
TRANSMITTAL

TO: Mayor John Josendale and City Council

THROUGH: Bryan Carter, City Manager

FROM: Laurie Tietjen, Finance Director

DATE: October 24, 2022

SUBJECT: September FY2023 Financial Report

Attached is the FY2023 Financial Report for the month of September.

The following sections are included in the packet:

1. Revenue & Expenditure Summary by Fund
2. Revenue & Expenditure Comparisons to Budget & Prior Year
3. Riverboat & Cell Phone Breakdown
4. Charts for September FY23 Historical Comparison
 - a. Sales Tax
 - b. Fund Revenues
 - c. Salaries/Wages
 - d. Utility Taxes
5. Charts for October FY23 Sales/Use Tax and Gaming

September FY2023 Financial Report

For the Month Ending September 30, 2022

Revenue and Expenditures by Fund as of 9/30/22

Fund#	Fund Name	YTD Revenue	YTD Expenditures	YTD Net Rev/(Exp)
001	General*	\$14,231,168	\$17,268,912	(\$3,037,744)
101	Streets Maintenance	942,194	819,677	122,517
105	Parks Maintenance**	92,155	551,586	(459,431)
106	Parks Sales Tax	2,583,420	1,680,871	902,549
125	Public Safety Tax	2,092,729	2,108,479	(15,749)
140	Community Development	107,040	337,259	(230,219)
150	Special Allocation	1,270,974	115,762	1,155,212
160	American Rescue Plan	173,256	79,976	93,279
170	Gaming Initiatives***	229,430	410,211	(180,781)
190	St. Joseph Museums Tax	9,505	52,177	(42,672)
200	Debt Service	23,003	176,395	(153,392)
398	Capital Projects	2,220,619	1,099,710	1,120,909
400	Aviation	89,722	134,592	(44,870)
410	Public Parking	34,752	38,878	(4,126)
420	Water Protection	9,520,105	8,419,203	1,100,903
430	Municipal Golf	272,720	406,858	(134,138)
460	Mass Transit****	1,987,465	3,192,998	(1,205,533)
470	Landfill	1,823,142	1,052,942	770,200
760	Community Dev Rehab Loan	36,141	55,198	(19,057)
765	Home Loan	3,235	20,632	(17,397)
Grand Total		\$37,742,778	\$38,022,317	(\$279,539)

*The General Fund historically is in a deficit until property tax revenues are received. The majority of these revenues are received December through February.

**The Parks Maintenance Fund will also receive the bulk of their revenue by way of property tax.

***The Gaming Fund is at a deficit due to contracts with outside agencies. These expenses will level out as the year progresses.

****The Transit fund is front loaded with encumbrances for labor and benefit contracts.

General Fund Revenue and Expenditures - By Department as of 9/30/22

Department	YTD Revenue	YTD Expenditures	YTD Net Rev/(Exp)
Mayor & City Council	\$0	\$28,326	(\$28,326)
City Clerk	0	46,507	(46,507)
Municipal Court	85,451	109,070	(23,619)
City Manager	4,261	260,638	(256,377)
Human Resources	97	139,415	(139,319)
Legal	250.00	147,964	(147,714)
Community Services	599,366	580,928	18,438
Administrative Services	38,729	957,315	(918,586)
Police	1,117,963	5,669,886	(4,551,923)
Fire	1,052,393	4,125,821	(3,073,428)
Parks, Recreation, and Civic Facilities	530,772	1,678,865	(1,148,093)
Public Health	417,949	1,494,300	(1,076,352)
Public Works	3,883,882	1,771,557	2,112,324
Non-Departmental	6,500,057	258,319	6,241,737
Grand Total	\$14,231,168	\$17,268,912	(\$3,037,744)

Actual Expenditures vs Budget as of 9/30/22
Recap By Fund

Fund #	Fund Name	9/30/2021	9/30/2022	Change from Prior YTD	% Change from PY	FY23 Amended		% of Budget	Budget Balance
						Budget	9/30/2022		
001	General	\$16,402,023	\$17,268,912	(\$866,889)	-5.3%	\$67,219,457	\$17,268,912	25.7%	\$49,950,545
101	Streets Maintenance	1,230,510	819,677	410,833	33.4%	4,102,100	819,677	20.0%	3,282,423
105	Parks Maintenance	491,190	551,586	(60,396)	-12.3%	1,325,461	551,586	41.6%	773,875
106	Parks Sales Tax	0	1,680,871	(1,680,871)	100.0%	17,794,985	1,680,871	9.4%	16,114,114
125	Public Safety Tax	1,668,534	2,108,479	(439,945)	-26.4%	9,217,949	2,108,479	22.9%	7,109,471
140	Community Development	565,805	337,259	228,547	40.4%	2,812,449	337,259	12.0%	2,475,191
150	Special Allocations	360,625	115,762	244,863	67.9%	7,131,873	115,762	1.6%	7,016,111
160	American Rescue Plan	2,754,962	79,976	2,674,985	97.1%	6,202,727	79,976	1.3%	6,122,751
170	Gaming Initiatives	442,765	410,211	32,554	7.4%	897,550	410,211	45.7%	487,339
190	St. Joseph Museums Tax	62,644	52,177	10,467	16.7%	587,355	52,177	8.9%	535,178
200	Debt Service	66,076	176,395	(110,319)	-167.0%	983,751	176,395	17.9%	807,356
398	Capital Projects	10,027,611	1,099,710	8,927,901	89.0%	9,777,943	1,099,710	11.2%	8,678,233
400	Aviation	165,554	134,592	30,961	18.7%	29,185,305	134,592	0.5%	29,050,713
410	Public Parking	46,298	38,878	7,420	16.0%	728,240	38,878	5.3%	689,362
420	Water Protection	13,633,310	8,419,203	5,214,108	38.2%	46,432,920	8,419,203	18.1%	38,013,717
430	Municipal Golf	325,031	406,858	(81,828)	-25.2%	811,711	406,858	50.1%	404,852
460	Mass Transit	3,115,620	3,192,998	(77,378)	-2.5%	10,529,809	3,192,998	30.3%	7,336,811
470	Landfill	1,293,656	1,052,942	240,713	18.6%	7,043,880	1,052,942	14.9%	5,990,938
760	CD Rehab Loan	45,210	55,198	(9,987)	-22.1%	0	55,198	100.0%	(55,198)
765	Home Revolving Loan	22,595	20,632	1,963	8.7%	0	20,632	100.0%	(20,632)
Grand Total*		\$52,720,019	\$38,022,317	\$14,697,702	27.9%	\$222,785,465	\$38,022,317	17.1%	\$184,763,148

*The Parks Sales Tax fund wasn't implemented until January of 2022. Public Safety Tax expenditures have increased due to the increase of the transfer to General Fund to cover salary enhancements.

**Actual Expenditures vs Budget as of 9/30/22
Recap By Element**

GL Code	GL Group	9/30/2021	9/30/2022	Change from Prior YTD	% Change from PY	FY23 Amended Budget	FY23 Projected* Budget	9/30/2022	% of Proj Budget	Proj Budget Balance
11	Salary & Wages	10,808,627	9,575,193	1,233,435	11.4%	38,980,861	38,980,861	9,575,193	24.6%	29,405,669
12	Employee Benefits	5,019,514	4,699,283	320,230	6.4%	21,101,642	21,101,642	4,699,283	22.3%	16,402,358
13	Material and Supplies	1,524,012	1,340,023	183,989	12.1%	5,617,027	5,617,027	1,340,023	23.9%	4,277,004
14	Outside Services	10,308,767	9,961,167	347,601	3.4%	35,044,484	35,044,484	9,961,167	28.4%	25,083,317
15	Other Charges Including Debt Service	9,299,359	8,609,692	689,666	7.4%	40,758,202	40,758,202	8,609,692	21.1%	32,148,510
16	Capital Outlay (Over \$5,000)	1,184,488	1,539,087	(354,600)	-29.9%	6,175,543	6,175,543	1,539,087	24.9%	4,636,456
17	Capital Improvments	14,575,252	2,297,873	12,277,380	84.2%	75,107,706	75,107,706	2,297,873	3.1%	72,809,834
Grand Total		\$52,720,019	\$38,022,317	\$14,697,702	27.9%	222,785,465	222,785,465	38,022,317	17.1%	184,763,148

*Projections will begin in November

Decrease in Salary & Wages due to the one-time, ARPA funded, premium pay to employees that occurred in September of FY22.

A significant decrease in Capital Improvements due to less encumbrances for major bridge projects compared to FY22.

