



Staff Report

TO: Finance and Audit Committee Members
FROM: Jennifer Ustation, Finance Director
DATE May 9, 2022
SUBJECT: FY2022 General Fund and Wastewater Budget to Actual through April 2022

Background and Analysis:

City staff has updated the analysis of the General Fund and Wastewater Fund for FY2022 with results through April 2022.

General Fund Analysis:

- Eight months of sales tax has been received and has surpassed the budget, City staff is working with HDL and determined that a corporate restructure in the business industry sector has significantly increased this revenue;
- Increased building permit activity has surpassed budget;
- Investment earnings are trending below budget;
- 21 of 26 pay periods have been reported and costs are trending lower than budget;
- Utility costs are trending high;
- Fleet costs are trending high; and
- Contractual services are trending lower than budget. The two quarters of the fire service invoices have been paid and total \$1,977,775.07.

The attached report (Attachment A) provides preliminary estimates reflecting the initial ten months of FY2022. Estimates will be reviewed and revised as actual fiscal activity is recorded. Property tax is received in January and May of each year. Eight months of sales tax has been received and has outperformed forecasts. Building permit activity has surpassed the budget. Investment income is estimated to come in below budget. Personnel costs are trending to have a savings; however, recruitment is trending high. On August 3, 2021, City Council approved a budget amendment for unspent prior year appropriations and reappropriated \$214,799 for FY2022. This allows for \$741,845 of available funds for City Council to appropriate throughout the year.

Wastewater Fund Analysis:

- Four of six utility billings recorded and trending lower than budget;
- 21 of 26 pay periods recorded and costs are trending lower than budget;
- Utilities are trending higher than budget;
- Fleet costs have exceeded budget; and
- One of two debt service payments have been recorded.

Recommended Action:

Receive and file report.

Attachments:

- A. General Fund Budget to Actual through April 2022
- B. Wastewater Fund Budget to Actual through April 2022
- C. HDL Companies Sales Tax Info Sheet 2021 4th Quarter