

**Attachment 1  
Core Revenue Report  
November 2020**

The following tables include the FY 20/21 budget and year to date revenues. The receipts represent funds received to date.

**PROPERTY TAX**

Property Tax is the first largest source of the General Fund revenue. The City typically receives property tax payments in December, April, and June. Unlike other tax revenues, property taxes have not been impacted by COVID-19. The City anticipates its first property tax payment for FY20/21 to be received in December 2020. The following table presents FY20/21 budget, and revenues received to date.

Property Tax	Adopted Budget	YTD Receipts	% of Adopted Budget
FY20/21	7,736,000	-	-

**TRANSIENT OCCUPANCY TAX (TOT)**

Transient Occupancy Tax (TOT) is the General Fund's second largest source of revenue which the City receives on a monthly basis. Unlike property taxes, TOT has been significantly impacted by COVID-19. The following table presents FY20/21 budget and revenues received to date.

Transient Occupancy tax	Adopted Budget	YTD Receipts	% of Adopted Budget
FY20/21	3,682,000	1,304,515	35.4%

The City receives transient occupancy tax in the month following the stay. The following table shows a monthly breakdown of TOT revenues when compared to the same month last year.

Lodging Period	2019	2020	Net Difference
July	796,465	289,435	(507,030)
August	846,088	340,019	(506,069)
September	609,865	327,958	(281,907)
October	588,882	347,103	(241,779)

*November 2020 TOT payments are anticipated to be received in late December 2020.*

**SALES AND USE TAX**

Sale and Use tax is the third largest source of the City's General Fund revenues. The City receives a 1% Bradley Burns Tax and a 1% Measure U Transactions and Use Tax.

In FY19/20, the City received sales tax on a monthly basis; however two payments were advances, which were based on estimated sales, prior period tax receipts, adjustments, and current distributions. This was followed by a true-up within each quarter. Due to this methodology, the advance monthly tax contributions were not truly representative of actual performance.

In FY20/21, the State has changed its tax collection methodology in which it calculates a factor for each agency based on how the agency's sales tax performed last year to the statewide total, and then applies that factor to the total statewide prepayments they received for that month. If statewide prepayments are tracking higher than the agency's local sales, this could inflate the two advances. Additionally, the higher advances could also represent audit cases or late payments that they also processed during that month.

July and August advances came in higher (fairly consistent with same periods of last year); however, the September true up amount was significantly lower. This could be due to the State’s new method of tax collection or due to audit cases or late payments that inflated July and August advances.

The impact of COVID-19 on the Sale and Use tax revenues has been less significant when compared to TOT. The following table presents FY20/21 budget and revenues received to date.

<b>Sales and Use Tax</b>	<b>Adopted Budget</b>	<b>YTD Receipts</b>	<b>% of Adopted Budget</b>
FY20/21	3,411,000	1,029,319	30.17%

The following table shows a monthly breakdown of sales tax revenues when compared to the same month last year.

<b>Tax Return Period</b>	<b>2019</b>	<b>2020</b>	<b>Net Difference</b>
July Advance	373,338	358,945	(14,393)
August Advance	439,453	427,105	(12,348)
September True-up	376,610	243,269	(133,341)
<i>October 2020 payments are anticipated to be received in late December as the State pays the City two months in arrears.</i>			