**Revenue vs Budget as of 9/30/22
Recap By Element**

Element #	Element Name	9/30/2021	9/30/2022	Change from		FY23 Amended Budget	FY23 Projected* Budget	% of		Proj Budget Balance
				Prior YTD	% Change from PY			9/30/2022	Proj Budget	
20	Real Property Tax	\$162,310	\$166,503	\$4,192	2.6%	\$10,472,982	\$10,472,982	\$166,503	1.6%	\$10,306,479
21	Personal Property Tax	81,654	93,727	12,072	14.8%	4,852,970	4,852,970	93,727	1.9%	4,759,243
22	Other Personal Property	-	176	176	100.0%	6,088,584	6,088,584	176	0.0%	6,088,408
23	Utility Based Taxes	1,714,342	1,782,758	68,416	4.0%	6,705,100	6,705,100	1,782,758	26.6%	4,922,342
24	Sales Tax (1)	14,657,279	17,929,227	3,271,949	22.3%	63,084,346	63,084,346	17,929,227	28.4%	45,155,119
26	Licenses	194,937	248,336	53,399	27.4%	1,484,000	1,484,000	248,336	16.7%	1,235,664
28	Permits	62,427	66,869	4,442	7.1%	268,504	268,504	66,869	24.9%	201,635
30	Fines	314,404	191,900	(122,504)	-39.0%	629,800	629,800	191,900	30.5%	437,900
32	Rents	319,700	335,198	15,497	4.8%	1,338,415	1,338,415	335,198	25.0%	1,003,217
34	Parking Fees	14,663	15,313	651	4.4%	71,400	71,400	15,313	21.4%	56,087
35	Inspection Fees	101,833	177,639	75,806	74.4%	413,500	413,500	177,639	43.0%	235,861
36	Health Fees	115,085	114,101	(984)	-0.9%	438,090	438,090	114,101	26.0%	323,989
37	Recreation Fees	145,576	148,890	3,314	2.3%	572,405	572,405	148,890	26.0%	423,515
38	Nature Center User Fees	15,815	15,260	(555)	-3.5%	76,650	76,650	15,260	19.9%	61,390
39	Civic Facilities Charges	63,936	66,302	2,366	3.7%	371,100	371,100	66,302	17.9%	304,798
40	Municipal Golf Charges	230,553	248,851	18,297	7.9%	741,600	741,600	248,851	33.6%	492,749
41	Bode Ice Arena Charges	54,363	48,006	(6,357)	-11.7%	269,500	269,500	48,006	17.8%	221,494
42	User Charges	62,190	66,081	3,891	6.3%	260,500	260,500	66,081	25.4%	194,419
43	Sanitary Sewer Charges	7,901,111	7,745,556	(155,556)	-2.0%	30,808,089	30,808,089	7,745,556	25.1%	23,062,533
44	Landfill Charges	1,818,081	1,812,598	(5,483)	-0.3%	6,987,110	6,987,110	1,812,598	25.9%	5,174,512
46	Charges for Services	207,855	275,881	68,026	32.7%	1,853,574	1,853,574	275,881	14.9%	1,577,693
50	Other Revenues	564,420	461,733	(102,687)	-18.2%	2,186,228	2,186,228	461,733	21.1%	1,724,495
5020	Bonds & Loans Proceeds	4,788,964	1,891,319	(2,897,645)	-60.5%	25,437,337	25,437,337	1,891,319	7.4%	23,546,018
53	Principal Earnings	4,883	15,002	10,119	207.2%	21,750	21,750	15,002	69.0%	6,748
54	Interest Earnings	263,511	37,868	(225,643)	-85.6%	1,251,488	1,251,488	37,868	3.0%	1,213,620
56	Grants & Entitlements	3,826,577	465,924	(3,360,653)	-87.8%	43,529,146	43,529,146	465,924	1.1%	43,063,222
57	Computer Network Transfer	37,688	37,688	0	0.0%	150,750	150,750	37,688	25.0%	113,063
58	Interfund Transfers	4,001,503	3,284,074	(717,429)	-17.9%	14,583,919	14,583,919	3,284,074	22.5%	11,299,845
Grand Total		\$41,725,659	\$37,742,778	(\$3,982,882)	-9.5%	\$224,948,837	\$224,948,837	\$37,742,778	16.8%	\$187,206,059

*Projections will begin in November

(1) Includes annual sales tax, use tax, motor vehicle, hotel/motel, EATs, fuel, road & bridge, and other

**Revenue vs Budget as of 9/30/22
Recap By Fund**

Fund #	Fund Name	9/30/2021	9/30/2022	Change from Prior YTD	% Change from PY	FY22 Amended Budget	9/30/2022	% of Budget	Budget Balance
001	General	\$14,546,838	\$14,231,168	(\$315,670)	-2.2%	\$68,311,313	\$14,231,168	20.8%	\$54,080,145
101	Streets Maintenance	780,622	942,194	161,572	20.7%	4,096,837	942,194	23.0%	3,154,643
105	Parks Maintenance	82,811	92,155	9,344	11.3%	1,157,967	92,155	8.0%	1,065,812
106	Parks Sales Tax	-	2,583,420	2,583,420	100.0%	13,036,080	2,583,420	100.0%	10,452,660
125	Public Safety Tax	1,963,627	2,092,729	129,102	6.6%	7,040,218	2,092,729	29.7%	4,947,489
140	Community Development	72,623	107,040	34,417	47.4%	2,852,133	107,040	3.8%	2,745,093
150	Special Allocations	1,423,976	1,270,974	(153,003)	-10.7%	11,083,864	1,270,974	11.5%	9,812,890
160	American Rescue Plan	2,766,826	173,256	(2,593,571)	100.0%	6,202,727	173,256	100.0%	6,029,471
170	Gaming Initiatives	237,433	229,430	(8,003)	-3.4%	904,000	229,430	25.4%	674,570
190	St. Joseph Museums Tax	9,441	9,505	64	0.7%	608,808	9,505	1.6%	599,303
200	Debt Service	22,847	23,003	156	0.7%	1,761,606	23,003	1.3%	1,738,603
398	Capital Projects	2,383,598	2,220,619	(162,979)	-6.8%	12,067,658	2,220,619	18.4%	9,847,039
400	Aviation	100,543	89,722	(10,821)	-10.8%	27,480,601	89,722	0.3%	27,390,879
410	Public Parking	35,208	34,752	(455)	-1.3%	702,732	34,752	4.9%	667,980
420	Water Protection*	13,227,247	9,520,105	(3,707,142)	-28.0%	47,124,934	9,520,105	20.2%	37,604,829
430	Municipal Golf	255,176	272,720	17,544	6.9%	849,788	272,720	32.1%	577,068
460	Mass Transit	1,881,820	1,987,465	105,646	5.6%	12,498,285	1,987,465	15.9%	10,510,820
470	Landfill	1,878,442	1,823,142	(55,300)	-2.9%	7,169,286	1,823,142	25.4%	5,346,144
760	CD Rehab Loan	49,146	36,141	(13,005)	-26.5%	0	36,141	100.0%	(36,141)
765	Home Revolving Loan	7,434	3,235	(4,199)	-56.5%	0	3,235	0.0%	(3,235)
Grand Total		\$41,725,659	\$37,742,778	(\$3,982,882)	-9.5%	\$224,948,837	\$37,742,778	16.8%	\$187,206,059

*Revenue is down due to less sewer project activity that is bond eligible (\$3.2million less). The variance will decrease once the Biogas Optimizaiton project picks up.

