



## Informational Memo

### Management Services - Memo No. 24-100

**Date:** May 15, 2024

**To:** Mayor and Council

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

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

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

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending April 30, 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 April 2024. This month reflects a 5.9% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 7.5% 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 sales for March TPT reported/received in April. The Local TPT collections through April 2024, reflect an overall increase of 5% above budget, and a 2.5% increase compared to prior year actuals. Also, when comparing the TPT collections received in April 2024 to the same month in the prior year, collections are up 4.1% in part due to the resolution of a tax issue that resulted in additional revenues in this month that will be one-time in nature.

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 and has been incorporated into the forecast for future year impacts. 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 are all coming in over budget as a result of continued spending and development in our local economy, although growth is slowing. 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 April 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 80.9% spending through April 2024, compared to 79.4% 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.

Attachment: FY 2023-24 General Fund Monthly Revenue and Expenditure Reports through April 2024

# General Fund Revenue Summary

## FY 2023-24 Year-To-Date Actuals Through April 2024

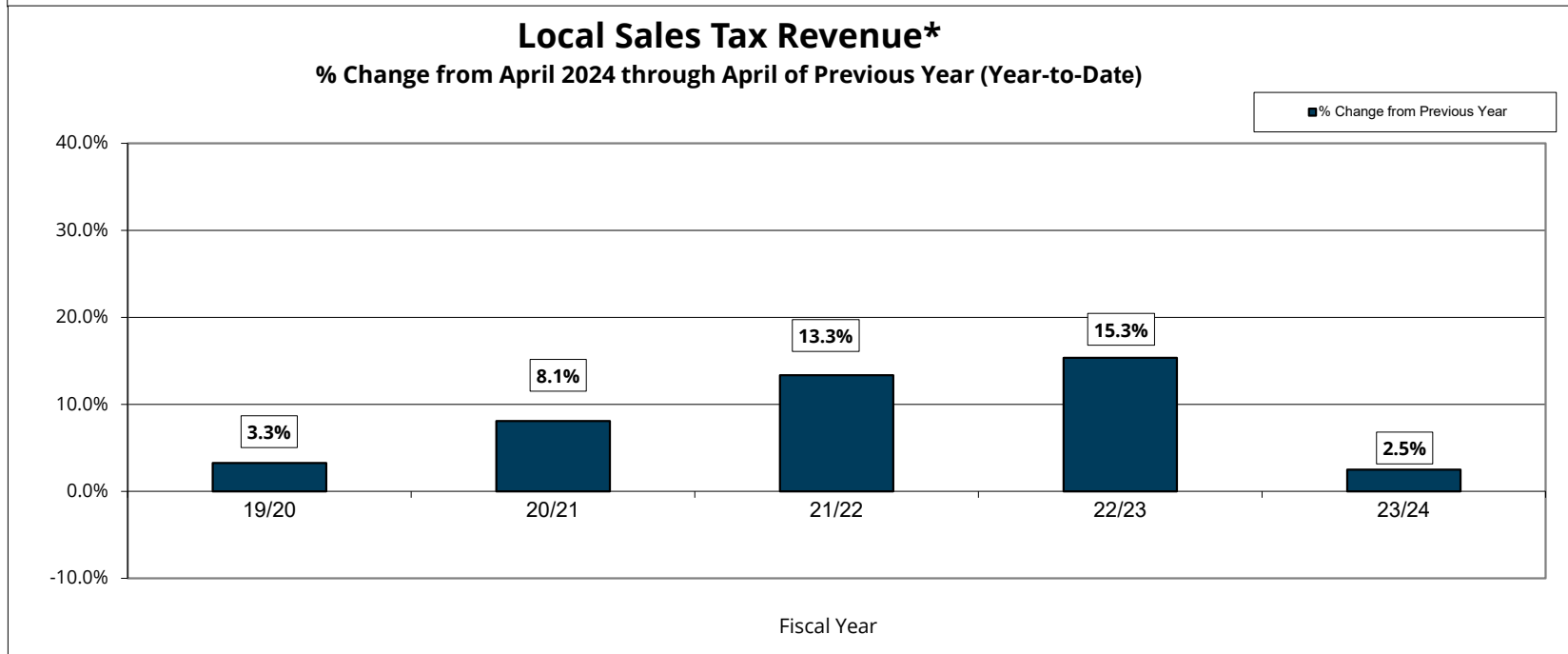
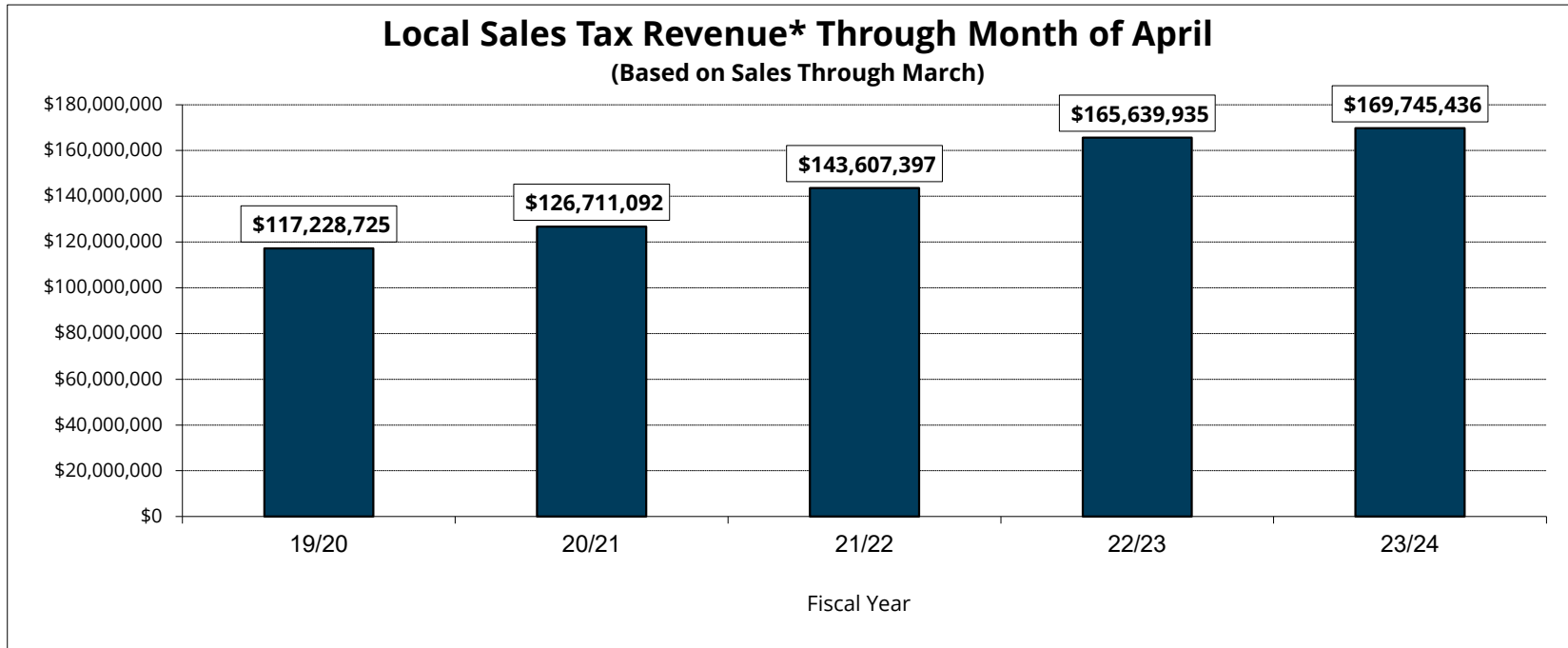
|                                                                 | Budget                          |                                                               | Actuals                         |                                  |                                 | Comparison to Prior Year Actuals                    |                                                          |                                                        |
|-----------------------------------------------------------------|---------------------------------|---------------------------------------------------------------|---------------------------------|----------------------------------|---------------------------------|-----------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------|
| General Fund Revenues                                           | FY 2023-24<br>Adopted<br>Budget | FY 2023-24<br>Budget Prorated<br>Based on<br>Historical Trend | FY 2023-24<br>Actual<br>Revenue | + or -<br>of Actual to<br>Budget | % Change of<br>Actual to Budget | FY 2022-23<br>Actual<br>Revenues<br>for Same Period | Difference<br>+ or - from<br>FY 2022-23<br>to FY 2023-24 | % Change of<br>Actuals to<br>Same Period<br>FY 2022-23 |
| Local Sales Tax Collections                                     | 194,950,000                     | 161,671,158                                                   | 169,745,436                     | 8,074,278                        | 5.0%                            | 165,639,935                                         | 4,105,501                                                | 2.5%                                                   |
