

# 2022 June Adjusted Budget Revenue Projections

June 7, 2022

# Agenda

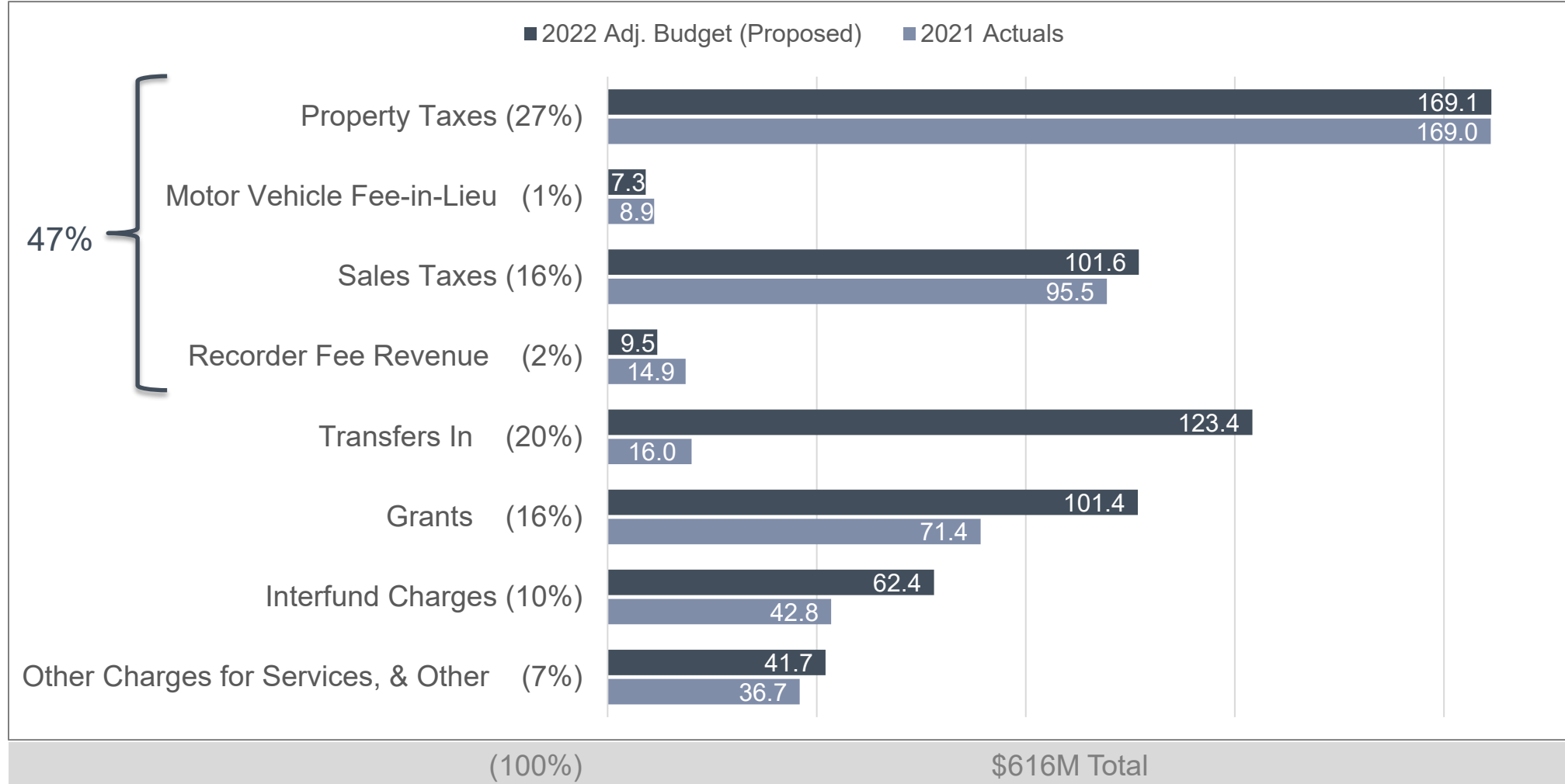
- Sales Tax Projections
- Recorder Revenues
- FEMA Reimbursements
- ARPA Revenue Loss/Replacement Estimates



# 2022 Major Revenues

## General Fund

\$ in millions



# SALES TAX PROJECTIONS

# 2022 Sales Tax Revenue

- Projected based on local and national economic indicators, including
  - Wage and employment growth
  - Consumer Confidence
  - Vehicle sales and other leading indicators
- No new legislation
- Information available from the Tax Commission on a two-month lag
  - Currently have actuals through March 2022
  - April information anticipated June 22<sup>nd</sup>
- Projections vetted with the Revenue Committee



# Change to Projection

Sales Tax by Fund (\$M)		2022 June Adj Budget	2022 Budget	Change	
General Fund	County Option	91.2	84.5	6.7	7.9%
	ZAP	10.4	9.6	0.8	8.3%
	<b>TOTAL</b>	<b>101.6</b>	<b>94.1</b>	<b>7.5</b>	<b>8.0%</b>
ZAP Fund	ZAP	24.9	23.0	1.9	8.3%
Transportation Fund	Transportation	17.7	16.4	1.3	7.7%
Visitor Promo Fund	Transient Room	25.1	20.5	4.6	22.5%
TRCC Fund	Transient Room Supp.	3.5	2.8	0.7	23.0%
	Car Rental	19.6	16.1	3.5	21.7%
	Restaurant	32.0	30.1	1.9	6.3%
	<b>TOTAL</b>	<b>55.1</b>	<b>49.0</b>	<b>6.1</b>	<b>12.3%</b>
Unincorp Muni Svcs	Local Option	4.9	4.5	0.4	9.6%
<b>TOTAL</b>		<b>229.3</b>	<b>207.5</b>	<b>21.8</b>	<b>10.5%</b>