Riverboat Revenue and Expenditure Breakdown as of 9/30/22

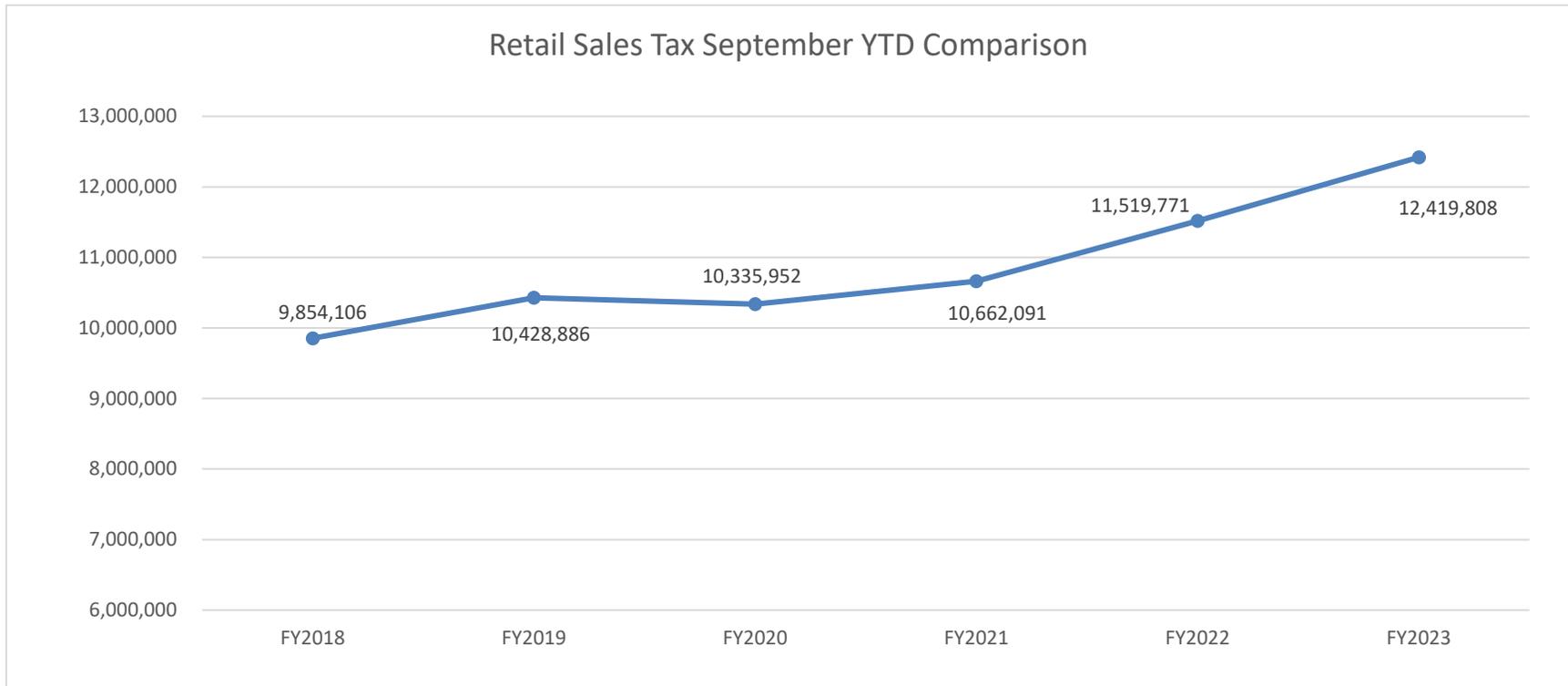
Revenues Fund Name		YTD Sep FY22	YTD Sep FY23	Change from Prior YTD	% Change from PY	Budget FY23	YTD Sep FY23	Budget%	Budget Balance
3284	State Admissions*	\$108,499	\$101,484	(7,015)	-6.5%	\$420,000	\$101,484	24.2%	\$318,517
3286	State Gaming**	\$128,103	\$127,947	(156)	-0.1%	480,000	127,947	26.7%	352,053
5410	Interest on Investments	\$832	\$0	(832)	0.0%	4,000	0	0.0%	4,000
		\$237,433	\$229,430	(\$8,003)	-3.4%	\$904,000	\$229,430	25.4%	\$674,570
Expenditures									
1410	Professional Svcs	0	8,029	(8,029)	100.0%	\$150,000	8,029	5.4%	141,971
1453	Advertising	5,277	8,169	(2,892)	54.8%	33,000	8,169	24.8%	24,831
1495	Special Contributions	404,163	387,913	16,250	-4.0%	505,050	387,913	76.8%	117,138
1498	Other Services	3,450	6,100	(2,650)	76.8%	90,000	6,100	6.8%	83,900
1520	Transfer to Gen Fund	10,750	0	10,750	-100.0%	43,000	0	0.0%	43,000
1569	Transfer to Aviation	17,500	0	17,500	-100.0%	70,000	0	0.0%	70,000
1571	Transfer to Public Parking	1,625	0	1,625	-100.0%	6,500	0	0.0%	6,500
		\$442,765	\$410,211	\$32,554	-7.4%	\$897,550	\$410,211	45.7%	\$487,339
	NET REVENUE	(\$205,332)	(\$180,781)	\$24,551					

*State Admissions - \$1 per paid and complimentary customer
 **State Gaming - 10% of state gaming tax to be shared 1/2 with County

Cell Phone Revenue and Expenditure Breakdown as of 9/30/22

Revenues Fund Name		YTD Sep FY22	YTD Sep FY23	Change from Prior YTD	% Change from PY	Budget FY23	YTD Sep FY23	Budget%	Budget Balance
2340	Utility Tax - Telecomm	\$ 92,347	\$ 93,929	\$ 1,582	1.7%	\$ 375,000	\$ 93,929	25.0%	\$ 281,071
5410	Interest on Investments	61	0	(61)	-100.0%	200	0	0.0%	200
		\$92,408	\$93,929	\$1,522	1.6%	\$375,200	\$93,929	25.0%	\$281,271
Expenditures									
1571	Transfer to Public Parking	\$ -	\$ -	\$ -	0.0%	\$ 353,852	\$ -	0.0%	\$ 353,852
		\$0	\$0	\$0	0.0%	\$353,852	\$0	0.0%	\$353,852
	NET REVENUE	\$92,408	\$93,929	\$1,522					

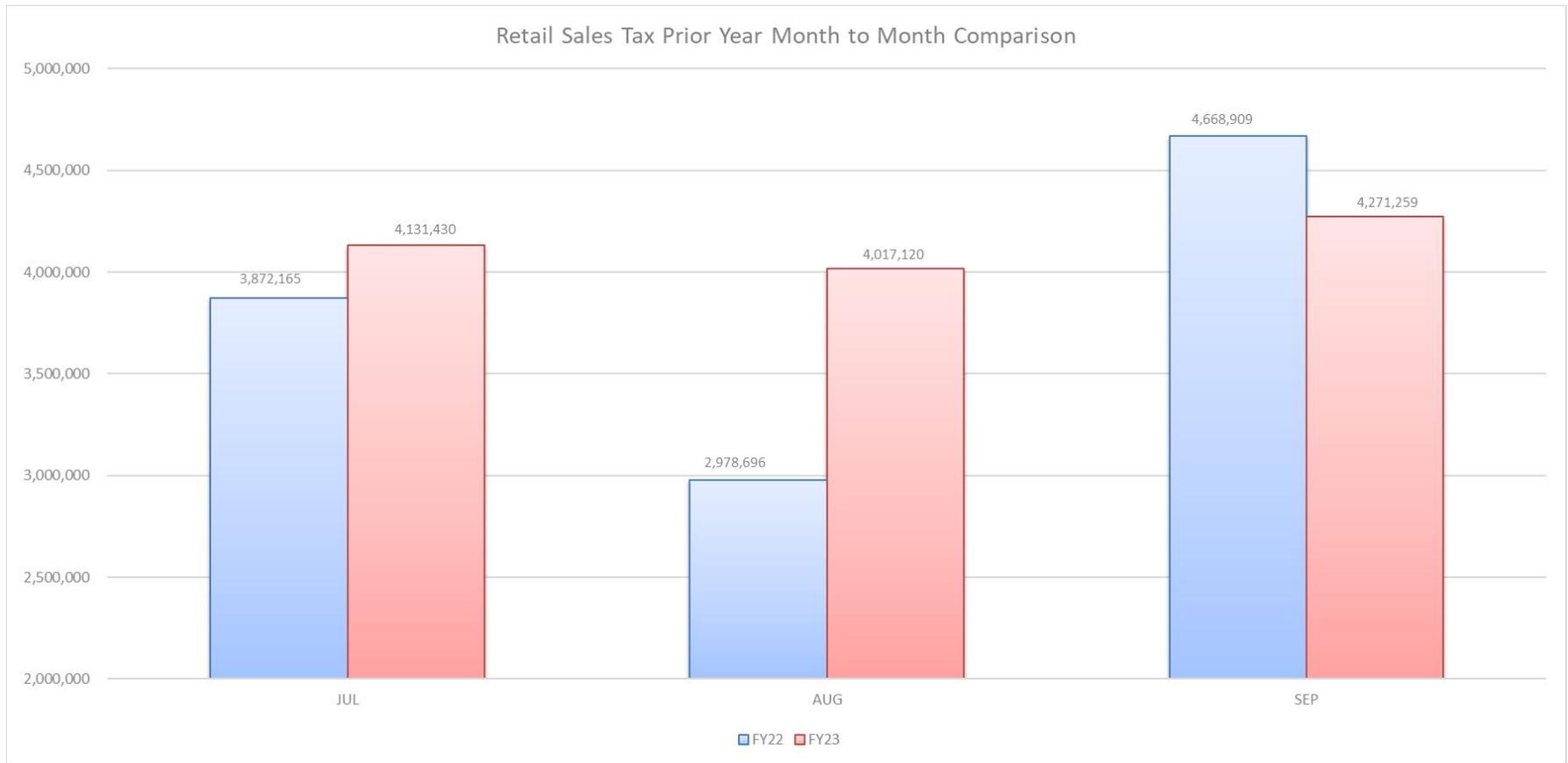
At this point, the only expense able to be supported by this fund is the Downtown Mosaic Garage agreement.



