

3rd Quarter Financials

- **Period:** July 1, 2022 to March 31, 2023
- **Purpose:**
 - **Summarize revenue and expenditure (including all budget amendments),**
 - **Identify discrepancies in year-to-year trends, and**
 - **Enable inquiry and investigation of inconsistencies.**
- **Limitations:**
 - **Necessarily retrospective,**
 - **Influenced by the practices of external parties for both revenue and expenditure,**
 - **Includes irregular month-to-month revenues and expenditures,**
 - ✓ Some expenditures and revenues are consistent month-to-month
 - ✓ Others, like recreation programming or mulch sales, have higher summer-time expenditures
 - ✓ Lump sum payments/installments that take place at specific points in the year
 - **An Imperfect forecasting tool.**



General Fund Revenues Sources and Delivery

- **Taxes and Utility Fees**
 - Real Property
 - Personal Property
 - Railroad and Public Utilities
- **Licenses and Permits**
- **Fines and Forfeitures**
- **Use of Money and Property (Interest Income)**
- **Charges for Services**
 - Inspection Fees
 - Recreation Programs
 - Mulch Sales
- **Intergovernmental**
 - In Lieu of Police
 - In Lieu of Roads Maintenance
 - Library Aid
- **Miscellaneous**
 - Sale of Impound Property
 - EV Charger
- **Lump Sum**
 - In Lieu of Police
 - In Lieu of Roads Maintenance
- **Monthly**
 - Real Property
 - Personal Property
 - Railroad and Public Utilities
- **Seasonal**
 - Mulch Sales
- **Variable**
 - EV Charger
 - Sale of Impound Property
 - Insurance Claims

FY23 Q3 %	FY22 Q3%
<u>Collected</u>	<u>Collected</u>
98%	98%
98%	91%
111%	104%
161%	111%
68%	71%
17%	74%
44%	50%
70%	63%
92%	90%
49%	54%
55%	60%
140%	(353%)



Overview

- All Funds Current Budget:

- Revenue: \$42.7M
- Expenditure: \$56.6M
- Reserve Contribution: \$13.9M (includes \$5M in bonds)

- All Funds (Q3):

- Total revenues received: \$37.5M (88%)
- Total expenditures incurred: \$26.7M (47%)
- \$10.7M excess of revenue over expenditure

- General Fund Current Budget:

- Revenue: \$27.3M
- Expenditure: \$36.6M
- Reserve Contribution: \$9.3M

- General Fund (Q3):

- Total revenues received: \$25.2M (93%)
- Total expenditures incurred: \$20.2M (55%)
- \$5.0M excess of revenues over expenditures



General Fund Overview – Revenue (pg. 4)

- Goal: To identify year-to-year inconsistencies (20% or greater)
- Taxes and Utility Fees
 - **In total 92% collected, which is consistent with prior years.**
 - **Property Taxes**
 - ✓ 98% of taxes collected
 - ✓ Consistent with prior years
 - **Penalties (Late Fees) and Interest**
 - ✓ Receipts higher than expected in both FY23 and FY22
 - ✓ Includes rental licenses, refuse fee and property tax.
 - ✓ Calculated as a percentage increase from the year prior actual
- Use of Money and Property (Interest Income)
 - **Significant decrease in FY22**
 - **Significant increase in FY23**
 - **Both reflect the change in the interest rates.**
- Charges for Service (Volume Dependent)
 - **Library Fines and Fees**
 - **Passport Services**
 - **Recyclable Sales**
 - **Higher collections overall**



General Fund Overview – Revenue (pg. 5)

- Intergovernmental Revenue

- **In Lieu of Payments – 100% received**
- **Cable Franchise Fees**
 - ✓ Q3 FY22 – 35% received
 - ✓ Q4 FY23 – 50% received
 - ✓ In FY22 payment was received late. Received on time in FY23

- Miscellaneous

- **Sales of Impounded Property (greater volume than expected)**
- **EV Charger (greater volume than expected)**