| Local Sales Tax Fees, Audit<br>Assessments, Penalties, Interest | 1,908,400                       | 1,587,346                                                     | 3,603,871                       | 2,016,525                        | 127.0%                          | 3,930,581                                           | (326,710)                                                | -8.3%                                                  |
| Total Local Sales Tax Revenue                                   | \$ 196,858,400                  | \$ 163,258,504                                                | \$ 173,349,307                  | \$ 10,090,803                    | 6.2%                            | \$ 169,570,516                                      | \$ 3,778,791                                             | 2.2%                                                   |
| Franchise Fees                                                  | 3,471,000                       | 2,345,129                                                     | 3,004,130                       | 659,001                          | 28.1%                           | 2,591,676                                           | 412,454                                                  | 15.9%                                                  |
| Primary Property Taxes                                          | 8,731,611                       | 5,834,358                                                     | 5,684,291                       | (150,067)                        | -2.6%                           | 5,788,244                                           | (103,953)                                                | -1.8%                                                  |
| State Shared Sales Tax Revenue                                  | 39,000,000                      | 30,714,159                                                    | 32,945,215                      | 2,231,056                        | 7.3%                            | 32,607,177                                          | 338,038                                                  | 1.0%                                                   |
| Vehicle License Tax                                             | 13,000,000                      | 10,245,429                                                    | 10,961,480                      | 716,051                          | 7.0%                            | 10,686,580                                          | 274,900                                                  | 2.6%                                                   |
| Urban Revenue Sharing                                           | 74,000,000                      | 61,634,136                                                    | 61,988,366                      | 354,230                          | 0.6%                            | 44,178,015                                          | 17,810,351                                               | 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                                                       | 2,250,000                       | 1,449,172                        | 181.0%                          | -                                                   | 2,250,000                                                | 0.0%                                                   |
| Licenses & Permits                                              | 6,864,900                       | 4,968,936                                                     | 3,712,091                       | (1,256,845)                      | -25.3%                          | 6,837,776                                           | (3,125,685)                                              | -45.7%                                                 |
