



**Chandler • Arizona**  
Where Values Make The Difference



**MEMORANDUM**

**Management Services Memo No. 16-072**

**DATE:** MAY 11, 2016

**TO:** MAYOR AND COUNCIL

**THRU:** MARSHA REED, CITY MANAGER *MR*  
DAWN LANG, MANAGEMENT SERVICES DIRECTOR *DL*

**FROM:** GREG WESTRUM, BUDGET MANAGER *AW*

**SUBJECT:** FISCAL YEAR (FY) 2015-16 MONTHLY REVENUE SUMMARY, SALES TAX COLLECTION REPORT AND GENERAL FUND EXPENDITURE REPORT THROUGH APRIL 2016

Attached is the FY 2015-16 General Fund Monthly Revenue and Expenditure Report for the period ending April 2016. Included in this report are:

- Attachment 1 – General Fund Revenue Summary;
- Attachment 2 – Local Sales Tax Revenue Five-Year Comparison;
- Attachment 3 – Local Sales Tax Revenue by Class;
- Attachment 4 – Local Sales Tax Revenue Month-by-Month Comparison to Prior Year; and
- Attachment 5 – General Fund Expenditure Summary.

The General Fund Monthly Revenue Summary gives a budget to actual comparison of revenues through April 2016. This month reflects a 5.2% increase in total General Fund revenues from the budgeted revenue received to date based on historical trends and a 2.7% increase in year to date General Fund revenue compared to the same period last year.

Local transaction privilege (sales) tax through April 2016, reflects an increase of 7.1% over historical trend, and an increase of 3.2% compared to the same period last year. Collections in April 2016, were 4.0% higher than April 2015. The largest category, Retail/Manufactured Buildings/Jet Fuel, is 4.0% higher than one year earlier. Some other increases compared to the same period last year include Utilities (+4.4%), Restaurants & Bars (+5.7%), Amusements (+16.3%), Real Property Rentals (+7.3%), Hotel/Motel (+7.8%), and Use Tax (+4.5%). Some categories lagging slightly compared to the prior year are Contracting (-6.3%) and Telecommunications (-6.8%).

Year to date results for other General Fund revenue categories are mostly higher, led by Licenses and Permits (+53.3% over budget based on historical trend). Franchise Fees are 11.5% above historical trend, but these fees are typically paid quarterly or annually so the trend can vary significantly in any given month depending on the receipt of payments. Several categories have decreased to more than -10% below budget compared to historical trend, including Charges for Services (-11.2%) and Fines and Forfeitures (-10.8%). The majority of categories are +/- 10% of revenues compared to budget based on historical trend.

The FY 2015-16 General Fund Expenditure Summary report reflects the percent of adjusted budget expended and encumbered through April 2016, then compares this spending percent to the prior fiscal year. The fiscal year is 83.3% complete and average spending is slightly under that at 77.7%. This compares to 75.6% for the same period last year.

Should you have any questions regarding this information, please contact me at x2256 or Dawn Lang at x2255.

