

General Fund Revenues FY 2021 & 1st Quarter FY 2022

Budget and Finance Policy Committee

December 9, 2021

Presented by: Henry Oyekanmi, Director of Finance

FY 2021 Year-End Results



General Fund Revenue and Transfers, FY 2021 and FY 2020 Comparison

Revenue Categories	FY 2021				FY 2020				Comparison FY21 vs FY 20	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Amount	%
	(a)	(b)	c = (b) - (a)	(d) = (b)/(a)	(e)	(f)	g = (f) - (e)	(h) = (f)/(g)	(i) = (b) - (f)	(j) = (i)/(f)
Secured Property	\$61,165,454	\$68,166,155	\$7,000,701	111.45%	\$63,199,622	\$63,192,678	(\$6,944)	99.99%	4,973,477	7.87%
Redemptions -Regular	534,512	757,854	223,342	141.78%	668,140	580,941	(\$87,199)	86.95%	176,913	30.45%
Supplemental Taxes	1,260,000	2,249,517	989,517	178.53%	1,400,000	2,334,597	\$934,597	166.76%	(85,080)	-3.64%
Unsecured Property Taxes	2,250,000	3,448,412	1,198,412	153.26%	2,500,000	3,164,168	\$664,168	126.57%	284,244	8.98%
Property Transfer Tax	16,500,000	21,469,955	4,969,955	130.12%	12,500,000	22,095,507	\$9,595,507	176.76%	(625,552)	-2.83%
Property Transfer Tax-Measure P (New December 21, 2018)	4,747,414	10,919,576	6,172,162	230.01%	1,509,218	9,512,603	\$8,003,385	630.30%	1,406,973	14.79%
Sales Taxes	15,786,200	15,792,305	6,105	100.04%	18,238,000	17,557,539	(\$680,461)	96.27%	(1,765,234)	-10.05%
Soda Taxes	970,794	953,069	(17,725)	98.17%	1,459,057	1,331,313	(\$127,744)	91.24%	(378,244)	-28.41%
Utility Users Taxes	12,750,000	13,892,200	1,142,200	108.96%	15,000,000	13,475,915	(\$1,524,085)	89.84%	416,285	3.09%
Transient Occupancy Taxes	5,070,000	2,292,480	(2,777,520)	45.22%	7,800,000	6,387,495	(\$1,412,505)	81.89%	(4,095,015)	-64.11%
Short-term Rentals	676,260	694,197	17,937	102.65%	1,020,000	1,280,267	\$260,267	102.00%	(586,070)	-45.78%
Business License Tax	12,984,192	17,809,332	4,825,140	137.16%	19,584,000	21,009,453	\$1,425,453	107.28%	(3,200,121)	-15.23%
Recreational Cannabis	1,300,000	1,712,641	412,641	131.74%	510,000	1,300,887	\$790,887	255.08%	411,754	31.65%
U1 Revenues	2,700,000	4,818,740	2,118,740	178.47%	1,000,000	5,597,359	\$4,597,359	559.74%	(778,619)	-13.91%
Other Taxes	922,048	1,362,227	440,179	147.74%	1,116,860	1,536,731	\$419,871	137.59%	(174,504)	-11.36%
Vehicle In-Lieu Taxes	12,421,597	14,380,453	1,958,856	115.77%	13,333,826	13,356,044	\$22,218	100.17%	1,024,409	7.67%
Parking Fines-Regular Collections	5,049,000	3,571,391	(1,477,609)	70.73%	6,600,000	3,892,325	(\$2,707,675)	58.97%	(320,934)	-8.25%
Parking Fines-Booting Collections			0		200,000	8,685	(\$191,315)	4.34%	(8,685)	-100.00%
Moving Violations	190,000	131,756	(58,244)	69.35%	190,000	209,894	\$19,894	110.47%	(78,138)	-37.23%
Ambulance Fees	5,103,208	3,081,204	(2,022,004)	60.38%	4,200,000	4,996,193	\$796,193	118.96%	(1,914,989)	-38.33%
Interest Income	2,851,200	5,917,722	3,066,522	207.55%	3,564,000	7,942,187	\$4,378,187	222.84%	(2,024,465)	-25.49%
Franchise Fees	1,551,696	1,726,470	174,774	111.26%	2,068,928	1,839,102	(\$229,826)	88.89%	(112,632)	-6.12%
Other Revenue	6,246,348	10,354,768	4,108,420	165.77%	7,980,544	8,031,805	\$51,261	100.64%	2,322,963	28.92%
IDC Reimbursement	5,490,000	5,345,014	(144,986)	97.36%	6,100,000	5,489,783	(\$610,217)	90.00%	(144,769)	-2.64%
Transfers	17,274,293	21,180,762	3,906,469	122.61%	5,386,188	7,564,173	\$2,177,985	140.44%	13,616,589	180.01%
			-				-		-	
Total Revenue:	\$195,794,216	\$232,028,200	\$36,233,984	118.51%	\$197,128,383	\$223,687,644	\$26,559,261	113.47%	\$8,340,556	3.73%

