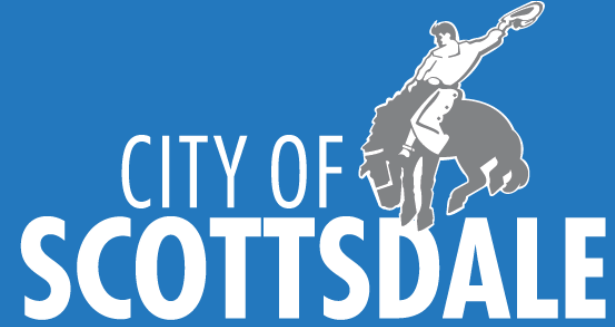




Quarterly Financial Update

City Treasurer's Office
City Council Meeting – October 24, 2023

Primary Focus of Quarterly Financial Updates

- ❑ General Fund Revenues
- ❑ General Fund Budget to Actual Variances

Local Sales Tax Revenues

- ❑ First quarter local sales tax revenues are 5% above budget, but a decrease of 3% compared to same period prior year
- ❑ Legislative ban on residential rental sales tax effective January 2025 will result in a \$10M annual loss in the General Fund (\$14M-\$15M annual loss city-wide) starting in FY 24/25
- ❑ We are working on budget solutions to address revenue loss and will bring proposals for Council consideration through our FY24/25 budget process

General Fund 1.1% Sales Tax (in millions) – YTD Quarter 1

General Fund Local Sales Tax - YTD September 2023

Down 3% from prior year

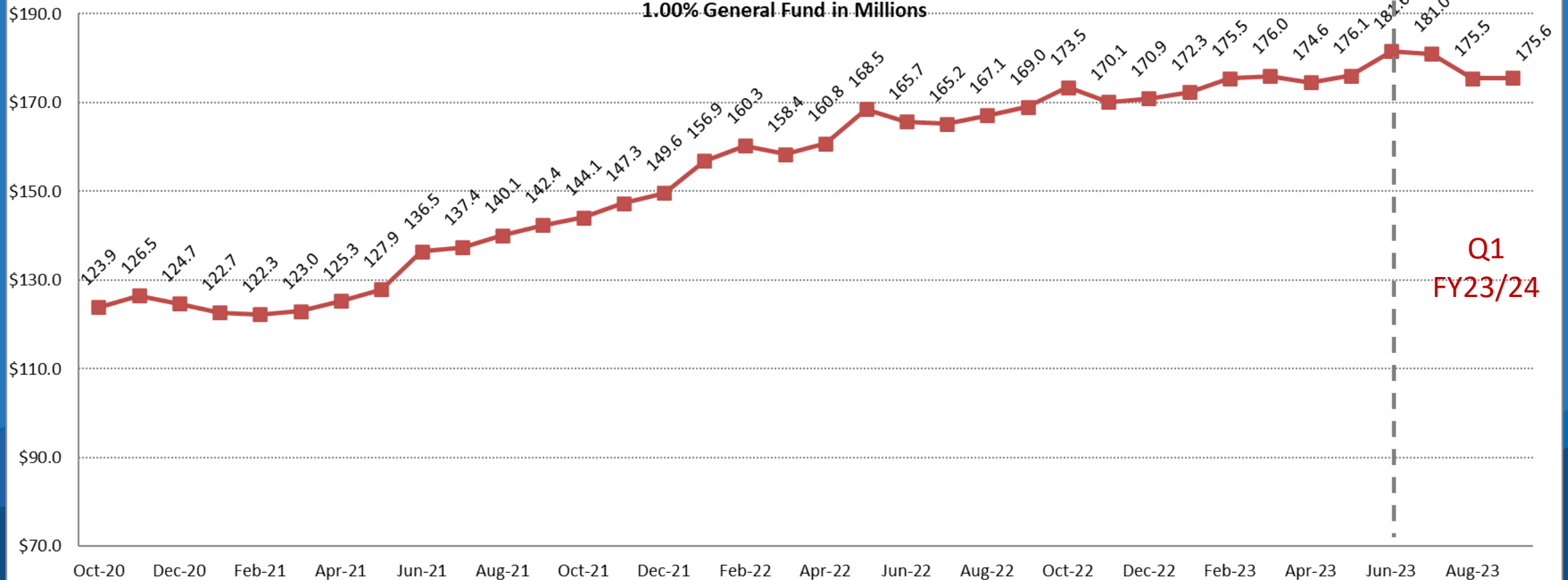
(in millions)	FY23 Actuals	FY24 Actuals	FY24 Budget	Budget Variance	Budget Variance	FY24 Forecast
Retail	\$14.0	\$12.1	\$12.0	\$0.2	1%	\$52.8
Rental	\$5.8	\$6.3	\$6.0	\$0.3	4%	\$25.3
Automotive	\$5.2	\$5.1	\$4.8	\$0.3	5%	\$21.1
Construction	\$4.0	\$5.2	\$3.8	\$1.4	36%	\$14.6
Dining/Entertainment	\$3.9	\$3.9	\$3.8	\$0.2	4%	\$17.3
Food Stores	\$2.4	\$2.4	\$2.4			\$11.3
Hotel/Motel	\$2.3	\$1.6	\$1.5	\$0.1	8%	\$10.6
Other	\$6.9	\$6.7	\$6.8	(\$0.1)	-2%	\$29.4
Total	\$44.6	\$43.3	\$41.1	\$2.2	5%	\$182.5