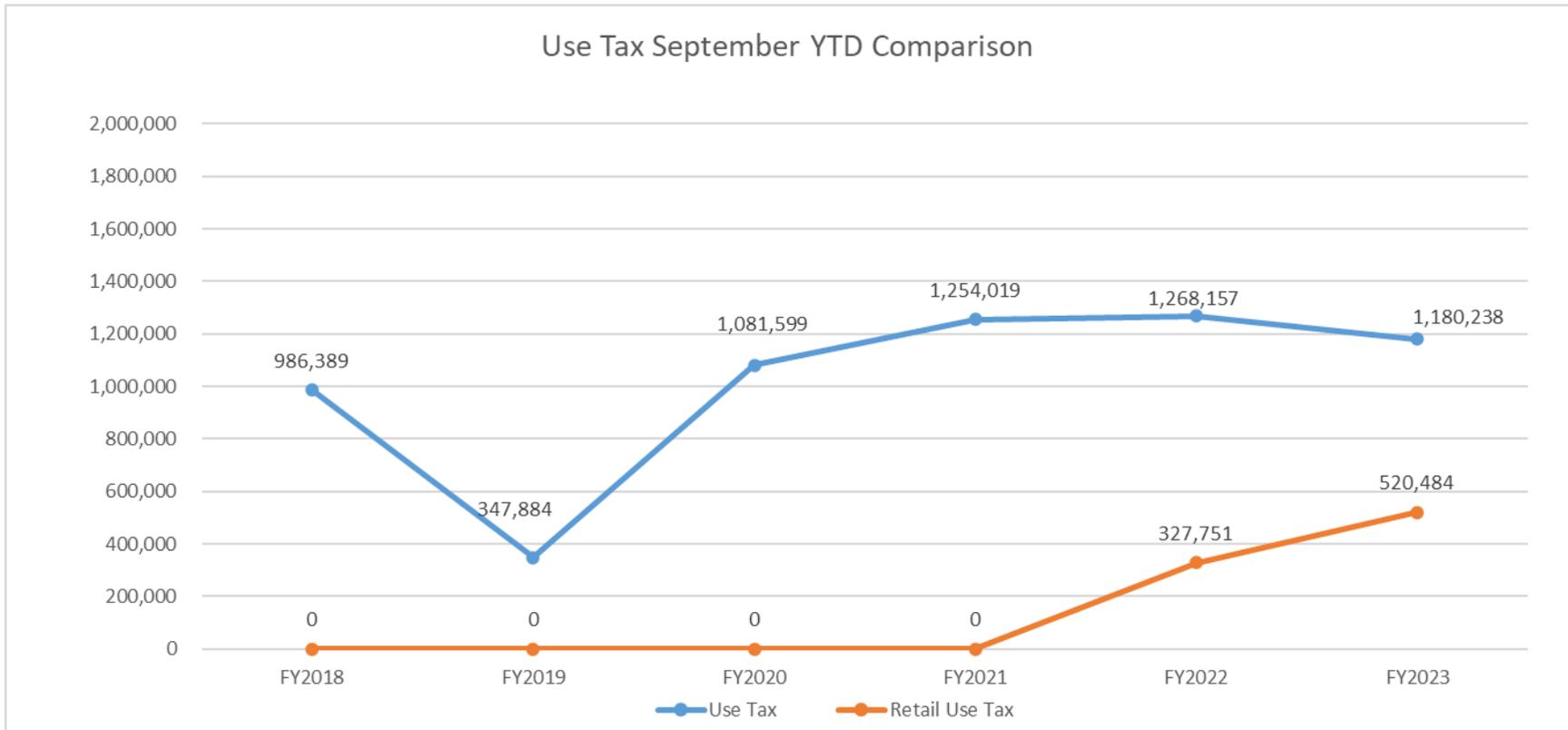
Although September collections for sales tax were 8.5% down from the September of FY22, year-to-date totals were still 7.8% higher overall. Each month of the first quarter has topped more than \$4 million (\$900,038 more than FY22). In comparison to budget, revenues are 3.6% above budget (\$1,573,254 above trend). With increasing inflation and interest rates, this pace cannot be expected to continue through the fiscal year. To stay conservative, staff has budgeted FY23 revenues equal to FY22 projections.

Another source of revenue not included in this total is the half-cent Parks sales tax that went into effect January 2022. A total of \$2,130,936 has been collected since July (4.1% above budget). This tax is dedicated to Parks improvement projects and capital equipment. The sales tax will not be rolled into the retail sales tax until there is a full year to draw comparisons.

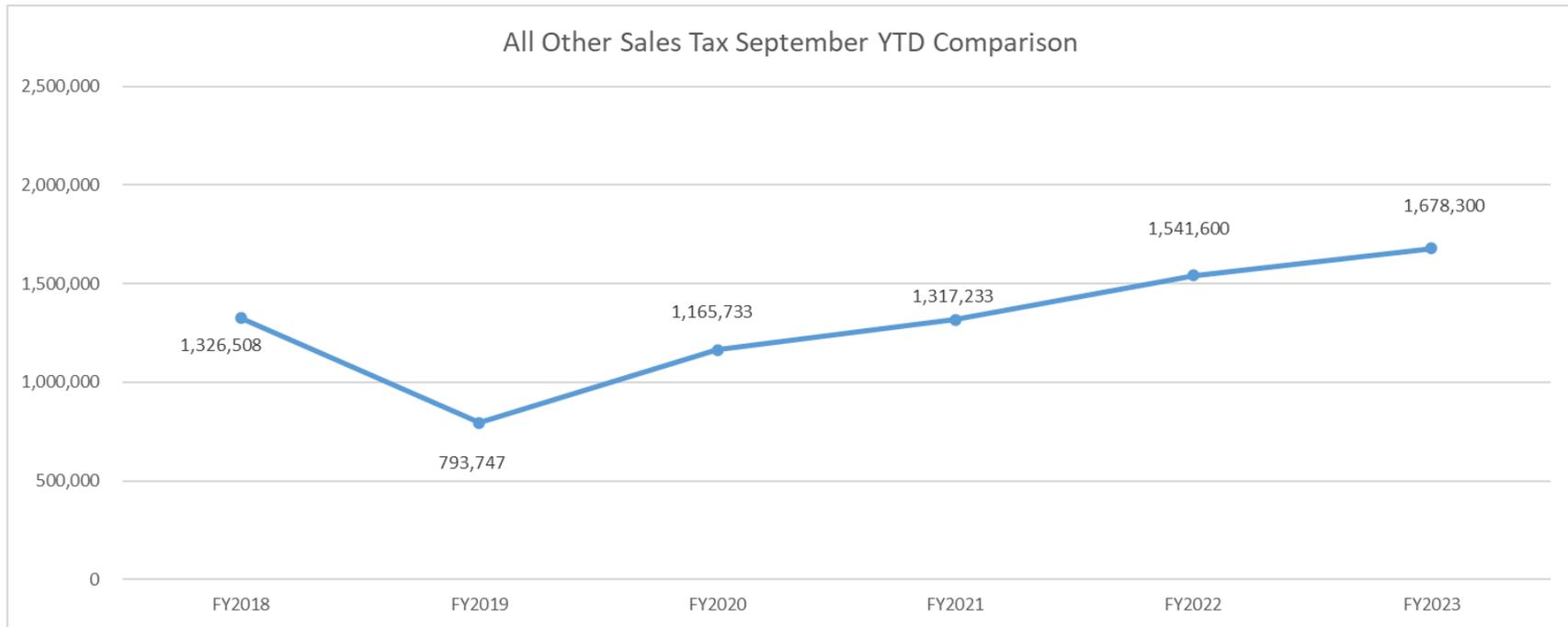
Retail Sales Tax	JUL	AUG	SEP	YTD
FY22	3,872,165	2,978,696	4,668,909	11,519,771
FY23	4,131,430	4,017,120	4,271,259	12,419,808
% Change	6.70%	34.86%	-8.52%	7.81%



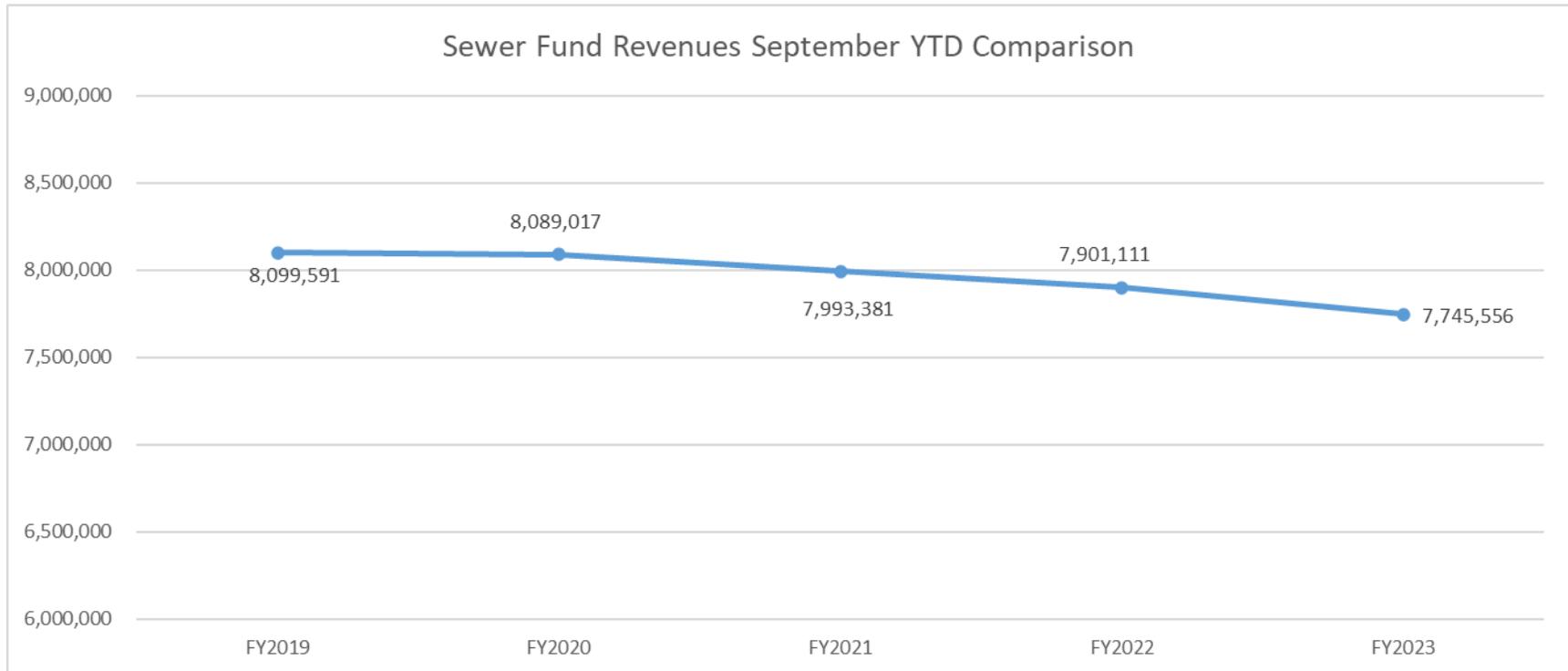
As indicated by the table above, even though September was down 8.5% it was still the highest monthly collection to date. Revenues are averaging \$4,139,936 per month.