| Charges for Services                                            | 13,932,139                      | 9,809,375                                                     | 11,158,749                      | 1,349,374                        | 13.8%                           | 12,706,523                                          | (1,547,774)                                              | -12.2%                                                 |
| Fines & Forfeitures                                             | 3,549,850                       | 2,947,252                                                     | 3,606,665                       | 659,413                          | 22.4%                           | 3,390,283                                           | 216,382                                                  | 6.4%                                                   |
| Interest & Investments                                          | 3,818,000                       | 2,636,146                                                     | 3,623,282                       | 987,136                          | 37.4%                           | 2,094,829                                           | 1,528,453                                                | 73.0%                                                  |
| Other Revenues                                                  | 1,753,200                       | 1,461,000                                                     | 2,079,059                       | 618,059                          | 42.3%                           | 1,530,893                                           | 548,166                                                  | 35.8%                                                  |
| Indirect Cost                                                   | 7,978,182                       | 6,648,485                                                     | 6,648,485                       | (0)                              | 0.0%                            | 6,553,853                                           | 94,632                                                   | 1.4%                                                   |
| <b>Total General Fund Revenues</b>                              | <b>\$ 374,057,282</b>           | <b>\$ 303,695,253</b>                                         | <b>\$ 321,729,114</b>           | <b>\$ 18,033,861</b>             | <b>5.9%</b>                     | <b>\$ 299,243,800</b>                               | <b>\$ 22,485,314</b>                                     | <b>7.5%</b>                                            |
| <b>Prior Month</b>                                              | <b>\$ 374,057,282</b>           | <b>\$ 272,189,206</b>                                         | <b>\$ 289,844,809</b>           | <b>\$ 17,655,603</b>             | <b>6.5%</b>                     | <b>\$ 269,782,508</b>                               | <b>\$ 20,062,301</b>                                     | <b>7.4%</b>                                            |
| <b>Change from Prior Month</b>                                  | <b>\$ -</b>                     | <b>\$ 31,506,047</b>                                          | <b>\$ 31,884,305</b>            | <b>\$ 378,258</b>                | <b>-0.5%</b>                    | <b>\$ 29,461,292</b>                                | <b>\$ 2,423,013</b>                                      | <b>0.1%</b>                                            |

