

Budget Hearings

June 5, 2023

FRESNO CITY COUNCIL



Supplemental Packet

ITEM(S)

General Fund Overview (ID 23-782)

General Fund Overview

Supplement Contents: PowerPoint

Item(s)

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

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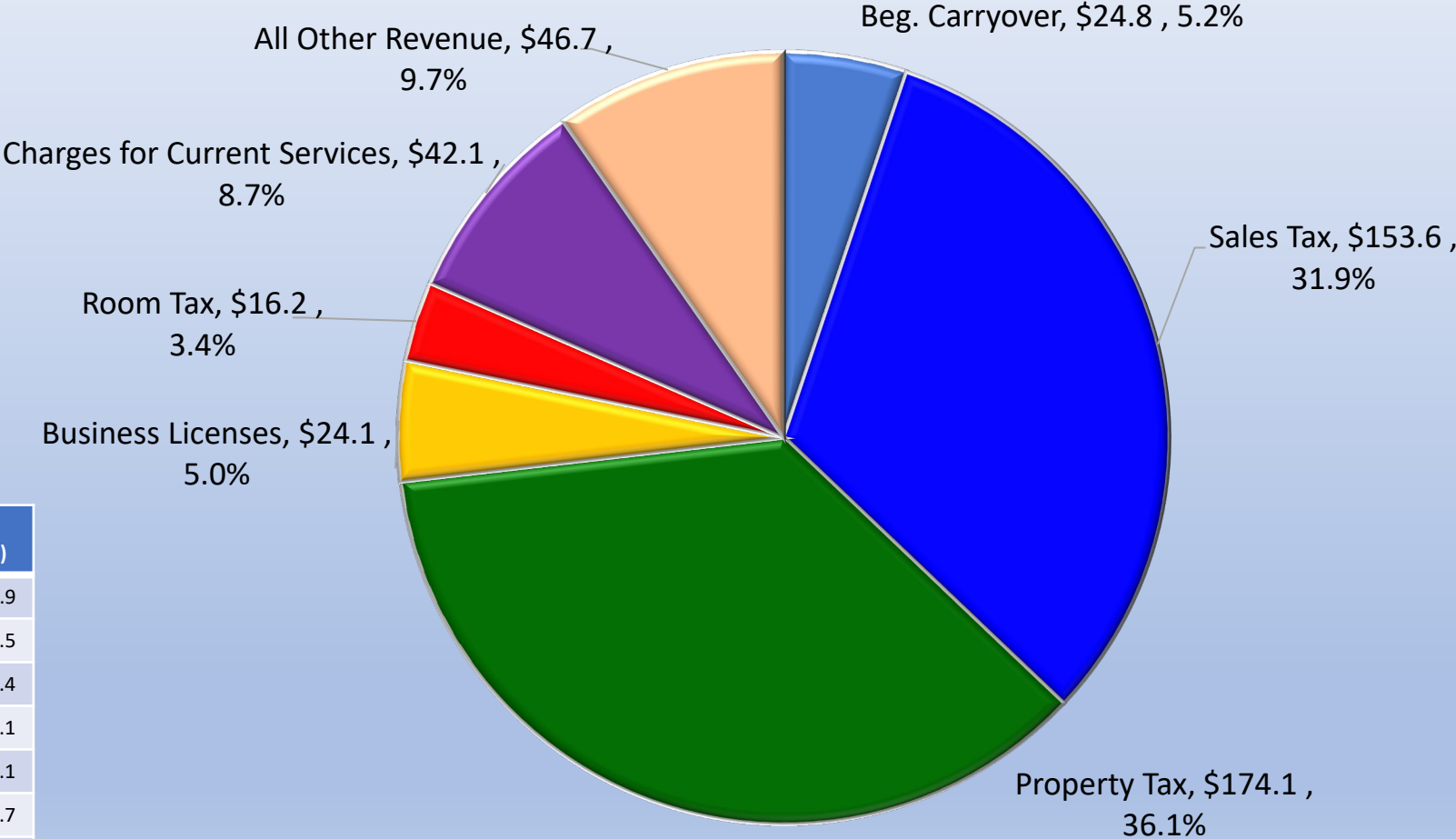
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FY 2024 Proposed Budget – General Fund Overview

