



Informational Memo

Management Services - Memo No. 24-111

Date: June 17, 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 May 2024

Attached is the FY 2023-24 General Fund Revenue and Expenditure Reports for period ending May 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 May 2024. This month reflects a 7.3% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and an 8.3% 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 April TPT reported/received in May. The Local TPT collections through May 2024, reflect an overall increase of 5.2% above budget, and a 2.2% increase compared to prior year actuals. Additionally, when comparing the TPT collections received in May 2024 to the same month in the prior year, collections are down 0.2% in part due to the resolution of a tax issue that resulted in a reduction of 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 May 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 86.2% spending through May 2024, compared to 84.8% for the same period last year. The difference coming from a variety of departments spending at a more normal cadence than they did in the prior year.

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 May 2024

General Fund Revenue Summary

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

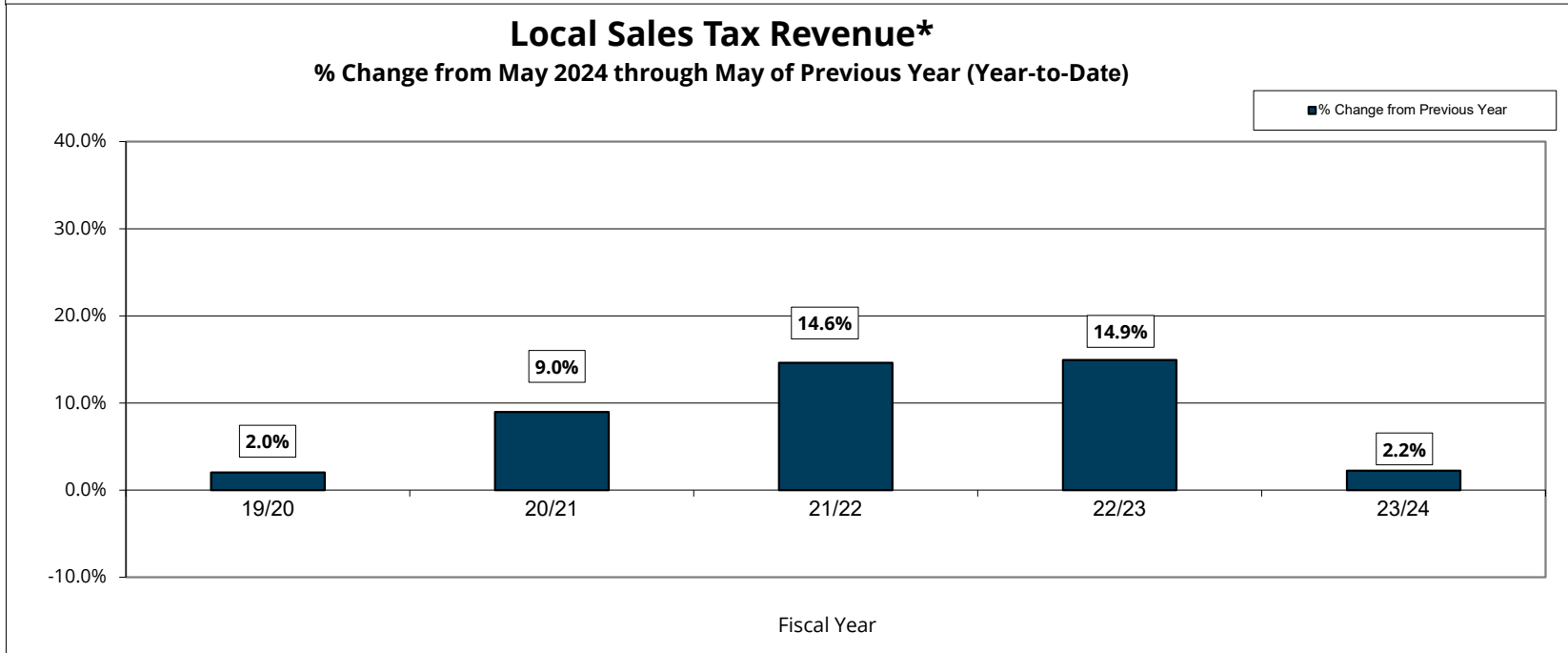
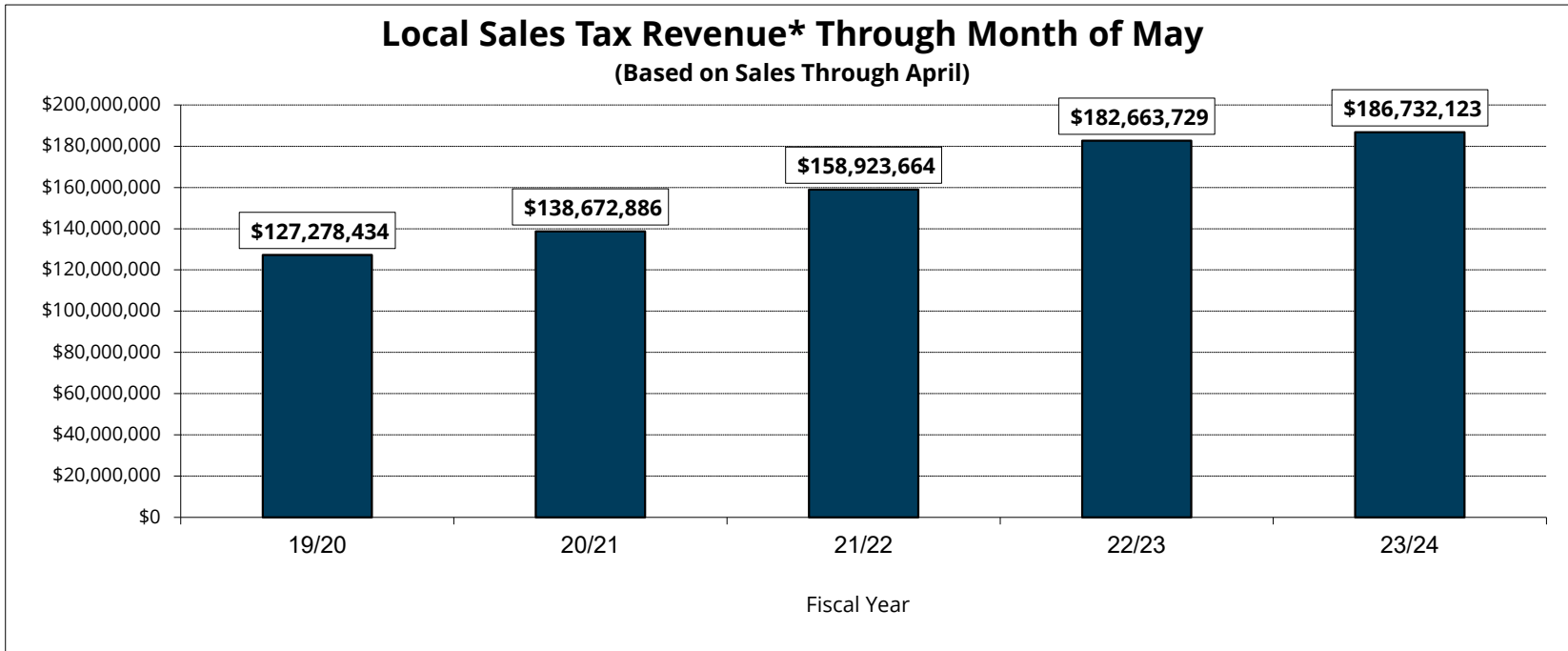
	Budget		Actuals			Comparison to Prior Year Actuals		
General Fund Revenues	FY 2023-24 Adopted Budget	FY 2023-24 Budget Prorated Based on Historical Trend	FY 2023-24 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2022-23 Actual Revenues for Same Period	Difference + or - from FY 2022-23 to FY 2023-24	% Change of Actuals to Same Period FY 2022-23
