



Informational Memo

Management Services - Memo No. 24-074

Date: March 14, 2024

To: Mayor and Council

Thru: Tadd Wille, Acting City Manager
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 February 2024

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending February 29, 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 February 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 7.9% 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 January TPT reported/received in February. The Local TPT collections through February 2024, reflect an overall increase of 5.3% above budget, and a 2.4% increase compared to prior year actuals. Also, when comparing the TPT collections received in February 2024 to the same month in the prior year, collections are up 3.2%.

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 the future forecast. 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. 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 February 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 70.5% spending through February 2024, compared to 65.7% 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 February 2024

General Fund Revenue Summary

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

	Budget		Actuals			Comparison to Prior Year Actuals		
General Fund Revenues	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	129,376,177	136,232,880	6,856,703	5.3%	133,075,706	3,157,174	2.4%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	1,326,246	3,305,116	1,978,870	149.2%	3,262,174	42,942	1.3%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 130,702,423	\$ 139,537,996	\$ 8,835,573	6.8%	\$ 136,337,880	\$ 3,200,116	2.2%
Franchise Fees	3,471,000	2,223,907	1,927,272	(296,636)	-13.3%	2,313,151	(385,879)	-16.7%
Primary Property Taxes	8,731,611	5,116,239	5,071,571	(44,668)	-0.9%	5,120,202	(48,631)	-0.9%
State Shared Sales Tax Revenue	39,000,000	23,734,500	26,601,079	2,866,579	12.1%	25,248,048	1,353,031	5.4%
Vehicle License Tax	13,000,000	7,991,102	8,423,897	432,795	5.4%	8,177,524	246,373	3.0%
Urban Revenue Sharing	74,000,000	49,268,271	49,590,692	322,421	0.7%	35,342,412	14,248,280	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	1,687,500	886,672	110.7%	-	1,687,500	0.0%
Licenses & Permits	6,864,900	4,403,724	2,497,402	(1,906,322)	-43.3%	6,152,163	(3,654,761)	-59.4%
Charges for Services	13,932,139	7,325,115	9,099,452	1,774,336	24.2%	8,043,313	1,056,139	13.1%
Fines & Forfeitures	3,549,850	2,300,284	2,809,036	508,752	22.1%	2,678,670	130,366	4.9%
Interest & Investments	3,818,000	1,964,334	2,552,591	588,257	29.9%	1,383,583	1,169,008	84.5%
Other Revenues	1,753,200	1,168,800	1,201,363	32,563	2.8%	1,499,499	(298,136)	-19.9%
Indirect Cost	7,978,182	5,318,788	5,318,788	(0)	0.0%	5,243,083	75,705	1.4%
Total General Fund Revenues	\$ 374,057,282	\$ 242,709,831	\$ 257,036,633	\$ 14,326,801	5.9%	\$ 238,246,963	\$ 18,789,670	7.9%
Prior Month	\$ 374,057,282	\$ 211,944,407	\$ 223,398,116	\$ 11,453,709	5.4%	\$ 206,378,273	\$ 17,019,843	8.2%
Change from Prior Month	\$ -	\$ 30,765,425	\$ 33,638,517	\$ 2,873,092	0.5%	\$ 31,868,690	\$ 1,769,827	-0.4%