FY 2024 Proposed Budget

General Fund Revenues - \$481.7 million



All Other Revenue	Amount (in millions)
Franchise Fees	\$14.9
Inter/Intra-governmental	18.5
Cannabis	5.4
Prop 172/RE Transfer Taxes	5.1
Card Room	1.1
Other	1.7
Total – All Other Revenue	\$46.7

FY 2024 Proposed Budget

General Fund Revenue

GENERAL FUND – 1000-1001	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Estimate	FY 2024 Proposed	Annual Change
PRIOR YEAR CARRYOVER	\$25,432,600	\$45,523,800	\$48,804,700	\$24,848,000	-49.1%
REVENUES					
Sales Tax	119,640,200	144,706,500	150,736,500	153,603,500	1.9%
Property Tax	151,479,300	154,702,800	167,052,600	174,107,000	4.2%
Business License	19,332,300	21,870,800	23,073,300	24,121,000	4.5%
Room Tax	11,980,700	15,349,100	14,899,200	16,193,100	8.7%
Charges for Current Services	37,961,800	41,760,400	41,491,400	42,079,700	1.4%
All Other Revenue	49,353,900	47,372,200	50,778,400	46,714,300	-8.0%
Total Annual Operating Revenue	389,748,200	425,761,800	448,031,400	456,818,600	2.0%
Total Available Funding	\$415,180,800	\$471,285,600	\$496,836,100	\$481,666,600	-3.1%