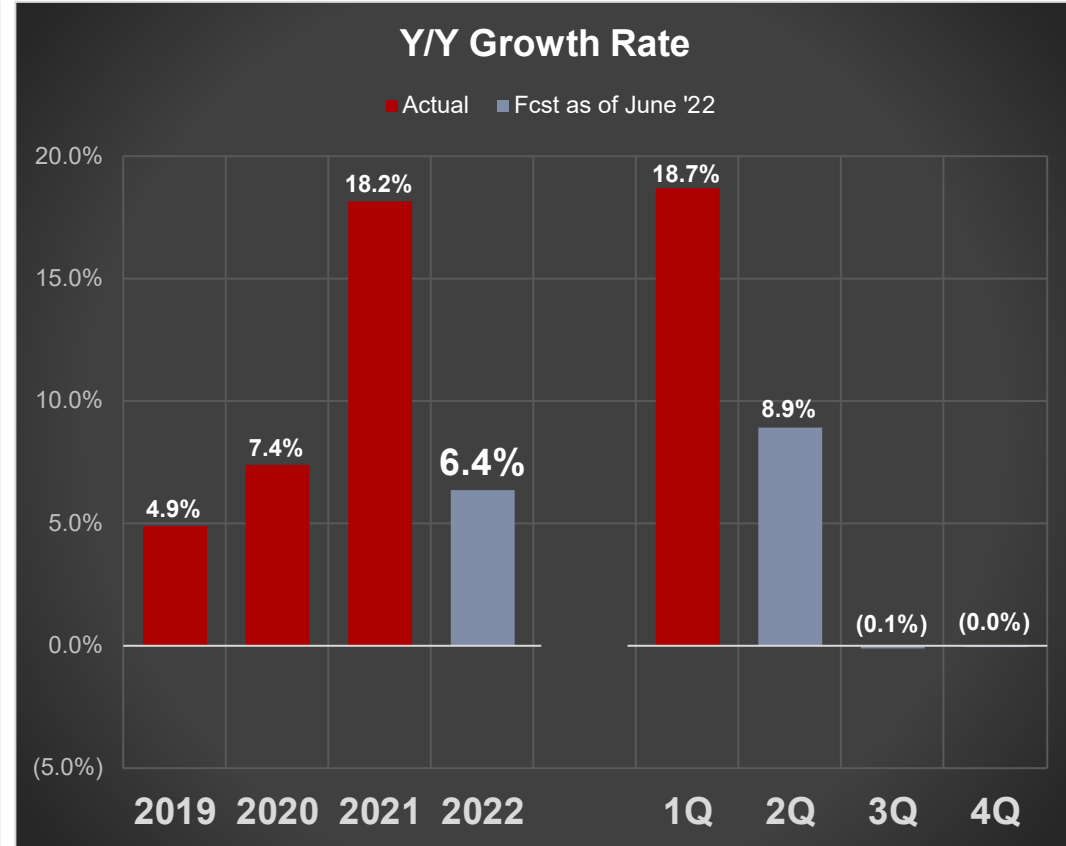
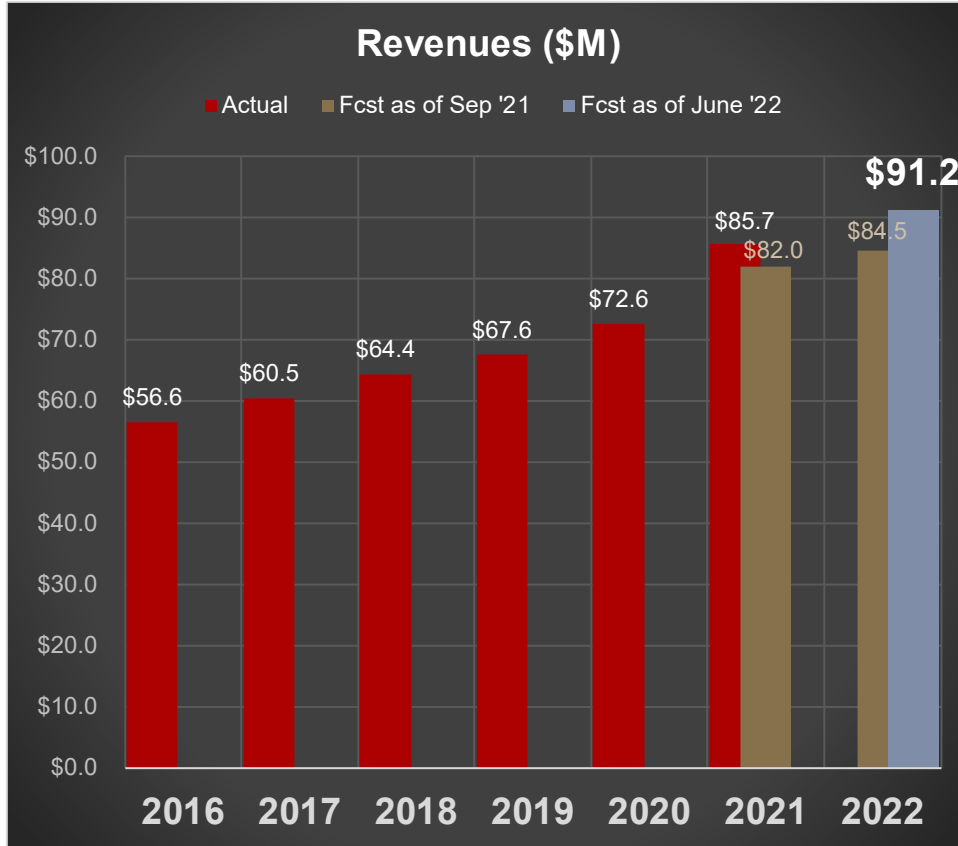
# New Projection vs. 2021

Sales Tax by Fund (\$M)		2022 June Adj Budget	2021 Actual	Change	
General Fund	County Option	91.2	85.7	5.5	6.4%
	ZAP	10.4	9.8	0.7	6.7%
	<b>TOTAL</b>	<b>101.6</b>	<b>95.5</b>	<b>6.1</b>	<b>6.4%</b>
ZAP Fund	ZAP	<b>24.9</b>	<b>23.3</b>	<b>1.6</b>	<b>6.7%</b>
Transportation Fund	Transportation	<b>17.7</b>	<b>16.6</b>	<b>1.1</b>	<b>6.5%</b>
Visitor Promo Fund	Transient Room	<b>25.1</b>	<b>18.1</b>	<b>7.0</b>	<b>38.6%</b>
TRCC Fund	Transient Room Supp.	3.5	2.5	1.0	38.8%
	Car Rental	19.6	17.0	2.6	15.4%
	Restaurant	32.0	29.0	3.0	10.2%
	<b>TOTAL</b>	<b>55.1</b>	<b>48.5</b>	<b>6.6</b>	<b>13.5%</b>
Unincorp Muni Svcs	Local Option	<b>4.9</b>	<b>4.5</b>	<b>0.4</b>	<b>10.0%</b>
<b>TOTAL</b>		<b>229.3</b>	<b>206.5</b>	<b>22.8</b>	<b>11.0%</b>



# County Option Sales Tax

(0.25% tax — to General Fund)



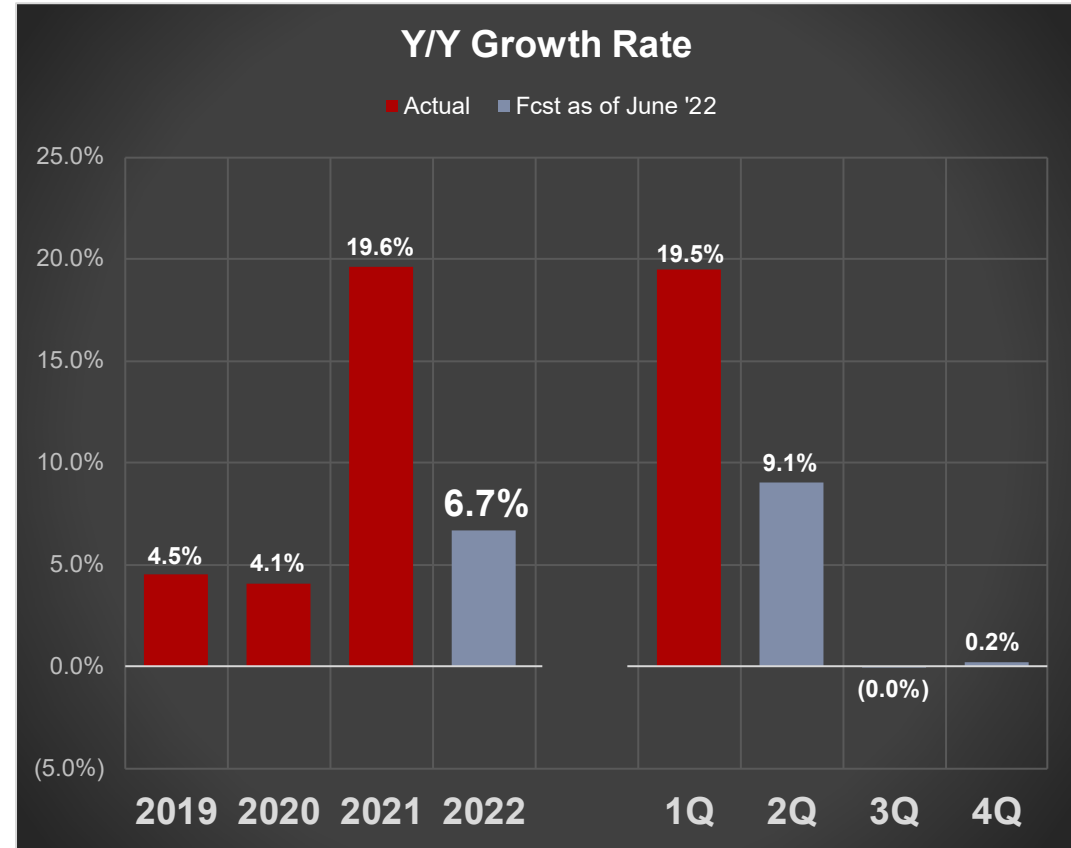
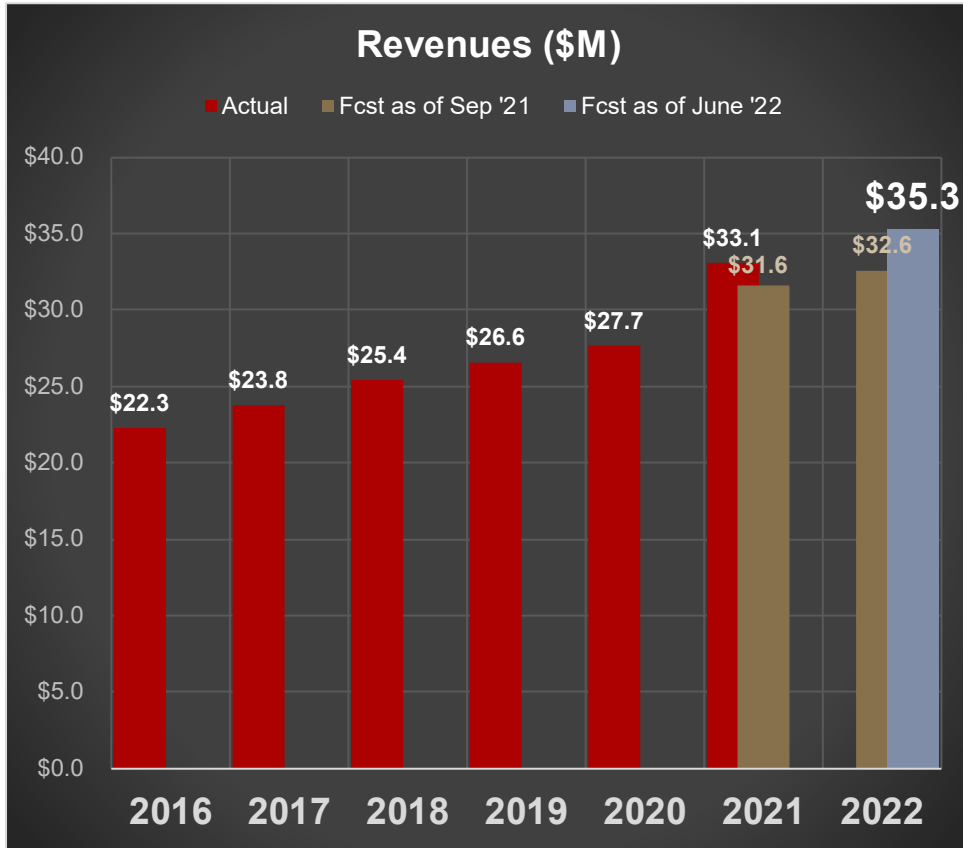
\$6.7M Increase