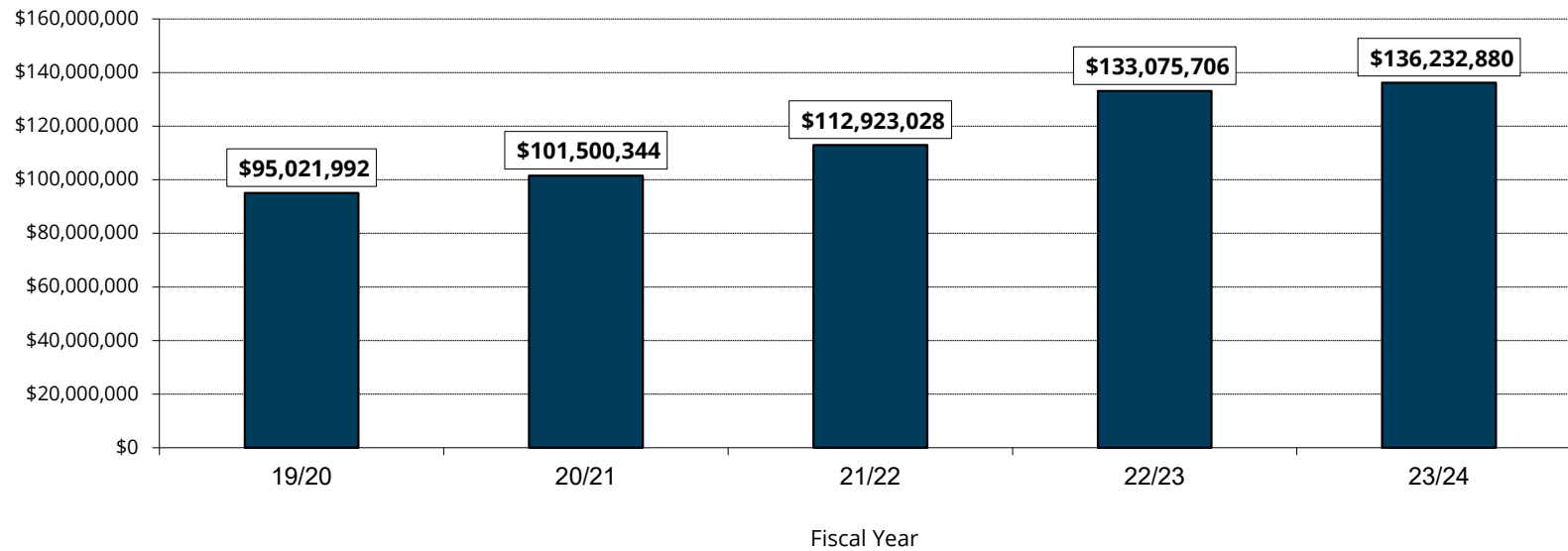
Note:

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.

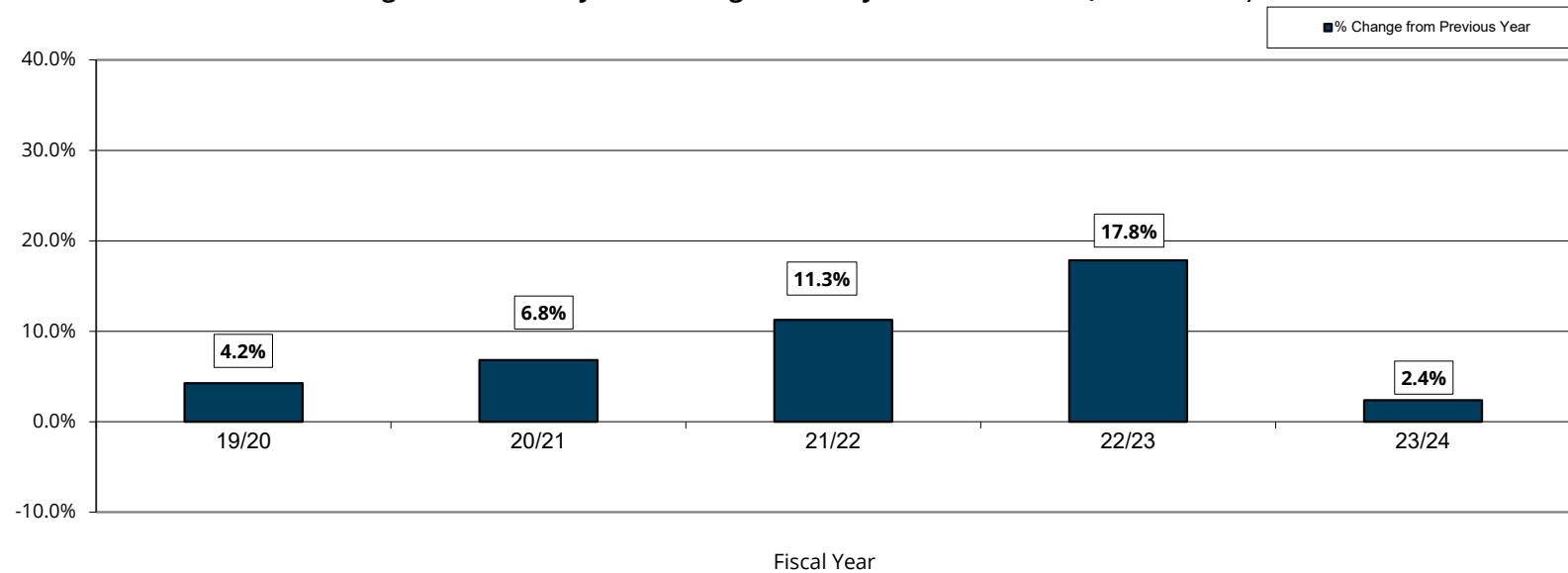
Local Sales Tax Revenue* Through Month of February