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. Excludes actual transfer in of \$29,025.93 from Public Facility Bond interest.

\*Public Safety State Allocation is a new revenue line established this FY with an anticipated total to be received of \$2,250,000.

**Attachment 1**



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

## Sales Tax Revenue By Class

Through April Each Year (Year-to-Date) Revised

| Sales Tax Category                                   | FY22-23<br>% of<br>Total | % Chg<br>Fm PY | FY 2023-24            | % Chg<br>Fm PY | FY 2022-23            | % Chg<br>Fm PY | FY 2021-22            | % Chg<br>Fm PY | FY 2020-21            | % Chg<br>Fm PY | FY 2019-20            |
|------------------------------------------------------|--------------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|
| Utilities                                            | 8.4%                     | 9.4%           | \$ 15,763,069         | 7.9%           | \$ 14,404,631         | 1.3%           | \$ 13,350,984         | 8.2%           | \$ 13,177,834         | -1.7%          | \$ 12,182,696         |
| Telecommunications                                   | 0.9%                     | 17.4%          | \$ 1,693,155          | 8.2%           | \$ 1,442,555          | -11.8%         | \$ 1,332,649          | -22.9%         | \$ 1,510,930          | 10.5%          | \$ 1,959,386          |
| Publishing / Advertising / Printing / Transportation | 0.1%                     | -17.8%         | \$ 150,885            | 8.4%           | \$ 183,449            | 4.4%           | \$ 169,299            | 54.6%          | \$ 162,184            | -34.8%         | \$ 104,910            |
| Restaurants & Bars                                   | 8.8%                     | 5.2%           | \$ 15,231,375         | 9.7%           | \$ 14,473,737         | 28.8%          | \$ 13,190,412         | -1.9%          | \$ 10,238,976         | -0.1%          | \$ 10,434,587         |
| Amusements                                           | 0.7%                     | 13.3%          | \$ 1,375,531          | 14.8%          | \$ 1,213,556          | 80.2%          | \$ 1,057,328          | -39.7%         | \$ 586,906            | -6.1%          | \$ 972,979            |
| Real Property Rentals                                | 11.6%                    | 6.2%           | \$ 20,724,427         | 12.9%          | \$ 19,520,183         | 9.7%           | \$ 17,289,896         | 3.2%           | \$ 15,759,025         | 10.2%          | \$ 15,266,485         |
| Tangible Personal Property Rentals                   | 2.6%                     | 46.2%          | \$ 6,260,391          | 22.9%          | \$ 4,282,847          | 11.8%          | \$ 3,483,935          | -16.4%         | \$ 3,116,805          | 11.0%          | \$ 3,729,260          |
| Hotels / Motels                                      | 3.4%                     | -2.7%          | \$ 5,520,706          | 18.8%          | \$ 5,671,302          | 93.9%          | \$ 4,771,895          | -28.7%         | \$ 2,461,238          | 2.4%           | \$ 3,451,564          |
| Contracting                                          | 13.8%                    | -4.2%          | \$ 20,788,507         | 61.2%          | \$ 21,694,619         | 14.7%          | \$ 13,458,799         | 2.2%           | \$ 11,736,239         | -14.9%         | \$ 11,489,183         |
| Retail / Manufactured Buildings / Jet Fuel           | 46.1%                    | 2.9%           | \$ 79,127,934         | 10.3%          | \$ 76,872,300         | 13.2%          | \$ 69,720,850         | 15.1%          | \$ 61,582,857         | 8.5%           | \$ 53,511,696         |
| Use Tax                                              | 3.4%                     | -47.1%         | \$ 3,109,455          | 1.7%           | \$ 5,880,755          | -9.4%          | \$ 5,781,351          | 54.6%          | \$ 6,378,097          | -3.9%          | \$ 4,125,980          |
| <b>Total Sales Tax Revenue*</b>                      | <b>100.0%</b>            | <b>2.5%</b>    | <b>\$ 169,745,436</b> | <b>15.3%</b>   | <b>\$ 165,639,935</b> | <b>13.3%</b>   | <b>\$ 143,607,397</b> | <b>8.1%</b>    | <b>\$ 126,711,092</b> | <b>3.3%</b>    | <b>\$ 117,228,725</b> |

