



City Council Weekly Information Packet

Friday, July 29, 2022

Includes the following documents/information:

- 1) City Council Events Schedule
- 2) State and Federal Update & Grant Opportunities
- 3) Fiscal Year (FY) 2022-2023 Budget in Brief
- 4) 2022 Comparative Cost of Service Report
- 5) Tax Revenue Statistic Report – June 2022



City Council Events Schedule

July 28, 2022 thru October 22, 2022

The Mayor and City Council have been invited to attend various community meetings and public and private events at which a quorum of the City Council may be present. The Council will not be conducting city business, nor will any legal action be taken. This is an event only and not a public meeting. A list of the community meetings and public and private events along with the schedules, dates, times, and locations is attached. Organizers may require a rsvp or fee.

Thur	Aug 4	4:00 p.m. – 5:00 p.m.	Ribbon Cutting Ceremony: Shark Fin Gear Location: Shark Fin Gear 6125 S. Ash Avenue, Ste B5 Tempe, AZ
Fri	Aug 5	11:00 a.m. – 12:00 p.m.	Ribbon Cutting Ceremony: Purpose Community Goal Network Location: Connections Café 3500 S. Rural Road Tempe, AZ
Thur	Aug 11	5:00 p.m. – 7:00 p.m.	The Westin 1 Year Anniversary Celebration Location: The Westin Tempe 11 E. 7 th Street Tempe, AZ
Tues	Aug 16	6:00 p.m. – 7:30 p.m.	Career Ready Tempe Celebration Event Location: Tempe Transportation Center 200 E. 6 th Street Tempe, AZ
Tues – Fri	Aug 30 – Sept 2	All Day	2022 League Annual Conference Location: The Renaissance 9495 W. Coyotes Boulevard Glendale, AZ 85305
Thur	Oct 6	5:30 p.m. – 10:30 p.m.	Tempe Sister Cities 50 th Anniversary Gala Location: Double Tree Phoenix-Tempe 2100 S. Priest Drive Tempe, AZ
Thur	Oct 6	9:00 a.m. – 12:00 p.m.	Tempe Sister Cities – Mayor Leadership Roundtable Discussion Location: Tempe History Museum 809 E. Southern Avenue Tempe, AZ

Wed	Oct 12	5:30 p.m. – 9:00 p.m.	39th Don Carlos Humanitarian Awards Location: SRP PERA Club 1 E. Continental Drive Tempe, AZ
Sat	Oct 22	3:00 p.m. – 7:00 p.m.	Getting Arizona Involved in Neighborhoods Location: Various locations Tempe, AZ

07/28/2022 JR

MEMORANDUM



TO: Mayor and City Council
THROUGH: Andrew Ching, City Manager
FROM: Marge Zylla, Government Relations Officer
DATE: July 29, 2022
SUBJECT: State and Federal Update & Grant Opportunities

Below are summaries of recent actions and announcements at the state and federal level:

- CHIPS & Science Bipartisan Act Passes House & Senate
- House Passes CHIPS and Science Act, Goes to President Biden for Signature
- CHIPS Support Letter, Arizona Mayors
- Respect for Marriage Act Support Letter
- National League of Cities Leadership Meeting

Please let me know if there are follow-up questions for Tempe's federal lobbyist. Also, please let me know if Tempe staff members are pursuing federal grants so we can arrange for letters of support from our Congressional delegation.

CHIPS & Science Bipartisan Act Passes House & Senate

Via Greater Phoenix Economic Council (GPEC), 7/28/22

Today was a historic day, as Congress took a vital step in supporting the U.S. economy, workers and global competitiveness by passing the CHIPS and Science Act, investing \$52 billion in domestic semiconductor production including grants for semiconductor manufacturing, design and 5G wireless deployment and a 25 percent tax credit for new semiconductor manufacturing facilities. Over the past two years, a bi-partisan group of lawmakers have been working on a federal program to secure the supply of semiconductors made in the United States. The impact of semiconductor manufacturing stretches from the use of consumer products like mobile phones, cameras and washing machines to national security and everything in between. We'd like to thank House and Senate leadership, along with Senators Kelly and Sinema and Representatives Gallego, Grijalva, Kirkpatrick, O'Halleran and Stanton, for supporting the CHIPS Act, advocating on behalf of the region, country, semiconductor ecosystem and our community and for taking action to secure its future.

This bi-partisan bill comes at a crucial moment, signaling to the rest of the world that we are prioritizing domestic manufacturing and supply chains. With rising material, construction and labor costs, and issues stemming from global conflicts and the reverberating effects of the COVID-19 pandemic, investing in STEM education and domestic semiconductor production will enhance global competitiveness — bringing semiconductor manufacturing to U.S. hubs like Greater Phoenix, providing jobs and bolstering the region's manufacturing economy for decades to come.

House Passes CHIPS and Science Act, Goes to President Biden for Signature

Via US Conference of Mayors, 7/28/22

On Tuesday came the good news from the United States Senate with the 64-32 vote, they passed the CHIPS and Science Act. This afternoon, the U.S. House of Representatives took the bill up and passed it 243-187. It was a bipartisan vote, despite a late attempt by the House Republican leadership to whip votes against the legislation in retaliation for the reports yesterday that Senate Majority Leader Chuck Schumer of New York and Senator Joe Manchin of West Virginia had come together to introduce a reconciliation package called the Inflation Reduction Act of 2022, which makes fighting climate change and deficit reduction two of its major priorities.

The CHIPS and Science Act will seriously boost the United States' domestic microchip production and bring new research and development dollars to our university and college towns.

This legislation now goes to President Joe Biden for his signature.

CHIPS and Science Act Support Letter, Arizona Mayors

Mayor Woods reaffirmed his support for the CHIPS and Science Act in another letter this week. This letter was sent from Arizona mayors to the Arizona Congressional delegation. The letter is attached.

Respect for Marriage Act Support Letter

This week, Mayor Woods joined mayors throughout the country in signing a letter to U.S. Senate leaders, circulated by the U.S. Conference of Mayors, registering support for HR 8404, the Respect for Marriage Act, and urging them to bring it up and pass the act before they recess. The text of the letter is below.

The Honorable Charles E. Schumer
Majority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Mitch McConnell

Minority Leader
United States Senate
S-230, The Capitol
Washington, DC 20510
Dear Leader Schumer and Leader McConnell,

On behalf of The United States Conference of Mayors, we urge you to pass the bipartisan H.R. 8404, the Respect for Marriage Act. The U.S. Conference of Mayors, which has supported policies advancing civil rights since the 1960s and LGBTQ rights since 1984, calls on you to protect this fundamental freedom to marry for all our residents.

The bill, if fully enacted, would ensure that marriage equality is protected as the law of the land. Following the recent decision by the conservative majority on the Supreme Court to overturn *Roe v. Wade* and the signal sent that other rights, like the right to same-sex and interracial marriage, are potentially under attack, this legislation will provide certainty to all the families who are at risk.

In brief, H.R. 8404 Respect for Marriage Act would:

- **Repeal the Defense of Marriage Act (DOMA):** The Supreme Court effectively rendered DOMA inert with its landmark decisions in *United States v. Windsor* and *Obergefell*. The bill would repeal this statute once and for all.
- **Enshrine Marriage Equality for Federal Law Purposes:** The bill requires, for federal law purposes, that an individual be considered married if the marriage was valid in the state where it was performed. This gives LGBTQ and interracial couples additional certainty that they will continue to enjoy equal treatment under federal law as all other married couples—as the Constitution requires.
- **Provide Additional Legal Protections from Individuals Seeking to Undermine Marriage Equality While Acting Under State Law, including for Out-of-State Marriages:** The bill prohibits any person acting under state law from denying full faith and credit to an out-of-state marriage based on the sex, race, ethnicity or national origin of the individuals in the marriage, provides the Attorney General with the authority to pursue enforcement actions, and creates a private right of action for any individual harmed by a violation of this provision.

Quick passage of this legislation is a critical step to defending the right to marry for all our residents. America's cities are the bastions of equality, opportunity, and progress. We cannot risk that couples in LGBTQ or interracial marriages could be denied the right to legal protections that other couples take for granted. America's mayors will always push back against discrimination and uplift our core values of equality and fairness.