(Based on Sales Through January)



Local Sales Tax Revenue*

% Change from February 2024 through February 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 February 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%	9.2%	\$ 13,238,968	6.6%	\$ 12,127,573	1.2%	\$ 11,381,472	8.0%	\$ 11,243,549	-2.1%	\$ 10,408,333
Telecommunications	0.9%	27.7%	\$ 1,354,344	-1.3%	\$ 1,060,586	-12.4%	\$ 1,074,824	-22.8%	\$ 1,227,533	13.4%	\$ 1,589,292
Publishing / Advertising / Printing / Transportation	0.1%	-16.6%	\$ 125,325	12.0%	\$ 150,286	0.9%	\$ 134,205	78.3%	\$ 133,017	-42.5%	\$ 74,609
Restaurants & Bars	8.8%	5.3%	\$ 11,877,233	10.5%	\$ 11,284,629	29.6%	\$ 10,209,963	-8.1%	\$ 7,880,107	4.9%	\$ 8,579,155
Amusements	0.7%	9.9%	\$ 1,032,501	25.3%	\$ 939,721	78.2%	\$ 749,732	-47.6%	\$ 420,627	1.1%	\$ 802,410
Real Property Rentals	11.6%	7.9%	\$ 16,757,314	12.7%	\$ 15,524,522	10.4%	\$ 13,772,065	1.6%	\$ 12,470,267	11.2%	\$ 12,278,277
Tangible Personal Property Rentals	2.6%	56.8%	\$ 5,172,061	19.1%	\$ 3,298,334	10.8%	\$ 2,769,550	-12.1%	\$ 2,500,668	4.5%	\$ 2,845,023
Hotels / Motels	3.4%	-2.1%	\$ 3,746,947	25.3%	\$ 3,825,849	80.0%	\$ 3,053,847	-34.3%	\$ 1,696,297	17.4%	\$ 2,580,735
Contracting	13.8%	-3.6%	\$ 17,102,432	85.4%	\$ 17,737,203	-4.2%	\$ 9,568,138	5.3%	\$ 9,987,649	-12.7%	\$ 9,482,606
Retail / Manufactured Buildings / Jet Fuel	46.1%	2.5%	\$ 63,816,600	12.1%	\$ 62,269,754	13.4%	\$ 55,558,373	13.8%	\$ 48,982,566	8.6%	\$ 43,058,626
Use Tax	3.4%	-58.6%	\$ 2,009,156	4.4%	\$ 4,857,249	-6.2%	\$ 4,650,858	49.2%	\$ 4,958,063	-6.3%	\$ 3,322,926
Total Sales Tax Revenue*	100.0%	2.4%	\$ 136,232,880	17.8%	\$ 133,075,706	11.3%	\$ 112,923,028	6.8%	\$ 101,500,344	4.2%	\$ 95,021,992