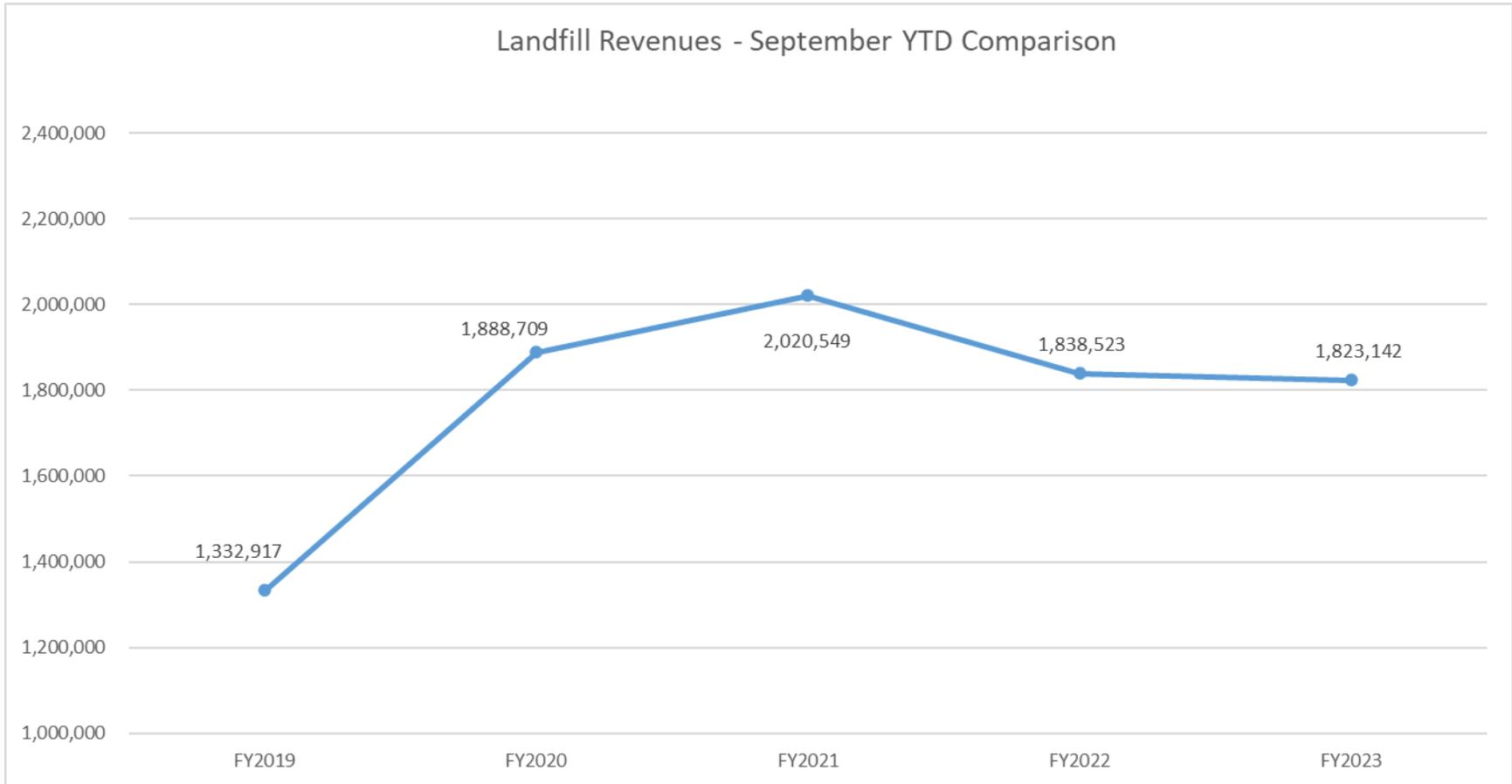
Total use tax remains solid (8.3% above FY22), but there has been a shift between the two categories. Street Enhancement Tax showed a decline of 6.9% compared to the previous year, but still above target by 7.8% of budget (\$280,238). Retail Use Tax has collected 58.8% more (\$192,733) and 3.9% above budget. Keep in mind that this year's retail use tax total includes a portion from the Parks Sales Tax (\$90,562 collected to date).



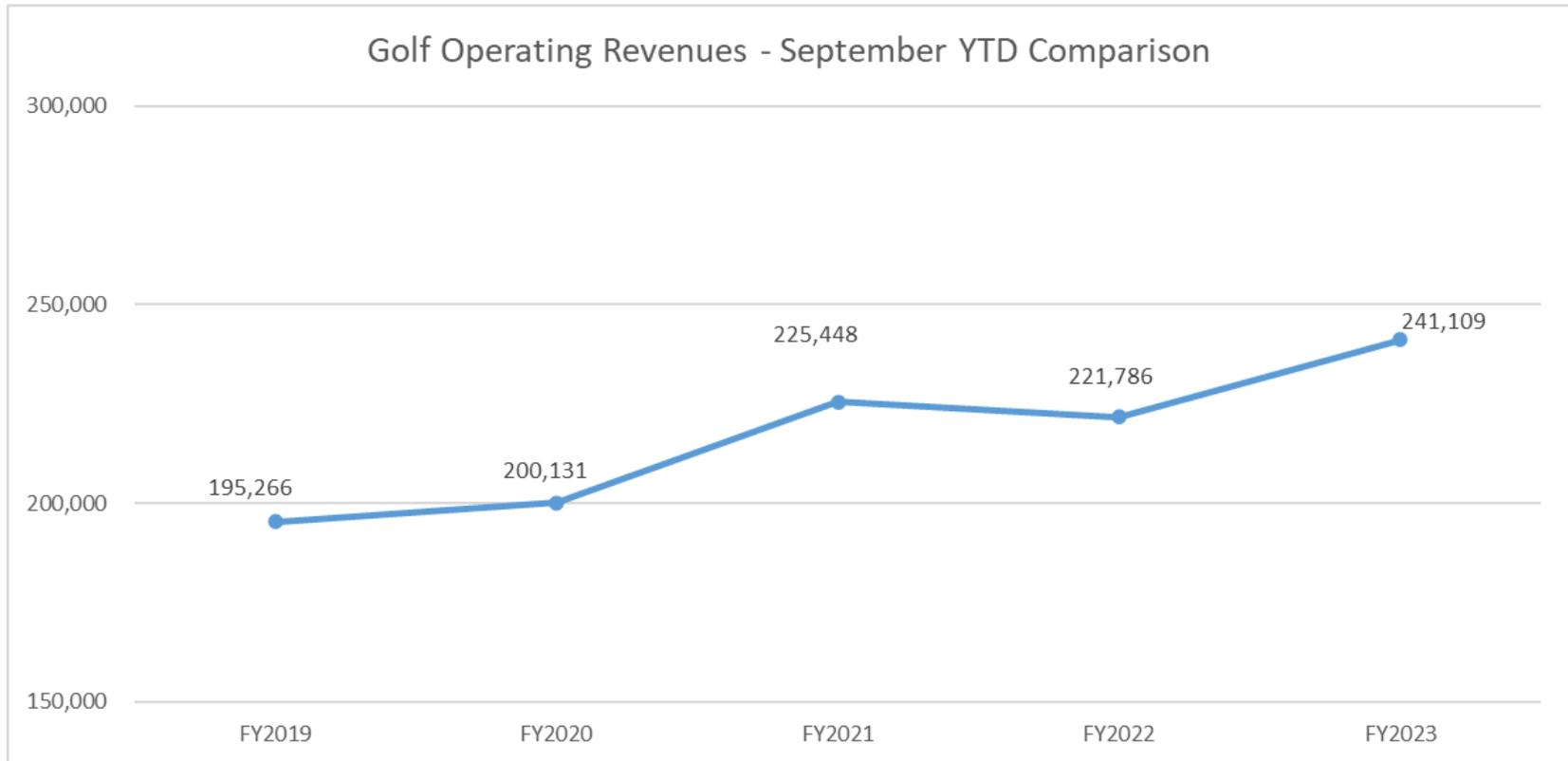
All other sales taxes, not including annual sales tax and use tax, showed an increase of 8.9%. All other sales tax includes motor vehicle, hotel/motel, fuel, road & bridge, and EATs (Economic Activity Taxes). Motor vehicle tax was flat showing a just a 1% increase compared to this time last year. It has been several months since this revenue has shown improvement. The microchip shortage has delivered a large blow to the auto industry and the dealerships. After a boom on the sales of used vehicles, that market it now reportedly beginning to dry up as well. Motor fuel taxes have been trending up for more than a year, and has continued into fiscal year 2023 with an increase of \$80,851. Fuel costs have dropped by an average of 0.40 cents since the beginning of August. The hotel/motel businesses continue to bounce back with an increase of 7.2%.