We urge you to bring this legislation to the floor and pass it before departing for the August district work period. By doing this, you will provide much needed stability and certainty to the many families who are dependent upon these protections that safeguard them and their families. America's mayors are ready to work with the Senate to pass this law and others to ensure that Americans' rights and freedoms are always protected.

National League of Cities Leadership Meeting

The National League of Cities (NLC) held their Leadership and Board meetings in Atlanta, GA this week. Councilmember Joel Navarro and Councilmember Doreen Garlid attended. Councilmember Navarro serves on the NLC Board of Directors and as Chair of the Public Safety & Crime Prevention Committee. Councilmember Garlid serves on the Human Development Committee. One of the action items from the Board of Directors during the meetings was to formally recognize the Indigenous Municipal Officials Network, which is a constituency group that Councilmember Garlid has worked to develop and grow. More information about the National League of Cities is at [this link](#).

July 27th, 2022

Dear Members of the Arizona Congressional Delegation,

We write to urge the swift passage of CHIPS and Science Act of 2022 which would allow for the investment of \$54.9 billion in semiconductor manufacturing incentives and research initiatives over the next 5-10 years to strengthen and sustain American leadership in chip technology.

Semiconductors play a critical role in our economic and national security. Given the rise of global instability, now is as important as ever to enhance our manufacturing independence of semiconductors in America. To protect our national security, we must have the semiconductor manufacturing capacity required of our armed services today being developed and manufactured in America and not overseas.

Semiconductors enable advances in medical devices and health care, communications, computing, defense, transportation, and clean energy, as well as technologies of the future such as artificial intelligence, quantum computing, and advanced wireless networks. If passed, this legislation would address future supply shortages in tech manufacturing, create jobs, and lays the foundation for innovations in science and technology to keep America competitive in the global economy.

In addition, the CHIPS and Science Act of 2022 provides funding to expand science, technology, engineering, and math (STEM) education and experiential learning opportunities to strengthen the pipeline of students entering the STEM workforce, especially from traditionally underrepresented groups including women and communities of color. This funding includes investments in STEM research and development to help scale up effective PreK-12 STEM education innovations, boosting academic preparedness and leading to better long-term outcomes for children and families. It also supports additional undergraduate scholarships, graduate fellowships, and post-doctoral awards, further strengthening our STEM workforce.

Incentivizing domestic production of semiconductors, committing to significant increases in research and development, and investing in a high-tech workforce of the future is critical to the economic strength of the state of Arizona and its cities.

For all the reasons identified the House must pass the CHIPS and Science Act of 2022. . Americans deserve access to economic opportunity. We urge Congress to come together to move this critical bipartisan package forward.

Sincerely,



Mayor Kate Gallego
City of Phoenix



Mayor John Giles
City of Mesa



Mayor Kevin Hartke
City of Chandler



Mayor Brigette Peterson
City of Gilbert



Mayor Cathy Carlat
City of Peoria



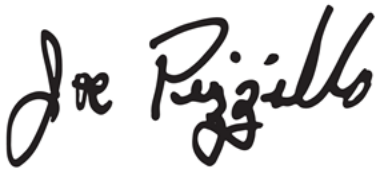
Mayor Regina Romero
City of Tucson



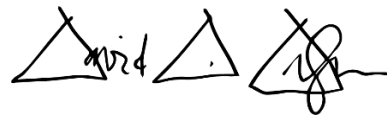
Mayor Corey Woods
City of Tempe



Mayor Jerry Weiers
City of Glendale



Mayor Joe Pizzillo
City of Goodyear



Mayor David Ortega
City of Scottsdale

MEMORANDUM



TO: Mayor and Council
FROM: Mark Day, Municipal Budget Director
DATE: July 29, 2022
SUBJECT: Fiscal Year (FY) 2022-2023 Budget in Brief

This week the Municipal Budget Office has published the annual Budget in Brief report as a way for members of the community to review essential elements of the city's budget. The FY 2022-23 Budget in Brief report is posted on the Municipal Budget Office's web page, tempe.gov/budget.

The report is a reader-friendly version of the City's annual budget document that is a useful source of information for our residents. The Budget in Brief provides information on the overall city budget, where the city's money comes from and how it gets spent.

Making the budget document easier to understand is one of the recommended best practices from the Government Finance Officers Association (GFOA). The Budget in Brief report also contributes to the achievement of performance measure 2.11 - Receive the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting annually for transparency and disclosure of information.

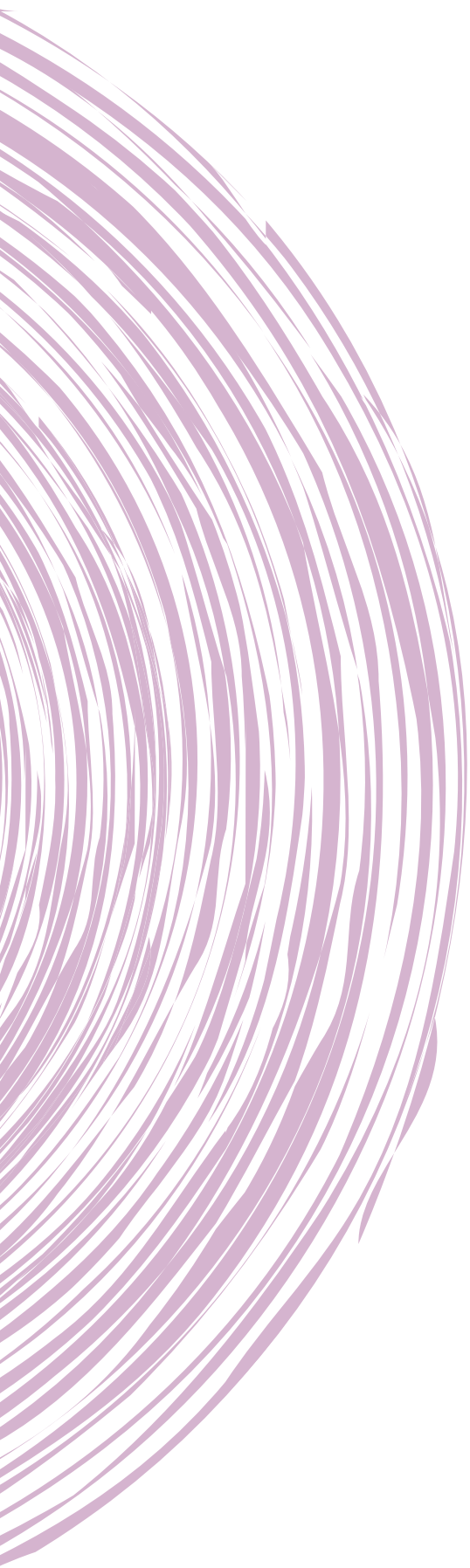
The annual budget document that provides budget information in much greater detail will continue to be published.

Please let me know if you have any questions.



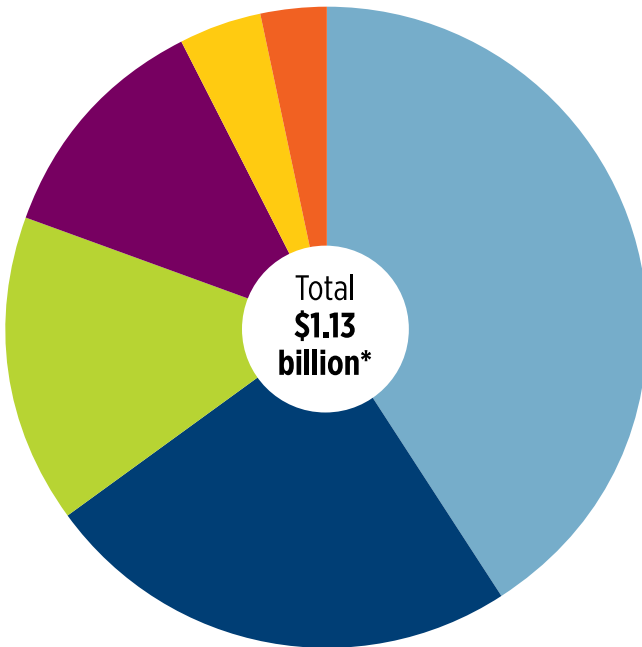
Tempe

Budget in Brief
Fiscal Year (FY) 2022-2023
July 1, 2022 - June 30, 2023



City Budget

BUDGET BY FUND TYPE



Capital Projects \$461.1 million

Accounts for the capital program to maintain and/or improve the city's infrastructure.

