



# City of South Lake Tahoe

## Report to City Council

**Meeting Date: June 9, 2020**

**Title:** Fiscal Year 2019/20 Monthly Financial Status Report - April 2020

**Location:** Citywide

**Responsible Staff Member:** Olga Tikhomirova, Financial Services Manager, (530) 542-7431; Andrew Black, Accountant, (530) 542-6061

**Background:**

Due to the need for more frequent evaluations of the City's fiscal health in the wake of the COVID-19 crisis, the Finance Department submits this monthly report to City Council that provides assurance of budget compliance and can be used for informational and comparative purposes.

Attachment 2, "*FY 2019/20 Monthly Budget and Financial Status Report April 2020*" is an unaudited snapshot of year-to-date actual revenues and expenditures for the General Fund for that period.

**Issue and Discussion:**

At the end of April 2020 with 58.3% of the year complete, General Fund revenues were at 59.7% of the amended budget, while expenditures were at 42.2% of appropriations. All departmental expenditures were below the 58.3% threshold allocated to the first seven months of the fiscal year.

See Attachment 2 for further analysis.

**Financial Implications:**

FY 2019/20 revenues and expenses through April 2020 were below amended budget estimates with General Fund revenues exceeding expenditures by \$7.6 million for the first seven months of the fiscal year.

See Attachment 2 for further analysis.

**Environmental Considerations:** None

**Policy Implications:** Consistent with City's Financial Policies



# CITY OF SOUTH LAKE TAHOE - FINANCIAL SUMMARY

## Through April 2020

This report summarizes the City's financial position for the General Fund for the fiscal year through April 2020 displaying expenditure at the department level and revenues by type.

### General Fund Financial Condition

With 58.3% of the year complete, General Fund revenues are at 59.7% of projections and expenditures are at 42.2% of appropriations.

Revenues	Budget	Actuals through April 30	As % of Budget
Property Tax	\$ 8,300,500	\$ 8,060,757	97.1%
Transient Occupancy Tax	9,880,574	4,246,639	43.0%
Transient Occupancy Tax - Project Area	5,819,209	2,900,102	49.8%
Sales Tax	4,850,975	2,339,444	48.2%
Measure Q	2,612,025	1,427,342	54.6%
Motor Vehicle License Fees (MVLFF)	2,266,000	2,284,264	100.8%
Franchise Taxes	1,400,000	837,808	59.8%
Business License Tax	1,606,600	122,147	7.6%
Finance - Other Revenues	1,341,571	934,203	69.6%
General Government	1,765	1,426	80.8%
Police	1,448,552	822,958	56.8%
Fire	763,494	55,030	7.2%
Public Works	577,200	407,739	70.6%
Development Services	1,431,765	1,219,919	85.2%
Recreation	1,375,900	432,491	31.4%
Transfers In	457,716	250,216	54.7%
Miscellaneous General Fund	12,000	11,442	95.4%
<b>REVENUES TOTAL</b>	<b>\$ 44,145,846</b>	<b>\$ 26,353,927</b>	<b>59.7%</b>

**Top Three Revenues.** Our top three revenues, Property Tax, City Transient Occupancy Tax, and Sales Tax, account for about 58.1% of total General Fund budgeted revenues.

- **Property Tax.** The City received two major apportionments of 2019-20 taxes, in December and in April.

- **Transient Occupancy Tax (City).** Budgeted TOT revenue was revised as part of the mid-year budget review and will be further reduced for lodging closures. City TOT collection reported here reflects occupancy through March 2020.

- **Sales Tax and Measure Q.** Sales tax revenue received reflect 6 months of annual receipts lagging 1 month until year end.

**Other Revenues Highlights.** TOT collection from the Project Area reflects occupancy through March 2020. MVLFF revenue collected mirrors Property Tax encompassing 100% of the current year's budget. Planning and building fees collected were at 85% of budgeted, while most of the Business License Tax revenue is anticipated closer to the end of the fiscal year.

**Expenditures.** Of the \$18.7 million in total actual expenditures through April 30, approximately \$13.9 million or 74% of total expended is personnel expense

Expenditures by Department	Budget	Actuals through April 30	As % of Budget
General Government	\$ 3,123,518	\$ 1,317,663	42.2%
Finance	2,719,033	1,444,028	53.1%
Miscellaneous General Fund	9,658,404	2,454,020	25.4%
Police	11,319,333	5,458,823	48.2%
Fire	8,165,820	3,489,167	42.7%
Public Works	5,625,607	2,853,060	50.7%
Development Services	2,020,956	1,100,170	54.4%
Recreation	1,710,524	609,450	35.6%
<b>EXPENDITURES TOTAL</b>	<b>\$ 44,343,195</b>	<b>\$ 18,726,381</b>	<b>42.2%</b>

representing 15 payroll periods, or 57% of periods for the year. This does not include CalPERS Unfunded Accrued Liability yearly pre-payment due July 2020 of approximately \$4.5 million in total. Out of the remaining 26% or approximately \$4.8 million of actual expenditures, \$1.5 million is attributed to transfers, \$1.1 million to Professional, Technical and other contract services, \$0.8 million to miscellaneous general expense including taxes and fees, travel and training, communications etc., \$0.7 million to purchases of tools, parts, software, machinery and equipment, and the remaining \$0.7 million - to utilities, general supplies and other miscellaneous expense.