



Informational Memo

Management Services - Memo No. 23-028

Date: December 19, 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 November 2022

Attached is the FY 2022-23 General Fund Revenue and Expenditure Reports for period ending November 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 November 2022. This month reflects an 17.3% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 19.4% 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 October TPT reported/received in November. 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. 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 November 2022, reflect an overall increase of 16.3% above budget, and a 19.7%

increase compared to prior year actuals. Also, when comparing the TPT collections received in November 2022 to the same month in the prior year, collections are up 16.3%.

Finally, the FY 2022-23 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through November 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 49.9% spending through November 2022, compared to 47.6% 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
November 2022

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

General Fund Revenue Summary

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

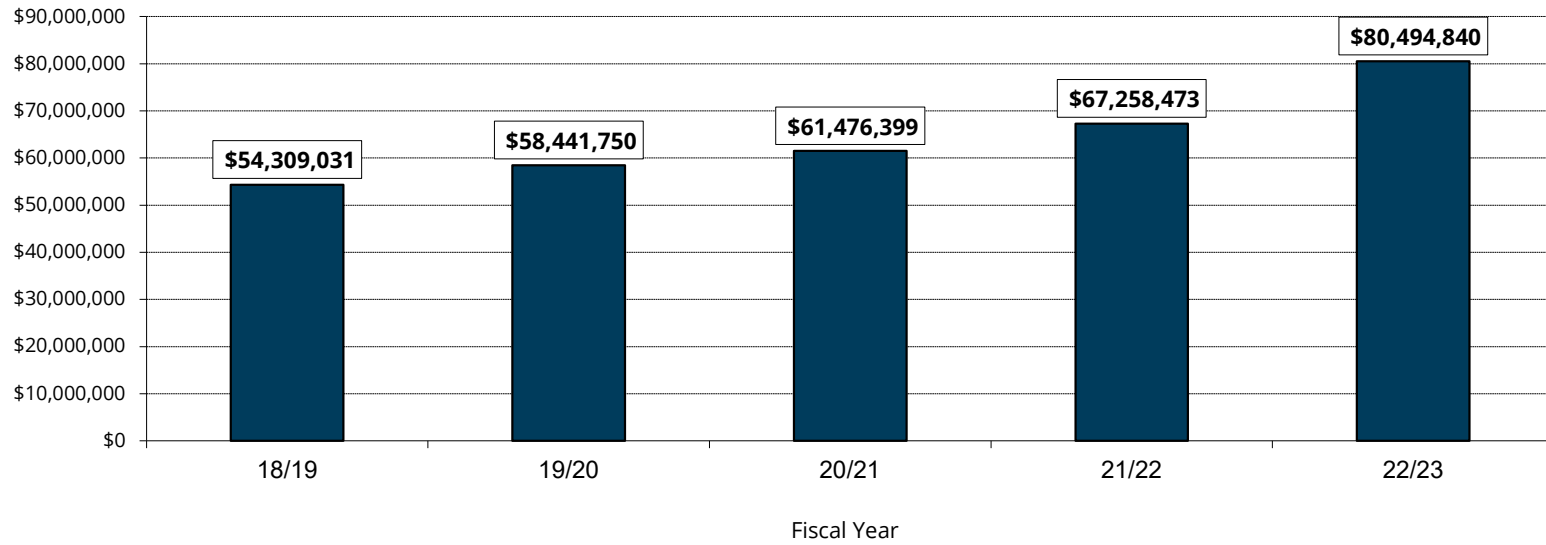
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2022-23 Adopted Budget	FY 2022-23 Budget Prorated Based on Historical Trend	FY 2022-23 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2021-22 Actual Revenues for Same Period	Difference + or - from FY 2021-22 to FY 2022-23	% Change of Actuals to Same Period FY 2021-22
Local Sales Tax Collections	\$ 173,200,000	\$ 69,235,259	\$ 80,494,840	\$ 11,259,581	16.3%	\$ 67,258,473	\$ 13,236,367	19.7%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,748,400	657,473	1,798,518	1,141,045	173.6%	1,282,872	515,646	40.2%
Total Local Sales Tax Revenue	\$ 174,948,400	\$ 69,892,732	\$ 82,293,358	\$ 12,400,626	17.7%	\$ 68,541,345	\$ 13,752,013	20.1%
Franchise Fees	3,451,000	622,993	751,542	128,549	20.6%	696,076	55,466	8.0%
Primary Property Taxes	8,663,078	3,827,488	3,705,972	(121,516)	-3.2%	3,824,448	(118,476)	-3.1%
Voter Authorized Local Revenue	32,000,000	11,229,299	14,532,483	3,303,184	29.4%	13,139,328	1,393,155	10.6%
Vehicle License Tax	13,500,000	5,124,051	4,927,680	(196,371)	-3.8%	4,365,371	562,309	12.9%
Urban Revenue Sharing	42,720,000	17,730,459	22,089,008	4,358,549	24.6%	14,778,823	7,310,185	49.5%
Smart and Safe*	605,000	-	-	-	0.0%	-	-	0.0%
Licenses & Permits	6,718,500	2,301,486	2,956,985	655,499	28.5%	3,048,281	(91,296)	-3.0%
Charges for Services	13,133,500	4,891,526	5,363,484	471,958	9.6%	4,984,227	379,257	7.6%
Fines & Forfeitures	3,413,800	1,392,280	1,661,235	268,955	19.3%	1,328,996	332,239	25.0%
Interest & Investments	2,317,000	748,462	672,680	(75,782)	-10.1%	637,477	35,203	5.5%
Other Revenues	1,558,000	649,167	482,814	(166,353)	-25.6%	1,054,423	(571,609)	-54.2%
Indirect Cost	7,864,624	3,276,927	3,276,927	(0)	0.0%	3,145,244	131,683	4.2%
Total General Fund Revenues	\$ 310,892,902	\$ 121,686,870	\$ 142,714,168	\$ 21,027,298	17.3%	\$ 119,544,039	\$ 23,170,129	19.4%
Prior Month	\$ 310,892,902	\$ 94,062,327	\$ 111,284,888	\$ 17,222,561	18.3%	\$ 91,537,895	\$ 19,746,993	21.6%
Change from Prior Month	\$ -	\$ 27,624,543	\$ 31,429,280	\$ 3,804,737	-1.0%	\$ 28,006,144	\$ 3,423,136	-2.2%

