,559	1.5%
Public Safety State Allocation*	-	800,828	1,125,000	324,172	40.5%	-	1,125,000	0.0%
Licenses & Permits	6,864,900	3,359,202	2,187,533	(1,171,669)	-34.9%	4,194,016	(2,006,483)	-47.8%
Charges for Services	13,932,139	6,313,964	7,657,983	1,344,019	21.3%	7,232,165	425,818	5.9%
Fines & Forfeitures	3,549,850	1,996,160	2,406,748	410,588	20.6%	2,321,644	85,104	3.7%
Interest & Investments	3,818,000	1,685,292	1,875,435	190,143	11.3%	1,132,323	743,112	65.6%
Other Revenues	1,753,200	1,022,700	821,304	(201,396)	-19.7%	1,074,206	(252,902)	-23.5%
Indirect Cost	7,978,182	4,653,940	4,653,940	(0)	0.0%	4,587,697	66,243	1.4%
Total General Fund Revenues	\$ 374,057,282	\$ 211,944,407	\$ 223,398,116	\$ 11,453,709	5.4%	\$ 206,378,273	\$ 17,019,843	8.2%
Prior Month	\$ 374,057,282	\$ 177,071,235	\$ 188,929,470	\$ 11,858,235	6.7%	\$ 172,454,886	\$ 16,474,584	9.6%
Change from Prior Month	\$ -	\$ 34,873,172	\$ 34,468,646	\$ (404,526)	-1.3%	\$ 33,923,387	\$ 545,259	-1.3%

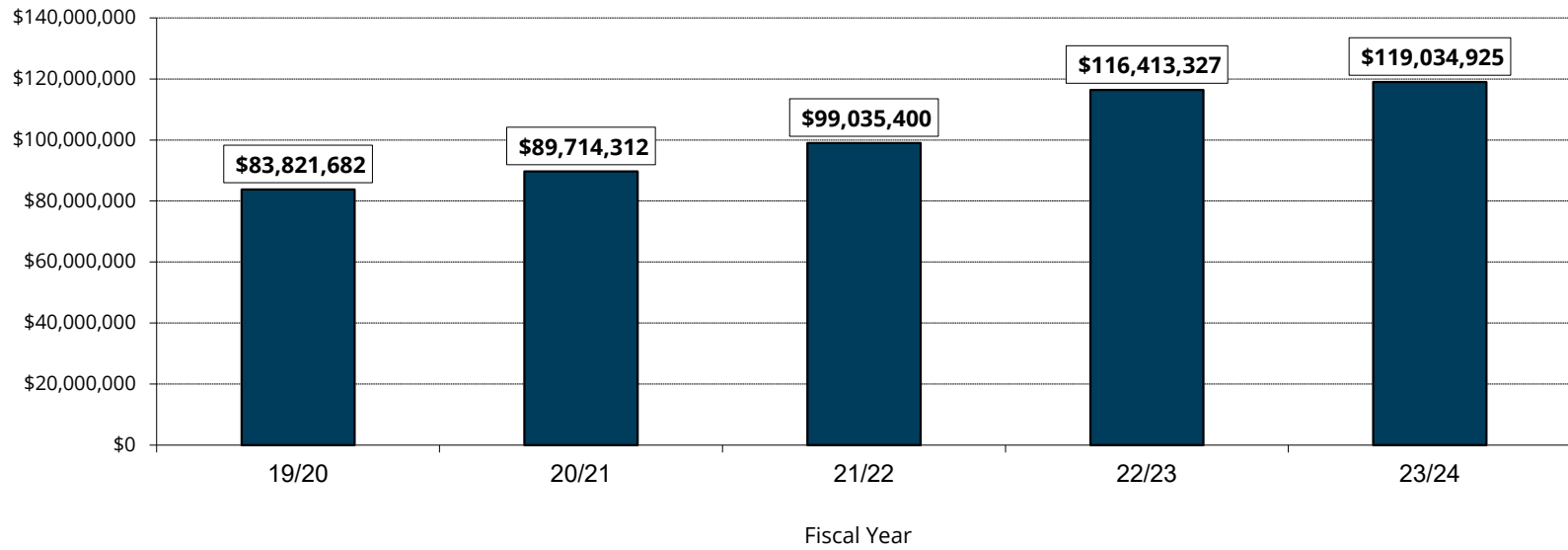
Note:

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.