Sales Tax Revenue By Class

Through February (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	17.4%	\$ 1,405,922	11.6%	\$ 1,197,039	7.0%	\$ 1,072,500	4.7%	\$ 1,002,767	-39.0%	\$ 957,604
Telecommunications	21.7%	\$ 164,326	6.5%	\$ 135,049	0.9%	\$ 126,821	-34.2%	\$ 125,742	5.5%	\$ 191,009
Publishing / Advertising / Printing / Transportation	-14.1%	\$ 14,523	2.2%	\$ 16,909	21.5%	\$ 16,537	-23.8%	\$ 13,608	25.5%	\$ 17,848
Restaurants & Bars	1.8%	\$ 1,494,092	16.0%	\$ 1,467,518	21.0%	\$ 1,264,937	-1.4%	\$ 1,045,583	6.0%	\$ 1,060,234
Amusements	6.4%	\$ 125,358	14.5%	\$ 117,864	47.9%	\$ 102,901	-37.5%	\$ 69,596	20.7%	\$ 111,439
Real Property Rentals	-1.8%	\$ 1,927,087	13.1%	\$ 1,963,283	20.1%	\$ 1,735,295	0.5%	\$ 1,444,989	-0.4%	\$ 1,437,537
Tangible Personal Property Rentals	110.3%	\$ 986,253	39.4%	\$ 468,964	5.7%	\$ 336,527	-8.0%	\$ 318,356	11.8%	\$ 346,127
Hotels / Motels	-5.9%	\$ 651,540	29.0%	\$ 692,167	93.5%	\$ 536,661	-39.8%	\$ 277,301	77.9%	\$ 460,999
Contracting	-8.7%	\$ 2,190,025	108.6%	\$ 2,399,640	-8.8%	\$ 1,150,093	33.9%	\$ 1,261,571	-8.8%	\$ 942,024
Retail / Manufactured Buildings / Jet Fuel	3.0%	\$ 7,761,110	8.8%	\$ 7,533,351	24.1%	\$ 6,925,734	4.0%	\$ 5,583,017	16.6%	\$ 5,366,611
Use Tax	-28.8%	\$ 477,718	8.2%	\$ 670,596	-3.7%	\$ 619,623	108.3%	\$ 643,503	-11.2%	\$ 308,878
Total Sales Tax Revenue*	3.2%	\$ 17,197,955	20.0%	\$ 16,662,379	17.8%	\$ 13,887,628	5.2%	\$ 11,786,032	3.2%	\$ 11,200,310

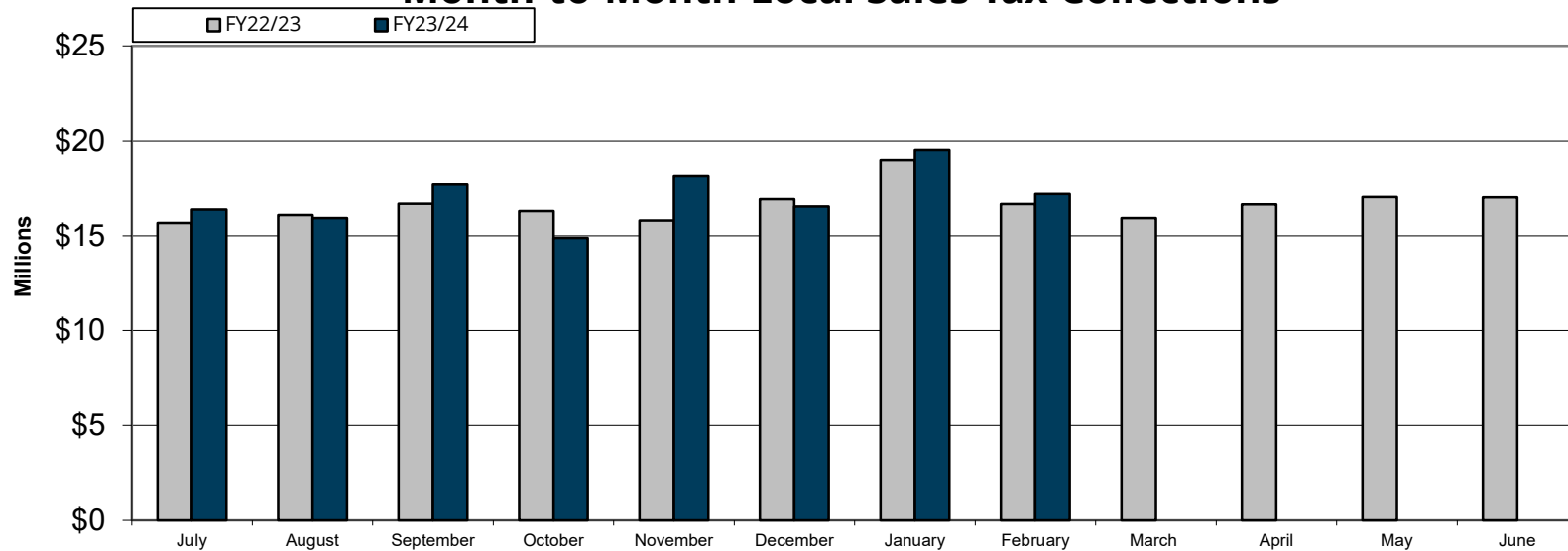
*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