Note:

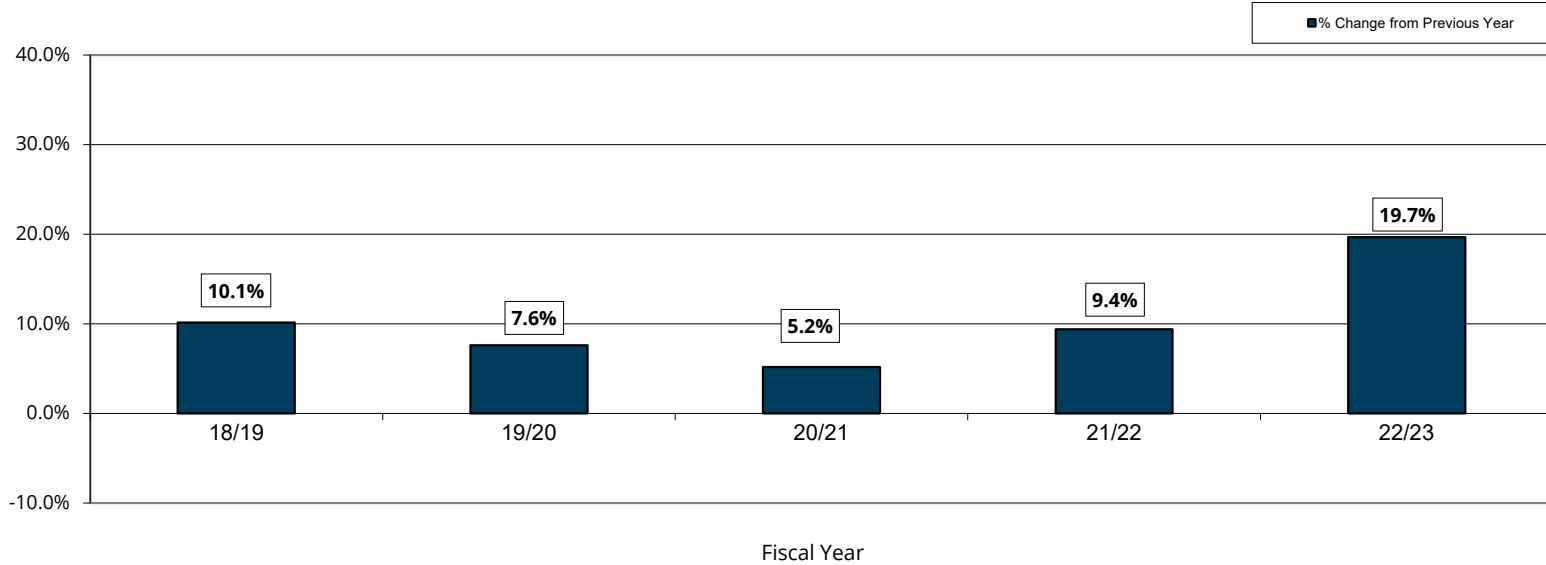
FY 2022-23 Adopted Budget excludes one-time Interfund Transfers-In of \$1,250,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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 November (Based on Sales Through October)