# Zoo, Arts, & Parks Tax

(0.1% tax to ZAP Fund and General Fund\*)



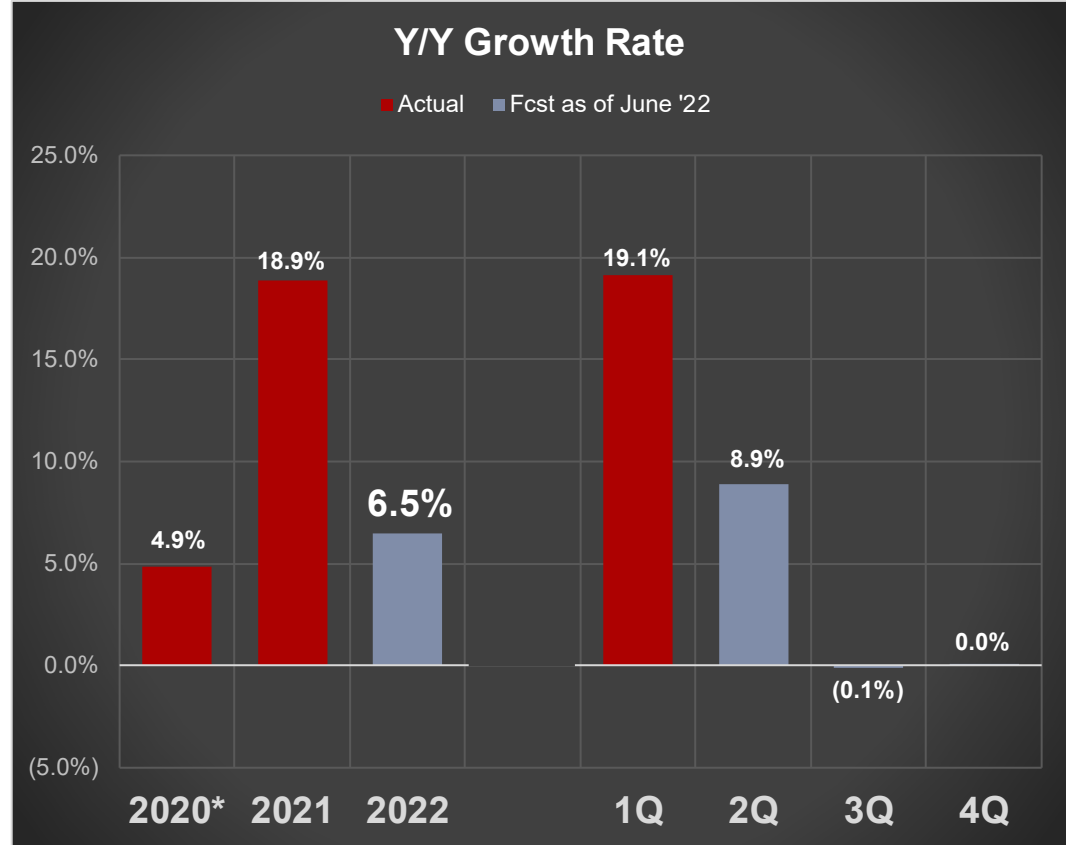
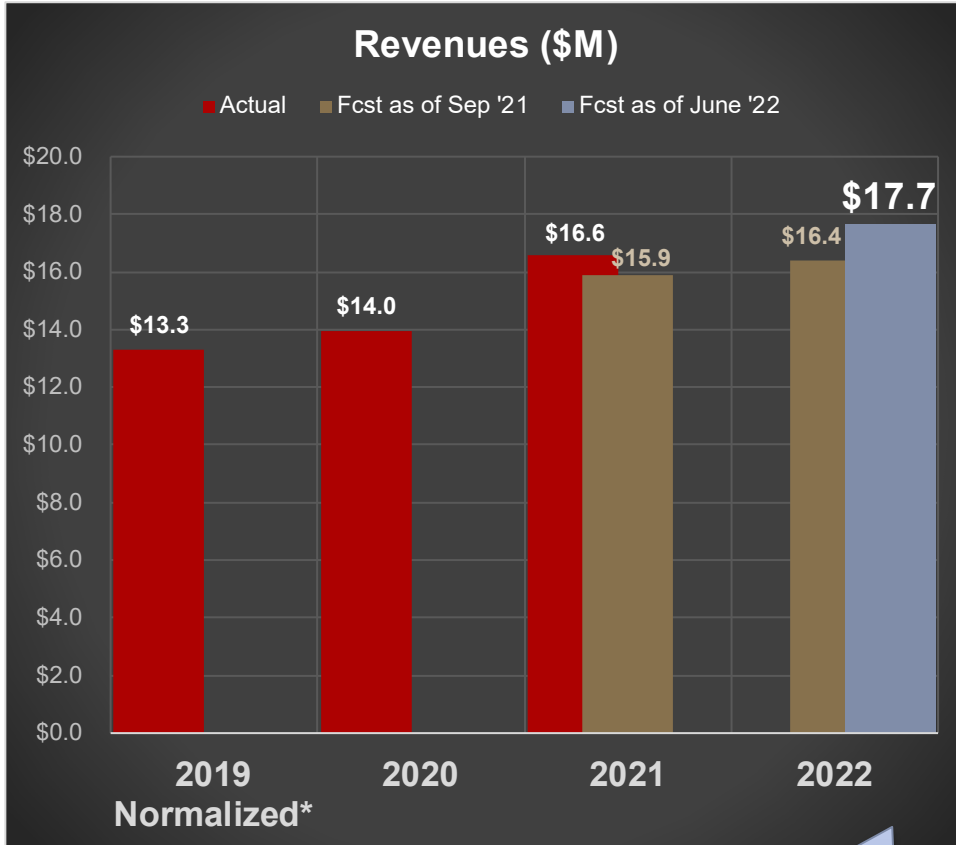
\$2.7M Increase