General \$272.4 million

Represents the general operating fund of the city. Funds are used to support city services such as library, Tempe PRE, park maintenance, recreation programs, police, fire, planning and more.

Special Revenue \$175.5 million

These funds are restricted for specific purposes. These include Transit (light rail, buses) Arts & Culture (History Museum, Tempe Center for the Arts), Highway User Revenue Fund (HURF) (street maintenance), Community Development Block Grant (CDBG)/Section 8 (housing assistance) and grants.

Enterprise \$134.7 million

Used to account for operations that are paid for by the users of the service. This would include Water/Wastewater, Solid Waste, Emergency Medical Transportation and Golf operations.

Internal Service \$48.4 million

Accounts for revenue and expenses related to the city's health plans, risk management services and workers compensation.

Debt Service \$34.8 million

A fund to receive secondary property tax revenue that is used to make principal and interest payments on voter-approved bonds.

* excludes interfund transfers and internal service funds

WHERE DOES MY PROPERTY TAX PAYMENT GO?



Schools
50%

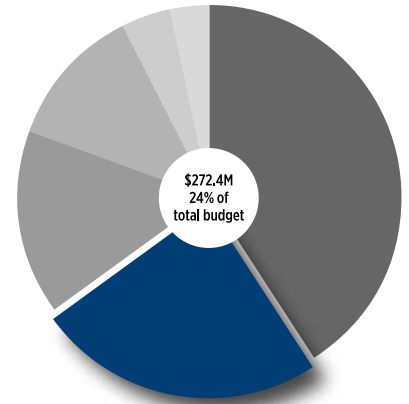
City
21%

County &
Special
Districts
18%

Community
Colleges
11%

GENERAL FUND | where the money comes from

M = Millions



Local Taxes

\$151.2M

Revenue from the city's sales tax of 1.8%, hotel/motel bed tax of 5% and franchise fees for the use of the city's right-of-way.



Miscellaneous

\$15.2M

Leases, facility rentals and other various revenues.



Intergovernmental

\$72.0M

Revenue shared by the state via statutory formula and includes state sales and income tax, and vehicle license tax.



Fines & Forfeits

\$3.6M

Court fines, parking tickets and other fines.



Primary Property Taxes

\$20.9M

The portion of the city's property tax that funds the general operations of the city.



Licenses & Permits

\$2.0M

Revenue from licenses and permits such as city sales tax license, building permits and right-of-way permits.



Charges for Services

\$13.5M

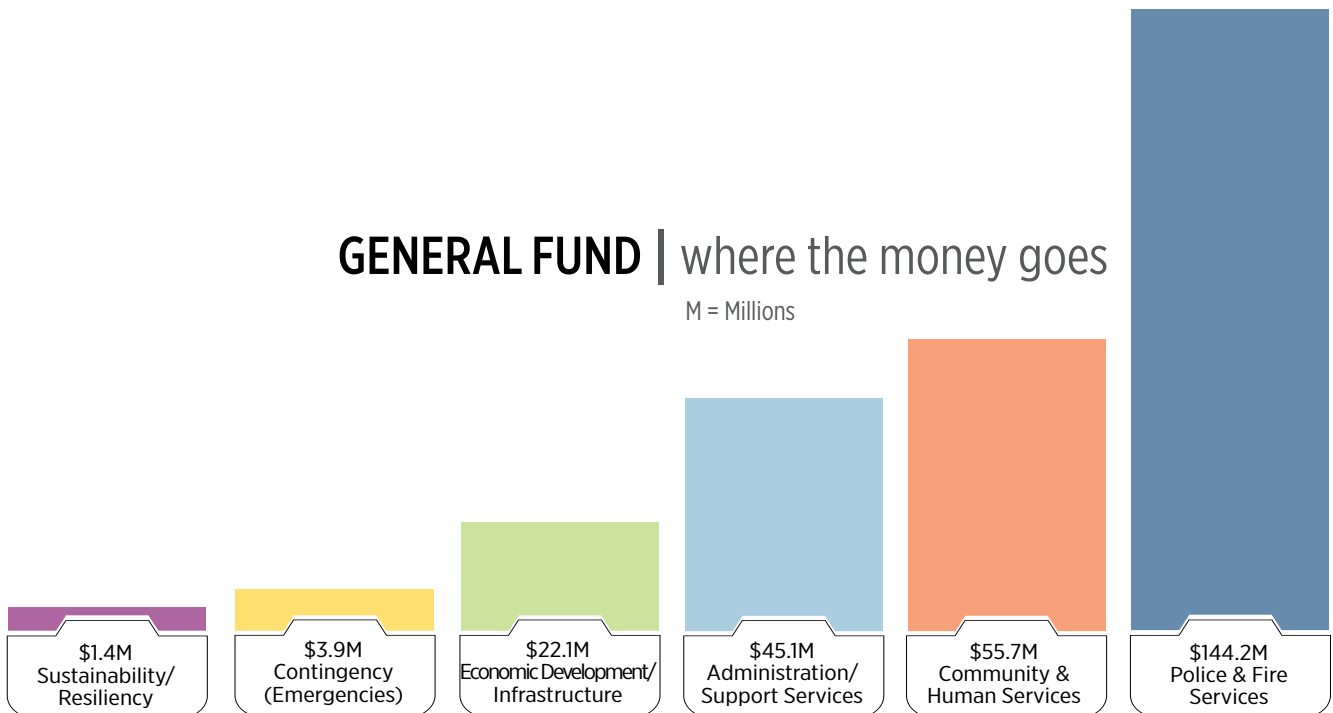
Fees collected for registration and admissions for the city's various recreational programs.



TOTAL \$280.9M

GENERAL FUND | where the money goes

M = Millions



ENTERPRISE FUNDS

The City of Tempe provides clean water, solid waste services, treats wastewater, showcases two golf courses, and offers ambulance transport. Residents pay for these services through their monthly water/solid waste bill or through payment of fees.

M = Millions



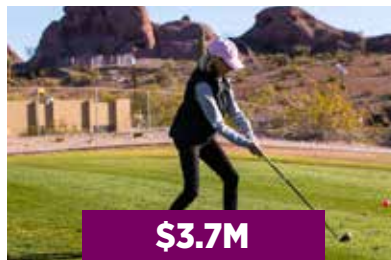
\$98.4M
Water/Wastewater



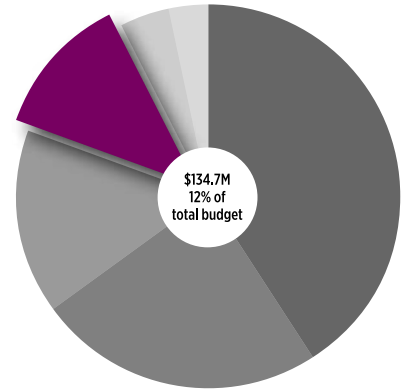
\$26.6M
Solid Waste



\$6.0M
Emergency Medical Transport




\$3.7M
Golf



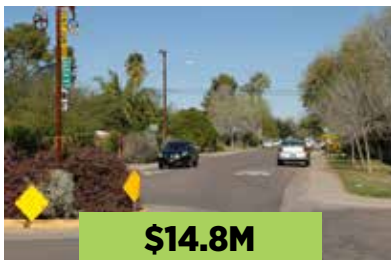
SPECIAL REVENUE FUNDS

The City of Tempe provides bus, light rail, streetcar and other public transit services, maintains streets and sidewalks, provides housing assistance and affordable housing opportunities, delivers arts & cultural programming, and offers services from grants and donations. The revenue used to provide these services is restricted in its use by the voters or legal requirements.