Local Sales Tax Revenue* % Change from November 2022 through November 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 November 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%	5.2%	\$ 8,681,285	0.2%	\$ 8,253,229	8.0%	\$ 8,239,420	-1.6%	\$ 7,625,690	4.3%	\$ 7,746,258
Telecommunications	0.9%	-1.4%	\$ 673,641	-15.0%	\$ 682,862	-19.7%	\$ 803,579	5.4%	\$ 1,000,431	-10.3%	\$ 949,132
Publishing / Advertising / Printing / Transportation	0.1%	12.9%	\$ 91,867	3.2%	\$ 81,399	218.7%	\$ 78,899	-68.2%	\$ 24,753	-6.4%	\$ 77,834
Restaurants & Bars	9.3%	9.9%	\$ 6,790,940	31.1%	\$ 6,179,462	-8.8%	\$ 4,713,488	5.2%	\$ 5,168,601	8.3%	\$ 4,912,446
Amusements	0.8%	30.7%	\$ 565,002	112.6%	\$ 432,234	-57.0%	\$ 203,339	1.1%	\$ 473,019	12.6%	\$ 467,727
Real Property Rentals	11.9%	11.4%	\$ 9,011,952	8.0%	\$ 8,090,232	-1.3%	\$ 7,493,519	14.6%	\$ 7,594,918	10.2%	\$ 6,628,973
Tangible Personal Property Rentals	2.4%	19.2%	\$ 1,987,698	6.3%	\$ 1,668,024	-14.1%	\$ 1,569,662	19.4%	\$ 1,827,005	-5.1%	\$ 1,529,625
Hotels / Motels	3.3%	21.6%	\$ 2,034,255	69.9%	\$ 1,672,759	-29.4%	\$ 984,439	20.7%	\$ 1,393,559	9.3%	\$ 1,154,852
Contracting	9.9%	89.2%	\$ 10,430,638	-3.2%	\$ 5,512,311	-13.6%	\$ 5,695,075	24.6%	\$ 6,594,964	14.6%	\$ 5,294,718
Retail / Manufactured Buildings / Jet Fuel	48.6%	16.1%	\$ 37,285,565	10.4%	\$ 32,127,416	17.5%	\$ 29,097,790	5.6%	\$ 24,765,180	11.0%	\$ 23,454,229
Use Tax	3.9%	15.0%	\$ 2,941,997	-1.5%	\$ 2,558,545	31.6%	\$ 2,597,190	-5.7%	\$ 1,973,630	53.1%	\$ 2,093,235
Total Sales Tax Revenue*	100.0%	19.7%	\$ 80,494,840	9.4%	\$ 67,258,473	5.2%	\$ 61,476,399	7.6%	\$ 58,441,750	10.1%	\$ 54,309,031