Sewer Fund revenues were a little down from the prior year (2.0%). Residential and retail accounts were down by a combined total of \$113,037. The South St. Joseph Sewer District, along with National Beef and Triumph all showed decreases after the first quarter. The only positive in the fund were penalties generating an increase of 13.2% from a year ago. In relation to budget, sewer charges were in line, 0.2% above trend. With the use of ARPA funds, sewer utility rates avoided a rate increase for FY2023.

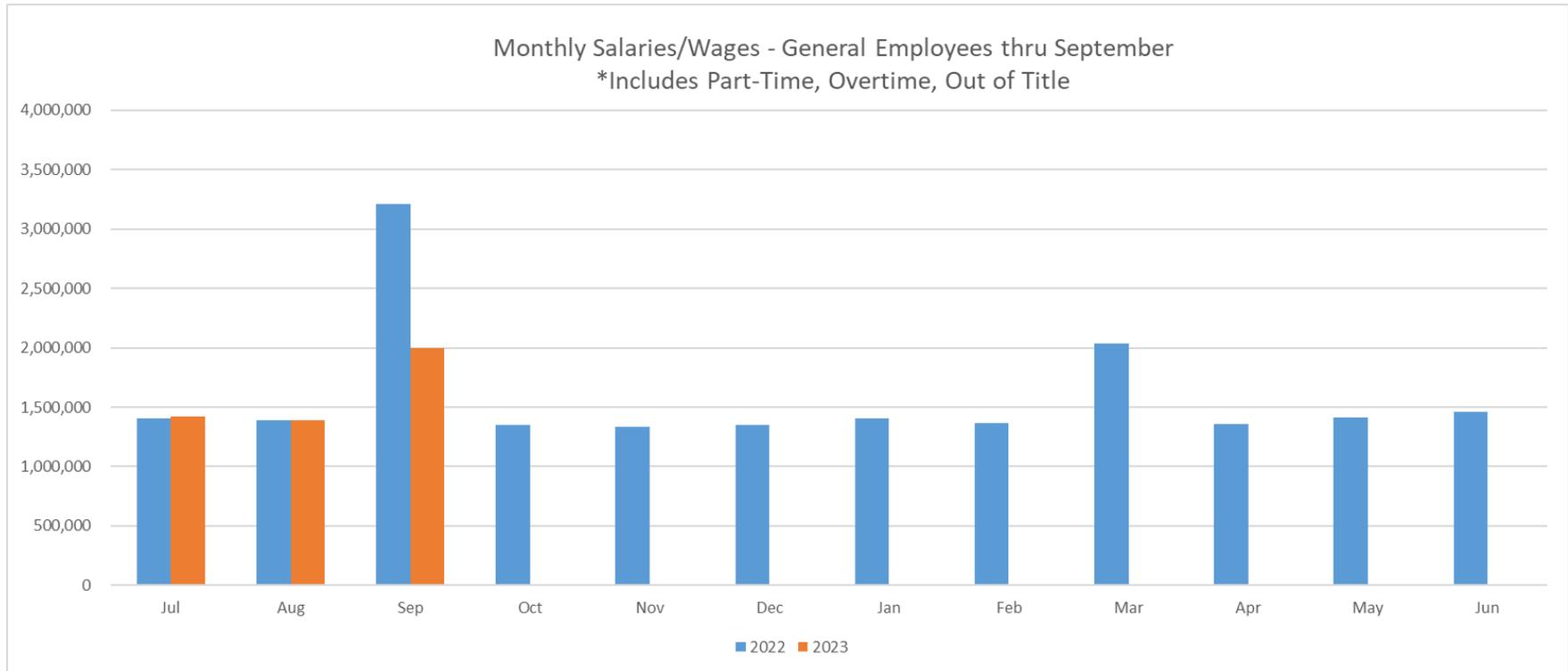


Daily fee revenue showed little change from the prior year (down 0.2%). The fund in total showed a decrease of 0.8%. The biggest contributor being recycling collections that had dropped \$10,478 between the two locations. Landfill revenues have improved by 36.8% over the last five years.



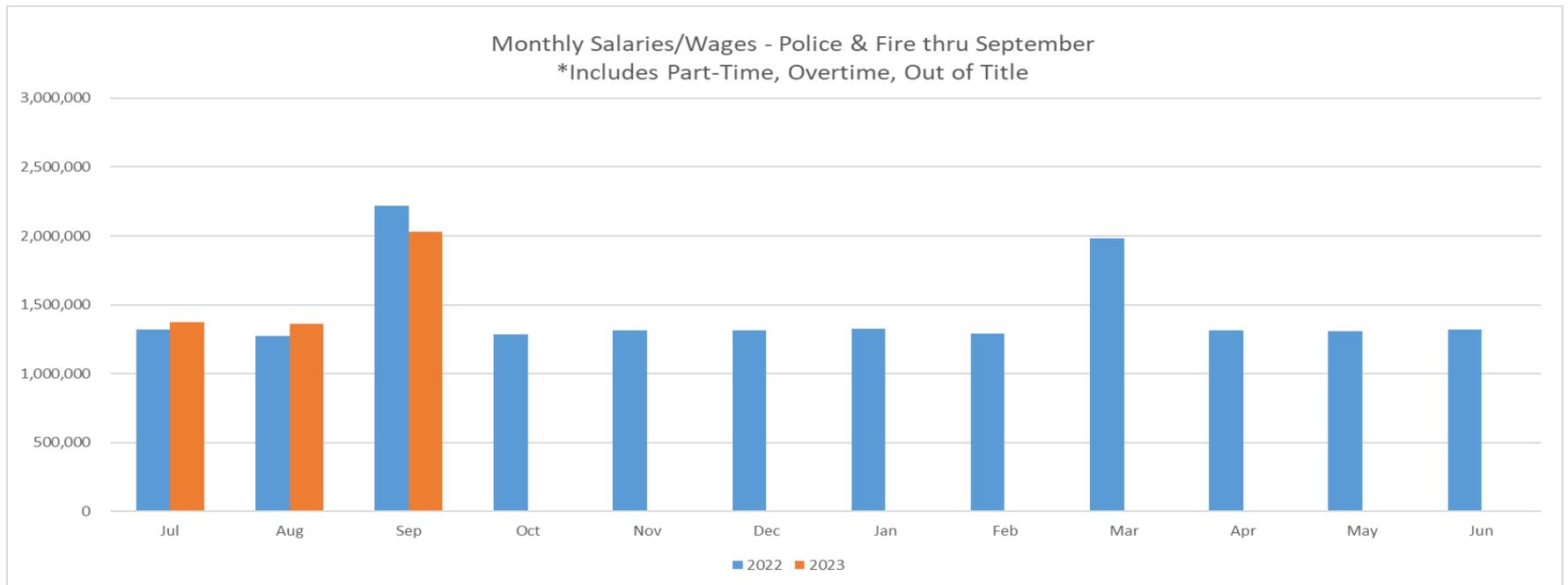
Ideal weather conditions put the Golf fund in great shape after the first quarter. Revenues are up 8.7% from this time last year. Green fees have improved by 10.7%. Other streams of revenue moving the needle are the pro shop (31.9%) and concessions (16.8%). The pro shop has apparently put their supply problems behind them. Combined the two segments are \$16,230 more than in FY22. October should produce more of the same as much of the month has seen very cooperative weather.