Local Sales Tax Collections	194,950,000	177,516,074	186,732,123	9,216,049	5.2%	182,663,729	4,068,394	2.2%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	1,797,894	3,915,948	2,118,054	117.8%	5,039,436	(1,123,488)	-22.3%
Total Local Sales Tax Revenue	\$ 196,858,400	\$ 179,313,968	\$ 190,648,071	\$ 11,334,103	6.3%	\$ 187,703,165	\$ 2,944,906	1.6%
Franchise Fees	3,471,000	3,009,332	3,085,330	75,998	2.5%	3,178,276	(92,946)	-2.9%
Primary Property Taxes	8,731,611	8,126,832	8,132,558	5,726	0.1%	7,810,936	321,622	4.1%
State Shared Sales Tax Revenue	39,000,000	33,560,628	37,468,959	3,908,331	11.6%	34,281,971	3,186,988	9.3%
Vehicle License Tax	13,000,000	11,220,972	12,373,403	1,152,431	10.3%	11,855,648	517,755	4.4%
Urban Revenue Sharing	74,000,000	67,817,068	68,187,202	370,134	0.5%	48,595,817	19,591,385	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	5,824,474	4,340,028	(1,484,446)	-25.5%	7,552,292	(3,212,264)	-42.5%
Charges for Services	13,932,139	11,415,081	16,388,351	4,973,270	43.6%	13,920,172	2,468,179	17.7%
Fines & Forfeitures	3,549,850	3,239,330	3,993,630	754,300	23.3%	3,762,079	231,551	6.2%
Interest & Investments	3,818,000	3,136,582	4,448,181	1,311,599	41.8%	2,545,059	1,903,122	74.8%
Other Revenues	1,753,200	1,607,100	2,116,716	509,616	31.7%	4,593,995	(2,477,279)	-53.9%
Indirect Cost	7,978,182	7,313,334	7,313,334	(0)	0.0%	7,209,239	104,095	1.4%
Total General Fund Revenues	\$ 374,057,282	\$ 336,777,045	\$ 361,463,757	\$ 24,686,712	7.3%	\$ 333,716,084	\$ 27,747,673	8.3%
Prior Month	\$ 374,057,282	\$ 303,695,253	\$ 321,729,114	\$ 18,033,861	5.9%	\$ 299,243,800	\$ 22,485,314	7.5%
Change from Prior Month	\$ -	\$ 33,081,792	\$ 39,734,643	\$ 6,652,851	1.4%	\$ 34,472,284	\$ 5,262,359	0.8%