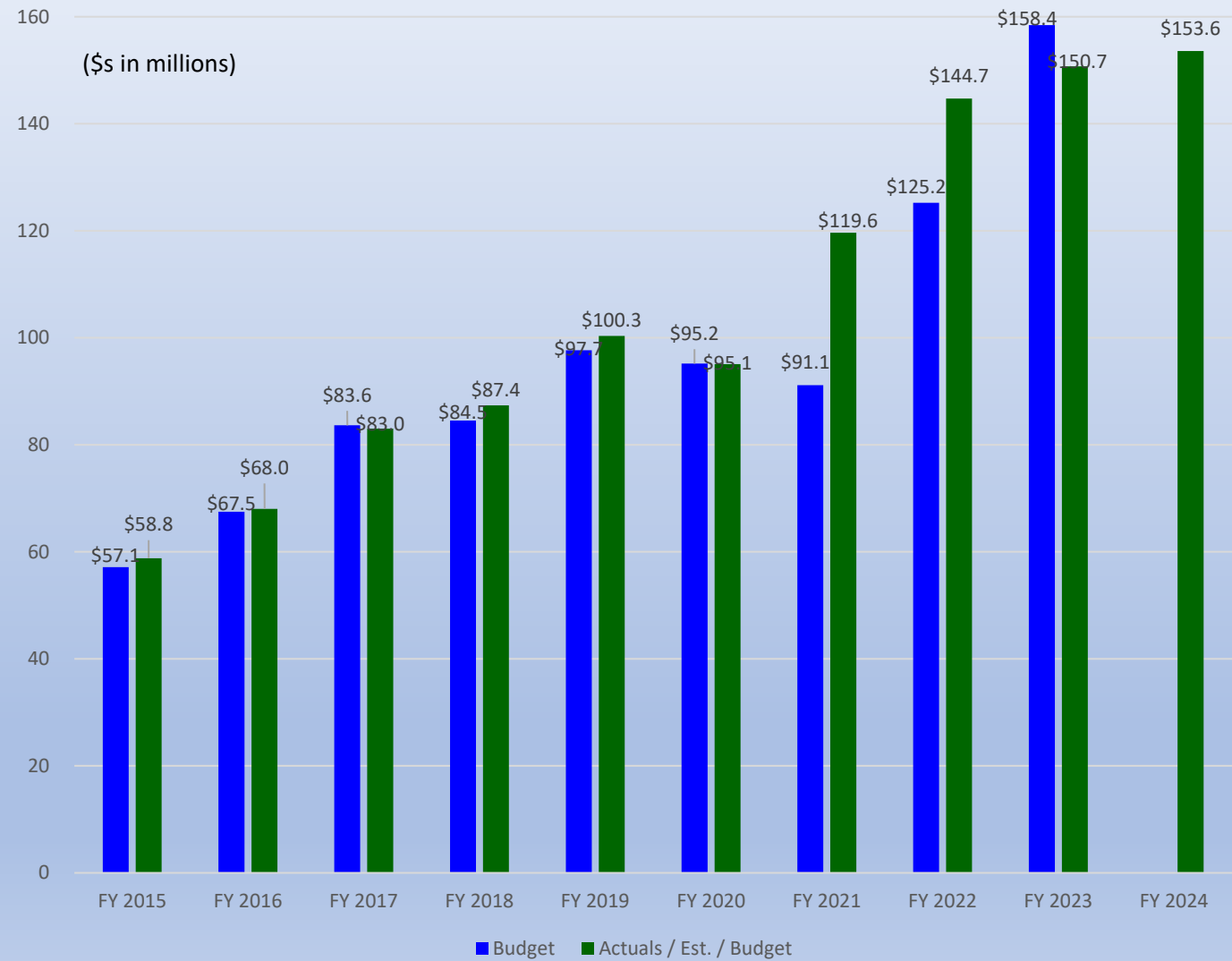
FY 2024 Proposed Budget

General Fund All Other Revenue

GENERAL FUND – 1000-1001	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Estimate	FY 2024 Proposed	Annual Change
Franchise Fees	16,710,100	17,647,400	14,959,100	14,948,600	-0.1%
Intergovernmental	12,864,100	9,193,700	13,917,900	4,185,900	-69.9%
Intragovernmental	12,210,600	11,824,800	13,366,200	14,341,000	7.3%
Cannabis	409,800	0	1,168,900	5,381,400	360.4%
Prop 172 Sales Tax	3,314,500	4,059,200	3,236,800	3,501,500	8.2%
Real Estate Transfer Tax	1,950,300	2,304,700	1,380,700	1,577,600	14.3%
Card Room	30,000	683,800	1,030,000	1,050,600	2.0%
Other	1,864,500	1,658,600	1,718,800	1,727,700	0.5%
Total All Other Revenue	49,353,900	47,372,200	50,778,400	46,714,300	-8.0%

