



General Fund Revenue Projections FY 2021-2025

Budget and Finance Policy Committee

June 2, 2021

HISTORICAL AND PROJECTED GENERAL FUND REVENUES

				Projected General Fund Revenue FY 2021 through FY 2025								
	FY 2018	FY 2019	FY 2020	FY 2021 Adopted	FY 2021 YTD Apr	FY 2021 Revised	Chg	%	FY 2022	FY 2023	FY 2024	FY 2025
Undesignated Revenues												
Secured Property Taxes	56,038,218	59,178,773	63,192,678	61,165,454	64,799,649	68,500,000	7,334,546	12.0%	71,280,000	73,774,800	76,356,918	79,029,410
Supplemental Taxes	2,237,649	2,174,903	2,334,597	1,260,000	855,050	2,000,000	740,000	58.7%	2,000,000	2,000,000	2,000,000	2,000,000
Unsecured Property Taxes	2,687,198	2,878,275	3,164,168	2,250,000	3,492,078	3,500,000	1,250,000	55.6%	2,625,000	2,625,000	2,625,000	2,625,000
Property Transfer Taxes	18,911,368	19,952,981	22,137,492	16,500,000	16,500,000	16,500,000	-	0.0%	12,500,000	12,500,000	12,500,000	12,500,000
Property Transfer Tax - Measure P		2,932,313	9,512,603	4,747,414	7,862,612	9,200,000	4,452,586	93.8%	8,500,000	8,500,000	8,500,000	8,500,000
Sales Taxes	17,435,591	18,663,550	17,557,539	15,786,200	13,298,494	15,985,141	198,941	1.3%	18,287,215	19,827,678	20,660,832	21,528,995
Soda Tax	1,457,003	1,547,349	1,331,313	970,794	802,100	970,794	-	0.0%	990,210	1,010,014	1,030,214	1,050,819
Utility Users Taxes	14,828,120	13,973,744	13,475,915	12,750,000	11,635,430	13,269,760	519,760	4.1%	13,000,000	13,000,000	13,000,000	13,000,000
Transient Occupancy Taxes(TOT)	7,807,273	7,995,188	6,387,495	5,070,000	1,745,232	2,070,000	(3,000,000)	-59.2%	2,173,500	2,282,175	2,396,284	2,516,098
Short-term Rentals	911,015	1,830,983	1,280,460	676,260	460,421	600,000	(76,260)	-11.3%	630,000	661,500	694,575	729,304
Business License Taxes	19,878,912	19,848,803	20,863,638	12,984,192	16,746,465	17,617,281	4,633,089	35.7%	18,498,146	19,423,053	20,394,205	21,413,916
Recreational Cannabis		1,168,794	1,446,655	1,300,000	1,531,853	1,611,509	311,509	24.0%	1,643,739	1,676,614	1,710,146	1,744,349
Measure U1	5,161,615	5,828,443	5,597,359	2,700,000	4,771,816	5,019,951	2,319,951	85.9%	5,120,350	5,222,757	5,327,212	5,433,756
Other Taxes		2,278,496	2,117,691	1,456,560	1,913,570	2,542,309	1,085,749	74.5%	2,593,155	2,645,018	2,697,918	2,751,877
Vehicle In Lieu Taxes	11,822,917	12,540,784	13,356,044	12,421,597	14,380,453	14,384,459	1,962,862	15.8%	14,959,837	15,483,432	16,025,352	16,586,239
Parking Fines - Regular Collections	6,608,001	6,002,211	3,897,580	5,049,000	3,074,805	3,549,000	(1,500,000)	-29.7%	3,726,450	3,912,773	4,108,411	4,313,832
Parking Fines - Booting Collections		211,913	8,685	-	-	-	-	0.0%	-	-	-	-
Moving Violations	188,443	177,824	209,894	190,000	93,396	130,000	(60,000)	-31.6%	132,600	135,252	137,957	140,716
Ambulance Fees	4,343,453	4,424,808	4,962,919	5,103,208	2,403,568	3,092,159	(2,011,049)	-39.4%	3,154,002	3,217,082	3,281,424	3,347,052
Interest Income	3,636,989	4,334,404	7,853,460	2,851,200	5,144,046	5,952,855	3,101,655	108.8%	4,411,120	4,411,120	4,411,120	4,411,120
Franchise Fees	2,009,931	1,821,316	1,839,102	1,551,696	1,561,920	1,581,650	29,954	1.9%	1,613,283	1,645,549	1,678,460	1,712,029
Other Revenues	10,736,326	8,116,908	8,065,884	6,246,348	8,512,883	8,600,000	2,353,652	37.7%	6,200,000	6,200,000	6,200,000	6,200,000
Indirect cost reimbursements	6,149,619	5,223,725	5,489,783	5,490,000	4,263,692	5,490,000	-	0.0%	5,490,000	5,490,000	5,490,000	5,490,000
Transfers	5,792,575	5,356,132	5,386,188	17,274,293	17,046,735	17,546,735	272,442	1.6%	4,966,745	4,966,745	4,966,745	4,966,745
Total Undesignated Revenues	198,642,216	208,462,620	221,469,143	195,794,216	202,896,266	219,713,603	23,919,387	12.2%	204,495,352	210,610,561	216,192,773	221,991,256
Designated Revenues												
Prop. Transfer Taxes for capital improvements					2,606,835	4,500,000	4,500,000		8,500,000	8,500,000	8,500,000	8,500,000
Total Designated Revenues					2,606,835	4,500,000	4,500,000		8,500,000	8,500,000	8,500,000	8,500,000
TOTAL REVENUES AND TRANSFERS	198,642,216	208,462,620	221,469,143	195,794,216	205,503,101	224,213,603	28,419,387	14.5%	212,995,352	219,110,561	224,692,773	230,491,256