\* Approximately 70.5% to ZAP fund and 29.5% to General Fund for Recreation



# Transportation Sales Tax

(20% of 0.25% tax to Transportation Fund)



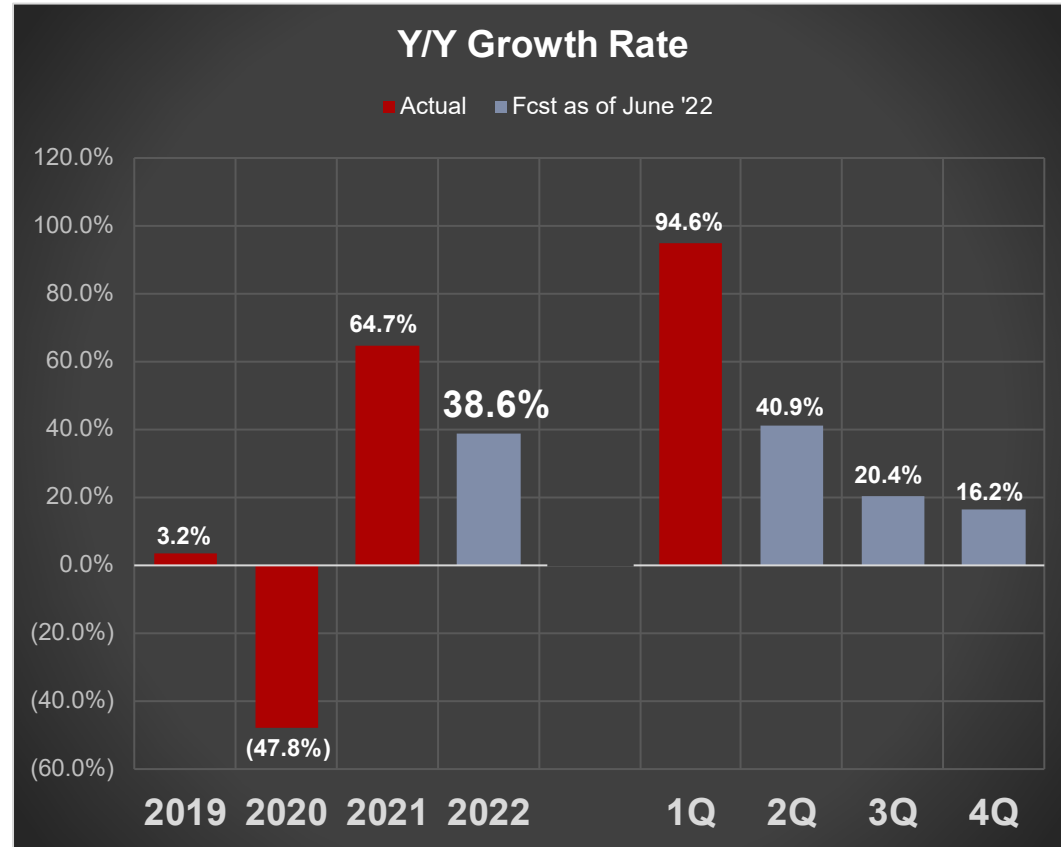
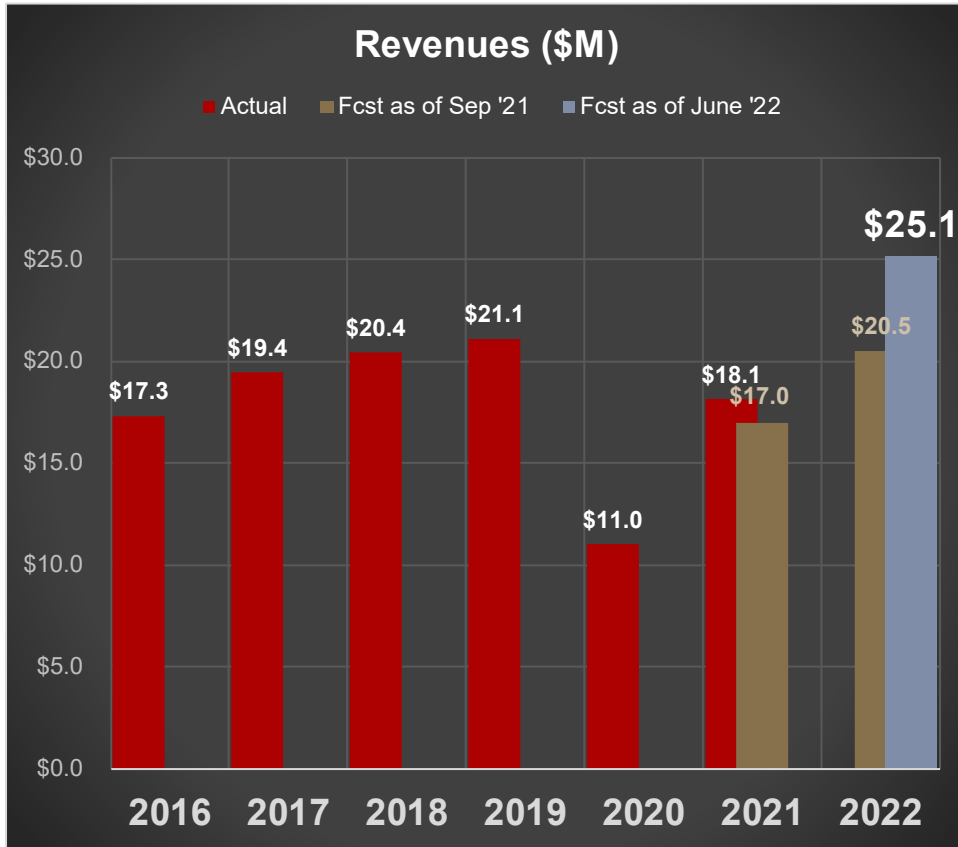
\$1.27M Increase

\* Normalized for comparison purposes by multiplying the County's revenue by 20% prior to 3Q 2019, to match the current ongoing allocation %. Tax began 4Q 2018 at 100%.



# Transient Room Tax

(4.25% tax to Visitor Promotion Fund\*)