cc: Nachie Marquez, Assistant City Manager

# CITY OF CHANDLER REVENUE SUMMARY

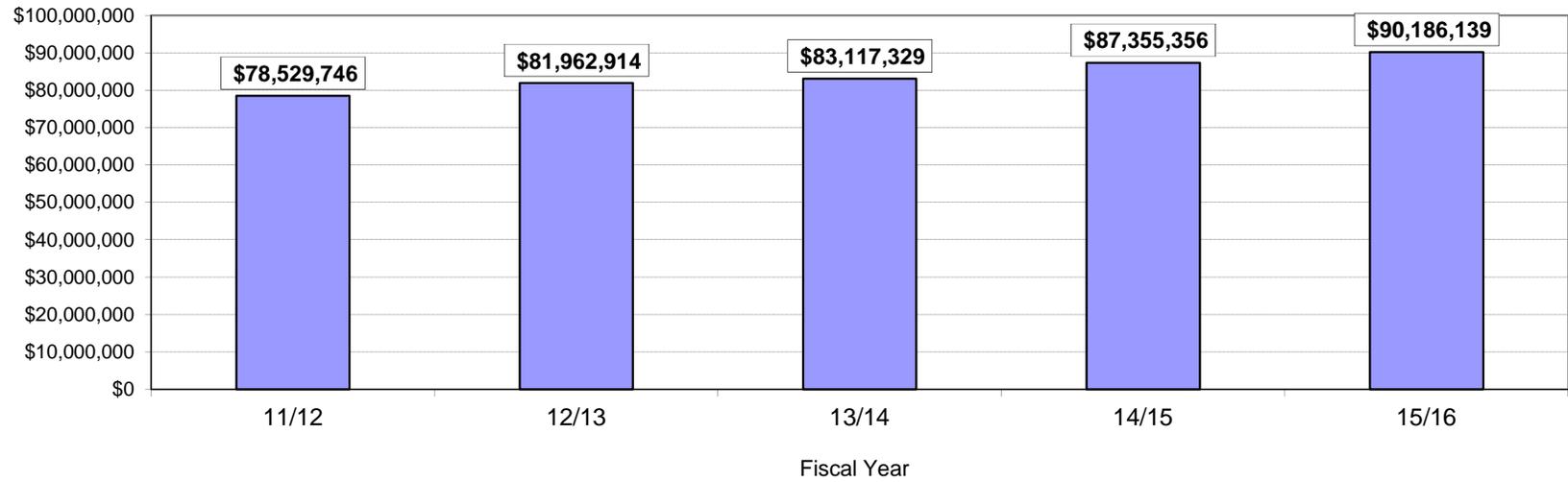
FY 2015-16 Year-To-Date Actuals Through April 2016

GENERAL FUND REVENUES	BUDGET		ACTUALS			COMPARISON TO PRIOR YEAR ACTUALS		
	FY 2015-16 Adopted Budget	FY 2015-16 Budget Prorated Based on Historical Trend	FY 2015-16 Actual Revenue YTD	+ or - of Actual to Budget Based on Historical Trend	% Change of Actual to Budget Based on Hist. Trend	FY 2014-15 Actual Revenues for Same Period	Difference + or (-) from FY 2014-15 to FY 2015-16	% Change of Actuals to Same Period FY 2014-15
Local Sales Tax Collections	\$ 102,100,000	\$ 84,170,031	\$ 90,186,139	\$ 6,016,108	7.1%	\$ 87,355,356	\$ 2,830,783	3.2%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	2,089,750	1,819,352	2,332,980	513,628	28.2%	2,496,631	(163,651)	-6.6%
<b>Total Local Sales Tax Revenue</b>	<b>104,189,750</b>	<b>85,989,383</b>	<b>92,519,119</b>	<b>6,529,736</b>	<b>7.6%</b>	<b>89,851,987</b>	<b>2,667,132</b>	<b>3.0%</b>
Franchise Fees	3,175,000	2,399,461	2,674,974	275,513	11.5%	2,530,028	144,946	5.7%
Primary Property Taxes	7,272,000	4,475,494	5,067,968	592,474	13.2%	4,392,673	675,295	15.4%
State Shared Sales Taxes	22,506,700	16,579,509	16,568,769	(10,740)	-0.1%	15,863,790	704,979	4.4%
Vehicle License Tax	9,300,000	6,961,299	7,567,663	606,364	8.7%	6,662,943	904,720	13.6%
Urban Revenue Sharing	28,453,600	23,712,306	23,711,349	(957)	0.0%	23,840,603	(129,254)	-0.5%
Licenses & Permits	4,488,000	3,506,089	5,373,096	1,867,007	53.3%	4,086,425	1,286,671	31.5%
Charges for Services	11,767,600	9,208,674	8,179,468	(1,029,206)	-11.2%	9,732,570	(1,553,102)	-16.0%
Fines & Forfeitures	3,662,700	3,017,632	2,690,533	(327,099)	-10.8%	3,012,848	(322,315)	-10.7%
Interest & Investments	1,094,000	875,206	878,219	3,013	0.3%	889,013	(10,794)	-1.2%
Other Revenues	1,748,399	1,456,999	1,523,673	66,674	4.6%	1,015,927	507,746	50.0%
Indirect Cost	7,174,390	5,978,658	5,978,658	(0)	0.0%	6,315,750	(337,092)	-5.3%
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 204,832,139</b>	<b>\$ 164,160,711</b>	<b>\$ 172,733,489</b>	<b>\$ 8,572,779</b>	<b>5.2%</b>	<b>\$ 168,194,557</b>	<b>\$ 4,538,932</b>	<b>2.7%</b>
<b>Prior Month</b>	<b>\$ 204,832,139</b>	<b>\$ 146,315,721</b>	<b>\$ 154,279,347</b>	<b>\$ 7,963,628</b>	<b>5.4%</b>	<b>\$ 150,314,891</b>	<b>\$ 3,964,457</b>	<b>2.6%</b>
<b>Change from Prior Month</b>	<b>\$ -</b>	<b>\$ 17,844,990</b>	<b>\$ 18,454,142</b>	<b>\$ 609,151</b>	<b>-0.2%</b>	<b>\$ 17,879,666</b>	<b>\$ 574,475</b>	<b>0.1%</b>