Sales Tax Revenue By Class

Through November (Month-over-Month)

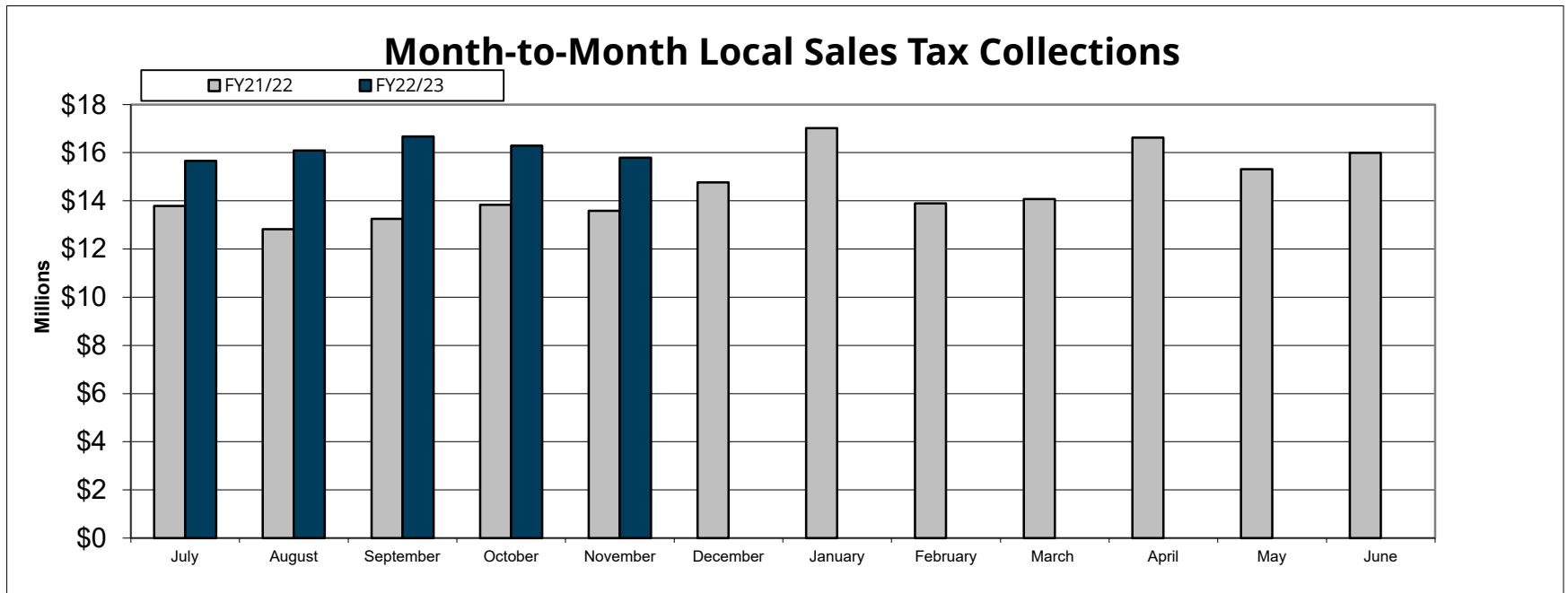
Sales Tax Category	% Chg Fm PY	November FY 2022-23	% Chg Fm PY	November FY 2021-22	% Chg Fm PY	November FY 2020-21	% Chg Fm PY	November FY 2019-20	% Chg Fm PY	November FY 2018-19
Utilities	12.2%	\$ 1,417,247	-6.7%	\$ 1,263,038	12.8%	\$ 1,353,337	-8.0%	\$ 1,200,217	7.7%	\$ 1,305,026
Telecommunications	8.2%	\$ 144,157	0.5%	\$ 133,202	-34.6%	\$ 132,605	12.5%	\$ 202,806	-10.5%	\$ 180,209
Publishing / Advertising / Printing / Transportation	-4.4%	\$ 16,835	-11.1%	\$ 17,602	17.8%	\$ 19,806	-8.8%	\$ 16,815	11.9%	\$ 18,431
Restaurants & Bars	9.0%	\$ 1,424,129	35.5%	\$ 1,306,310	-6.6%	\$ 964,075	4.5%	\$ 1,032,118	4.3%	\$ 987,448
Amusements	13.9%	\$ 108,362	80.4%	\$ 95,100	-42.7%	\$ 52,702	-12.7%	\$ 91,983	42.3%	\$ 105,383
Real Property Rentals	2.9%	\$ 1,757,834	17.4%	\$ 1,707,560	3.2%	\$ 1,454,549	13.8%	\$ 1,409,966	5.9%	\$ 1,239,161
Tangible Personal Property Rentals	21.0%	\$ 399,817	10.2%	\$ 330,342	-4.4%	\$ 299,787	-0.9%	\$ 313,445	6.9%	\$ 316,434
Hotels / Motels	15.0%	\$ 505,909	83.4%	\$ 439,927	-36.0%	\$ 239,900	17.9%	\$ 374,579	3.6%	\$ 317,648
Contracting	105.0%	\$ 2,118,974	11.6%	\$ 1,033,583	-0.5%	\$ 925,863	-19.1%	\$ 930,611	36.5%	\$ 1,150,245
Retail / Manufactured Buildings / Jet Fuel	10.4%	\$ 7,331,508	11.5%	\$ 6,638,707	18.4%	\$ 5,955,164	8.8%	\$ 5,027,937	8.5%	\$ 4,620,684
Use Tax	-7.4%	\$ 565,364	28.9%	\$ 610,661	12.3%	\$ 473,792	-8.9%	\$ 421,766	36.6%	\$ 462,816
Total Sales Tax Revenue*	16.3%	\$ 15,790,137	14.4%	\$ 13,576,031	7.7%	\$ 11,871,579	3.0%	\$ 11,022,244	10.7%	\$ 10,703,487