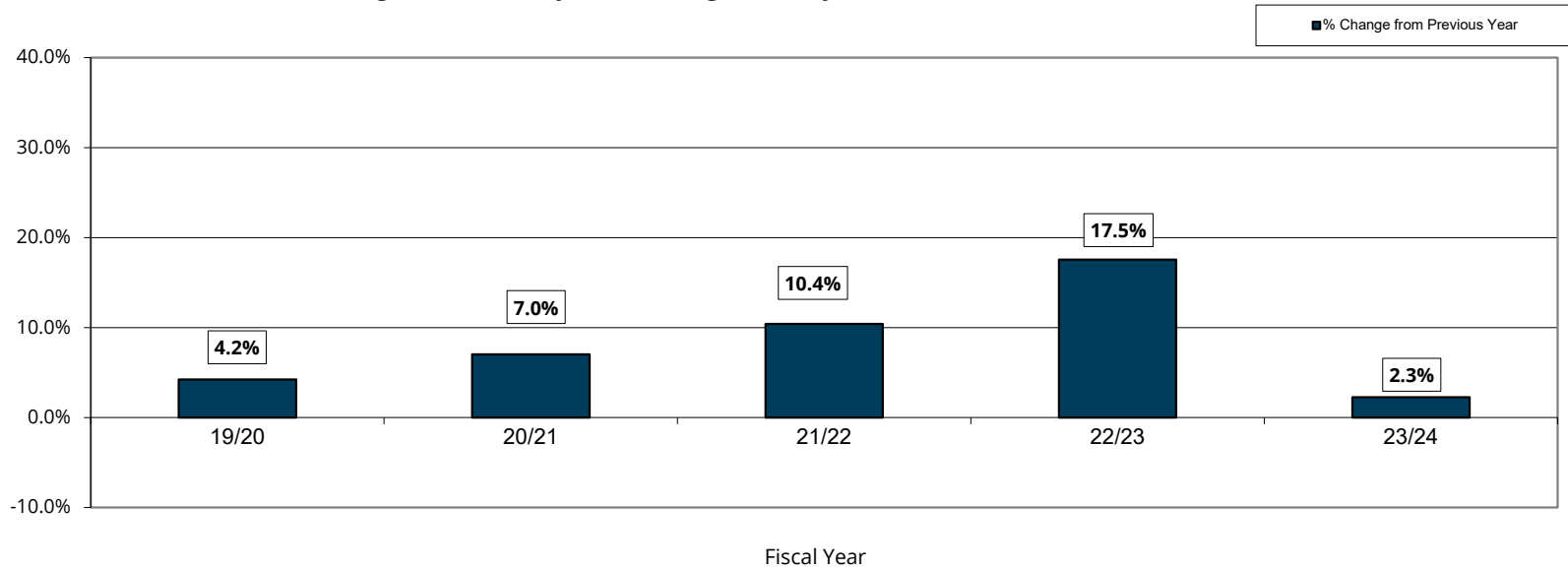
Local Sales Tax Revenue* Through Month of January

(Based on Sales Through December)



Local Sales Tax Revenue*

% Change from January 2024 through January 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 January 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%	8.3%	\$ 11,833,047	6.0%	\$ 10,930,534	0.7%	\$ 10,308,972	8.4%	\$ 10,240,782	-2.1%	\$ 9,450,729
Telecommunications	0.9%	28.6%	\$ 1,190,017	-2.4%	\$ 925,537	-14.0%	\$ 948,003	-21.2%	\$ 1,101,791	14.3%	\$ 1,398,283
Publishing / Advertising / Printing / Transportation	0.1%	-16.9%	\$ 110,801	13.4%	\$ 133,378	-1.5%	\$ 117,668	110.4%	\$ 119,409	-50.3%	\$ 56,761
Restaurants & Bars	8.8%	5.8%	\$ 10,383,141	9.7%	\$ 9,817,111	30.9%	\$ 8,945,026	-9.1%	\$ 6,834,524	6.2%	\$ 7,518,921
Amusements	0.7%	10.4%	\$ 907,143	27.1%	\$ 821,857	84.3%	\$ 646,831	-49.2%	\$ 351,031	1.4%	\$ 690,971
Real Property Rentals	11.6%	9.4%	\$ 14,830,227	12.7%	\$ 13,561,239	9.2%	\$ 12,036,770	1.7%	\$ 11,025,278	11.3%	\$ 10,840,739
Tangible Personal Property Rentals	2.6%	47.9%	\$ 4,185,808	16.3%	\$ 2,829,370	11.5%	\$ 2,433,023	-12.7%	\$ 2,182,312	6.2%	\$ 2,498,896
Hotels / Motels	3.4%	-1.2%	\$ 3,095,407	24.5%	\$ 3,133,682	77.4%	\$ 2,517,187	-33.1%	\$ 1,418,997	18.3%	\$ 2,119,737
Contracting	13.8%	-2.8%	\$ 14,912,407	82.2%	\$ 15,337,563	-3.5%	\$ 8,418,045	2.2%	\$ 8,726,077	-12.3%	\$ 8,540,582
Retail / Manufactured Buildings / Jet Fuel	46.1%	2.4%	\$ 56,055,490	12.6%	\$ 54,736,404	12.1%	\$ 48,632,639	15.1%	\$ 43,399,549	7.7%	\$ 37,692,015
Use Tax	3.4%	-63.4%	\$ 1,531,438	3.9%	\$ 4,186,653	-6.6%	\$ 4,031,236	43.1%	\$ 4,314,561	-1.9%	\$ 3,014,047
Total Sales Tax Revenue*	100.0%	2.3%	\$ 119,034,925	17.5%	\$ 116,413,327	10.4%	\$ 99,035,400	7.0%	\$ 89,714,312	4.2%	\$ 83,821,682