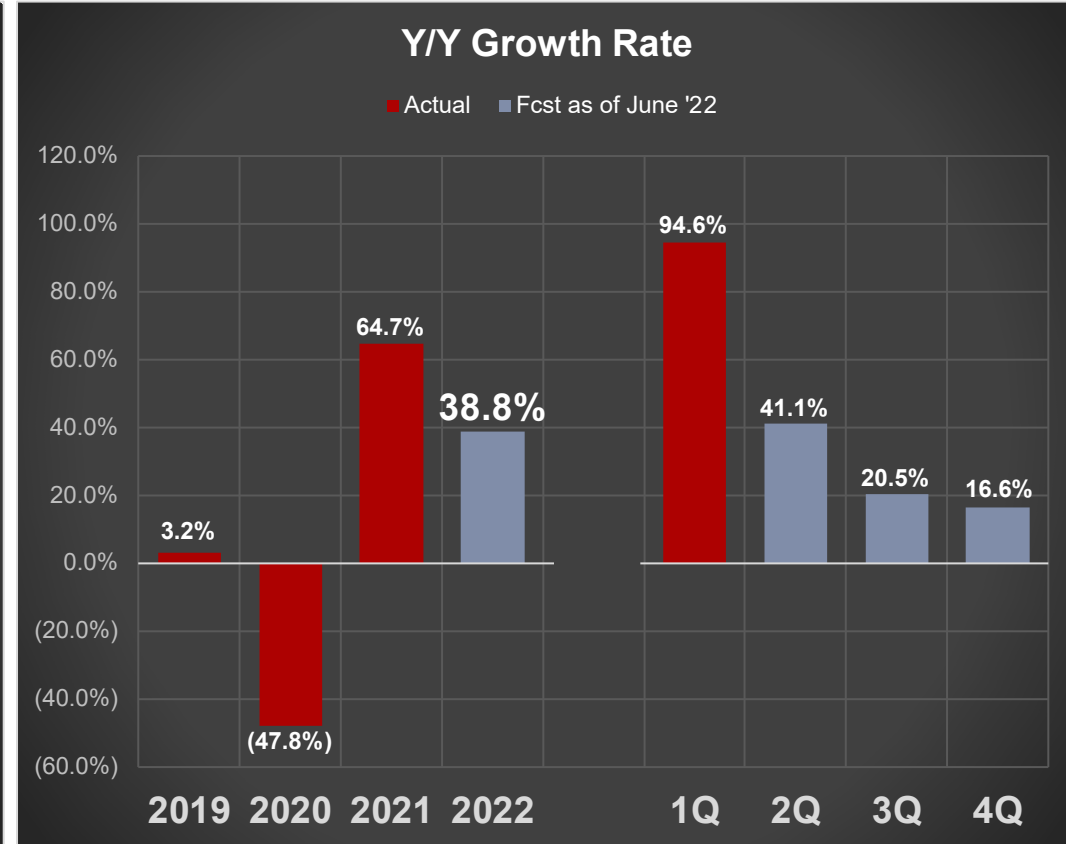
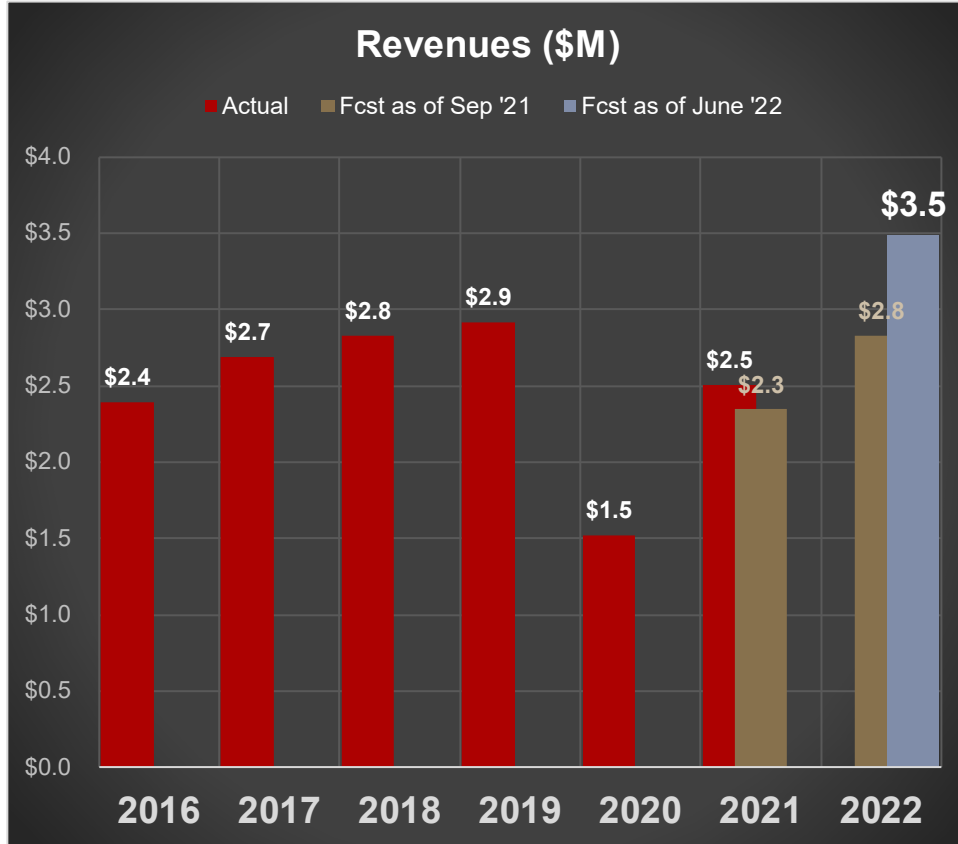
\$4.61M Increase

\* The state diverts 15% of the revenue to another entity.



# Transient Room Tax - Supplemental

(0.5% tax to TRCC: Tourism, Recreation, Cultural & Convention Fund)

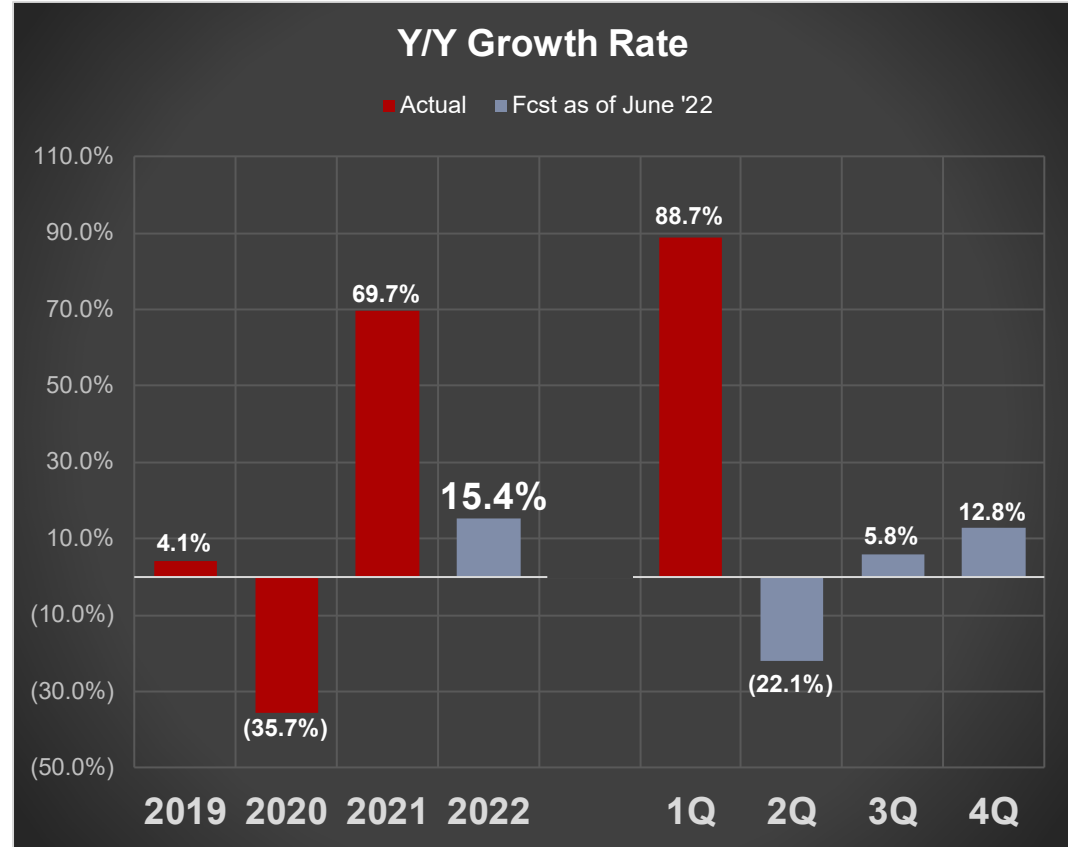
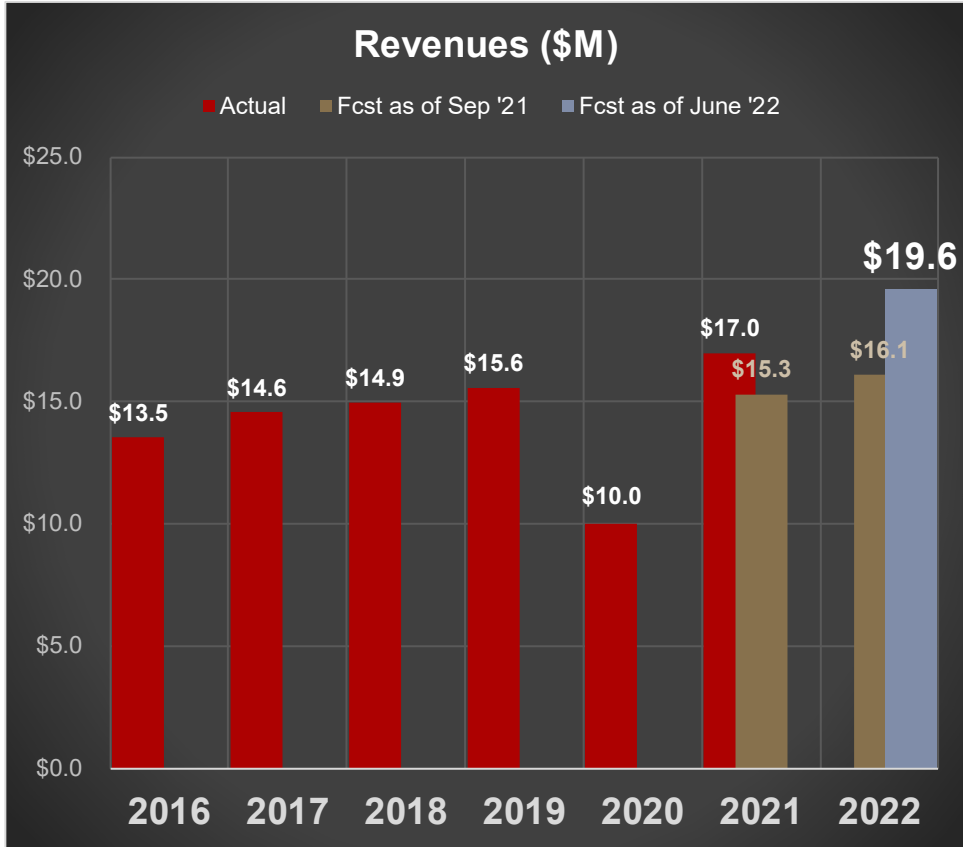


