



Legislation Text

File #: 22-032, **Version:** 1

FROM:

Jeff Zuba, Finance & Administrative Services Director

SUBJECT:

Revenue and Expenditure Reports, November 2021

RECOMMENDATION

Approve the monthly year-to-date Revenue and Expenditure Reports and corresponding activity for the period ending through November 30, 2021.

BACKGROUND

Every reporting period end, the Town of San Anselmo presents to the Town Council its operations as shown on the Revenue and Expenditure reports for discussion and approval. The Revenue and Expenditure reports are year-to-date summaries of revenues and expenditures from the Town's financial system ('Tyler Incode') for both the current as well as the prior corresponding fiscal year. These reports include the General Fund's operations given most of the Town-level operational activities are processed through the General Fund either directly or indirectly. This approval is to be obtained once a month within the fiscal year.

ANALYSIS

The revenue and expenditure data through November 30, 2021, is a compilation of all operating activity that is year-to-date for the current and prior fiscal year. These reports are sourced directly from the Town's financial system, of which a corresponding analysis has been performed identifying the key trends the Town Council should take note about.

Revenues

Overall, through the November 2021 reporting period end, the Town's General Fund revenue has expanded its base relative to prior year by \$0.224M. This is primarily from the increase in property taxes, sales taxes, business construction permits, and fines offset by transfers in. All other activity is either flat year-over-year or nets correspondingly to an immaterial change-all of which are within management's expectations.

Category	NOV YTD FY21	NOV YTD FY20	\$ Change	% Change
Property Tax	165,544.95	6,288.67	159,256.28	2532.43%
Sales Tax	472,681.29	318,172.55	154,508.74	48.56%
Property Transfer Tax	52,084.70	37,212.16	14,872.54	39.97%
Franchise Taxes	208,730.65	199,776.94	8,953.71	4.48%
Licenses & Permits	466,347.83	447,738.50	18,609.33	4.16%
Fines	30,806.85	17,338.73	13,468.12	77.68%
Cash & Investment Interest	3,593.71	4,781.79	(1,188.08)	-24.85%
Intergovernmental	46,419.70	48,872.43	(2,452.73)	-5.02%
Other Fees	112,889.93	120,961.76	(8,071.83)	-6.67%
Transfers In	80,694.00	213,998.92	(133,304.92)	-62.29%
Total	1,639,793.61	1,415,142.45	224,651.16	15.87%

As shown above, the Town's revenue base overall increased by \$0.224M of which is driven by Property Taxes, Sales Tax, Licenses & Permits, and Fines:

- Property Taxes increased by \$0.159M compared to the prior period due to timing of collections from the County.
- Sales Taxes increased by \$0.154M compared to the prior period is a result of improving economic conditions from the COVID-19 Pandemic conditions within the Town's boundaries. With greater confidence in security and safety of public health, consumer sentiment is rising giving way to increased sales transactions.
- Construction Business Permits increased by \$0.018M following the rising sentiment like Sales Taxes being collected.
- Fines increased by \$0.013M mainly due to parking enforcement.

The largest decrease to note (\$0.133M) are transfers into the General Fund. Due to the Covid-19 pandemic \$0.060M was returned in FY20 to the General Fund from the Robson House Fund as the project for dry rot repair and exterior painting was put on hold. The remaining amount relates to the transfer in from the Gas Tax fund which is still being reviewed and has not been recorded in the general ledger as of November 31. As far as the other revenue streams, these changes either decreased or remained relatively flat year-over-year resulting in an immaterial change.

Expenditures

Overall, through the November 2021 reporting period end, the Town's General Fund expenditures have increased compared to the prior year by \$0.439M. This is primarily from increases in compensation, CalPERS retirement payments, Outside Services, and Transfers out. All other activity is either flat year-over-year or nets correspondingly to an immaterial change-all of which are within management's expectations.

Category	NOV YTD FY21	NOV YTD FY20	\$ Change	% Change
Compensation	1,329,878.80	1,260,185.59	69,693.21	5.53%
Retirement	753,693.44	661,438.44	92,255.00	13.95%
Training	14,077.05	2,488.00	11,589.05	465.80%
Outside Services	4,616,836.10	4,414,492.60	202,343.50	4.58%
Maintenance	51,054.11	46,737.16	4,316.95	9.24%
Utilities	77,415.25	71,247.89	6,167.36	8.66%
Supplies	42,643.50	61,555.38	(18,911.88)	-30.72%
Debt Service	-	-	-	-
Other Expenditure	40,940.68	23,806.91	17,133.77	71.97%
Transfers Out	1,263,517.00	1,208,517.00	55,000.00	4.55%
Total	8,190,055.93	7,750,468.97	439,586.96	5.67%

As shown above, the Town's expenditures base overall increased by \$0.439M of which is driven by Compensation, CalPERS Retirement payments, Outside Services, and Transfers Out payments:

- Compensation (Salaries & Wages and Benefits) increased by \$0.069M compared to the prior fiscal year primarily due to the 5% maximum salary reduction put in place for the previous fiscal year. This salary reduction affected both SEIU and Unrepresented Town employees through the end of the 2021 fiscal year.
- Expenditures relating to CalPERS retirement increased by \$0.090M due to the Town's required unfunded pension liability payment. The required retirement payment to CalPERS is a combination of both the contribution for the active and retired employees. This payment increased by \$80,985 as compared to the previous fiscal year.
- Outside Services increased by \$0.202M compared to the previous fiscal year due to the changes in payments for Public Safety JPA's.
- Transfers to other funds increased by \$0.055M due to Town Council recognizing the need to devote resources towards implementing its Climate Action Plan.

As far as the other expenditure streams, these changes either slightly changed or remained flat year-over-year resulting in an immaterial change. The largest increase within this pool of remaining costs is the other expenditure of \$0.017M for traffic control materials. All other changes are taken together overall immaterial for further discussion and are expected given the Town's operations.

CONCLUSION

As inspected, the Town's financial position is continuously improving compared to the prior fiscal year given the economic recovery from the COVID-19 Pandemic. In anticipation through the end of the current fiscal year, these trends are expected to continue with increased revenue collection from this positive economic traction.