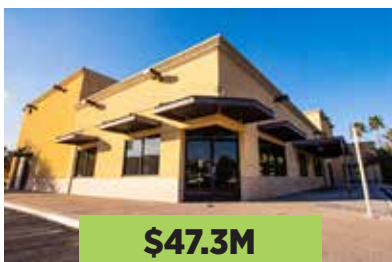
M = Millions



\$66.6M
Transit



\$14.8M
HURF



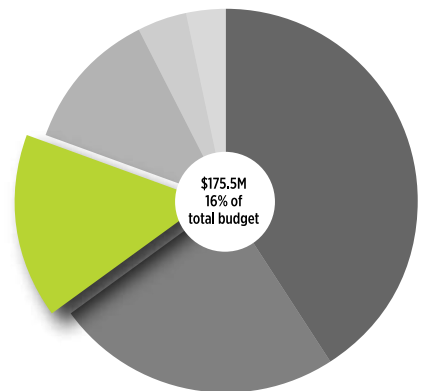
\$47.3M
CDBG/Section 8



\$11.7M
Arts & Culture



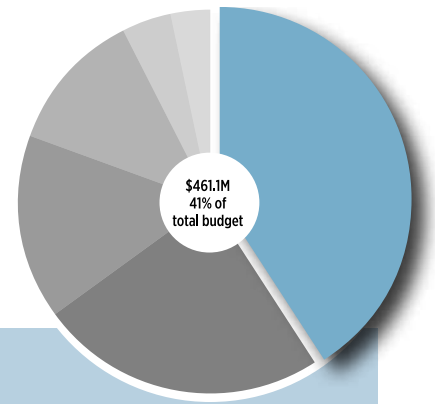
\$35.1M
Grants/Donations/
Restricted Revenue



CAPITAL PROJECTS | Tempe continues to improve

Tempe has a five-year capital plan that enables long-range, proactive planning for maintenance, improvements and expansions to the city's infrastructure. For FY 2022-23, Tempe will invest \$461.1 M for improvements to the City's Infrastructure.

M = Millions



Enterprise \$110.9M

Major Projects:

- Water Treatment Plant Maintenance & Upgrades
- Water Transmission & Distribution System (waterline replacement)
- Wastewater Collection System Upgrades & Improvements
- Golf Course Facilities & Asset Management

General Purpose \$250.9

Major Projects:

- Fire Medical Rescue Station #2
- Energy Conservation Programs
- Park Playground Equipment/Improvements
- Clark Park Pool & Amenities



Special Purpose \$47.1

Major Projects:

- Alameda Drive Bicycle/Pedestrian/Streetscape
- Multi-Use Path Maintenance
- Bus Stop Maintenance/Improvements

Transportation \$52.2

Major Projects:

- ADA Improvements: Right-of-Way
- Roadway Mill & Overlay (street repaving/sealing)
- Signal Equipment Upgrades



Refresh Tempe program

To learn more about how the city is making investments in parks, streets, golf courses and more, to improve the quality of life for all community members, visit tempe.gov/RefreshTempe

EMPLOYEES | Number of city employees

Permanent Positions

1,885.25 Full-Time/Part-Time FTE

Temporary (wage) Positions

283.51

Total number of employees: 2,168.76

FTE (Full-Time Equivalent)

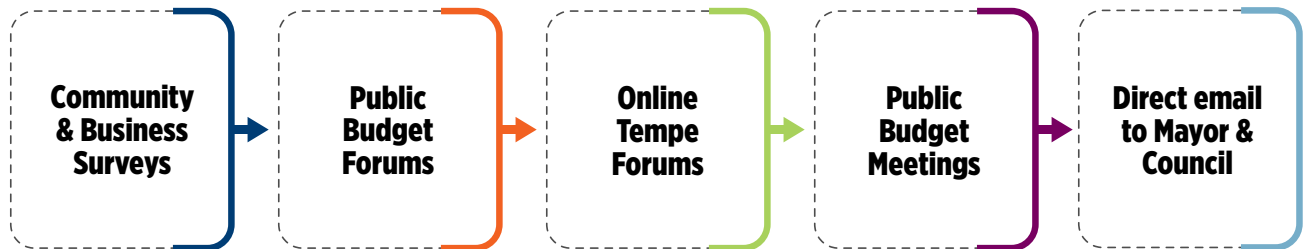
BUDGET PROCESS & COMMUNITY PARTICIPATION

How to Become Involved in the Budget Process

The City of Tempe values public input and participation in the budget process. To set priorities and craft the best possible budget, community input is critical. Learn more at tempe.gov/budget.



The City provides a variety of opportunities for residents to participate in the budget process.



COUNCIL PRIORITIES

The Tempe City Council has set five priorities for the community. We have developed over 100 performance measures to ensure that our city's actions and allocated resources reflect these priorities.



Safe & Secure Communities



Strong Community Connections



Quality of Life



Sustainable Growth & Development



Financial Stability & Vitality

WE ARE LISTENING

City Council provided direction to accelerate the achievement of 13 performance measures (PM) during the development of the FY 2022-23 budget to address the top priorities in the community. Acceleration strategies may include collaboration, shifting of resources, and providing additional budget funding. To learn more about the acceleration models, click on the performance measure title:

- Pavement Quality Index (PM 1.22)
- Feeling of Safety in Your Neighborhood (PM 1.05)
- Ending Homelessness (PM 3.28)
- Tree Coverage (PM 4.11)
- Carbon Neutrality – City Operations (PM 4.19)
- Feeling of Safety in Parks (PM 1.23)
- Transportation System Satisfaction (PM 3.29)
- Property Code Enforcements (PM 3.01)
- Housing Inventory Ratio (PM 4.09)
- Right of Way Landscape Maintenance (PM 3.23)
- Carbon Neutrality – Community (PM 4.18)
- Traffic Delay Reduction (PM 3.27)
- Addressing Opioids (PM 1.31)

Explore the Performance Measure dashboard at performance.tempe.gov to see how our city is progressing on all of its performance measures.



Tempe City Council

Corey D. Woods, **Mayor**

Jennifer Adams, **Vice Mayor**

Arlene Chin, **Councilmember**

Doreen Garlid, **Councilmember**

Berdetta Hodge, **Councilmember**

Randy Keating, **Councilmember**

Joel Navarro, **Councilmember**

Stay connected with us:

More City of Tempe budget details can be found at

tempe.gov/budget

Visit **tempe.gov** for city government news, alerts and service details.



City Hall, 31 E. Fifth Street
Tempe, AZ 85281
P: (480)350-4311

MEMORANDUM



TO: Mayor and Council
FROM: Scott Gruber, Municipal Budget & Financial Analyst
THROUGH: Mark Day, Municipal Budget Director
DATE: July 29, 2022
SUBJECT: 2022 Comparative Cost of Services Report

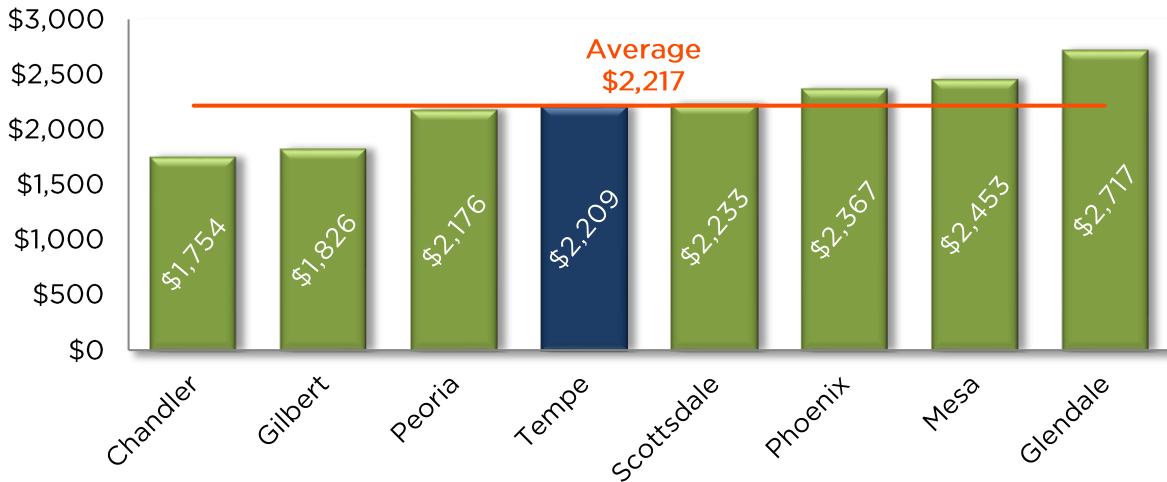
Each year the Municipal Budget Office performs an analysis of the estimated annual amounts paid by the typical residential Tempe household for direct services provided by the City of Tempe as well as the estimated total annual amount paid in City of Tempe property and transaction privilege (sales) taxes. These amounts are then compared to the estimated annual amounts paid by the same typical residential household in seven comparison cities in the Phoenix metropolitan area.