General Fund Overview – Expenditure (pg. 5/6)

■ General Government

○ City Manager's Office

✓ Higher in FY23: Two deputies in the CMO office (FY22 – 63% ; FY23 – 86%)

○ Public Safety

✓ Patrol Operations: Lower in FY23 due to police pension payment made Q4 instead of Q3. (FY22 – 76%; FY23 – 56%)

○ Public Works

✓ Urban Forest: Lower in FY23 due to less subcontracted tree removal and pruning (FY22 – 55%; FY23 – 35%)

✓ City Engineer: Higher in FY23 due to vacancy in Construction Manager position (FY22 – 38%; FY23 – 64%)

○ Recreation

✓ Admin: Lower in FY23 due to vacancy of director (FY22 – 74%; FY23 – 53%)

✓ Camps: Higher in FY23 due reopening of programs after the pandemic (FY22 – 67%; FY23 – 99%)

○ Housing and Community Development

✓ Planning: Lower in FY23 due to vacancy of manager (FY22 – 56%; FY23 – 24%)

✓ HCD Admin: Higher in FY23 due to reorganization and an added FTE to HCD Admin from Housing (FY22 – 37%; FY23 – 58%)



Stormwater Fund – Expenditure (pg. 8)

REVENUES BY FUNDS	Budget	Actual	Budget	Actual	Uncollected	FY23 Q3 %	FY22 Q3%
	FY22	FY22 Q3	FY23	FY23 Q3	Revenue	Collected	Collected
Stormwater Management Fund	704,500	758,223	761,375	763,074	(1,699)	100%	108%

EXPENDITURES BY FUNDS	Budget	Actual	Budgeted	Actual	Available	FY23 Q3 %	FY22 Q3%
	FY22	FY22 Q3	FY23	FY23 Q3	Balance	Expended	Expended
Stormwater Management Fund	1,305,801	461,768	1,391,994	840,931	551,063	60%	35%

- The FY23 Current Stormwater budget includes:
 - Revenues: \$761,375 of which 100% has been collected.
 - Expenditures: \$1.4M of which 60% has been collected.
- In FY23 approximately \$603,619 will be deducted from the Stormwater Fund reserve balance.
- The remaining reserve balance is expected to be \$88K - \$115K depending on the number of projects completed.
- Fund revenues and expenditures are balanced for FY24.



Speed Camera Fund – Expenditure (pg. 8)

REVENUES BY FUNDS	Budget	Actual	Budget	Actual	Uncollected	FY23 Q3 %	FY22 Q3%
	FY22	FY22 Q3	FY23	FY23 Q3	Revenue	Collected	Collected
Speed Camera Fund	801,000	811,266	1,940,650	538,449	1,402,201	28%	101%

EXPENDITURES BY FUNDS	Budget	Actual	Budgeted	Actual	Available	FY23 Q3 %	FY22 Q3%
	FY22	FY22 Q3	FY23	FY23 Q3	Balance	Expended	Expended
Speed Camera Fund	884,462	612,861	1,807,733	795,460	1,012,273	44%	69%

- The FY23 Current Speed Camera Fund budget includes:
 - Revenues: \$1.94M of which 28% has been collected.
 - Expenditures: \$1.8M of which 44% has been collected.
- In FY22 \$300,000 in sidewalk projects were added to the fund.
- Less revenue anticipated for FY23 due to broken cameras.
- Less revenue anticipated due to red light camera program delays.
- Projected reduction in the Speed Camera Fund is \$417,750.
- The remaining balance will be approximately \$667,314
- FY24 fund balance includes a surplus.



Quarterly Report Conclusion and Future Improvements

- In general there are no significant deviations from the annual trends, particularly in the general fund.
- There will be a significant unplanned reduction in Speed Camera Funds in FY23.
- Recovery of the Speed Camera Fund in FY24.
- Future Quarterly Reports
 - **Additional detail on the frequency of revenue sources**
 - **Department level descriptions of changes in revenue and expenditures from year-to-year.**





Questions & Answers