GF REVENUES - REAL PROPERTY - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Secured Property Taxes	61,165,454	68,166,155	7,000,701	111%	63,199,622	63,192,678	(6,944)	100%	4,973,477	8%
Property Transfer Taxes	16,500,000	21,469,955	4,969,955	130%	12,500,000	22,095,507	9,595,507	177%	(625,552)	-3%
Property Transfer Tax - Measure P	4,747,414	10,919,576	6,172,162	230%	1,509,218	9,512,603	8,003,385	N/A	1,406,974	15%
Vehicle In Lieu Taxes	12,421,597	14,380,453	1,958,856	116%	13,333,826	13,356,044	22,218	100%	1,024,409	8%
Total Real Property Valuation Related Revenues	94,834,465	114,936,139	20,101,674	121%	90,542,666	108,156,831	17,614,165	119%	6,779,308	6%

- 8% increase in Secured Property Taxes consistent with increase in assessed value reported by County Assessor's Office
- Decrease in Transfer Taxes due to the County payment for May 2021 was not received until July (FY 2022)

GF REVENUES - SALES & SODA TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Sales Taxes	15,786,200	15,792,305	6,105	100%	18,238,000	17,557,539	(680,461)	96%	(1,765,234)	-10%
Soda Tax	970,794	953,069	(17,725)	98%	1,459,057	1,331,313	(127,744)	91%	(378,244)	-28%
Total Sales and Soda Tax Revenues	16,756,994	16,745,375	(11,619)	100%	19,697,057	18,888,853	(808,204)	96%	(2,143,478)	-11%

- 11% less than FY 2020, which was only impacted by COVID shutdown in final month (June 2020), due to Sales Tax Revenue being received 3 months after retail sales activity

GF REVENUES - HOTEL TAX & STR - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Transient Occupancy Taxes(TOT)	5,070,000	2,292,480	(2,777,520)	45%	7,800,000	6,387,495	(1,412,505)	82%	(4,095,015)	-64%
Short-term Rentals	676,260	694,197	17,937	103%	1,020,000	1,280,267	260,267	126%	(586,070)	-46%
Total Hotel Tax and STR Revenues	5,746,260	2,986,677	(2,759,583)	52%	8,820,000	7,667,762	(1,152,238)	87%	(4,681,085)	-61%

- FY 2021 Hotel taxes severely impacted by COVID travel reductions, resulting in a substantial decline in occupancy

GF REVENUES - UTILITY USERS TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Utility Users Taxes	12,750,000	13,892,200	1,142,200	109%	15,000,000	13,475,915	(1,524,085)	90%	416,284	3%
Total Utility Users Tax Revenues	12,750,000	13,892,200	1,142,200	109%	15,000,000	13,475,915	(1,524,085)	90%	416,284	3%

- 71% of UUT revenues now generated from gas and electric services, up from 60% in past years
- PG&E rate increase also raised UUT revenue
- Increase in gas and electric more than offset declines in cable and telephone utilities

GF REVENUES - BUSINESS LICENSE TAX - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Business License Taxes	12,984,192	17,809,332	4,825,140	137%	19,584,000	21,009,453	1,425,453	107%	(3,200,121)	-15%
Recreational Cannabis	1,300,000	1,712,641	412,641	132%	510,000	1,300,887	790,887	255%	411,754	32%
Measure U1	2,700,000	4,818,740	2,118,740	178%	1,000,000	5,597,359	4,597,359	560%	(778,619)	-14%
Total Business License Revenues	16,984,192	24,340,713	7,356,521	143%	21,094,000	27,907,699	6,813,699	132%	(3,566,986)	-13%