12-month Rolling Local Sales Tax Revenues

Privilege (Sales) & Use Tax

12 Month Rolling

1.00% General Fund in Millions

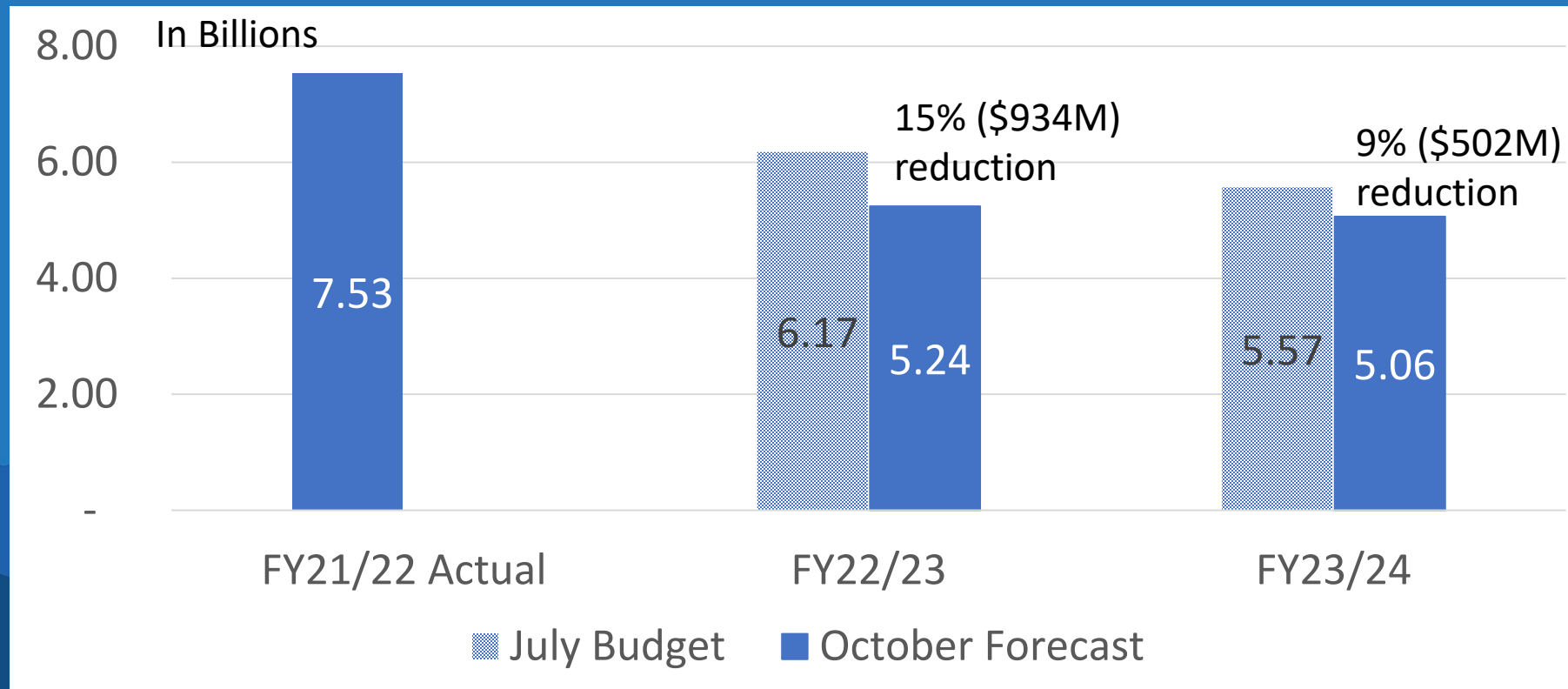


State Shared Revenues

- ❑ First quarter state shared revenues are 6% below budget due to lower state shared sales tax, but an increase of 15% compared to same period prior year due to increased urban revenue allocations
- ❑ State flat tax effective January 2023 will impact city's General Fund starting in FY 25/26. Estimated annual loss \$8M-\$10M.
- ❑ We are working on updating our 5 year financial forecasts and will bring budget balancing proposals for Council consideration through our FY24/25 budget process

State Individual Income Tax Collections JLBC October Revised Estimates

- Expected lower collections due to flat tax and lower capital gains.
Impact to City's General Fund starting in FY 24/25



General Fund Sources (in millions) – YTD Quarter 1

Total General Fund Revenues - September 2023 Up 9% from prior year

(in millions)	FY23 Actuals	FY24 Actuals	FY24 Budget	Budget Variance	Budget Variance	FY24 Forecast
Local Sales Tax	\$44.6	\$43.3	\$41.1	\$2.2	5%	\$182.5
State Shared	\$23.0	\$26.5	\$28.2	(\$1.7)	-6%	\$112.2