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 May 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%	9.9%	\$ 17,013,811	7.7%	\$ 15,486,203	1.6%	\$ 14,379,010	8.5%	\$ 14,148,007	-1.9%	\$ 13,033,879
Telecommunications	0.9%	18.1%	\$ 1,871,556	7.6%	\$ 1,584,876	-11.0%	\$ 1,473,027	-23.1%	\$ 1,655,402	9.1%	\$ 2,154,021
Publishing / Advertising / Printing / Transportation	0.1%	-19.1%	\$ 160,998	8.3%	\$ 199,002	2.8%	\$ 183,705	54.0%	\$ 178,645	-34.5%	\$ 116,014
Restaurants & Bars	8.8%	5.1%	\$ 16,855,748	9.3%	\$ 16,033,604	27.6%	\$ 14,664,188	3.2%	\$ 11,488,534	-3.8%	\$ 11,132,367
Amusements	0.7%	12.6%	\$ 1,537,481	14.2%	\$ 1,365,181	79.3%	\$ 1,195,361	-33.3%	\$ 666,695	-14.1%	\$ 999,713
Real Property Rentals	11.6%	5.8%	\$ 22,604,798	12.4%	\$ 21,371,585	9.7%	\$ 19,012,857	4.5%	\$ 17,336,642	9.5%	\$ 16,588,915
Tangible Personal Property Rentals	2.6%	41.2%	\$ 6,785,237	25.5%	\$ 4,803,710	12.7%	\$ 3,828,933	-14.7%	\$ 3,397,924	8.1%	\$ 3,984,933
Hotels / Motels	3.4%	-1.7%	\$ 6,216,631	18.5%	\$ 6,324,093	91.1%	\$ 5,337,382	-20.8%	\$ 2,793,313	-5.9%	\$ 3,525,689
Contracting	13.8%	-6.0%	\$ 23,223,291	68.5%	\$ 24,702,362	14.2%	\$ 14,660,207	2.2%	\$ 12,838,978	-15.5%	\$ 12,562,383
Retail / Manufactured Buildings / Jet Fuel	46.1%	2.9%	\$ 86,827,661	8.5%	\$ 84,408,865	14.1%	\$ 77,817,678	17.0%	\$ 68,189,156	7.2%	\$ 58,305,606
Use Tax	3.4%	-43.1%	\$ 3,634,912	0.2%	\$ 6,384,246	6.6%	\$ 6,371,315	22.7%	\$ 5,979,588	2.6%	\$ 4,874,914
Total Sales Tax Revenue*	100.0%	2.2%	\$ 186,732,123	14.9%	\$ 182,663,729	14.6%	\$ 158,923,664	9.0%	\$ 138,672,886	2.0%	\$ 127,278,434