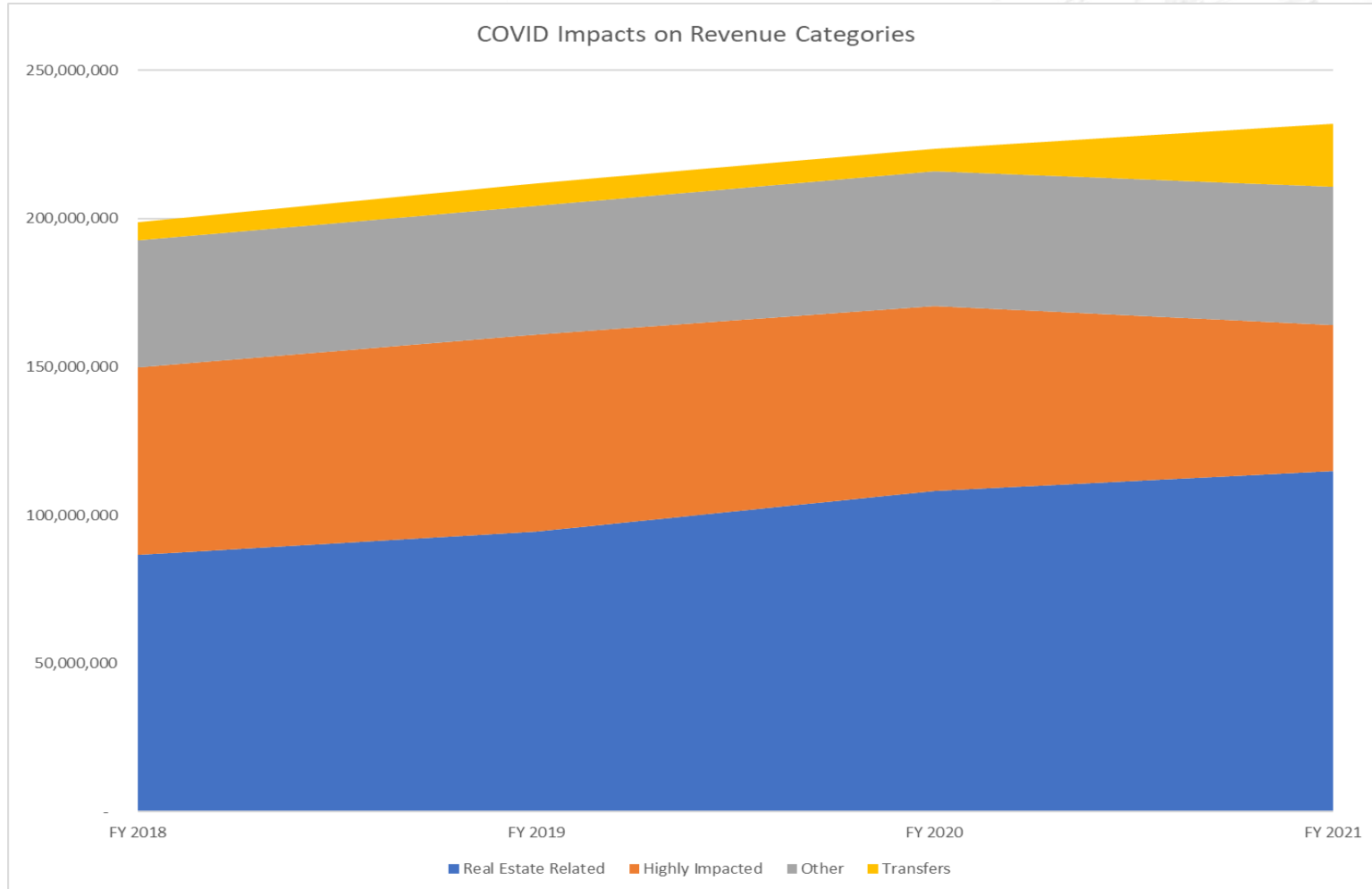
- Decline in general Business License taxes attributable to COVID-related decrease in overall business activity
- Measure U1 (large landlord surtax) revenue likely due to in-person class suspension at UC