## Sales Tax Revenue By Class

Through April (Month-over-Month)

| Sales Tax Category                                   | % Chg<br>Fm PY | FY 2023-24           | % Chg<br>Fm PY | FY 2022-23           | % Chg<br>Fm PY | FY 2021-22           | % Chg<br>Fm PY | FY 2020-21           | % Chg<br>Fm PY | FY 2019-20           |
|------------------------------------------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|
| Utilities                                            | 6.7%           | \$ 1,194,007         | 19.7%          | \$ 1,118,810         | -5.5%          | \$ 934,499           | 12.7%          | \$ 989,238           | -44.1%         | \$ 877,611           |
| Telecommunications                                   | -18.5%         | \$ 172,670           | 62.6%          | \$ 211,775           | -11.0%         | \$ 130,266           | -22.7%         | \$ 146,310           | 4.7%           | \$ 189,397           |
| Publishing / Advertising / Printing / Transportation | -27.6%         | \$ 13,082            | -6.0%          | \$ 18,072            | 24.0%          | \$ 19,216            | 2.1%           | \$ 15,496            | 6.7%           | \$ 15,178            |
| Restaurants & Bars                                   | 6.1%           | \$ 1,792,141         | 6.1%           | \$ 1,689,327         | 28.4%          | \$ 1,592,671         | 41.7%          | \$ 1,240,584         | -12.4%         | \$ 875,637           |
| Amusements                                           | 32.4%          | \$ 199,931           | -15.3%         | \$ 150,993           | 101.1%         | \$ 178,324           | 28.1%          | \$ 88,682            | -25.0%         | \$ 69,246            |
| Real Property Rentals                                | 5.9%           | \$ 2,114,346         | 11.1%          | \$ 1,996,476         | 6.9%           | \$ 1,796,586         | 8.4%           | \$ 1,681,376         | 7.5%           | \$ 1,550,914         |
| Tangible Personal Property Rentals                   | 12.6%          | \$ 571,706           | 32.9%          | \$ 507,680           | 15.3%          | \$ 382,083           | 4.3%           | \$ 331,325           | 2.6%           | \$ 317,515           |
| Hotels / Motels                                      | 2.7%           | \$ 980,722           | -3.6%          | \$ 954,851           | 106.3%         | \$ 990,637           | 47.5%          | \$ 480,239           | 25.6%          | \$ 325,495           |
| Contracting                                          | -16.3%         | \$ 1,586,729         | -3.6%          | \$ 1,896,842         | 103.1%         | \$ 1,967,445         | -8.1%          | \$ 968,576           | 2.0%           | \$ 1,053,629         |
| Retail / Manufactured Buildings / Jet Fuel           | 7.1%           | \$ 8,077,591         | -5.5%          | \$ 7,542,189         | 18.1%          | \$ 7,981,472         | 23.1%          | \$ 6,757,359         | 19.2%          | \$ 5,487,524         |
| Use Tax                                              | 11.7%          | \$ 614,924           | -14.5%         | \$ 550,617           | -17.4%         | \$ 644,083           | 50.8%          | \$ 779,583           | 48.6%          | \$ 516,850           |
| <b>Total Sales Tax Revenue*</b>                      | <b>4.1%</b>    | <b>\$ 17,317,851</b> | <b>0.1%</b>    | <b>\$ 16,637,632</b> | <b>23.3%</b>   | <b>\$ 16,617,281</b> | <b>19.5%</b>   | <b>\$ 13,478,769</b> | <b>3.9%</b>    | <b>\$ 11,278,996</b> |