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		(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	\$ 133,075,706	\$ 136,232,880	\$ 3,157,174	2.4%

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 February 2024

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru February 2024	Percentage of Adjusted Budget Expended & Encumbered Thru February 2024	Percentage of Adjusted Budget Expended & Encumbered Thru February 2023	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 682,600	63.3%	53.8%	9.5%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,116,505	1,425,283	67.3%	63.8%	3.5%
Diversity, Equity, and Inclusion	593,070	707,958	343,600	48.5%	52.7%	-4.2%
Human Resources	2,408,834	2,513,688	1,511,533	60.1%	62.1%	-2.0%
Buildings & Facilities	8,513,745	9,055,133	7,025,772	77.6%	68.7%	8.9%
Fleet Services	1,386,437	1,445,131	879,825	60.9%	65.5%	-4.6%
Economic Development	2,207,660	2,499,650	1,686,934	67.5%	64.8%	2.7%
Transportation Policy	3,196,401	3,234,235	577,335	17.9%	14.4%	3.5%
Cultural Development	4,542,297	4,782,700	3,246,310	67.9%	68.1%	-0.2%
Communications & Public Affairs	3,809,110	4,248,337	2,689,358	63.3%	54.8%	8.5%
Community Services	33,452,125	35,908,576	24,983,415	69.6%	67.3%	2.3%
Development Services	10,980,344	11,432,340	6,687,806	58.5%	56.1%	2.4%
Fire	44,819,411	47,844,766	34,084,014	71.2%	69.2%	2.0%
Information Technology	21,304,000	24,156,635	14,433,527	59.7%	53.5%	6.2%
Law	4,687,089	4,817,953	3,278,753	68.1%	64.4%	3.7%
Magistrate	5,400,966	5,617,814	3,433,148	61.1%	50.7%	10.4%
Management Services	8,188,881	8,521,972	5,157,925	60.5%	55.2%	5.3%
Mayor and Council	1,262,159	1,298,899	729,537	56.2%	60.1%	-3.9%
Neighborhood Resources	6,700,823	10,200,405	5,156,960	50.6%	35.6%	15.0%
Police	92,895,766	101,701,222	70,414,837	69.2%	64.4%	4.8%
Public Works & Utilities	10,597,467	12,285,609	8,994,159	73.2%	61.7%	11.6%
Non-Departmental (Personnel Services and O&M)	99,431,981	90,878,305	75,041,566	82.6%	79.8%	2.8%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,345,379	\$ 272,464,197	70.5%	65.7%	4.8%
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	\$ 440,438,306	\$ 272,464,197	61.9%	58.7%	3.2%

⁽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.