



Informational Memo

Management Services - Memo No. 24-085

Date: April 12, 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 March 2024

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending March 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 March 2024. This month reflects a 6.5% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 7.4% 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 sales for February TPT reported/received in March. The Local TPT collections through March 2024, reflect an overall increase of 5.3% above budget, and a 2.3% increase compared to prior year actuals. Also, when comparing the TPT collections received in March 2024 to the same month in the prior year, collections are up 1.7%, a considerable slowing.

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

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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 March 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 75% spending through March 2024, compared to 73.7% 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.

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

General Fund Revenue Summary

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

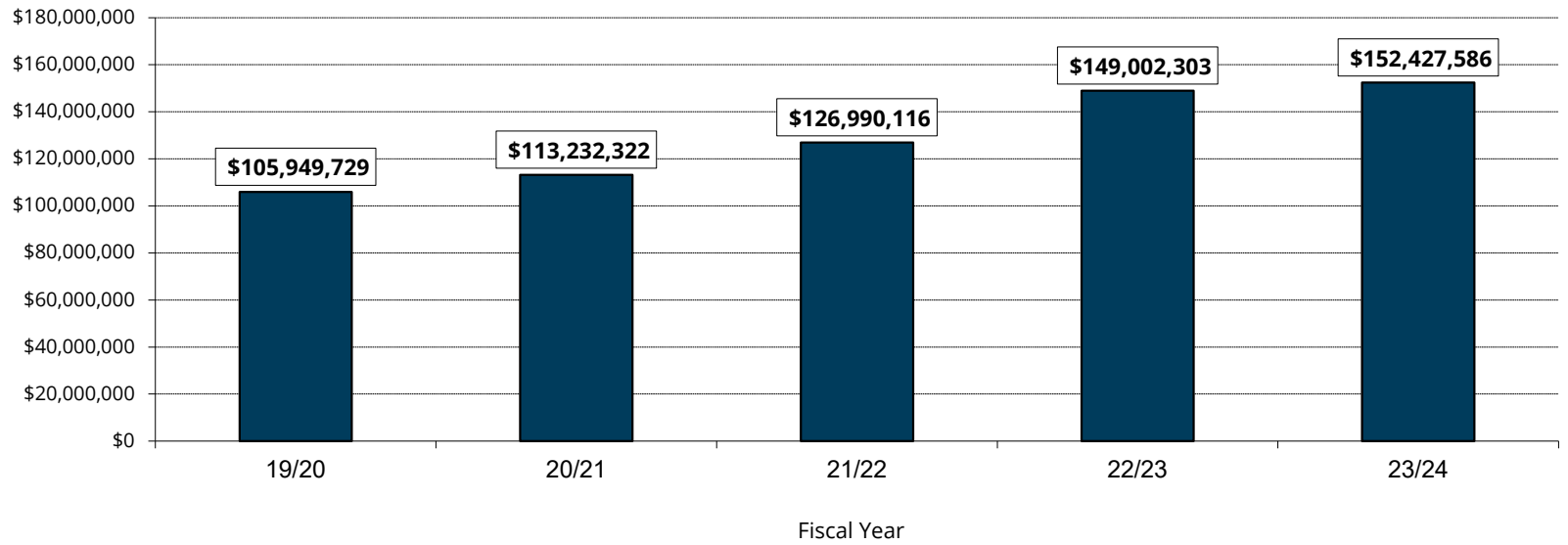
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2023-24 Adopted Budget	FY 2023-24 Budget Prorated Based on Historical Trend	FY 2023-24 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2022-23 Actual Revenues for Same Period	Difference + or - from FY 2022-23 to FY 2023-24	% Change of Actuals to Same Period FY 2022-23
Local Sales Tax Collections	194,950,000	144,764,105	152,427,586	7,663,481	5.3%	149,002,303	3,425,283	2.3%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	1,458,471	3,409,426	1,950,955	133.8%	3,518,546	(109,120)	-3.1%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 146,222,576	\$ 155,837,012	\$ 9,614,436	6.6%	\$ 152,520,849	\$ 3,316,163	2.2%
Franchise Fees	3,471,000	2,285,595	2,081,412	(204,183)	-8.9%	2,459,325	(377,913)	-15.4%
Primary Property Taxes	8,731,611	5,365,568	5,327,492	(38,076)	-0.7%	5,402,844	(75,352)	-1.4%
State Shared Sales Tax Revenue	39,000,000	26,940,754	30,138,271	3,197,517	11.9%	29,132,348	1,005,923	3.5%
Vehicle License Tax	13,000,000	9,020,890	9,847,702	826,812	9.2%	9,349,908	497,794	5.3%
Urban Revenue Sharing	74,000,000	55,451,203	55,789,529	338,326	0.6%	39,760,214	16,029,315	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	4,708,865	2,864,649	(1,844,216)	-39.2%	6,521,209	(3,656,560)	-56.1%
Charges for Services	13,948,139	8,799,484	11,975,129	3,175,645	36.1%	11,744,363	230,766	2.0%
Fines & Forfeitures	3,549,850	2,646,433	3,239,210	592,777	22.4%	3,070,829	168,381	5.5%
Interest & Investments	3,818,000	2,267,051	3,098,503	831,452	36.7%	1,704,995	1,393,508	81.7%
Other Revenues	1,753,200	1,314,900	1,256,770	(58,130)	-4.4%	1,509,721	(252,951)	-16.8%
Indirect Cost	7,978,182	5,983,637	5,983,637	(0)	0.0%	5,898,468	85,169	1.4%
Total General Fund Revenues	\$ 374,073,282	\$ 272,199,300	\$ 289,844,810	\$ 17,645,510	6.5%	\$ 269,782,508	\$ 20,062,301	7.4%
Prior Month	\$ 374,073,282	\$ 242,718,244	\$ 257,036,633	\$ 14,318,389	5.9%	\$ 238,246,963	\$ 18,789,670	7.9%
Change from Prior Month	\$ -	\$ 29,481,056	\$ 32,808,177	\$ 3,327,121	0.6%	\$ 31,535,545	\$ 1,272,632	-0.5%