\$650K Increase



# Car Rental Tax

(3% & 4% tax to TRCC Fund)

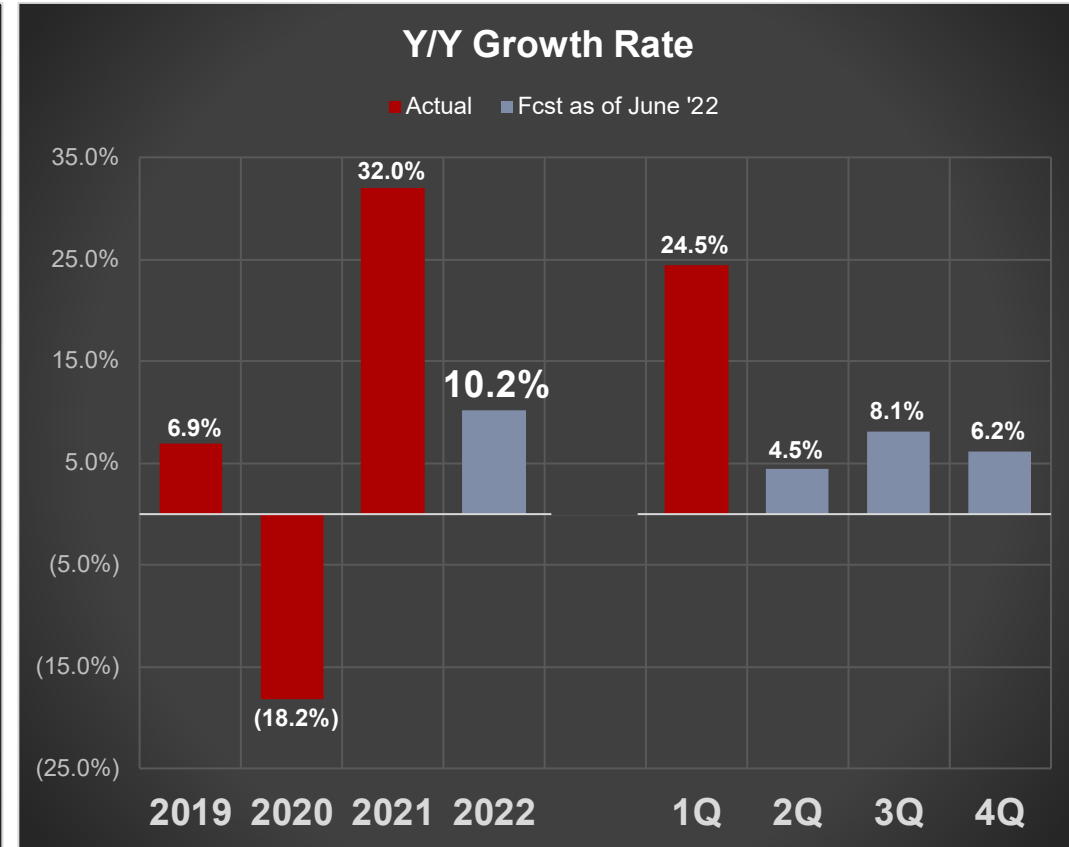
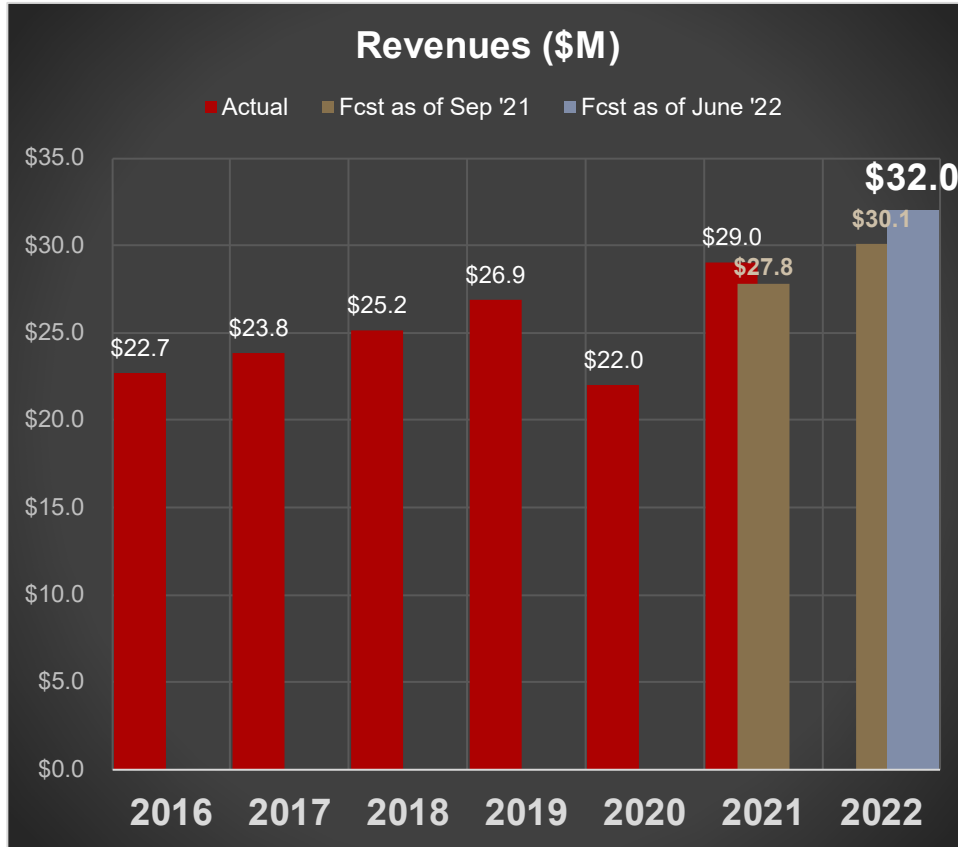


**\$3.5M Increase**



# Restaurant Tax

(1% tax to TRCC Fund)