GF REVENUES - TRANSFERS - FY 2021 vs FY 2020

Revenue Categories	FY 2021				FY 2020				Comparison	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Actuals	% Change
Transfers	17,274,293	21,180,762	3,906,469	123%	5,266,688	7,564,173	2,297,485	144%	13,616,589	180%
Total Transfers	17,274,293	21,180,762	3,906,469	123%	5,266,688	7,564,173	2,297,485	144%	13,616,589	180%

- FY 2021 Transfers includes \$11.4M from City reserve funds
- \$13.6M more than FY 2020

FY 2021 GENERAL FUND REVENUES



- Highly Impacted Revenues (-26% vs FY 2019):
 - Hotel and STR Taxes
 - Sales and Soda Taxes
 - Business License Tax
 - U1 Supplemental Tax
 - Parking Fines
- Real Estate Valuation based revenues (+22% vs FY 2019):
 - Secured Property Tax
 - Property Transfer Taxes (incl. Measure P)
 - Vehicle In-lieu Taxes

FY 2021 GENERAL FUND REVENUES

- These revenue categories represent over 80% of overall General Fund revenues.
- FY 2021 total revenue included \$11.4M from City reserve funds (\$6.9M from the Stabilization Fund and \$4.5M from the Catastrophic Reserve Fund)
- COVID impacts offset by Property Taxes and other real estate valuation based revenues.

Questions?



FY 2022 First Quarter



First Quarter General Fund Revenue and Transfers, FY 2022 and FY 2021 Comparison

Revenue Categories	FY 2022				FY 2021				Comparison FY22 vs FY 21	
	Adopted	Actual	Variance	% Received	Adopted	Actual	Variance	% Received	Amount	%
	(a)	(b)	c = (b) - (a)	(d) = (b)/(a)	(e)	(f)	g = (f) - (e)	(h) = (f)/(g)	(i) = (b) - (f)	(j) = (i)/(f)
Secured Property	\$71,382,000	\$3,272,735	(\$68,109,265)	4.58%	\$61,165,454	\$3,298,714	(\$57,866,740)	5.39%	(25,979)	-0.79%
Redemptions -Regular	831,441	84,930	(746,511)	10.21%	534,512	123,151	-411,361	23.04%	(38,221)	-31.04%
Supplemental Taxes	2,000,000	222,865	(1,777,135)	11.14%	1,260,000	313,161	-946,839	24.85%	(90,296)	-28.83%
Unsecured Property Taxes	2,625,000	39,971	(2,585,029)	1.52%	2,250,000	(2,404)	-2,252,404	-0.11%	42,375	-1762.69%
Property Transfer Tax	21,000,000	12,299,015	(8,700,985)	58.57%	16,500,000	4,746,819	-11,753,181	28.77%	7,552,196	159.10%
Property Transfer Tax-Measure P (New December 21, 2018)	8,500,000	3,924,007	(4,575,993)	46.16%	4,747,414	1,002,599	-3,744,815	21.12%	2,921,408	291.38%
Sales Taxes	18,287,215	4,896,380	(13,390,835)	26.77%	15,786,200	3,827,061	-11,959,139	24.24%	1,069,319	27.94%
Soda Taxes	990,210	237,577	(752,633)	23.99%	970,794	260,569	-710,225	26.84%	(22,992)	-8.82%
Utility Users Taxes	13,000,000	3,311,793	(9,688,207)	25.48%	12,750,000	3,078,308	-9,671,692	24.14%	233,485	7.58%
Transient Occupancy Taxes	2,173,000	1,206,282	(966,718)	55.51%	5,070,000	539,035	-4,530,965	10.63%	667,247	123.79%
Short-term Rentals	630,000	289,862	(340,138)	46.01%	676,260	62,436	-613,824	676,260	227,426	364.25%
Business License Tax	18,498,146	494,990	(18,003,156)	2.68%	12,984,192	186,479	-12,797,713	1.44%	308,511	165.44%
Recreational Cannabis	1,643,739	532,085	(1,111,654)	32.37%	1,300,000	44,883	-1,255,117	3.45%	487,202	1085.49%
U1 Revenues	5,120,350	71,648	(5,048,702)	1.40%	2,700,000	34,236	-2,665,764	1.27%	37,412	109.28%
Other Taxes	1,761,714	361,941	(1,399,773)	20.54%	922,048	267,921	-654,127	29.06%	94,020	35.09%
Vehicle In-Lieu Taxes	14,959,837	-	(14,959,837)	0.00%	12,421,597	-	-12,421,597	0.00%	-	-
Parking Fines-Regular Collections	3,726,450	1,347,952	(2,378,498)	36.17%	5,049,000	599,640	-4,449,360	11.88%	748,312	124.79%
Parking Fines-Booting Collections										
Moving Violations	132,600	51,839	(80,761)	39.09%	190,000	15,789	-174,211	8.31%	36,050	228.32%
Ambulance Fees	3,154,002	746,006	(2,407,996)	23.65%	5,103,208	630,108	-4,473,100	12.35%	115,898	18.39%
Interest Income	4,462,320	1,369,448	(3,092,872)	30.69%	2,851,200	1,217,126	-1,634,074	42.69%	152,322	12.51%
Franchise Fees	1,613,283	177,082	(1,436,201)	10.98%	1,551,696	189,820	-1,361,876	12.23%	(12,738)	-6.71%
Other Revenue	6,729,977	2,086,510	(4,643,467)	31.00%	6,246,348	3,439,931	-2,806,417	55.07%	(1,353,421)	-39.34%
IDC Reimbursement	5,490,000	1,111,423	(4,378,577)	20.24%	5,490,000	1,221,056	-4,268,944	22.24%	(109,633)	-8.98%
Transfers	27,354,923	6,838,731	(20,516,192)	25.00%	17,274,293	4,432,641	-12,841,652	25.66%	2,406,090	54.28%
			-				0		-	
Total Revenue:	\$236,066,207	\$44,975,072	-\$191,091,135	19.05%	\$195,794,216	\$29,529,079	-\$166,265,137	15.08%	\$15,445,993	52.31%