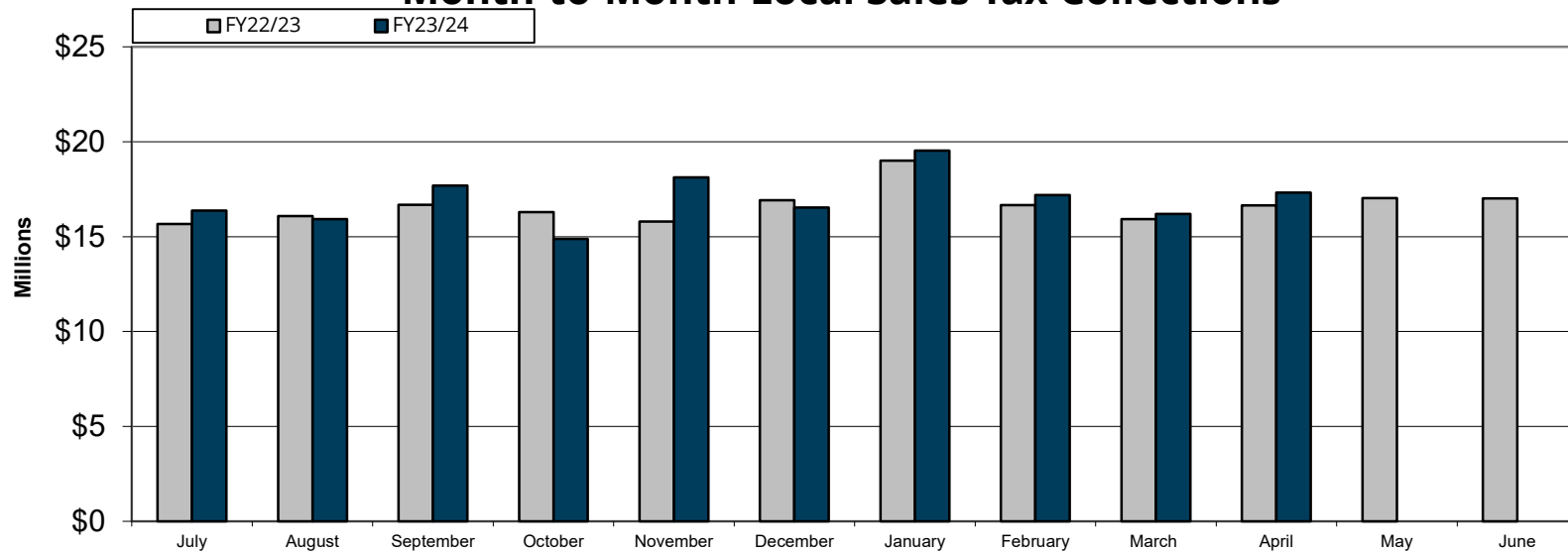
\*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

# 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                  | 17,197,955                  | 535,576                                      | 3.2%                                        |
| March                         | 15,926,597                  | 16,194,706                  | 268,109                                      | 1.7%                                        |
| April                         | 16,637,632                  | 17,317,851                  | 680,219                                      | 4.1%                                        |
| May                           | 17,023,794                  |                             | (17,023,794)                                 | -100.0%                                     |
| June                          | 17,019,863                  |                             | (17,019,863)                                 | -100.0%                                     |
| Totals                        | \$ 165,639,935              | \$ 169,745,436              | \$ 4,105,501                                 | 2.5%                                        |

