

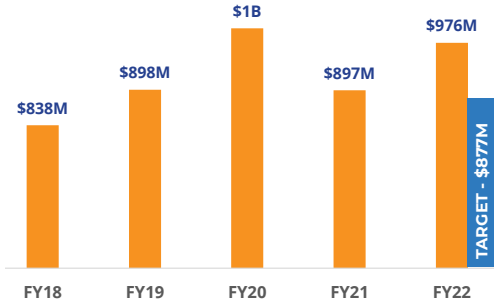
# FY22 Q2 GENERAL FUND QUARTERLY CITY MANAGERS REPORT

## REVENUE & OBLIGATIONS

### REVENUES:

#### FY22 Q2 Revenues

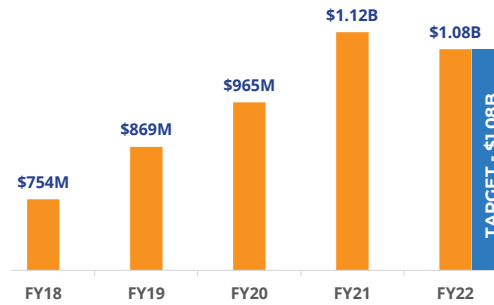
FY22 Q2 revenues were 8.1% (or \$79 million) more than in FY21's second quarter and 10.1% (or \$99 million) more than projected for the second quarter in the FY22 Target Budget. FY22 Year-End Revenue projections are \$5.18 billion, \$104 million more than the Target Budget and \$73 million less than the Original Budget. Strong Sales, Parking, and Wage Tax collections account for roughly 75% of the increase.



### OBLIGATIONS:

#### FY22 Q2 Obligations

FY22 Q2 obligations are in line with the Target Budget of \$1.08 billion. The FY22 Q2 obligations are 11.1% (or \$120 million) less than FY21 Q2 actuals. FY22 Year-End obligation projections of \$5.37 billion are \$103 million more than in the Original Budget, significant drivers are increased pension contributions due to increased Sales Tax collections and court-ordered costs at the Prisons for COVID tests and other related medical needs.



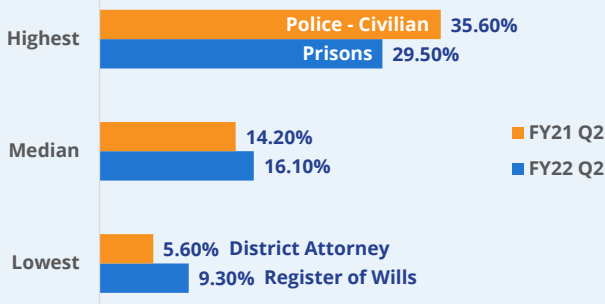
## FUND BALANCE



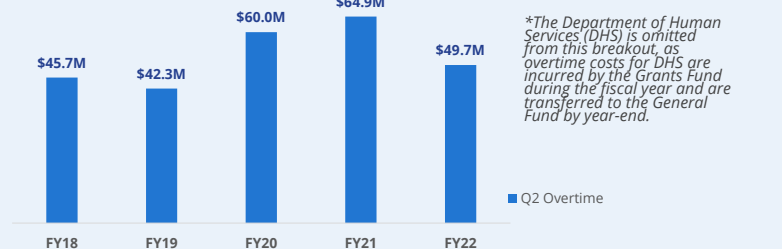
FY22 Q2 shows a projected fund balance of \$133.7 million – approximately 2.5% of spending. This is much less than the City's internal goal of 6% to 8%, below the GFOA's recommend level of 17% and would be lower if not for the draw down of federal relief funding from the American Rescue Plan (ARP). The FY22 projected fund balance of \$133.7 million is a net increase of \$47 million compared to the FY22 adopted fund balance, and is \$198,000 less than FY22 Q1 projections. The City continues to closely monitor revenues and spending to keep the budget in balance.

## LEAVE USAGE

In FY22 Q2, median leave usage was 16.1%, which is an increase over the median leave usage in FY21 Q2 (14.2%) but lower than leave usage in FY20 Q2 (18.2%). Year to date median leave usage for FY22 is 8.0% higher than the same time last year. There remain areas of ongoing concern with public facing agencies, particularly in Streets - Sanitation, Sheriff, Police - Uniform, and Prisons staff due to the impacts of COVID-19 on employees' personal health, need to care for children and family members, and quarantine and isolation requirements.



## OVERTIME



\*The Department of Human Services (DHS) is omitted from this breakout, as overtime costs for DHS are incurred by the Grants Fund during the fiscal year and are transferred to the General Fund by year-end.

FY22 Q2 citywide overtime spending of \$49.7 million is \$15.2 million less than the time last year. Ten of the 14\* departments with overtime budgets of \$500,000 or more showed increased spending compared to FY21 Q2, largely due to higher operational requirements from the service departments, particularly public health and safety services, loosening of restrictions for recreation, an increase in permits and inspections, and increased leave usage (e.g. FML, Sick, IOD, and COVID-19 related leave). Overtime for the quarter was about \$10.3 million lower than it was in the second quarter of FY20, the last pre-COVID-19 year and roughly the same as it was in FY19, when the City had well over 600 more employees and before three years of pay raises increased the amount on which overtime is based.

## CITYWIDE PERFORMANCE

During Q2, 71.6% of measures are on track to meet, met or exceeded FY22 targets. This is an increase of 8.6% over the same time last year. The performance measures listed below provide a snapshot of the overall performance of the City in FY22 Q2:

### ON TRACK TO MEET TARGET:



**1.2 million** in person visits to the Free Library. *Year-end projections meet or exceeds target of 1.5 million visits.*



**727** households provided homeless prevention assistance. *Year-end projections meet or exceeds target of 1,400 households.*

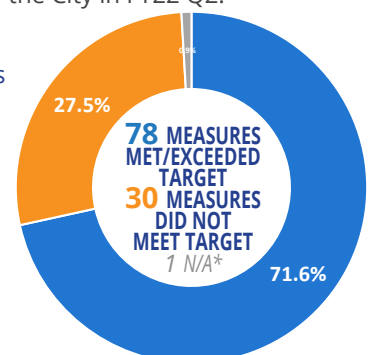
### NOT ON TRACK TO MEET TARGET:



**7,819 patient visits** to department run STD clinics. *Year-end projections do not meet or exceed the target of 16,000.* The STD Clinic at Health Center 5 is still closed. Visits have not yet been restored to pre-pandemic levels.



**4.6 years** median vehicle age (General Fund). *Year-end projections do not meet target of 4 years.* New vehicle purchases in FY22 will enable Fleet to replace some of the aged vehicles, but not at the rate needed to meet the FY22 Target.



\*Data for these measures is not available at this time due to the impacts of COVID-19.