TRANSFER TAXES - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Property Transfer Taxes	21,000,000	12,299,015	59%	16,500,000	4,746,819	29%	7,552,196	159%
Property Transfer Tax - Measure P	8,500,000	3,924,007	46%	4,747,414	1,002,599	21%	2,921,408	291%
Total Transfer Tax Revenues	29,500,000	16,223,022	55%	21,247,414	5,749,418	27%	10,473,604	182%

- \$7.6M or 159.1% more than FY 2021
- \$3.4M of that due to late County Payment from May 2021 (FY 2021)
- Property Sales under \$1.5M increased 36%
- Property Sales over \$1.5M (July-Aug) increased 144%
- September 2021 Measure P Revenues reported in October

SALES AND SODA TAXES - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Sales Taxes	18,287,215	4,896,380	27%	15,786,200	3,827,061	24%	1,069,319	28%
Soda Tax	990,210	237,577	24%	970,794	260,569	27%	(22,992)	-9%
Total Sales and Soda Tax Revenues	19,277,425	5,133,957	27%	16,756,994	4,087,631	24%	1,046,327	26%

- Sales Tax Revenues increased 27.9% over 1Q FY 2021
- Soda Tax following long-term trend of year-over-year decreases

HOTEL AND STR TAX - FY 2022 vs FY 2021 - FIRST QUARTER

	YTD 1Q FY 2022			YTD 1Q FY 2021			Comparisons	
	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Adopted Annual Budget	Actual Revenue (Jul-Sep)	% Rec'd	Actuals	% Change
Undesignated Revenues								
Transient Occupancy Taxes(TOT)	2,173,500	1,206,282	55%	5,070,000	539,035	11%	667,247	124%
Short-term Rentals	630,000	289,862	46%	676,260	62,436	9%	227,426	364%
Total Hotel and STR Tax Revenues	2,803,500	1,496,144	53%	5,746,260	601,471	10%	894,673	149%

- Hotel and STR Taxes increased 149% vs 1Q FY 2021
- Reflects high impact of COVID on Hotel Taxes in first quarter of FY 2021
- Remains 45% below 1Q FY 2020

FY 2022 First Quarter Revenues

- Staff will adjust revenue projections at mid-year, when more data is available to observe changing economic conditions
- Due to the timing of annual receipt of certain revenues, some major revenue categories (Secured Property Taxes, Business License Taxes) have not yet had any significant receipts.

Questions?