Note:

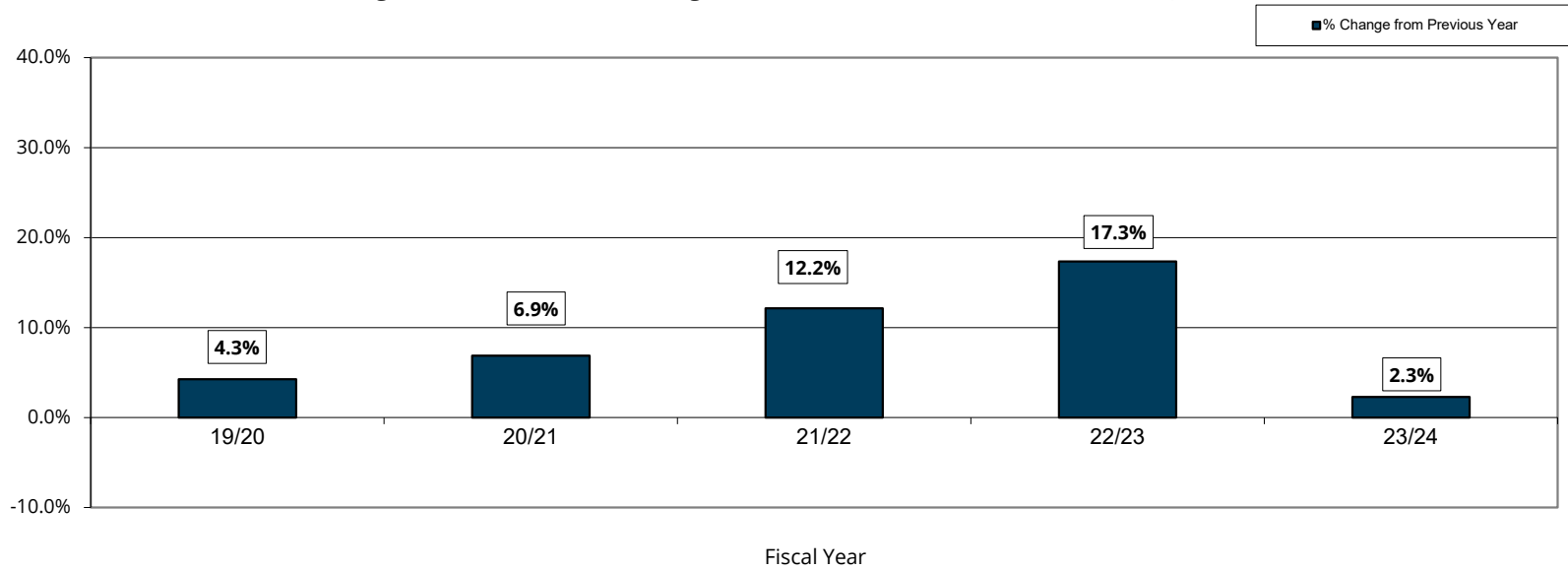
FY 2023-24 Adopted Budget excludes one-time Interfund Transfers-In of \$700,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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 March (Based on Sales Through February)