Sales Tax Revenue By Class

Through January (Month-over-Month)

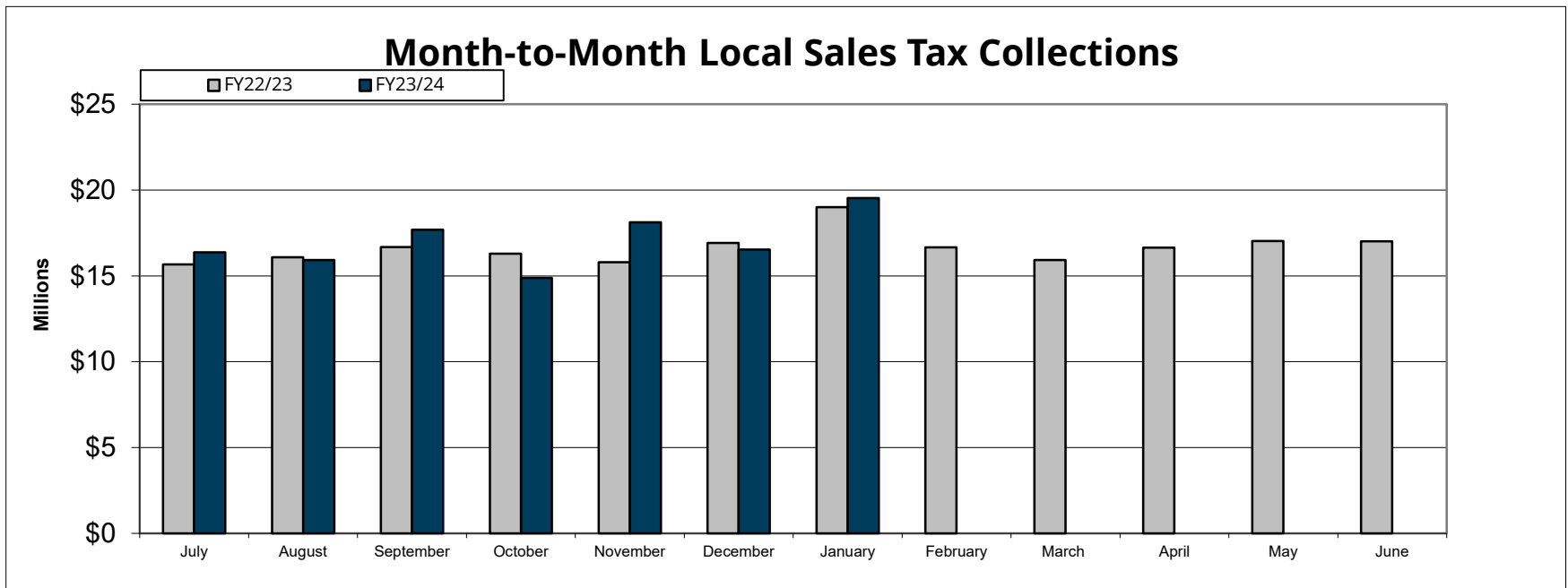
Sales Tax Category	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20
Utilities	8.4%	\$ 1,212,559	40.7%	\$ 1,118,837	-16.8%	\$ 795,250	4.0%	\$ 956,070	-41.5%	\$ 918,929
Telecommunications	36.6%	\$ 176,387	-3.2%	\$ 129,117	-10.4%	\$ 133,397	-26.6%	\$ 148,932	12.0%	\$ 202,780
Publishing / Advertising / Printing / Transportation	0.9%	\$ 18,356	5.6%	\$ 18,190	-2.1%	\$ 17,229	8.2%	\$ 17,602	14.5%	\$ 16,275
Restaurants & Bars	7.7%	\$ 1,724,932	6.2%	\$ 1,601,151	39.7%	\$ 1,507,248	-10.1%	\$ 1,078,669	19.9%	\$ 1,199,271
Amusements	6.6%	\$ 160,544	23.2%	\$ 150,657	78.7%	\$ 122,292	-36.9%	\$ 68,422	17.5%	\$ 108,490
Real Property Rentals	11.3%	\$ 2,679,839	16.7%	\$ 2,408,106	11.7%	\$ 2,062,637	8.4%	\$ 1,845,763	18.0%	\$ 1,702,356
Tangible Personal Property Rentals	1.2%	\$ 473,613	20.0%	\$ 467,886	12.7%	\$ 389,979	-2.9%	\$ 345,940	15.0%	\$ 356,139
Hotels / Motels	5.3%	\$ 494,197	16.3%	\$ 469,538	108.7%	\$ 403,810	-43.4%	\$ 193,465	31.8%	\$ 341,637
Contracting	-6.0%	\$ 1,947,571	29.6%	\$ 2,070,928	41.9%	\$ 1,598,454	17.8%	\$ 1,126,295	-7.4%	\$ 956,030
Retail / Manufactured Buildings / Jet Fuel	1.7%	\$ 9,981,178	6.7%	\$ 9,813,042	16.5%	\$ 9,195,424	9.9%	\$ 7,896,066	56.2%	\$ 7,186,903
Use Tax	-11.8%	\$ 661,431	-5.0%	\$ 750,265	-22.9%	\$ 789,390	71.1%	\$ 1,024,371	72.2%	\$ 598,762
Total Sales Tax Revenue*	2.8%	\$ 19,530,608	11.7%	\$ 18,997,718	15.7%	\$ 17,015,111	8.2%	\$ 14,701,595	25.2%	\$ 13,587,573