FY 2021 – FY 2025 PROJECTED REVENUES

Secured Property Taxes									
	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$51,474,746	\$56,038,218	\$59,178,773	\$63,192,678	\$68,500,000	\$71,280,000	\$73,774,800	\$76,356,918	\$79,029,410
Change (\$)		\$ 4,563,472	\$ 3,140,555	\$ 4,013,905	\$ 5,307,322	\$ 2,780,000	\$ 2,494,800	\$ 2,582,118	\$ 2,672,492
Change (%)		8.9%	5.6%	6.8%	8.4%	4.1%	3.5%	3.5%	3.5%

- Based on the annual County Assessor’s Office estimate of assessed values (the baseline)
- The growth in assessed values
- Property tax delinquencies - which are very low in the City of Berkeley
- Revenue Projections determined by the County

FY 2021 – FY 2025 PROJECTED REVENUES

Vehicle In Lieu Taxes									
	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$10,994,452	\$11,822,917	\$12,540,784	\$13,356,044	\$14,384,459	\$14,959,837	\$15,483,432	\$16,025,352	\$16,586,239
Change (\$)		\$ 828,465	\$ 717,867	\$ 815,260	\$ 1,028,415	\$ 575,378	\$ 523,594	\$ 541,920	\$ 560,887
Change (%)		7.5%	6.1%	6.5%	7.7%	4.0%	3.5%	3.5%	3.5%

- Revenues tied to the change in Gross Assessed values of taxable properties
- New Vehicles Sales less DMV administrative cost
- Revenue Projections determined by the State and County

FY 2021 – FY 2025 PROJECTED REVENUES

Property Transfer Taxes									
	Actual Revenue				Projected Revenue*				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$17,151,793	\$18,911,368	\$19,952,981	\$22,137,492	\$21,000,000	\$21,000,000	\$21,000,000	\$21,000,000	\$21,000,000
Change (\$)		\$ 1,759,575	\$ 1,041,613	\$ 2,184,511	\$ (1,137,492)	\$ -	\$ -	\$ -	\$ -
Change (%)		10.3%	5.5%	10.9%	-5.1%	0.0%	0.0%	0.0%	0.0%

Property Transfer Tax - Measure P									
	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$ -	\$ -	\$ 2,932,313	\$ 9,512,603	\$ 9,200,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
Change (\$)		\$ -	\$ 2,932,313	\$ 6,580,290	\$ (312,603)	\$ (700,000)	\$ -	\$ -	\$ -
Change (%)				224.4%	-3.3%	-7.6%	0.0%	0.0%	0.0%

*includes designated revenues

- Projections tied to real property sales
- Sale Price of Properties
- Frequency of property being sold

FY 2021 – FY 2025 PROJECTED REVENUES

Sales Taxes

	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$20,105,287	\$17,435,591	\$18,663,550	\$17,557,539	\$15,985,141	\$18,287,215	\$19,827,678	\$20,660,832	\$21,528,995
Change (\$)		\$ (2,669,696)	\$ 1,227,959	\$ (1,106,011)	\$ (1,572,398)	\$ 2,302,074	\$ 1,540,463	\$ 833,154	\$ 868,163
Change (%)		-13.3%	7.0%	-5.9%	-9.0%	14.4%	8.4%	4.2%	4.2%

- Projections tied to:
- Overall economic growth in the City and Bay area
- Growth rate of Berkeley commercial and industrial sectors
- Berkeley business attraction and retention
- Strong rebound expected beginning in FY 2022
- Projections are provided by the MuniServices (the city's sales tax consultant)

FY 2021 – FY 2025 PROJECTED REVENUES

Utility Users Taxes									
	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$15,109,305	\$14,828,120	\$13,973,744	\$13,475,915	\$13,269,760	\$13,000,000	\$13,000,000	\$13,000,000	\$13,000,000
Change (\$)		\$ (281,185)	\$ (854,376)	\$ (497,829)	\$ (206,155)	\$ (269,760)	\$ -	\$ -	\$ -
Change (%)		-1.9%	-5.8%	-3.6%	-1.5%	-2.0%	0.0%	0.0%	0.0%

- Revenues is 7.5% tax on all users of utilities. 65% from gas and electric
- Revenues tied to: Consumptions/use of gas, electricity, telecommunication services, cable and cellular
- PUC rate changes
- Projections derived from data provided by PG&E

FY 2021 – FY 2025 PROJECTED REVENUES

Business License Taxes									
	Actual Revenue				Projected Revenue				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Revenues	\$18,829,739	\$19,878,912	\$19,848,803	\$20,863,638	\$17,617,281	\$18,498,146	\$19,423,053	\$20,394,205	\$21,413,916
Change (\$)		\$ 1,049,173	\$ (30,109)	\$ 1,014,835	\$ (3,246,357)	\$ 880,865	\$ 924,907	\$ 971,152	\$ 1,019,711
Change (%)		5.6%	-0.2%	5.1%	-15.6%	5.0%	5.0%	5.0%	5.0%

- Based on gross receipts of businesses in the City
- Projections based on:
 - Commercial and industrial growth rates
 - Economic activities in the Bay area
 - Number of business renewals and
 - Audit and Collection programs of the Finance department

FY 2021 – FY 2025 PROJECTED REVENUES

- These revenue categories represent over 80% of overall General Fund revenues.
- Projections are based on the most current data available regarding collections and economic activities
- Staff will update as post-COVID economic conditions become more clear and the distinction between short-term pandemic business interruptions and longer lasting trends is more apparent

Questions?