## Month-to-Month Local Sales Tax Collections



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

## General Fund Expenditure Summary Thru April 2024

| Department                                                   | Adopted Budget        | Adjusted Budget       | Expenses & Encumbrances Thru April 2024 | Percentage of Adjusted Budget Expended & Encumbered Thru April 2024 | Percentage of Adjusted Budget Expended & Encumbered Thru April 2023 | Over/Under Last Year's Percentage |
|--------------------------------------------------------------|-----------------------|-----------------------|-----------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------|
| City Clerk                                                   | \$ 836,937            | \$ 1,077,546          | \$ 846,896                              | 78.6%                                                               | 65.1%                                                               | 13.5%                             |
| City Manager and Organization Support <sup>(1)</sup>         |                       |                       |                                         |                                                                     |                                                                     |                                   |
| City Manager                                                 | 2,053,320             | 2,118,950             | 1,774,977                               | 83.8%                                                               | 82.7%                                                               | 1.1%                              |
| Diversity, Equity, and Inclusion                             | 593,070               | 715,445               | 423,499                                 | 59.2%                                                               | 68.9%                                                               | -9.7%                             |
| Human Resources                                              | 2,408,834             | 2,515,725             | 1,840,021                               | 73.1%                                                               | 79.2%                                                               | -6.1%                             |
| Buildings & Facilities                                       | 8,513,745             | 9,055,133             | 8,141,856                               | 89.9%                                                               | 81.1%                                                               | 8.8%                              |
| Fleet Services                                               | 1,386,437             | 1,445,131             | 1,074,904                               | 74.4%                                                               | 80.8%                                                               | -6.4%                             |
| Economic Development                                         | 2,207,660             | 2,502,362             | 1,981,720                               | 79.2%                                                               | 72.1%                                                               | 7.1%                              |
| Transportation Policy                                        | 3,196,401             | 3,239,463             | 657,248                                 | 20.3%                                                               | 16.7%                                                               | 3.6%                              |
| Cultural Development                                         | 4,542,297             | 4,787,032             | 4,066,489                               | 84.9%                                                               | 83.4%                                                               | 1.5%                              |
| Communications & Public Affairs                              | 3,809,110             | 4,248,337             | 3,259,843                               | 76.7%                                                               | 65.4%                                                               | 11.3%                             |
| Community Services                                           | 33,452,125            | 35,915,012            | 29,001,782                              | 80.8%                                                               | 80.9%                                                               | -0.1%                             |
| Development Services                                         | 10,980,344            | 11,442,215            | 8,400,920                               | 73.4%                                                               | 73.2%                                                               | 0.2%                              |
| Fire                                                         | 44,819,411            | 49,013,615            | 41,900,527                              | 85.5%                                                               | 86.0%                                                               | -0.5%                             |
| Information Technology                                       | 21,304,000            | 24,165,500            | 18,035,077                              | 74.6%                                                               | 68.6%                                                               | 6.0%                              |
| Law                                                          | 4,687,089             | 4,817,953             | 4,003,767                               | 83.1%                                                               | 83.2%                                                               | -0.1%                             |
| Magistrate                                                   | 5,400,966             | 5,617,814             | 3,869,194                               | 68.9%                                                               | 66.9%                                                               | 2.0%                              |
| Management Services                                          | 8,188,881             | 8,528,920             | 6,161,099                               | 72.2%                                                               | 71.4%                                                               | 0.8%                              |
| Mayor and Council                                            | 1,262,159             | 1,298,899             | 986,089                                 | 75.9%                                                               | 77.6%                                                               | -1.7%                             |
| Neighborhood Resources                                       | 6,700,823             | 10,203,074            | 6,736,027                               | 66.0%                                                               | 49.1%                                                               | 16.9%                             |
| Police                                                       | 92,895,766            | 102,078,972           | 84,498,821                              | 82.8%                                                               | 81.4%                                                               | 1.4%                              |
| Public Works & Utilities                                     | 10,597,467            | 12,285,849            | 9,747,730                               | 79.3%                                                               | 83.0%                                                               | -3.7%                             |
| Non-Departmental (Personnel Services and O&M)                | 99,431,981            | 89,267,133            | 75,191,652                              | 84.2%                                                               | 84.3%                                                               | -0.1%                             |
| <b>Subtotal Prior to Contingencies/Reserves</b>              | <b>\$ 369,268,823</b> | <b>\$ 386,340,080</b> | <b>\$ 312,600,138</b>                   | <b>80.9%</b>                                                        | <b>79.4%</b>                                                        | <b>1.5%</b>                       |
| 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%                              |
| <b>Total General Fund Expenditures</b>                       | <b>\$ 440,788,775</b> | <b>\$ 440,433,007</b> | <b>\$ 312,600,138</b>                   | <b>71.0%</b>                                                        | <b>70.9%</b>                                                        | <b>0.1%</b>                       |

<sup>(1)</sup> 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.