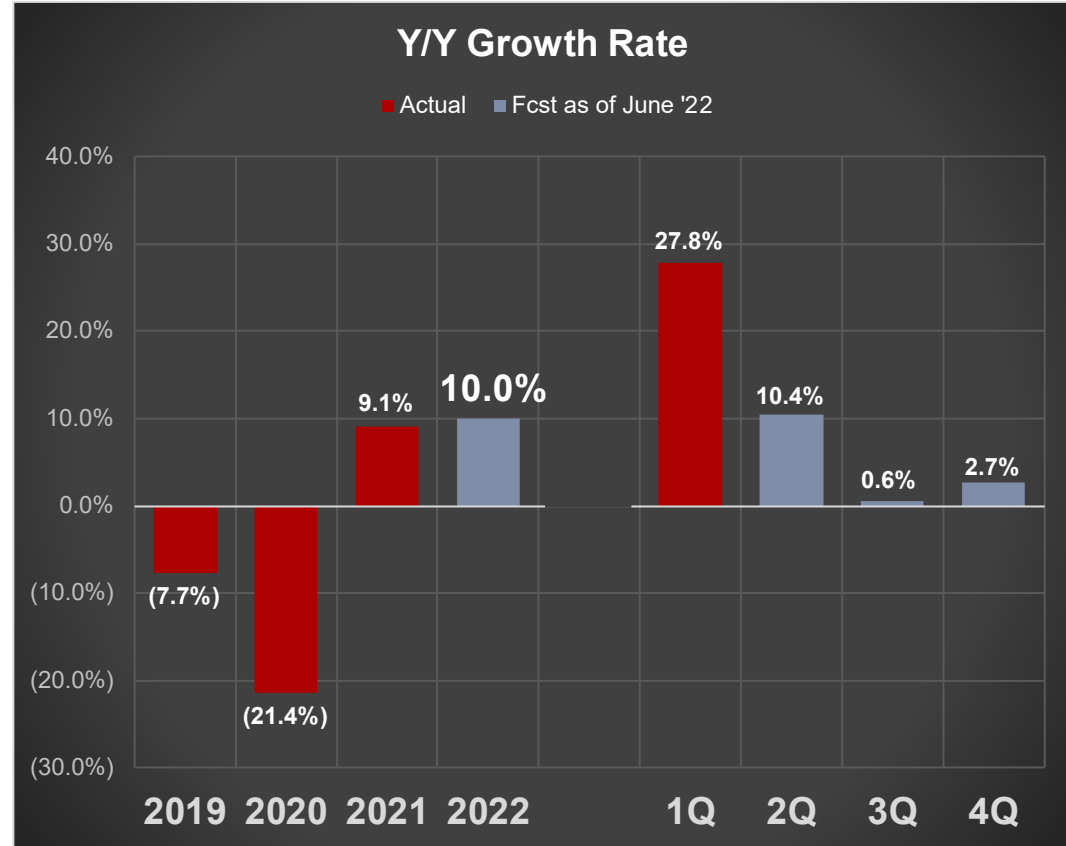
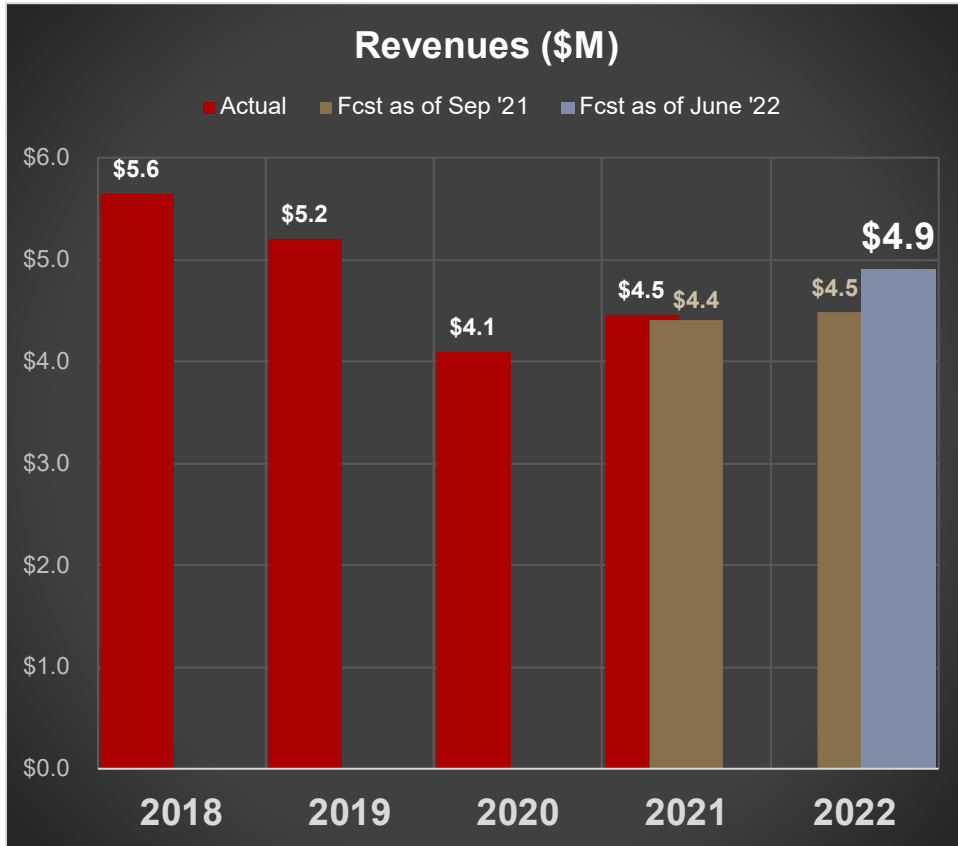


\$1.9M Increase



# Local Option Sales Tax

(1% tax to Unincorporated Municipal Services Fund)



\$430K Increase

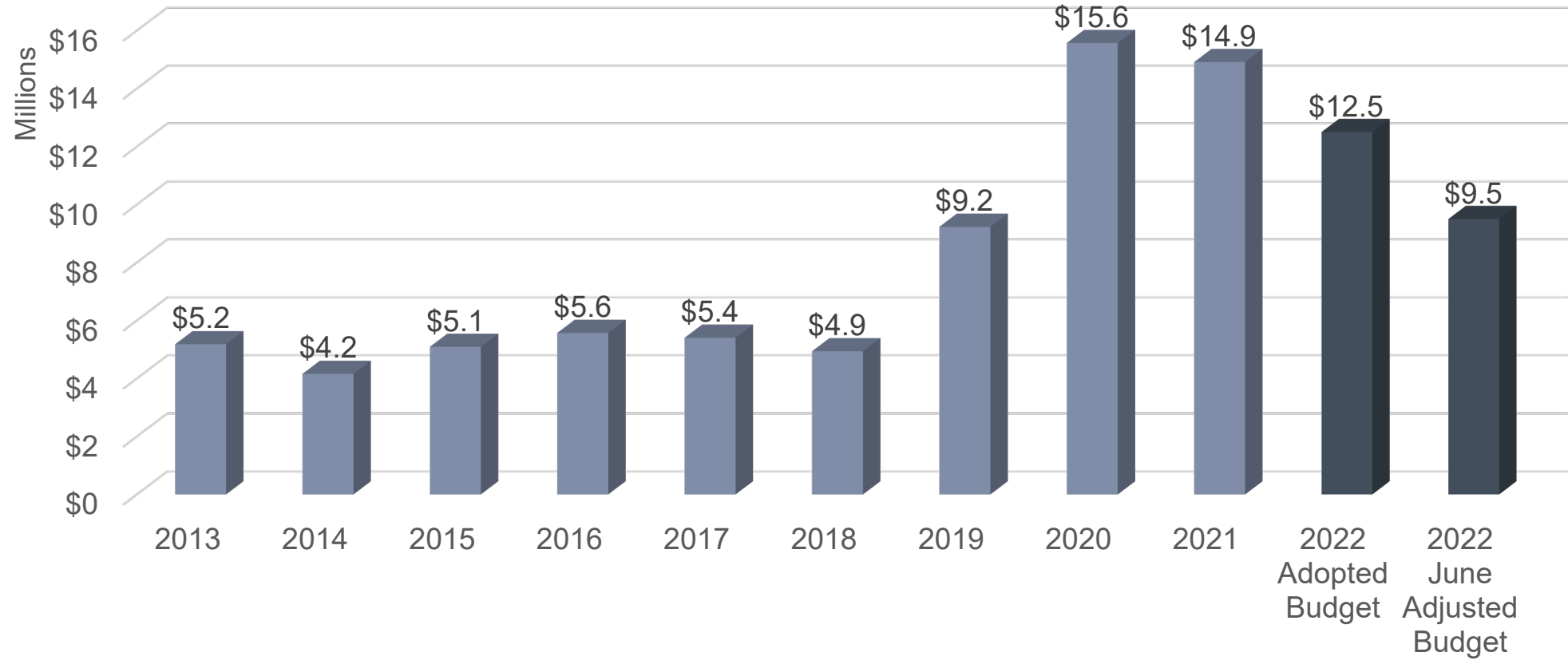
\* Beginning Jan 1, 2020, sales taxes for Brighton are excluded due to its incorporation.

