



Legislation Text

File #: 22-222, **Version:** 1

FROM:

Jeff Zuba, Finance & Administrative Services Director

SUBJECT:

Revenue and Expenditure Reports, April 2022

RECOMMENDATION

Approve the monthly year-to-date Revenue and Expenditure Reports and corresponding activity for the period ending through April 30, 2022.

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 April 30, 2022, 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 April 2022 reporting period end, the Town's General Fund revenue has expanded its base relative to prior year by \$0.700M. This is primarily from the increase in property taxes, sales taxes, and fines offset by licenses and permits and 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	APR YTD FY22	APR YTD FY21	\$ Change	% Change
Property Tax	14,127,023.53	13,246,003.17	881,020.36	6.65%
Sales Tax	1,058,852.71	830,925.51	227,927.20	27.43%
Property Transfer Tax	122,440.00	97,866.00	24,574.00	25.11%
Franchise Taxes	614,333.96	571,642.03	42,691.93	7.47%
Licenses & Permits	994,671.25	1,030,899.17	(36,227.92)	-3.51%
Fines	64,244.01	34,902.33	29,341.68	84.07%
Cash & Investment Interest	7,257.53	11,186.30	(3,928.77)	-35.12%
Intergovernmental	129,997.51	114,654.47	15,343.04	13.38%
Other Fees	243,396.69	248,913.99	(5,517.30)	-2.22%
Transfers In	290,168.60	352,907.87	(62,739.27)	-17.78%
Total	17,652,385.79	16,539,900.84	1,112,484.95	6.73%

As shown above, the Town's revenue base overall increased by \$1.11M of which is driven by Property Taxes, Sales Tax, Franchise Taxes and Fines:

- Property Taxes increased by \$0.832M compared to the prior period due to increased values on properties due to the active real estate market.
- Sales Taxes increased by \$0.227M 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.
- Franchise Taxes increased by \$0.042M compared to the prior period due to rate increases by the service providers.
- Fines increased by \$0.029M compared to the prior period as enforcement returns to normal following relaxed protocols during the height of the pandemic.

The largest decrease to (\$0.062M) 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. 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 April 2022 reporting period end, the Town's General Fund expenditures have increased compared to the prior year by \$0.746M. This is primarily from increases in compensation, CalPERS retirement payments, Outside Services, and other expenditures. 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	APR YTD FY22	APR YTD FY21	\$ Change	% Change
Compensation	2,679,437.16	2,449,547.84	229,889.32	9.38%
Retirement	845,755.73	745,560.26	100,195.47	13.44%
Training	26,229.33	8,770.68	17,458.65	199.06%
Outside Services	9,262,704.69	8,853,408.61	409,296.08	4.62%
Maintenance	112,128.96	96,280.63	15,848.33	16.46%
Utilities	165,047.95	178,749.90	(13,701.95)	-7.67%
Supplies	101,759.09	90,803.13	10,955.96	12.07%
Debt Service	117,132.54	116,857.77	274.77	0.24%
Other Expenditure	119,422.65	58,610.76	60,811.89	103.76%
Transfers Out	1,263,517.00	1,348,517.00	(85,000.00)	-6.30%
Total	14,693,135.10	13,947,106.58	746,028.52	5.35%

As shown above, the Town's expenditures base overall increased by \$0.746M of which is driven by Compensation,

CalPERS Retirement payments, Outside Services, and Transfers Out payments:

- Compensation (Salaries & Wages and Benefits) increased by \$0.230M 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. In addition, the employee groups received cost of living adjustments on July 1, 2021, and January 1, 2022.
- Expenditures relating to CalPERS retirement increased by \$0.098M 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 decreased by \$0.409M compared to the previous fiscal year due to the changes in payments for Public Safety JPA's and construction project activity.
- Transfers to other funds decreased by \$0.085M due to mid-year budget transfers in the previous fiscal year for project activity.

As far as the other expenditure streams, these changes either slightly changed or remained flat year-over-year resulting in an immaterial change. 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.

Attachment #1: Revenue and Expenditure Report by subcategory, April 2022

Attachment #2: Expenditure Report by department, April 2022