FY 2024 Proposed Budget

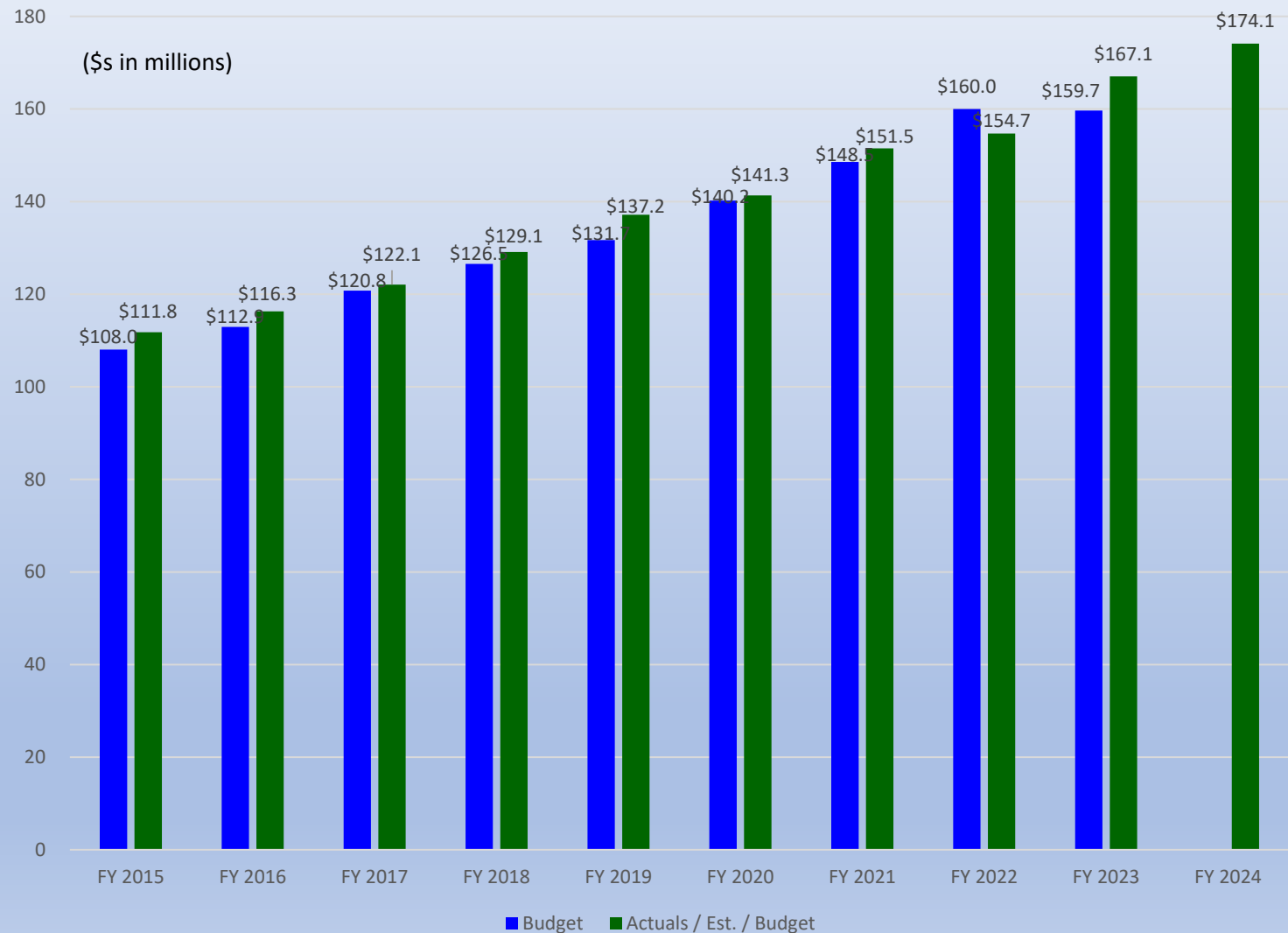
Sales Tax Revenue – 10-year History



- FY 2023 estimate and FY 2024 projection based primarily on Muni Services (Avenu Insights & Analytics) guidance
- Five of 31 business segments account for nearly 61% of total
 - Retail 26.7%
 - Department Stores 9.9%
 - Restaurants 9.9%
 - New Auto Sales 8.1%
 - Building Materials 6.2%
- FY 2024 projection reflects further slowing due to inflationary impacts and increased borrowing costs