For purposes of this comparison, we utilized the property tax, sales tax, and utility service rates as of July 2022. The analysis assumed the same household consumption amounts for all cities for both water and wastewater services. However, for property tax purposes, we utilized the median single-family home value in each respective city in the analysis. The sales tax amounts are based on the Phoenix metropolitan area median household income. As such, this analysis is intended to reflect what the typical residential household would pay for each of the services or pay in taxes in their respective city.

Overview

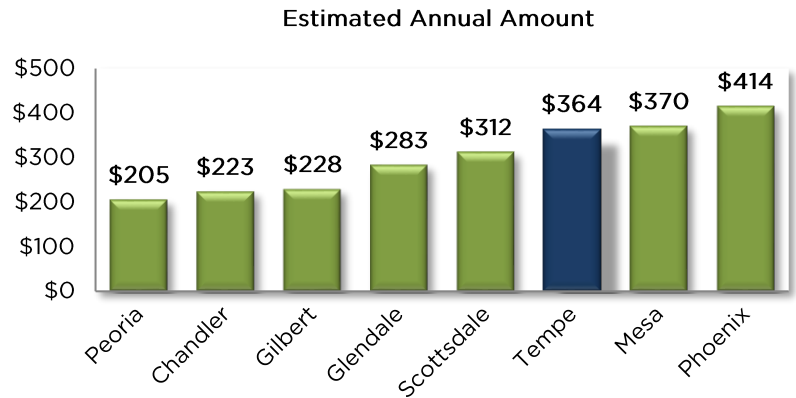
Average annual household cost for property tax, sales tax, water, wastewater, and solid waste services

Estimated Annual Cost



Solid Waste

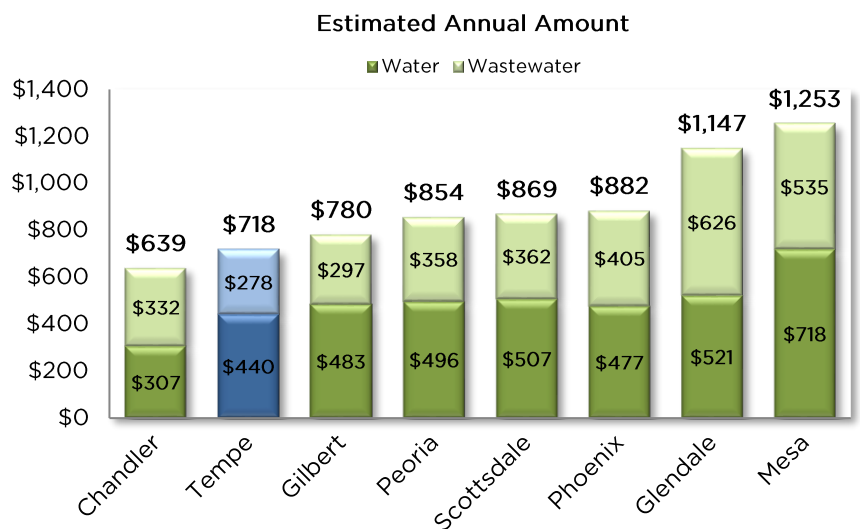
The annual amount for single family residential solid waste services is estimated at \$364 for the City of Tempe. The amounts noted are based on a residential customer with a once per week collection, based on the rates as of July 2022.



Water and Wastewater

The annual total amount for water and wastewater services for a single-family residential customer in the City of Tempe is estimated at \$718. The annual water charge is based on a typical single family residential monthly water consumption of 10,000 gallons, consistent with the most recent water rate study. It is assumed that this water consumption amount is applicable to the other cities in the comparison. As such, this consumption amount was applied to each respective city's water rates as of July 2022 to derive the annual water costs.

The billable gallons of wastewater are derived from a typical residential three-month winter average water consumption of 10,000 gallons (January – March billing statements), and then multiplied by a rate of return. For example, Tempe's rate of return is 70%. When multiplied by 10,000 gallons, the result is 7,000 billable wastewater gallons per month. It is assumed that the typical water consumption is applicable to the other cities. As such, this consumption was applied to each respective city's rate of return as of July 2022 to derive the annual wastewater costs.

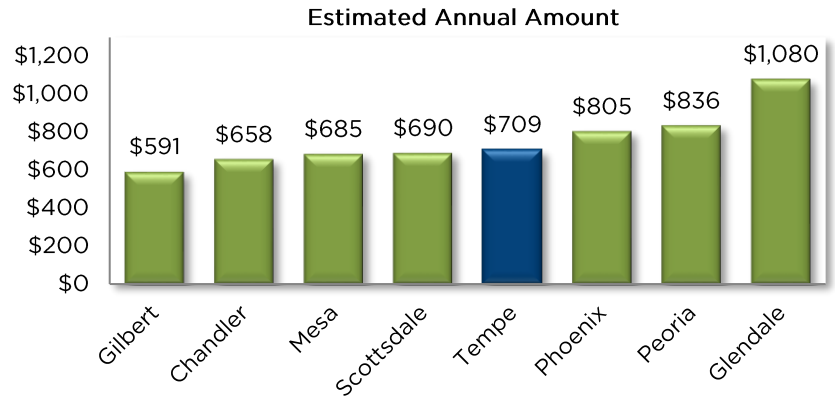


City Sales Tax

The annual amount that the typical Tempe residential household will pay in City of Tempe sales tax is estimated to be \$709 for 2022.

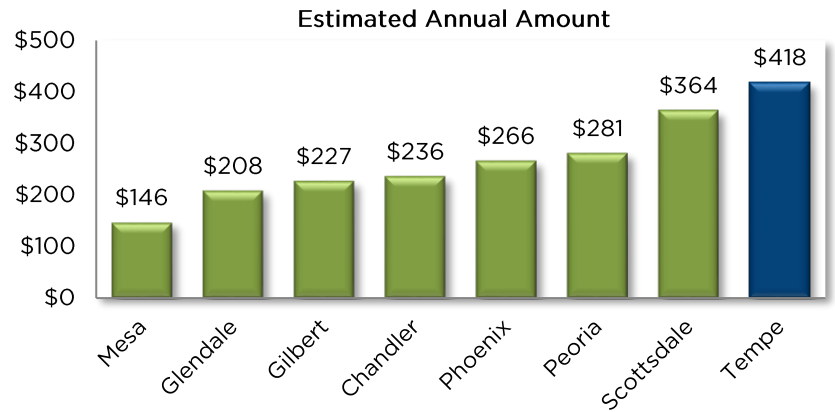
For this analysis, we utilized the Phoenix metropolitan area median household income of \$67,068 per the U.S. Census Bureau, American Community Survey. As median incomes can vary between the cities, the Phoenix metropolitan area median household income was utilized so that a direct comparison could be made between cities. The portion of this income that was spent on taxable purchases is estimated at 59% (\$39,402), as noted in the latest Consumer Expenditure Survey published by the U.S. Bureau of Labor Statistics (April 2022). We assumed that the portion of the median income spent on taxable purchases was spent within the household's city of residence and applied to each city's applicable sales tax rate.

Please note that many of the comparison cities in the analysis utilize different tax rates for various taxable activities. For example, the City of Glendale has an overall sales tax rate of 2.9%; however, sales at restaurants and bars are taxed at 3.9%. These variances were considered when calculating the annual amount of sales taxes paid.



City Property Taxes

The annual estimated City of Tempe property tax amount is \$418. The property tax amounts shown are based on each city's FY 2022-23 primary and secondary rates and each city's 2022 Limited Property Value (LPV) for the median single-family home.