Charges for Services	\$3.2	\$5.3	\$3.0	\$2.3	75%	\$16.5
Other	\$15.1	\$18.2	\$16.3	\$1.9	12%	\$105.8
Total	\$85.9	\$93.3	\$88.6	\$4.7	5%	\$417.0

General Fund Uses (in millions) – YTD Quarter 1

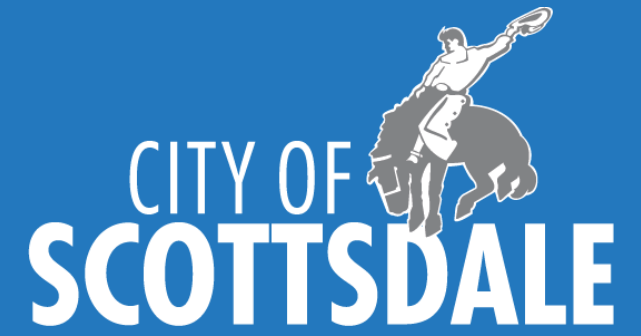
General Fund Uses - September 2023

(in millions)	FY23 Actuals	FY24 Actuals	FY24 Budget	Budget Variance	Budget Variance	FY24 Forecast
Personnel Costs	\$68.7	\$65.0	\$68.9	\$3.9	6%	\$276.1
Commodities/Contracts	\$22.8	\$24.1	\$25.8	\$1.6	6%	\$96.8
Transfers	\$40.1	\$53.7	\$53.7	-	0%	\$81.0
Other	\$0.1	\$0.3	\$1.0	\$0.7	67%	\$2.5
Total	\$131.8	\$143.2	\$149.3	\$6.2	4%	\$456.4

General Fund Uses (in millions) – YTD Quarter 1

General Fund Divisions - September 2023

(in millions)	FY23 Actuals	FY24 Actuals	FY24 Budget	Budget Variance	FY24 Forecast
Mayor/Council/Charter Officers	\$7.3	\$7.5	\$7.8	\$0.2	\$31.9
Administrative Services	\$6.6	\$8.3	\$8.3	\$0.0	\$25.3
Comm & Ec Dev	\$6.9	\$7.2	\$7.7	\$0.5	\$25.8
Community Services	\$11.7	\$12.2	\$13.3	\$1.0	\$48.5
Public Safety - Fire	\$12.7	\$17.3	\$17.4	\$0.1	\$62.9
Public Safety - Police	\$41.3	\$32.0	\$36.2	\$4.2	\$139.4
Public Works	\$5.1	\$5.0	\$5.0	\$0.1	\$20.2
Total	\$91.7	\$89.5	\$95.7	\$6.2	\$354.1



Questions and Comments?