Salaries - General Employees															
FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY23 Total	% Change	
2022	1,401,898	1,387,347	3,207,296	1,347,908	1,332,712	1,347,505	1,402,595	1,363,956	2,038,742	1,360,960	1,416,050	1,456,651	5,996,541		
2023	1,422,581	1,389,115	2,000,158	0	0	0	0	0	0	0	0	0	4,811,854		
Variance	(20,683)	(1,768)	1,207,138	1,347,908	1,332,712	1,347,505	1,402,595	1,363,956	2,038,742	1,360,960	1,416,050	1,456,651	1,184,687	19.76%	

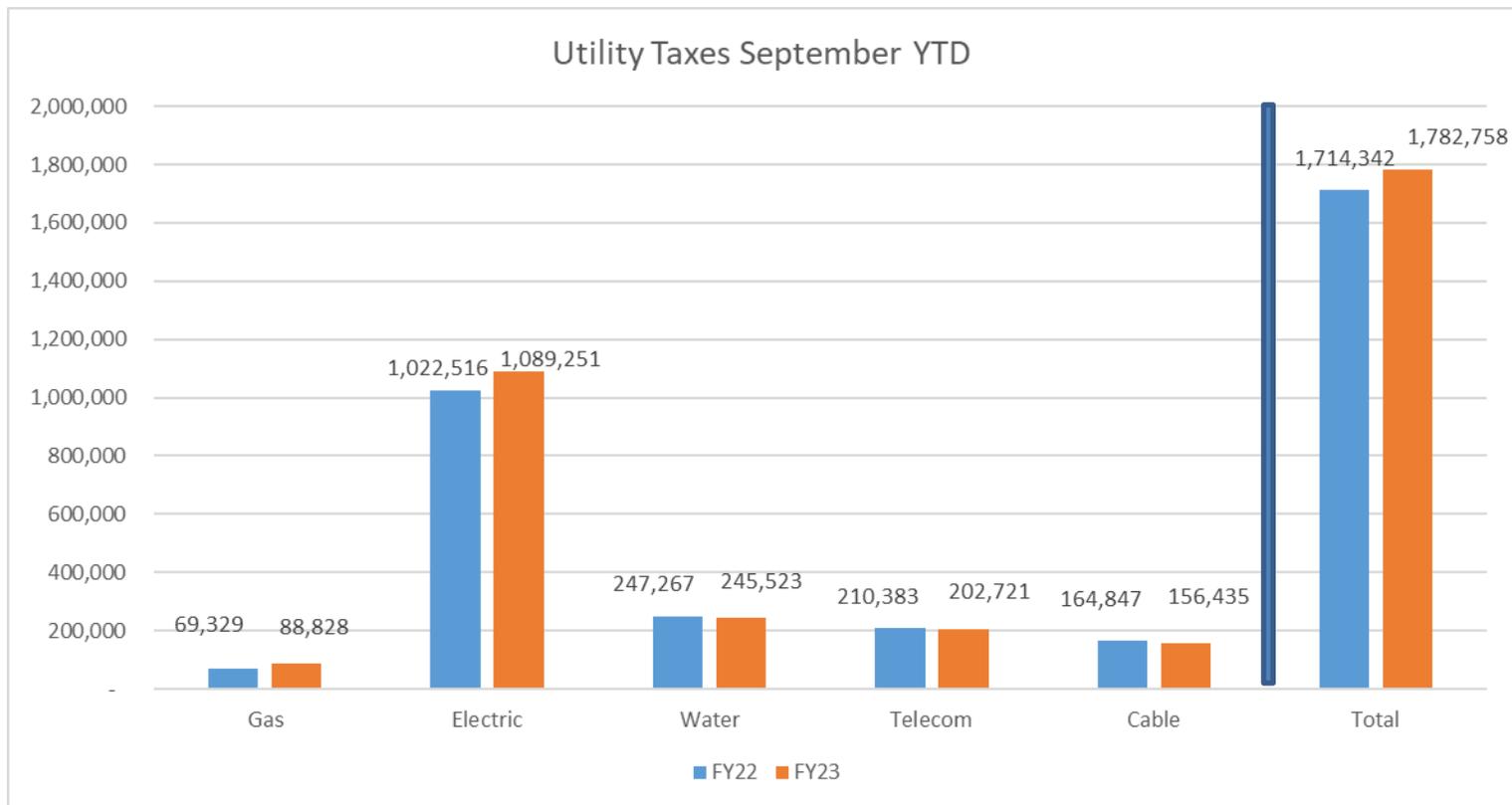


Salaries/wages for General Employees (all employees excluding Police and Fire) were at 25.5% of budget and showed a decrease of 19.8% when compared to FY22. After seven (7) pay periods, the budget should be at 26.9%. The reason for the large variance can be attributed to the one-time employee payment that was made in September of the previous fiscal year. The payment was approximately \$1,200,000 and was funded by the American Rescue Plan Act. As was adopted by the Council during the budget process, all general employees are scheduled for a 2% COLA increase effective January 1st.

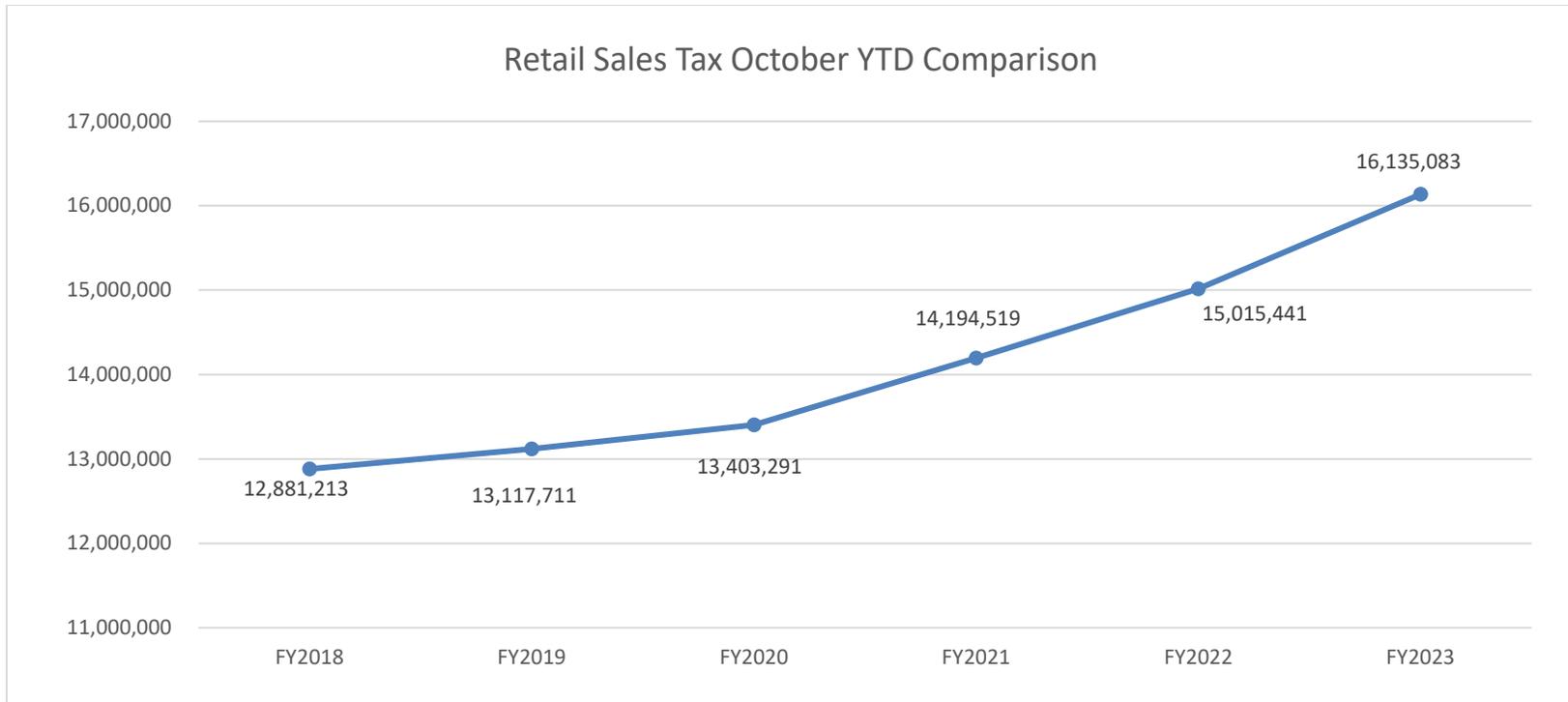
Salaries - Police & Fire														
FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY23 Total	% Change
2022	1,320,067	1,273,360	2,218,659	1,286,060	1,312,647	1,315,328	1,328,208	1,293,430	1,983,062	1,316,888	1,307,933	1,322,401	4,812,086	
2023	1,375,333	1,360,957	2,027,049	0	0	0	0	0	0	0	0	0	4,763,338	
Variance	(55,266)	(87,597)	191,610	1,286,060	1,312,647	1,315,328	1,328,208	1,293,430	1,983,062	1,316,888	1,307,933	1,322,401	48,748	1.01%



Salaries/wages for the Police and Fire departments were at 23.7% of budget and showed a decrease of 1.0% when compared to FY22. After seven (7) pay periods, the budget should be at 26.9%. The gap in September is represented by the program approved by Council in FY22 for \$300,000 that provided incentive payments to police officers who stay on with the City. These were funded with salary savings due to vacancies within the department. In September of this fiscal year, Council passed an ordinance to implement pay increases and raise the starting pay of officers in order to help recruit and reduce vacancies within the department. The new rates begin October 1st and will be a total impact of \$1,339,921 for the remainder of the fiscal year, and \$1,786,562 annually going forward (depending on the number of vacancies that become filled). In addition, Council recently passed an ordinance for the Fire Department to increase salaries 1%. A Police Tax will be on the ballot in November as a means to fund these increases for future years. If not passed, services and other sources will likely be evaluated for reduction or elimination.