The 2022 median single family LPV for each city, per the Maricopa County Assessor, is as follows:

Glendale	\$124,329	Peoria	\$195,350
Phoenix	\$126,025	Chandler	\$214,040
Mesa	\$159,433	Gilbert	\$229,364
Tempe	\$175,889	Scottsdale	\$357,544

It should be noted that the City of Mesa and the Town of Gilbert only levy a Secondary Property Tax.

MEMORANDUM



TO: Mayor and Council
FROM: Lauri Vickers, Municipal Budget & Finance Analyst
THROUGH: Mark Day, Municipal Budget Director
DATE: July 29, 2022
SUBJECT: Tax Revenue Statistical Report – June 2022

Introduction

The Municipal Budget Office (MBO) reviews the City’s privilege (sales) tax collections for the General Fund (1.2%), Transit Fund (0.5%) and Arts & Cultural Fund (0.1%) and the General Fund bed tax (5.0%) in order to monitor the financial performance of the City’s largest revenue source. This monthly analysis also provides the opportunity to determine if adjustments need to be made for any significant variances to ensure continuity of programs and service delivery. The June 2022 report summarizes our analysis of the May sales activity reported to the Arizona Department of Revenue (ADOR).

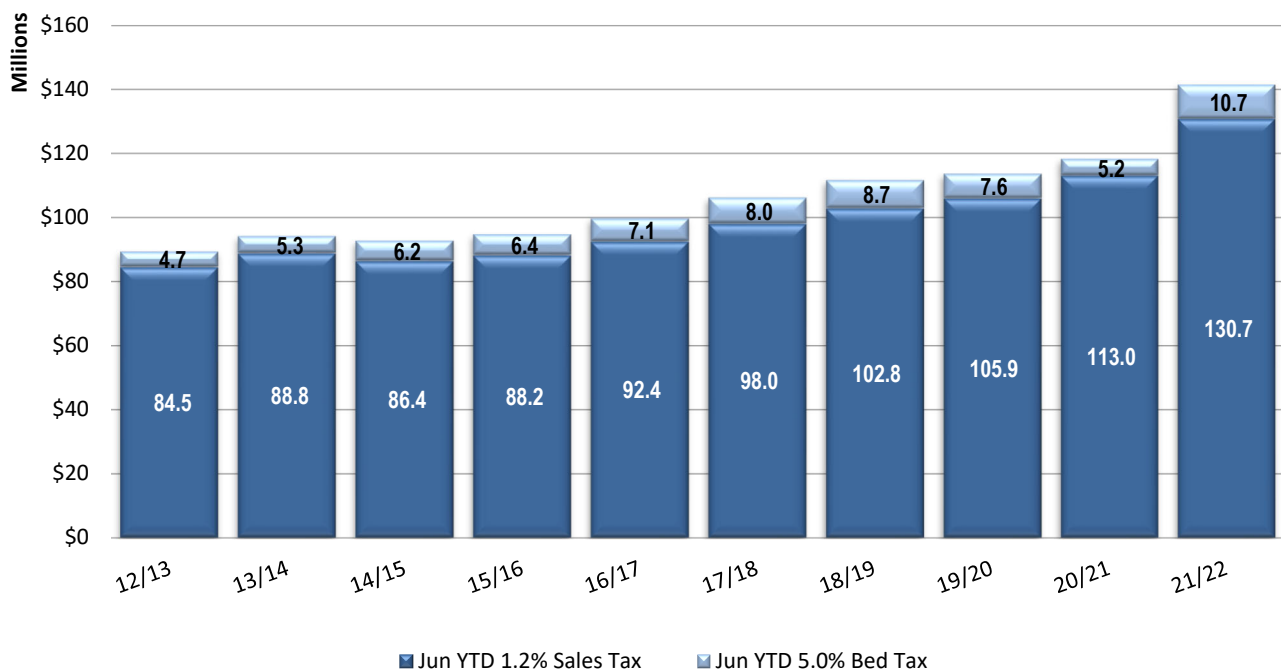
Overall Highlights

Total fiscal year to date taxable *sales* increased by 16.8% over the same year to date period in the prior fiscal year. Total sales tax *revenue* is up 18.5% or \$33.0 million, due to growth in retail (\$17.2 million), combined hotel/transient lodging (\$7.6 million) and restaurant (\$4.2 million) activity. The attached Executive Summary provides a summary of historical and current fiscal year taxable sales, sales tax collections by fund, tax revenues by business activity, and an analysis of retail tax revenues by activity.

General Fund Highlights

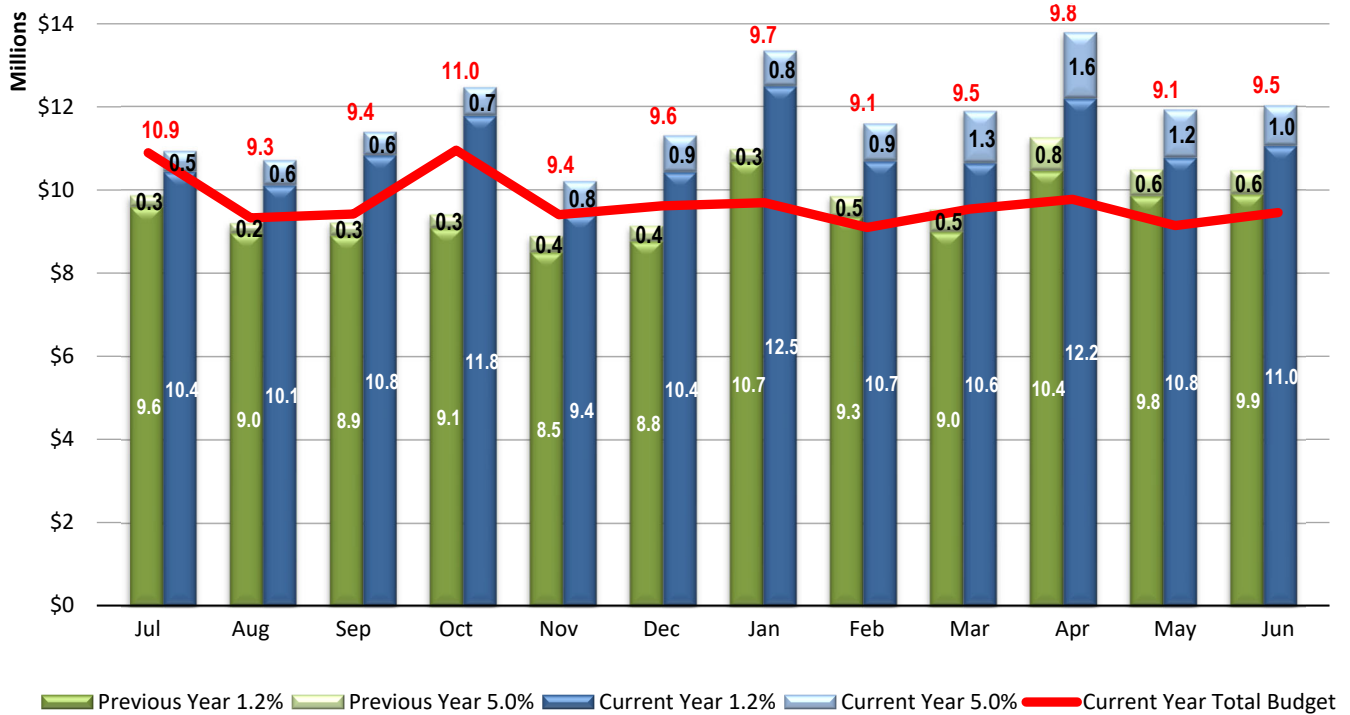
As the General Fund portion of the City’s sales and bed tax revenue collections represents the General Fund’s largest revenue source, further analysis is performed on these specific tax collections. The graph below depicts year to date General Fund historical sales and bed tax revenue from FY 2012/13 through FY 2021/22. General Fund sales and bed tax revenue for FY 2021/22 is up 19.7% or \$23.3 million over the prior year to date period.

General Fund Year to Date Sales and Bed Tax Collections through June



In addition to the 10-year historical comparison, we also review 12 months of General Fund monthly sales and bed tax collections compared to the previous year and to the FY 2021/22 adopted budget for the combined sales and bed tax, as noted in the graph below.