Sales Tax Revenue By Class

Through May (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	15.6%	\$ 1,250,742	5.2%	\$ 1,081,572	6.0%	\$ 1,028,026	14.0%	\$ 970,174	-45.8%	\$ 851,183
Telecommunications	25.4%	\$ 178,401	1.4%	\$ 142,321	-2.8%	\$ 140,379	-25.8%	\$ 144,472	7.5%	\$ 194,635
Publishing / Advertising / Printing / Transportation	-35.0%	\$ 10,113	8.0%	\$ 15,554	-12.5%	\$ 14,406	48.2%	\$ 16,461	-21.9%	\$ 11,104
Restaurants & Bars	4.1%	\$ 1,624,373	5.8%	\$ 1,559,867	17.9%	\$ 1,473,776	79.1%	\$ 1,249,558	-30.2%	\$ 697,780
Amusements	6.8%	\$ 161,950	9.8%	\$ 151,625	73.0%	\$ 138,034	198.5%	\$ 79,789	-71.1%	\$ 26,734
Real Property Rentals	1.6%	\$ 1,880,370	7.5%	\$ 1,851,403	9.2%	\$ 1,722,961	19.3%	\$ 1,577,617	-8.4%	\$ 1,322,431
Tangible Personal Property Rentals	0.8%	\$ 524,846	51.0%	\$ 520,863	22.7%	\$ 344,999	10.0%	\$ 281,119	-17.4%	\$ 255,673
Hotels / Motels	6.6%	\$ 695,925	15.4%	\$ 652,791	70.3%	\$ 565,487	348.0%	\$ 332,075	-71.4%	\$ 74,125
Contracting	-19.0%	\$ 2,434,784	150.4%	\$ 3,007,743	8.9%	\$ 1,201,409	2.8%	\$ 1,102,739	3.9%	\$ 1,073,200
Retail / Manufactured Buildings / Jet Fuel	2.2%	\$ 7,699,726	-6.9%	\$ 7,536,565	22.6%	\$ 8,096,827	37.8%	\$ 6,606,299	4.2%	\$ 4,793,911
Use Tax	4.4%	\$ 525,456	-14.7%	\$ 503,491	-248.0%	\$ 589,965	-153.2%	\$ (398,508)	115.4%	\$ 748,934
Total Sales Tax Revenue*	-0.2%	\$ 16,986,687	11.1%	\$ 17,023,794	28.0%	\$ 15,316,267	19.0%	\$ 11,961,794	-7.4%	\$ 10,049,709

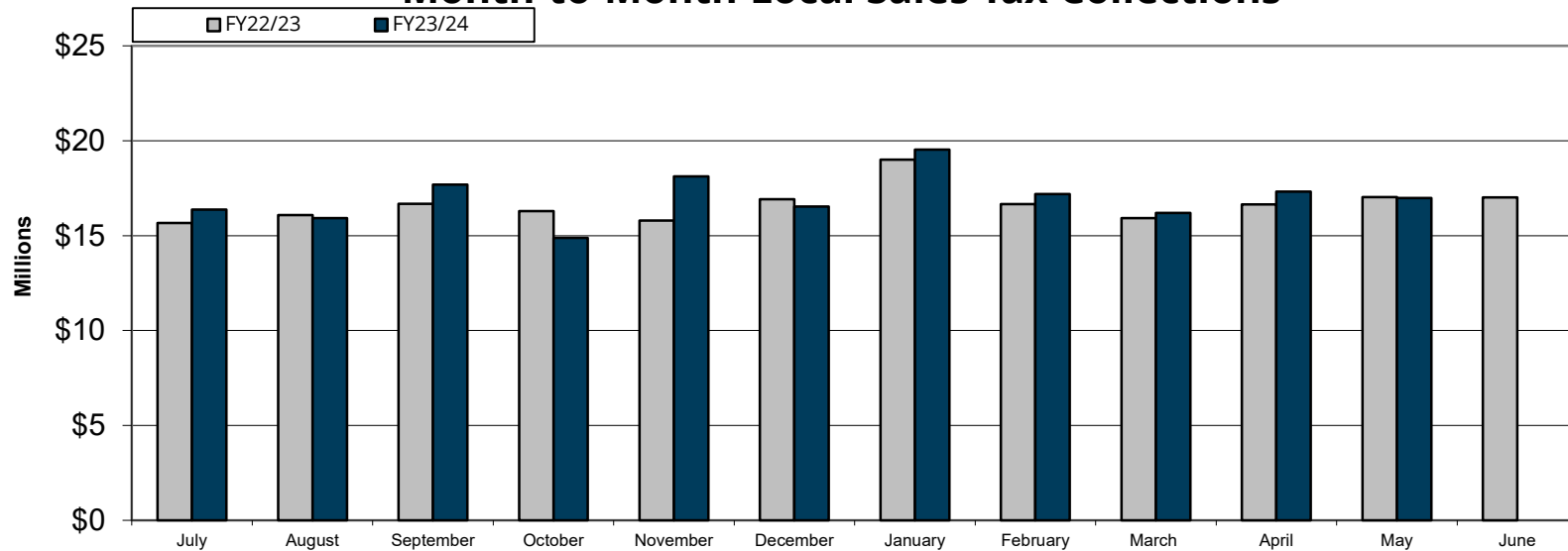
*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