# OTHER REVENUES





# Recorder Revenue



HB 247 took effect on May 14, 2019 and has resulted in increased recording revenues.



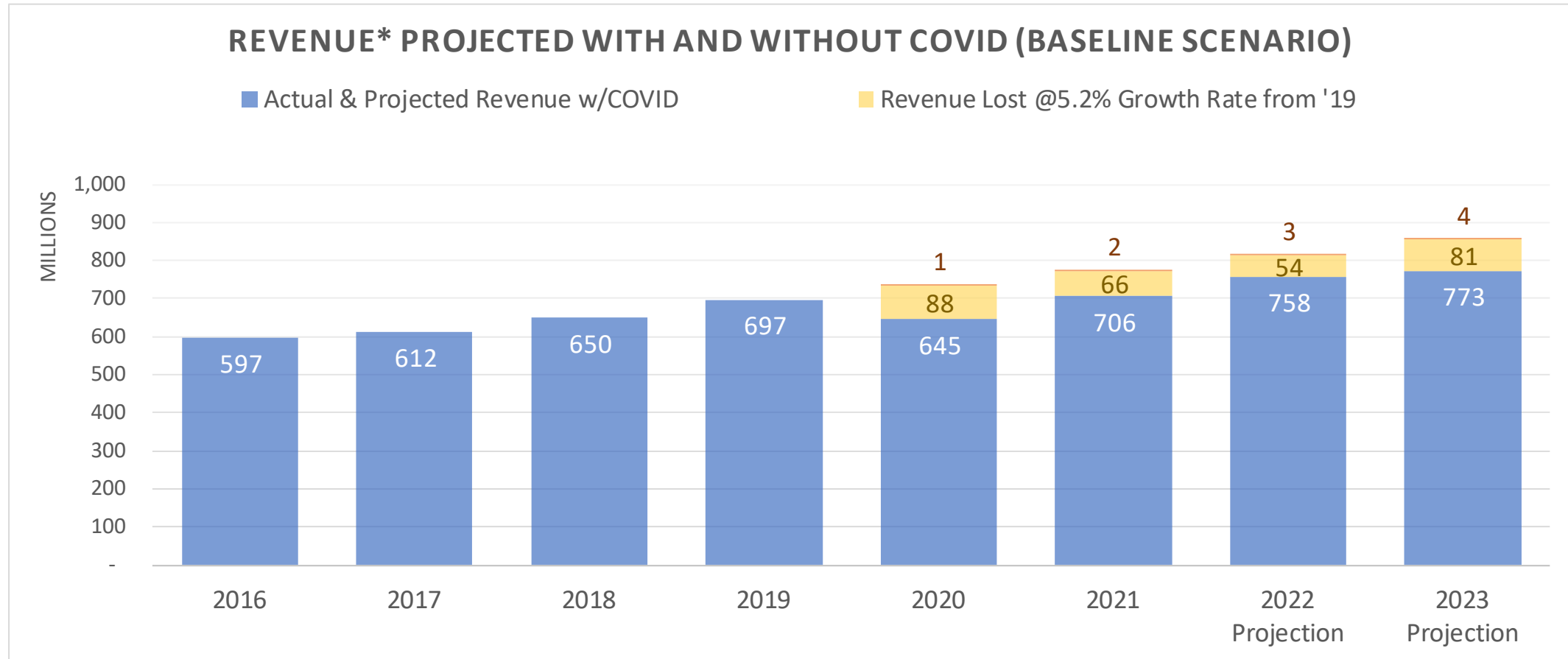
# FEMA Reimbursement Revenue

*in millions \$*

Status (as of June 6, 2022)	2021	2022	2023E	Total	Descriptions
<b>Reimbursed by FEMA</b>	4.6	27.4		<b>31.9</b>	Various COVID-19 response and mitigation
<b>FEMA approved – not yet paid</b>		2.8		<b>2.8</b>	COVID-19 testing
<b>Submitted – FEMA reviewing</b>			10.4	<b>10.4</b>	NCS medical sheltering, vaccine support costs, Emergency Coordination Center ops
<b>Not submitted to FEMA yet</b>			1.8	<b>1.8</b>	Grant management fees, reopening and operations
<b>Total</b>	<b>4.6</b>	<b>30.1</b>	<b>12.2</b>	<b>46.9</b>	

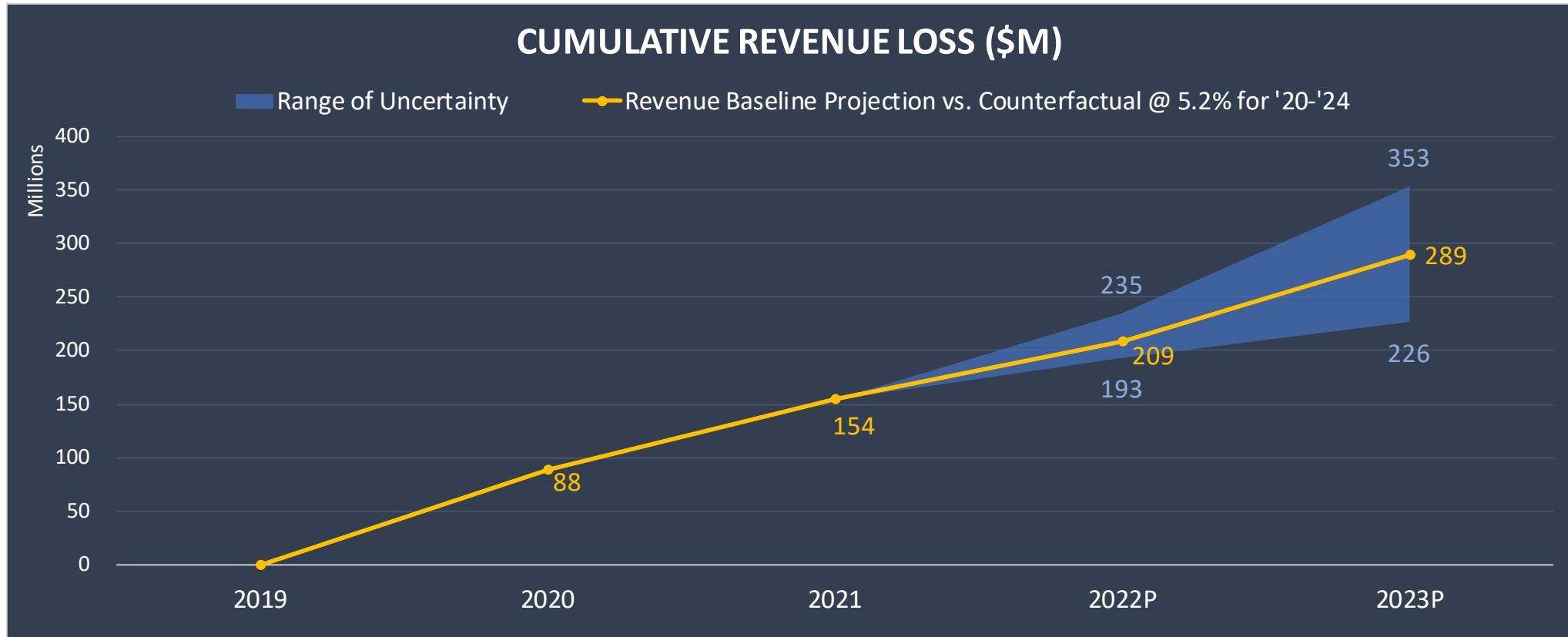


# ARPA Revenue Replacement Estimate





# ARPA Revenue Loss Estimate [cont.]





# Revenue Summary

- Outlook positive, with risks
- Growing over unusually high baseline
- Sales tax growth rates projected to moderate
  - First half: growth rates continue above long-term trend
  - Last half: flat Y/Y for general sales taxes, moderating for boutique taxes