

## 2023 Major Governmental Activities Revenue Forecast

Governmental Activities Revenue	2023 Budget to 2022 Budget				2022 Budget to 2022 Current Projection				Month Collected	Comments
	2023 Budget	2022 Budget	\$ Fav (Unfav)	% Fav (Unfav)	2022 Budget	2022 Current Projection	\$ Fav (Unfav)	% Fav (Unfav)		
Property Tax (Base)	20,124,795	18,569,812	1,554,983	8%	18,569,812	18,569,812	0	0%	SEP	As of 9.2022 - 1.52% Growth, Inflation, 8.05%, Total is 9.57% and offset by a prior year 1% inflation variance. In 2022 inflation has not slowed based on Fed Fund rate increases. The unadjusted Tabor increase is \$1,757,963.
Specific Ownership (Base)	1,309,720	1,505,431	(195,711)	-13%	1,505,431	1,309,720	(195,711)	(13%)	SEP	Supply chain and availability of new vehicles have negatively impacted the purchase of vehicles.
Sales Tax	9,668,392	8,056,993	1,611,399	20%	8,056,993	11,199,220	3,142,227	39%	AUG	The 2023 Budget is forecasting a 29% increase from 2019 actual. The 2022 Projected Budget is forecasting a 50% increase in sales tax from 2019 actual. Historical average increase since inception is 5% through 2019.
Building Use Tax	1,670,550	1,591,000	79,550	5%	1,591,000	2,068,300	477,300	30%	AUG	The Building use tax increase is based on 5% increase in Building fees. In 2024 decreased to \$500,000 into the future. Any amount greater than \$235,000 goes to Committed Capital Reserve.
Auto Use Tax	609,700	609,700	0	0%	609,700	963,326	353,626	58%	SEP	The forecast is using approximately 2019 actual for the 2023 Budget.
HUTF	2,938,460	3,020,000	(81,540)	-3%	3,020,000	2,938,460	(81,540)	(3%)	SEP	Senate Bill 21-260 created a road usage fee on gasoline and diesel fuel, created retail delivery fees, and other transportation-related fee adjustments. Fee revenues were further adjusted by House Bill 22-1351, which delayed the aforementioned road usage fee implementation until April 2023. Lastly, House Bill 22-1254 made both upward and downward changes to fees that will influence the transportation-related revenue. State HUTF estimate is \$3,040,000.
Clerk Fees	413,790	416,380	(2,590)	-1%	416,380	419,550	3,170	1%	SEP	The Clerk's forecast is using approximately 2019 actual as a base anticipating real estate transaction volume decreasing from 2020 & 2021. However, the sale price has continued to increase only at a slower rate.
Treasurer Fees	739,000	741,000	(2,000)	0%	741,000	741,000	0	0%	SEP	The Treasurer's forecast was based on a non reassessment year and a small increase in assessed valuation.
Motor Vehicle Fees	410,500	369,000	41,500	11%	369,000	448,282	79,282	21%	SEP	The Clerk's forecast using approximately 2019 actual as a base, cars increasing in cost and people continuing to purchase cars because of the significant delays.
E-911	699,000	610,640	88,360	14%	610,640	610,640	0	0%	JUL	The PUC increased the E911 rate from \$1.72 to \$1.97 or 14%.
Interest	684,009	57,941	626,068	1081%	57,941	(963,790)	(1,021,731)	(1763%)	AUG	The 2022 interest rate is anticipated to be -1.7% because of the Fed increasing rates to 4.5% & resulting in negative mark to market adjustments. For 2023, 33% of Officials expect Fed Fund rates to stay above 4% through 2024. Another third of Fed Officials anticipate cutting rates between 2.5% and 3.5% in 2024. The remaining third of Fed Officials have rates declining to somewhere in between. If this projection holds a 1.4% interest rate is anticipated in 2023.
<b>Total</b>	<b>39,267,916</b>	<b>35,547,897</b>	<b>3,720,019</b>	<b>9%</b>	<b>35,547,897</b>	<b>38,304,520</b>	<b>2,756,623</b>	<b>8%</b>		
<b>Federal/State</b>										
Severance Tax	333,175	351,525	(18,350)	-5%	351,525	469,260	117,735	33%	DEC	2023 Legislative Council forecasts a decrease of 31%. Governors forecasts a decrease of 26%. Average 29% decrease. Oil prices are anticipated to decline in 2023. Decreased to \$45,000 in 2024. Any amount over \$45,000 goes to the Committed Capital Reserve. Ended revenue stream in 2029 due to anticipated mine closure.
Mineral Lease	35,342	22,500	12,842	57%	22,500	35,340	12,840	57%	DEC	Used 2022 actual. Twenty Mile is mining through more Federal property. Federal Mineral Lease is an offset to PILT. Ended revenue stream in 2029 due to anticipated mine closure. PILT was increased by the \$35,340 in 2030.
PILT	2,069,270	1,930,250	139,020	7%	1,930,250	1,924,850	(5,400)	(0%)	DEC	PILT changed due to the change in Federal Mineral Lease offset and increased 8% from inflation.
<b>Total Federal</b>	<b>2,437,787</b>	<b>2,304,275</b>	<b>133,512</b>	<b>5%</b>	<b>2,304,275</b>	<b>2,429,450</b>	<b>125,175</b>	<b>5%</b>		
<b>Grand Total</b>	<b>41,705,703</b>	<b>37,852,172</b>	<b>3,853,531</b>	<b>9%</b>	<b>37,852,172</b>	<b>40,733,970</b>	<b>2,881,798</b>	<b>8%</b>		

### Risks

Inflation- goods, services and wages

Federal Reserve Rate increase slowing the economy down to fast.

Anticipated Recession. Similar to 2000 recession Sales Tax change in the following years. 2000: 11%, 2001: 4%, 2002: -1%, 2003: 0%, 2004: 8%

Russia, China

Supply chain disruptions

## Governmental Activities Committed Reserves