Local Sales Tax Revenue* % Change from March 2024 through March 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 March 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%	9.7%	\$ 14,569,062	7.0%	\$ 13,285,822	1.9%	\$ 12,416,486	7.8%	\$ 12,188,595	-2.0%	\$ 11,305,084
Telecommunications	0.9%	23.5%	\$ 1,520,485	2.4%	\$ 1,230,780	-11.9%	\$ 1,202,383	-22.9%	\$ 1,364,620	11.8%	\$ 1,769,989
Publishing / Advertising / Printing / Transportation	0.1%	-16.7%	\$ 137,803	10.2%	\$ 165,377	2.3%	\$ 150,083	63.5%	\$ 146,688	-37.7%	\$ 89,731
Restaurants & Bars	8.8%	5.1%	\$ 13,439,234	10.2%	\$ 12,784,410	28.9%	\$ 11,597,741	-5.9%	\$ 8,998,393	3.6%	\$ 9,558,951
Amusements	0.7%	10.6%	\$ 1,175,600	20.9%	\$ 1,062,563	76.4%	\$ 879,004	-44.9%	\$ 498,224	0.2%	\$ 903,733
Real Property Rentals	11.6%	6.2%	\$ 18,610,082	13.1%	\$ 17,523,707	10.1%	\$ 15,493,311	2.6%	\$ 14,077,648	11.0%	\$ 13,715,570
Tangible Personal Property Rentals	2.6%	50.7%	\$ 5,688,685	21.7%	\$ 3,775,167	11.4%	\$ 3,101,851	-18.4%	\$ 2,785,480	12.1%	\$ 3,411,745
Hotels / Motels	3.4%	-3.7%	\$ 4,539,985	24.7%	\$ 4,716,451	90.9%	\$ 3,781,258	-36.6%	\$ 1,980,999	15.3%	\$ 3,126,069
Contracting	13.8%	-3.0%	\$ 19,201,777	72.3%	\$ 19,797,777	6.7%	\$ 11,491,353	3.2%	\$ 10,767,664	-14.1%	\$ 10,435,554
Retail / Manufactured Buildings / Jet Fuel	46.1%	2.5%	\$ 71,050,343	12.3%	\$ 69,330,112	12.6%	\$ 61,739,379	14.2%	\$ 54,825,498	8.9%	\$ 48,024,171
Use Tax	3.4%	-53.2%	\$ 2,494,531	3.8%	\$ 5,330,139	-8.2%	\$ 5,137,268	55.1%	\$ 5,598,514	-6.9%	\$ 3,609,130
Total Sales Tax Revenue*	100.0%	2.3%	\$ 152,427,586	17.3%	\$ 149,002,303	12.2%	\$ 126,990,116	6.9%	\$ 113,232,322	4.3%	\$ 105,949,729

Sales Tax Revenue By Class

Through March (Month-over-Month)