*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	18,124,782	2,334,645	14.8%
December	16,920,770	16,527,924	(392,846)	-2.3%
January	18,997,718	19,530,608	532,890	2.8%
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	\$ 116,413,327	\$ 119,034,925	\$ 2,621,597	2.3%



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

General Fund Expenditure Summary Thru January 2024

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru January 2024	Percentage of Adjusted Budget Expended & Encumbered Thru January 2024	Percentage of Adjusted Budget Expended & Encumbered Thru January 2023	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 570,914	53.0%	49.6%	3.4%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,116,505	1,181,700	55.8%	55.9%	-0.1%
Diversity, Equity, and Inclusion	593,070	707,958	279,314	39.5%	47.3%	-7.8%
Human Resources	2,408,834	2,513,688	1,237,863	49.2%	55.4%	-6.2%
Buildings & Facilities	8,513,745	9,055,133	6,224,812	68.7%	63.5%	5.2%
Fleet Services	1,386,437	1,445,131	727,288	50.3%	59.7%	-9.4%
Economic Development	2,207,660	2,499,650	1,475,228	59.0%	59.6%	-0.6%
Transportation Policy	3,196,401	3,234,235	533,149	16.5%	13.3%	3.2%
Cultural Development	4,542,297	4,783,200	2,780,844	58.1%	61.7%	-3.6%
Communications & Public Affairs	3,809,110	4,248,337	2,415,308	56.9%	50.9%	6.0%
Community Services	33,452,125	35,908,576	22,060,878	61.4%	61.3%	0.1%
Development Services	10,980,344	11,432,340	5,456,627	47.7%	48.6%	-0.9%
Fire	44,819,411	47,844,766	28,433,228	59.4%	62.7%	-3.3%
Information Technology	21,304,000	24,156,635	12,919,500	53.5%	47.8%	5.7%
Law	4,687,089	4,817,953	2,715,575	56.4%	56.1%	0.3%
Magistrate	5,400,966	5,617,814	2,875,571	51.2%	43.9%	7.3%
Management Services	8,188,881	8,521,972	4,288,302	50.3%	47.5%	2.8%
Mayor and Council	1,262,159	1,298,899	603,964	46.5%	52.3%	-5.8%
Neighborhood Resources	6,700,823	10,200,405	4,611,117	45.2%	31.7%	13.5%
Police	92,895,766	101,701,222	59,234,133	58.2%	57.1%	1.1%
Public Works & Utilities	10,597,467	12,285,609	8,495,881	69.2%	58.1%	11.1%
Non-Departmental (Personnel Services and O&M)	99,431,981	90,878,305	74,938,533	82.5%	78.7%	3.8%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,345,879	\$ 244,059,726	63.2%	60.4%	2.8%
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	50,662,927	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 440,788,775	\$ 440,438,806	\$ 244,059,726	55.4%	53.9%	1.5%

⁽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.