FY 2024 Proposed Budget

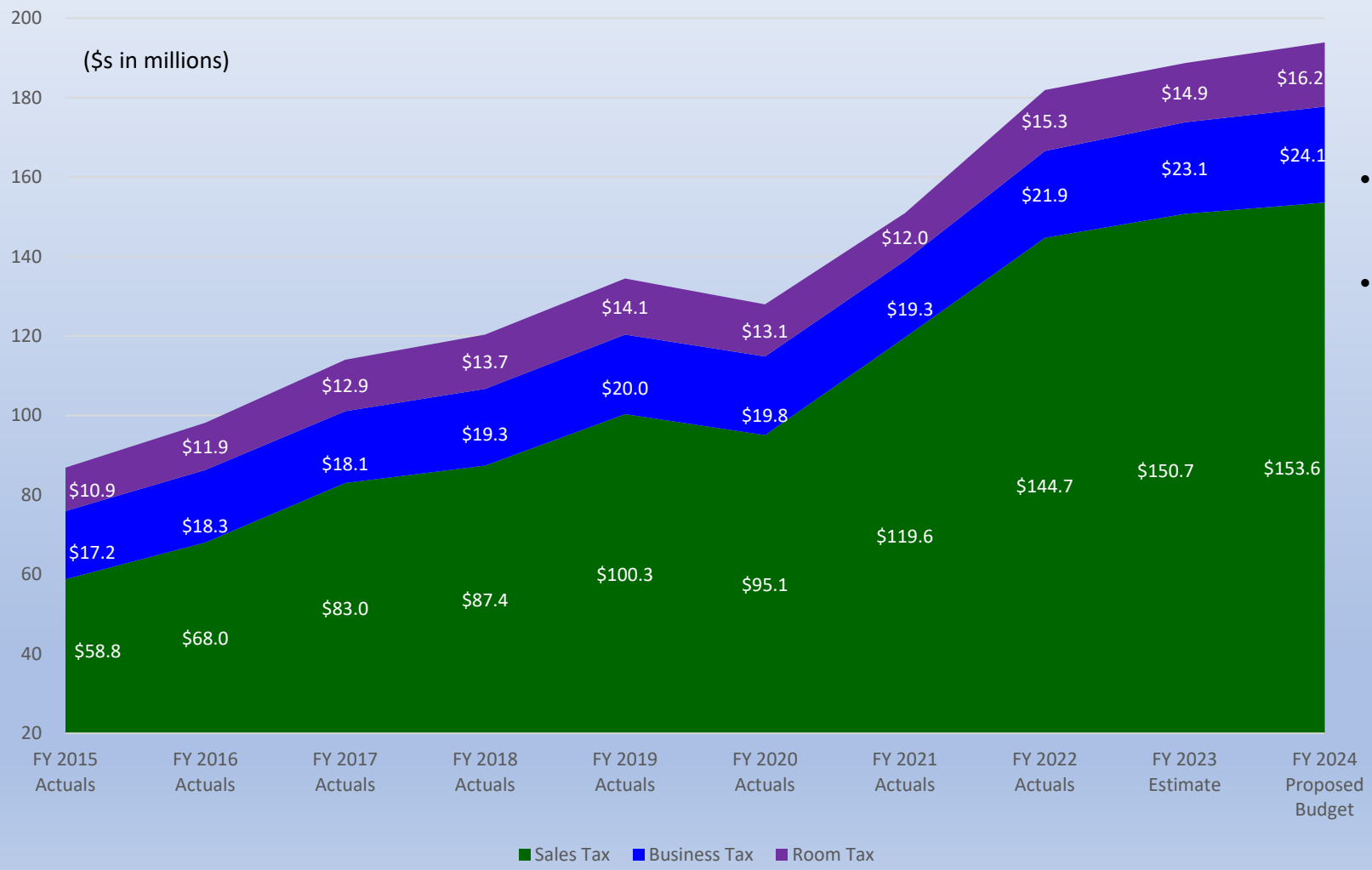
Property Tax Revenue – 10-year History



- FY 2024 growth projection budgeted at 4.2% over FY 2023 estimate
- FY 2023 estimate based on assessed values published July 2022

FY 2024 Proposed Budget

Sales Tax, Business Tax, and Room Tax – 10-year History



- Sales Tax is an indicator for other revenues
- Annual Business Tax and Room Tax correlate with Sales Tax