General Fund Monthly Sales and Bed Tax Collection vs. Previous Year



Finally, the MBO prepares the attached Actual to Budget Comparison report that provides a summary of FY 2021/22 General Fund sales tax, bed tax, and a combined total sales and bed tax collections compared to a projected budget amount for the month. Although sales and bed tax are not actually budgeted on a monthly basis, this type of analysis of actual collections compared to projections provides insight into sales and bed tax performance. Using this approach, fiscal year to date General Fund sales tax is \$18.2 million above revenue projections, General Fund bed tax is \$6.8 million above projections, and the combined General Fund sales and bed tax collections for the General Fund are \$25.1 million above the revenue projection.

Attachments: Executive Summary
 Actual Compared to Budget Projection

Executive Summary

Current Month - June

Fiscal Year to Date - June

	2018-19		2019-20		2020-21		2021-22		2018-19		2019-20		2020-21		2021-22	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Taxable Sales																
Total Taxable Sales	805,810,000	14.1%	692,854,000	-14.0%	854,405,000	23.3%	951,378,000	11.3%	9,008,240,000	5.2%	9,198,640,000	2.1%	9,727,407,000	5.7%	11,363,069,000	16.8%
Retail Taxable Sales	423,903,000	7.7%	410,367,000	-3.2%	494,818,000	20.6%	498,655,000	0.8%	4,855,447,000	3.4%	5,075,059,000	4.5%	5,686,812,000	12.1%	6,504,492,000	14.4%
Tax Revenues by Fund																
General Fund																
Privilege Tax (1.2%)	9,252,000	14.1%	8,120,000	-12.2%	9,889,000	21.8%	11,047,000	11.7%	102,770,000	4.9%	105,889,000	3.0%	112,973,000	6.7%	130,691,000	15.7%
Bed Tax (5.0%)	652,000	4.0%	314,000	-51.8%	568,000	80.9%	969,000	70.6%	8,716,000	8.5%	7,628,000	-12.5%	5,193,000	-31.9%	10,733,000	106.7%
Privilege Tax Rebates	261,000	19.7%	119,000	-54.4%	227,000	90.8%	137,000	-39.6%	3,237,000	13.3%	2,664,000	-17.7%	2,509,000	-5.8%	3,090,000	23.2%
Total General Fund	10,165,000	13.5%	8,553,000	-15.9%	10,684,000	24.9%	12,153,000	13.7%	114,723,000	5.4%	116,181,000	1.3%	120,675,000	3.9%	144,514,000	19.8%
Transit Fund																
Privilege Tax (0.5%)	3,858,000	14.1%	3,383,000	-12.3%	4,121,000	21.8%	4,603,000	11.7%	42,855,000	4.9%	44,142,000	3.0%	47,074,000	6.6%	54,456,000	15.7%
Privilege Tax Rebates	106,000	20.5%	50,000	-52.8%	94,000	88.0%	57,000	-39.4%	1,315,000	13.4%	1,088,000	-17.3%	1,044,000	-4.0%	1,286,000	23.2%
Total Transit Fund	3,964,000	14.2%	3,433,000	-13.4%	4,215,000	22.8%	4,660,000	10.6%	44,170,000	5.1%	45,230,000	2.4%	48,118,000	6.4%	55,742,000	15.8%
Arts & Culture Fund																
Privilege Tax (0.1%)	793,000	14.3%	687,000	-13.4%	843,000	22.7%	932,000	10.6%	8,834,000	5.1%	9,046,000	2.4%	9,624,000	6.4%	11,148,000	15.8%
Total Arts & Culture Fund	793,000	14.3%	687,000	-13.4%	843,000	22.7%	932,000	10.6%	8,834,000	5.1%	9,046,000	2.4%	9,624,000	6.4%	11,148,000	15.8%
Totals	14,922,000	13.7%	12,673,000	-15.1%	15,742,000	24.2%	17,745,000	12.7%	167,727,000	-47.4%	170,457,000	1.6%	178,417,000	4.7%	211,404,000	18.5%
Tax Revenues by Business Activities																
Retail	7,630,000	7.6%	7,387,000	-3.2%	8,549,000	15.7%	8,976,000	5.0%	87,398,000	3.6%	91,351,000	4.5%	99,858,000	9.3%	117,081,000	17.2%
Rentals	2,508,000	10.6%	2,383,000	-5.0%	2,832,000	18.8%	3,093,000	9.2%	30,047,000	12.4%	31,214,000	3.9%	33,039,000	5.8%	36,847,000	11.5%
Utilities/Communication	634,000	-4.9%	601,000	-5.2%	573,000	-4.7%	649,000	13.3%	7,961,000	-2.2%	7,686,000	-3.5%	7,566,000	-1.6%	7,812,000	3.3%
Restaurants	1,190,000	4.9%	776,000	-34.8%	1,322,000	70.4%	1,484,000	12.3%	13,550,000	2.0%	12,221,000	-9.8%	12,181,000	-0.3%	16,335,000	34.1%
Contracting	998,000	10.5%	988,000	-1.0%	1,085,000	9.8%	1,397,000	28.8%	11,985,000	9.5%	13,309,000	11.0%	11,524,000	-13.4%	12,019,000	4.3%
Hotel/Motel	248,000	2.1%	118,000	-52.4%	219,000	85.6%	370,000	68.9%	3,277,000	8.9%	2,812,000	-14.2%	2,005,000	-28.7%	4,093,000	104.1%
Transient (Bed Tax)	652,000	4.0%	314,000	-51.8%	568,000	80.9%	969,000	70.6%	8,716,000	8.5%	7,628,000	-12.5%	5,193,000	-31.9%	10,733,000	106.7%
Non-Recurring Business Activities	861,000	9466.7%	-	-100.0%	414,000	100.0%	619,000	49.5%	2,257,000	-3.0%	2,056,000	-8.9%	5,320,000	158.8%	3,738,000	-29.7%
Amusements	131,000	15.9%	22,000	-83.2%	123,000	459.1%	114,000	-7.3%	1,441,000	4.0%	1,238,000	-14.1%	844,000	-31.8%	1,596,000	89.1%
All Other	71,000	6.0%	84,000	18.3%	58,000	-31.0%	75,000	29.3%	1,094,000	-99.3%	942,000	-13.9%	887,000	-5.8%	1,150,000	29.7%
Totals	14,922,000	13.7%	12,673,000	-15.1%	15,742,000	24.2%	17,745,000	12.7%	167,727,000	-47.4%	170,457,000	1.6%	178,417,000	4.7%	211,404,000	18.5%
Retail Tax Revenues by Activities																
Automotive	1,213,000	-1.3%	1,289,000	6.3%	1,561,000	21.1%	1,371,000	-12.2%	13,542,000	3.8%	13,631,000	0.7%	15,234,000	11.8%	16,321,000	7.1%
Building Supply Stores	311,000	8.4%	343,000	10.3%	375,000	9.3%	420,000	12.0%	3,464,000	7.3%	3,722,000	7.4%	4,259,000	14.4%	4,963,000	16.5%
Department Stores	961,000	5.5%	953,000	-0.8%	1,117,000	17.2%	1,149,000	2.9%	12,005,000	0.4%	12,050,000	0.4%	13,070,000	8.5%	14,102,000	7.9%
Drug/Small Stores	1,121,000	6.8%	1,040,000	-7.2%	1,270,000	22.1%	1,471,000	15.8%	13,038,000	7.1%	13,775,000	5.7%	15,934,000	15.7%	16,729,000	5.0%
Furniture/Equipment/Electronics	561,000	-0.5%	411,000	-26.7%	717,000	74.5%	600,000	-16.3%	6,701,000	-11.7%	6,307,000	-5.9%	7,835,000	24.2%	8,304,000	6.0%
Grocery Stores	847,000	-0.2%	846,000	-0.1%	824,000	-2.6%	597,000	-27.5%	9,850,000	2.5%	10,205,000	3.6%	10,391,000	1.8%	10,983,000	5.7%
Manufacturing Firms	970,000	52.0%	535,000	-44.8%	716,000	33.8%	451,000	-37.0%	8,186,000	6.4%	7,000,000	-14.5%	7,421,000	6.0%	10,508,000	41.6%
All Other Retail	1,646,000	5.5%	1,970,000	19.7%	1,969,000	-0.1%	2,917,000	48.1%	20,612,000	7.9%	24,661,000	19.6%	25,714,000	4.3%	35,171,000	36.8%
Totals	7,630,000	7.6%	7,387,000	-3.2%	8,549,000	15.7%	8,976,000	5.0%	87,398,000	3.6%	91,351,000	4.5%	99,858,000	9.3%	117,081,000	17.2%