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	16,986,687	(37,107)	-0.2%
June	17,019,863		(17,019,863)	-100.0%
Totals	\$ 182,663,729	\$ 186,732,123	\$ 4,068,394	2.2%

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 May 2024

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru May 2024	Percentage of Adjusted Budget Expended & Encumbered Thru May 2024	Percentage of Adjusted Budget Expended & Encumbered Thru May 2023	Over/Under Last Year's Percentage
City Clerk	\$ 836,937	\$ 1,077,546	\$ 926,492	86.0%	74.2%	11.8%
City Manager and Organization Support ⁽¹⁾						
City Manager	2,053,320	2,118,950	1,942,878	91.7%	90.6%	1.1%
Diversity, Equity, and Inclusion	593,070	715,445	473,045	66.1%	77.5%	-11.4%
Human Resources	2,408,834	2,515,725	2,030,180	80.7%	86.6%	-5.9%
Buildings & Facilities	8,513,745	9,194,815	8,718,866	94.8%	87.0%	7.8%
Fleet Services	1,386,437	1,445,131	1,210,603	83.8%	85.5%	-1.7%
Economic Development	2,207,660	2,502,362	2,103,458	84.1%	77.3%	6.8%
Transportation Policy	3,196,401	3,239,463	853,230	26.3%	13.7%	12.6%
Cultural Development	4,542,297	4,787,032	4,435,692	92.7%	90.9%	1.8%
Communications & Public Affairs	3,809,110	4,248,337	3,417,922	80.5%	77.6%	2.9%
Community Services	33,452,125	35,915,012	31,202,168	86.9%	86.5%	0.4%
Development Services	10,980,344	11,442,215	9,235,003	80.7%	80.8%	-0.1%
Fire	44,819,411	49,013,615	45,772,630	93.4%	93.0%	0.4%
Information Technology	21,304,000	24,165,500	19,183,148	79.4%	75.8%	3.6%
Law	4,687,089	4,817,953	4,375,756	90.8%	90.7%	0.1%
Magistrate	5,400,966	5,617,814	4,229,102	75.3%	73.6%	1.7%
Management Services	8,188,881	8,528,920	6,746,217	79.1%	78.5%	0.6%
Mayor and Council	1,262,159	1,302,899	1,086,021	83.4%	85.8%	-2.4%
Neighborhood Resources	6,700,823	10,203,074	7,885,761	77.3%	55.0%	22.3%
Police	92,895,766	102,078,972	91,728,029	89.9%	88.7%	1.2%
Public Works & Utilities	10,597,467	12,285,849	10,168,227	82.8%	85.8%	-3.0%
Non-Departmental (Personnel Services and O&M)	99,431,981	89,267,133	75,287,737	84.3%	84.5%	-0.2%
Subtotal Prior to Contingencies/Reserves	\$ 369,268,823	\$ 386,483,762	\$ 333,012,165	86.2%	84.8%	1.4%
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	16,124,552	3,290,318	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	55,395,400	50,658,927	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 440,788,775	\$ 440,433,007	\$ 333,012,165	75.6%	75.8%	-0.2%

⁽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.