*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	-	(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	\$ 67,258,472	\$ 80,494,840	\$ 13,236,367	19.7%



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

General Fund Expenditure Summary Thru November 2022

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru November 2022	Percentage of Adjusted Budget Expended & Encumbered Thru November 2022	Percentage of Adjusted Budget Expended & Encumbered Thru November 2021	Over/Under Last Year's Percentage
City Clerk	\$ 1,033,622	\$ 1,179,005	\$ 493,738	41.9%	52.2%	-10.3%
City Manager and Organization Support ⁽¹⁾	18,646,048	20,430,799	8,679,025	42.5%	40.2%	2.3%
Communications & Public Affairs	2,682,072	3,149,778	1,335,021	42.4%	41.4%	1.0%
Community Services	29,928,146	32,829,927	16,510,021	50.3%	49.5%	0.8%
Cultural Development	4,001,437	4,279,284	2,051,726	47.9%	41.9%	6.0%
Development Services	10,008,386	10,689,908	3,936,542	36.8%	39.8%	-3.0%
Fire	39,238,155	43,207,447	20,186,661	46.7%	46.6%	0.1%
Information Technology	16,084,234	17,991,924	7,011,649	39.0%	40.3%	-1.3%
Law	4,236,416	4,453,713	1,822,256	40.9%	44.5%	-3.6%
Magistrate	5,025,617	5,241,502	1,718,033	32.8%	34.3%	-1.5%
Management Services	7,486,762	7,868,149	2,885,339	36.7%	40.8%	-4.1%
Mayor and Council	1,184,388	1,213,509	438,094	36.1%	39.2%	-3.1%
Neighborhood Resources	4,114,985	8,503,513	2,181,395	25.7%	36.4%	-10.7%
Police	83,324,801	93,529,477	39,134,372	41.8%	44.6%	-2.8%
Public Works & Utilities	10,314,947	11,897,302	6,128,212	51.5%	47.4%	4.1%
Non-Departmental (Personnel Services and O&M)	78,553,795	66,444,259	51,590,324	77.6%	72.4%	5.2%
Subtotal Prior to Contingencies/Reserves	\$ 315,863,811	\$ 332,909,496	\$ 166,102,408	49.9%	47.6%	2.3%
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	\$ 166,102,408	44.6%	41.9%	2.7%

⁽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.