Actual Compared to Budget Projection

Privilege Tax Revenue - General Fund (1.2%) 2021-22 Actual Compared to Budget

Monthly Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	9.5%	\$ 10,650,000	\$ 10,422,000	\$ (228,000)	-2.1%
Aug	7.9%	8,923,000	10,099,000	1,176,000	13.2%
Sep	7.9%	8,934,000	10,819,000	1,885,000	21.1%
Oct	9.2%	10,373,000	11,768,000	1,395,000	13.4%
Nov	8.0%	9,039,000	9,389,000	350,000	3.9%
Dec	8.3%	9,329,000	10,416,000	1,087,000	11.7%
Jan	8.4%	9,478,000	12,479,000	3,001,000	31.7%
Feb	7.9%	8,915,000	10,677,000	1,762,000	19.8%
Mar	8.3%	9,327,000	10,631,000	1,304,000	14.0%
Apr	8.5%	9,525,000	12,183,000	2,658,000	27.9%
May	7.8%	8,825,000	10,761,000	1,936,000	21.9%
Jun	8.1%	9,132,000	11,047,000	1,915,000	21.0%
Totals	100.0%	\$ 112,450,000	\$ 130,691,000	\$ 18,241,000	16.2%

Cumulative Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	9.5%	\$ 10,650,000	\$ 10,422,000	\$ (228,000)	-2.1%
Jul-Aug	17.4%	19,573,000	20,521,000	948,000	4.8%
Jul-Sep	25.4%	28,507,000	31,340,000	2,833,000	9.9%
Jul-Oct	34.6%	38,880,000	43,108,000	4,228,000	10.9%
Jul-Nov	42.6%	47,919,000	52,497,000	4,578,000	9.6%
Jul-Dec	50.9%	57,248,000	62,913,000	5,665,000	9.9%
Jul-Jan	59.3%	66,726,000	75,392,000	8,666,000	13.0%
Jul-Feb	67.3%	75,641,000	86,069,000	10,428,000	13.8%
Jul-Mar	75.6%	84,968,000	96,700,000	11,732,000	13.8%
Jul-Apr	84.0%	94,493,000	108,883,000	14,390,000	15.2%
Jul-May	91.9%	103,318,000	119,644,000	16,326,000	15.8%
Jul-Jun	100.0%	112,450,000	130,691,000	18,241,000	16.2%

Tax and License Annual Privilege Tax Revenue Projections

Method	Privilege Tax		Over / (Under)	
	Projected	Budget	Amount	Percent
% of Increase	\$ 130,691,000	\$ 112,450,000	\$ 18,241,000	16.2%
% Received	\$ 130,691,000	\$ 112,450,000	\$ 18,241,000	16.2%

Bed Tax Revenue - General Fund (5.0%) 2021-22 Actual Compared to Budget

Monthly Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	6.3%	\$ 246,000	\$ 496,000	\$ 250,000	101.6%
Aug	10.4%	405,000	597,000	192,000	47.4%
Sep	12.6%	488,000	559,000	71,000	14.5%
Oct	15.1%	585,000	685,000	100,000	17.1%
Nov	9.5%	368,000	808,000	440,000	119.6%
Dec	7.4%	287,000	876,000	589,000	205.2%
Jan	5.5%	215,000	849,000	634,000	294.9%
Feb	4.7%	184,000	899,000	715,000	388.6%
Mar	5.5%	212,000	1,251,000	1,039,000	490.1%
Apr	6.4%	250,000	1,590,000	1,340,000	536.0%
May	8.2%	319,000	1,154,000	835,000	261.8%
Jun	8.4%	325,000	969,000	644,000	198.2%
Totals	100.0%	\$ 3,884,000	\$ 10,733,000	\$ 6,849,000	176.3%

Cumulative Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	6.3%	\$ 246,000	\$ 496,000	\$ 250,000	101.6%
Jul-Aug	16.8%	651,000	1,093,000	442,000	67.9%
Jul-Sep	29.3%	1,139,000	1,652,000	513,000	45.0%
Jul-Oct	44.4%	1,724,000	2,337,000	613,000	35.6%
Jul-Nov	53.9%	2,092,000	3,145,000	1,053,000	50.3%
Jul-Dec	61.3%	2,379,000	4,021,000	1,642,000	69.0%
Jul-Jan	66.8%	2,594,000	4,870,000	2,276,000	87.7%
Jul-Feb	71.5%	2,778,000	5,769,000	2,991,000	107.7%
Jul-Mar	77.0%	2,990,000	7,020,000	4,030,000	134.8%
Jul-Apr	83.4%	3,240,000	8,610,000	5,370,000	165.7%
Jul-May	91.6%	3,559,000	9,764,000	6,205,000	174.3%
Jul-Jun	100.0%	3,884,000	10,733,000	6,849,000	176.3%

Tax and License Annual Privilege Tax Revenue Projections

Method	Bed Tax		Over / (Under)	
	Projected	Budget	Amount	Percent
% of Increase	\$ 10,733,000	\$ 3,884,000	\$ 6,849,000	176.3%
% Received	\$ 10,733,000	\$ 3,884,000	\$ 6,849,000	176.3%

Total General Fund Tax Revenue 2021-22 Actual Compared to Budget

Monthly Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	9.4%	\$ 10,896,000	\$ 10,918,000	\$ 22,000	0.2%
Aug	8.0%	9,328,000	10,696,000	1,368,000	14.7%
Sep	8.1%	9,422,000	11,378,000	1,956,000	20.8%
Oct	9.4%	10,958,000	12,453,000	1,495,000	13.6%
Nov	8.1%	9,407,000	10,197,000	790,000	8.4%
Dec	8.3%	9,616,000	11,292,000	1,676,000	17.4%
Jan	8.3%	9,693,000	13,328,000	3,635,000	37.5%
Feb	7.8%	9,099,000	11,576,000	2,477,000	27.2%
Mar	8.2%	9,539,000	11,882,000	2,343,000	24.6%
Apr	8.4%	9,775,000	13,773,000	3,998,000	40.9%
May	7.9%	9,144,000	11,915,000	2,771,000	30.3%
Jun	8.1%	9,457,000	12,016,000	2,559,000	27.1%
Totals	100.0%	\$ 116,334,000	\$ 141,424,000	\$ 25,090,000	21.6%

Cumulative Amounts

	2021-22 Budget		2021-22 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	9.4%	\$ 10,896,000	\$ 10,918,000	\$ 22,000	0.2%
Jul-Aug	17.4%	20,224,000	21,614,000	1,390,000	6.9%
Jul-Sep	25.5%	29,646,000	32,992,000	3,346,000	11.3%
Jul-Oct	34.9%	40,604,000	45,445,000	4,841,000	11.9%
Jul-Nov	43.0%	50,011,000	55,642,000	5,631,000	11.3%
Jul-Dec	51.3%	59,627,000	66,934,000	7,307,000	12.3%
Jul-Jan	59.6%	69,320,000	80,262,000	10,942,000	15.8%
Jul-Feb	67.4%	78,419,000	91,838,000	13,419,000	17.1%
Jul-Mar	75.6%	87,958,000	103,720,000	15,762,000	17.9%
Jul-Apr	84.0%	97,733,000	117,493,000	19,760,000	20.2%
Jul-May	91.9%	106,877,000	129,408,000	22,531,000	21.1%
Jul-Jun	100.0%	116,334,000	141,424,000	25,090,000	21.6%

Tax and License Annual Privilege Tax Revenue Projections

Method	Total Tax		Over / (Under)	
	Projected	Budget	Amount	Percent
% of Increase	\$ 141,424,000	\$ 116,334,000	\$ 25,090,000	21.6%
% Received	\$ 141,424,000	\$ 116,334,000	\$ 25,090,000	21.6%