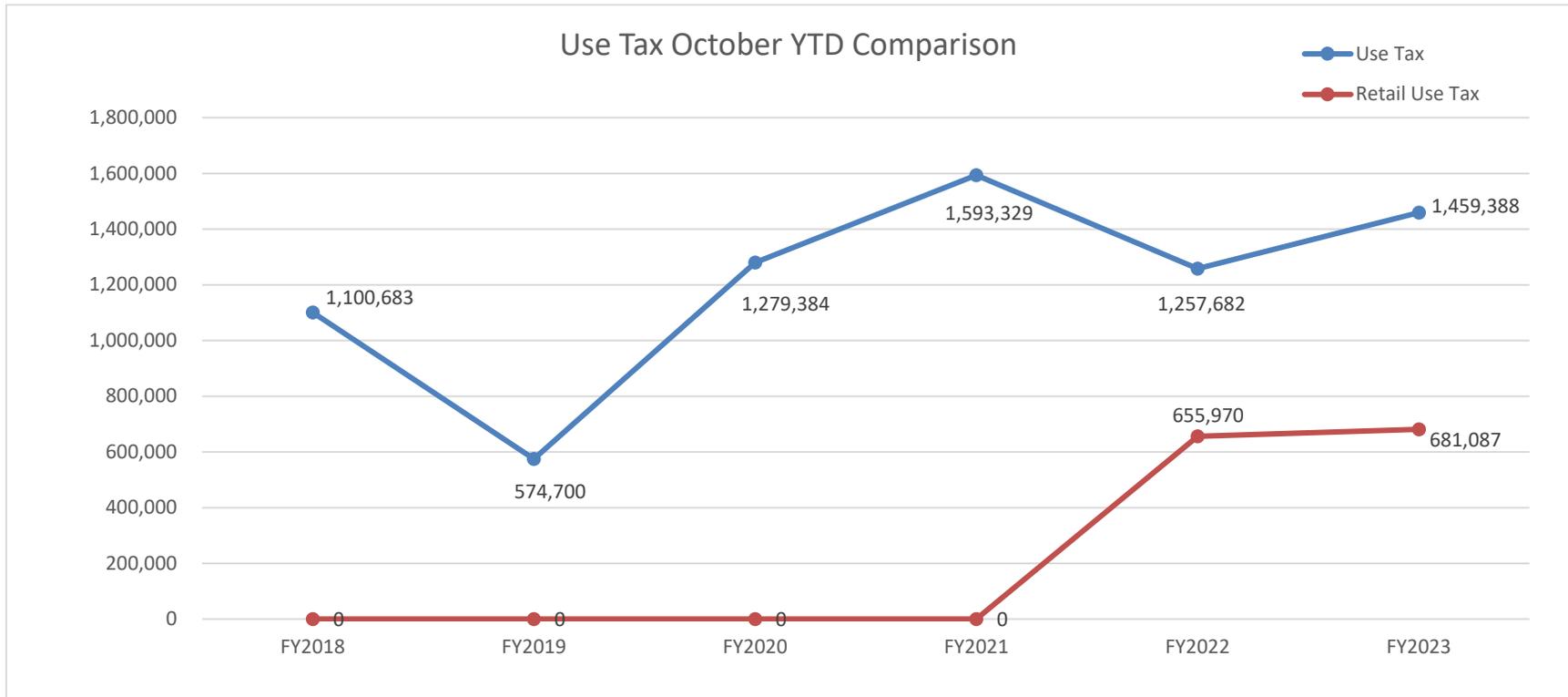
Overall, utility taxes were 4.0% above totals of the previous fiscal year. Gas and Electric were up by a combined total of \$86,234. A gas rate increase of 39 cents per hundred cubic feet of gas began in December of 2021 to cover rising costs. An increase in the electric utility appears to be on the horizon as well. Water was flat but will likely experience a climb if drought conditions continue. Telecom was 3.6% less than a year ago. Cable showed a larger decrease of 5.1% from the previous year. Revenues for telecom and cable have been in decline for several years now.



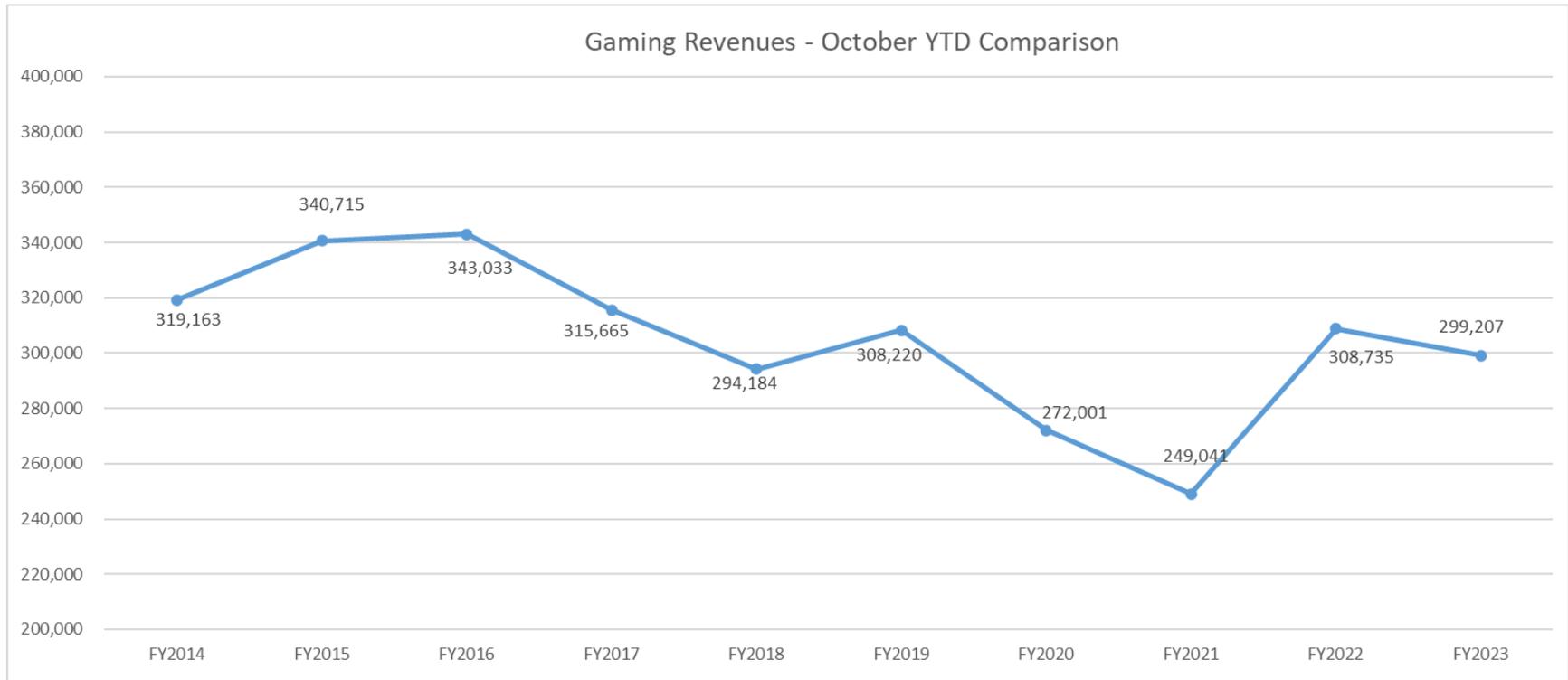
October collections showed an increase of 6.3% more than the October of FY22. Year to date totals are up 7.5% (\$1,119,642) compared to one year ago. This was the lowest monthly total to date at \$3,715,275. Prior to this month, the average collection had been just over \$4.1 million. Regarding budget, revenues are at 37.2% of budget which is 3.9% above trend (\$1,673,010).

We are now a third of the way through the fiscal year. Although sales tax was the lowest month collection to date, historically the sales tax is cyclical and will have a down month every three to four months. If this is a down month, then we are in good shape. However, if we have two lower months in a row then it may be an indication that we have reached a plateau. Interest rates continue to rise in an attempt to fight inflation. There may be some signs of leveling off, but prices won't likely drop anytime soon. Staff will begin formulating projections in November.

Parks sales tax (not included in the gross retail sales tax figure) has generated \$2,776,037 (4.6% above budget). This tax is dedicated to Parks improvement projects and capital equipment. The sales tax will not be rolled into the retail sales tax until there is a full year to draw comparisons (went into effect January of 2022).



The total use tax is the net of the retail use tax allocated to the other funds/programs (General fund, Public Safety, CIP, and Transit). Total use tax continues to do well generating 18.0% more than this time in FY22, an increase of \$226,823. Street Enhancement Tax showed a jump of 16.0% compared to the previous year, and well above target by 7.2% (\$259,388). Retail Use Tax has collected 3.8% more (\$25,117) and 4.5% above budget. After the first four months, it's looking apparent that these two revenues will swing back and forth throughout the year.



Gaming collections show a slight decrease of 3.1%, but on pace with the \$900,000 budget. Revenues have returned close to pre-COVID levels. The budget will be re-evaluated in November, but projections look to be accurate at this point.