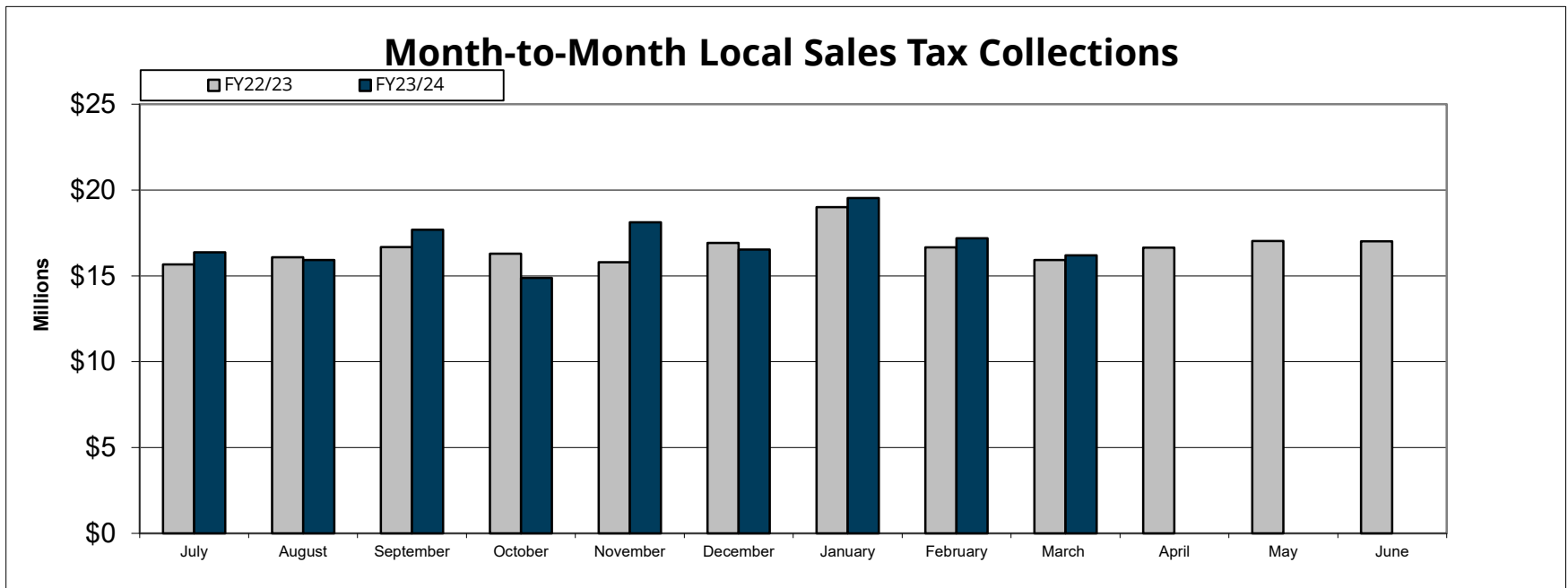
Sales Tax Category	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21	% Chg Fm PY	FY 2019-20
Utilities	14.8%	\$ 1,330,093	11.9%	\$ 1,158,249	9.5%	\$ 1,035,014	5.4%	\$ 945,046	-42.9%	\$ 896,751
Telecommunications	-2.4%	\$ 166,141	33.4%	\$ 170,194	-7.0%	\$ 127,558	-24.1%	\$ 137,087	-0.2%	\$ 180,698
Publishing / Advertising / Printing / Transportation	-17.3%	\$ 12,478	-5.0%	\$ 15,090	16.1%	\$ 15,878	-9.6%	\$ 13,671	6.3%	\$ 15,122
Restaurants & Bars	4.1%	\$ 1,562,001	8.1%	\$ 1,499,781	24.1%	\$ 1,387,777	14.1%	\$ 1,118,285	-2.0%	\$ 979,796
Amusements	16.5%	\$ 143,099	-5.0%	\$ 122,842	66.6%	\$ 129,272	-23.4%	\$ 77,596	9.7%	\$ 101,322
Real Property Rentals	-7.3%	\$ 1,852,767	16.1%	\$ 1,999,185	7.1%	\$ 1,721,246	11.8%	\$ 1,607,381	-0.4%	\$ 1,437,294
Tangible Personal Property Rentals	8.3%	\$ 516,624	43.5%	\$ 476,833	16.7%	\$ 332,302	-49.7%	\$ 284,812	83.1%	\$ 566,723
Hotels / Motels	-11.0%	\$ 793,038	22.4%	\$ 890,602	155.5%	\$ 727,411	-47.8%	\$ 284,702	110.5%	\$ 545,334
Contracting	1.9%	\$ 2,099,346	7.1%	\$ 2,060,574	146.6%	\$ 1,923,216	-18.1%	\$ 780,015	-7.7%	\$ 952,947
Retail / Manufactured Buildings / Jet Fuel	2.5%	\$ 7,233,743	14.2%	\$ 7,060,358	5.8%	\$ 6,181,006	17.7%	\$ 5,842,933	7.9%	\$ 4,965,546
Use Tax	2.6%	\$ 485,376	-2.8%	\$ 472,890	-24.1%	\$ 486,409	123.8%	\$ 640,450	-17.7%	\$ 286,205
Total Sales Tax Revenue*	1.7%	\$ 16,194,706	13.2%	\$ 15,926,597	19.9%	\$ 14,067,088	7.4%	\$ 11,731,979	0.7%	\$ 10,927,737