FY 2024 Proposed Budget

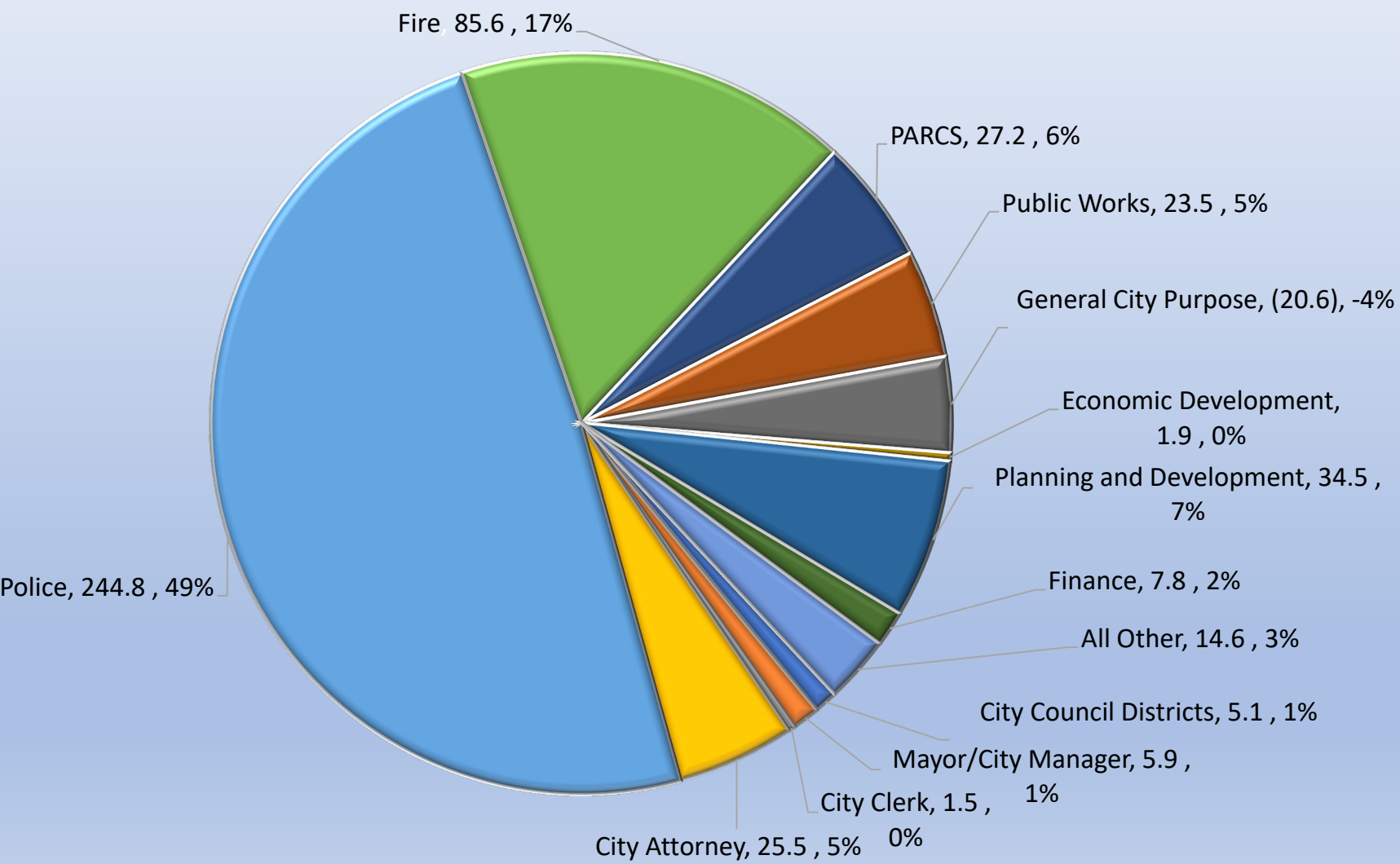
Sales Tax, Business Tax, and Room Tax

Revenue Source	2021 Actuals	2022 Actuals	2023 Estimate	2024 Proposed Budget	Annual Change
Sales Tax	\$119,640,200	\$144,706,500	\$150,736,500	\$153,603,500	1.9%
Business Tax	19,332,300	21,870,800	23,073,300	24,121,000	4.5%
<i>Ratio: Business Tax to Sales Tax</i>	<i>16.2%</i>	<i>15.1%</i>	<i>15.3%</i>	<i>15.7%</i>	
Room Tax	11,980,700	15,349,100	14,899,200	16,193,100	8.7%
<i>Ratio: Room Tax to Sales Tax</i>	<i>10.0%</i>	<i>10.6%</i>	<i>10.0%</i>	<i>10.5%</i>	

- \$1M added in FY 2024 for rental crowdsourcing entities to collect transient Occupancy Tax per amended municipal code section 7-602

FY 2024 Proposed Budget

General Fund Appropriations by Department – \$457.3 million



FY 2024 Proposed Budget

General Fund Expenses by Department

GENERAL FUND – 1000-1001	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Estimate	FY 2024 Proposed	Annual Change
City Council Districts	\$4,055,800	\$4,454,100	\$5,254,500	\$5,072,000	-3.5%
Mayor/City Manager	4,812,000	4,352,900	7,104,100	5,863,000	-17.5%
City Clerk	1,009,300	765,100	1,455,200	1,547,300	6.3%
City Attorney	18,738,800	18,671,200	20,310,000	25,539,300	25.7%
Police	187,749,400	207,058,200	215,742,400	244,754,600	13.4%
Fire	75,085,300	82,199,200	87,383,800	85,609,400	-2.0%
PARCS	23,250,800	18,611,800	22,248,400	27,217,900	22.3%
Public Works	10,286,600	13,471,800	14,734,100	23,538,800	59.8%
General City Purpose	24,316,200	13,232,000	17,148,800	(20,632,600)	-220.3%
Economic Development	0	1,049,700	2,670,100	1,908,300	-28.5%
Planning and Development	22,600,100	32,522,100	34,463,000	34,543,500	0.2%
Finance	46,781,500	4,968,900	7,108,400	7,751,200	9.0%
All Other	3,982,600	6,454,700	10,966,500	14,583,300	33.0%
TOTAL	\$422,668,400	\$407,811,700	\$446,589,300	\$457,296,000	2.4%



QUESTIONS