*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		(16,637,632)	-100.0%
May	17,023,794		(17,023,794)	-100.0%
June	17,019,863		(17,019,863)	-100.0%
Totals	\$ 149,002,303	\$ 152,427,586	\$ 3,425,283	2.3%



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

General Fund Expenditure Summary Thru March 2024

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru March 2024	Percentage of Adjusted Budget Expended & Encumbered Thru March 2024	Percentage of Adjusted Budget Expended & Encumbered Thru March 2023	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 769,325	71.4%	59.3%	12.1%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,116,505	1,595,796	75.4%	75.0%	0.4%
Diversity, Equity, and Inclusion	593,070	711,278	374,413	52.6%	61.4%	-8.8%
Human Resources	2,408,834	2,513,688	1,644,107	65.4%	71.4%	-6.0%
Buildings & Facilities	8,513,745	9,055,133	7,463,320	82.4%	75.2%	7.3%
Fleet Services	1,386,437	1,445,131	975,290	67.5%	74.9%	-7.4%
Economic Development	2,207,660	2,499,650	1,823,777	73.0%	64.9%	8.1%
Transportation Policy	3,196,401	3,234,235	618,036	19.1%	15.5%	3.7%
Cultural Development	4,542,297	4,783,200	3,572,630	74.7%	77.1%	-2.4%
Communications & Public Affairs	3,809,110	4,248,337	2,990,816	70.4%	61.1%	9.3%
Community Services	33,452,125	35,908,576	26,666,179	74.3%	73.4%	0.8%
Development Services	10,980,344	11,432,340	7,236,239	63.3%	66.0%	-2.7%
Fire	44,819,411	48,549,655	37,948,107	78.2%	78.8%	-0.6%
Information Technology	21,304,000	24,156,635	15,055,429	62.3%	58.6%	3.7%
Law	4,687,089	4,817,953	3,646,803	75.7%	75.2%	0.5%
Magistrate	5,400,966	5,617,814	3,506,665	62.4%	60.2%	2.2%
Management Services	8,188,881	8,521,972	5,542,525	65.0%	64.4%	0.6%
Mayor and Council	1,262,159	1,298,899	807,780	62.2%	69.9%	-7.7%
Neighborhood Resources	6,700,823	10,200,405	5,829,421	57.1%	40.6%	16.5%
Police	92,895,766	101,701,222	77,334,882	76.0%	74.8%	1.3%
Public Works & Utilities	10,597,467	12,285,609	9,366,867	76.2%	79.8%	-3.6%
Non-Departmental (Personnel Services and O&M)	99,431,981	90,170,096	75,129,459	83.3%	84.0%	-0.7%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,345,879	\$ 289,897,866	75.0%	73.7%	1.3%
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	\$ 289,897,866	65.8%	65.8%	0.0%

⁽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.