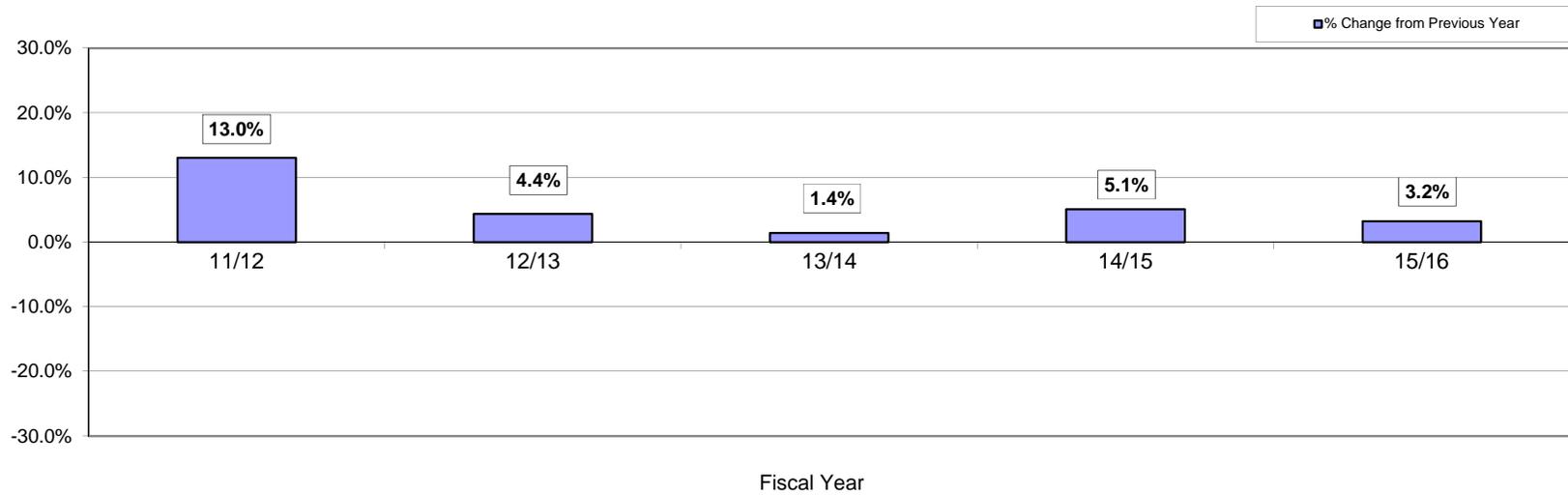
Note:

FY 2015-16 Adopted Budget excludes Interfund Transfers of \$900,000 to the General Fund for Impact Fee loan repayments.

**Local Sales Tax Revenue\* Through Month of April  
(Based on Retail Sales Through March)**



**Local Sales Tax Revenue\*  
% Change from February through February of Previous Year (Year-to-Date)**



\*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

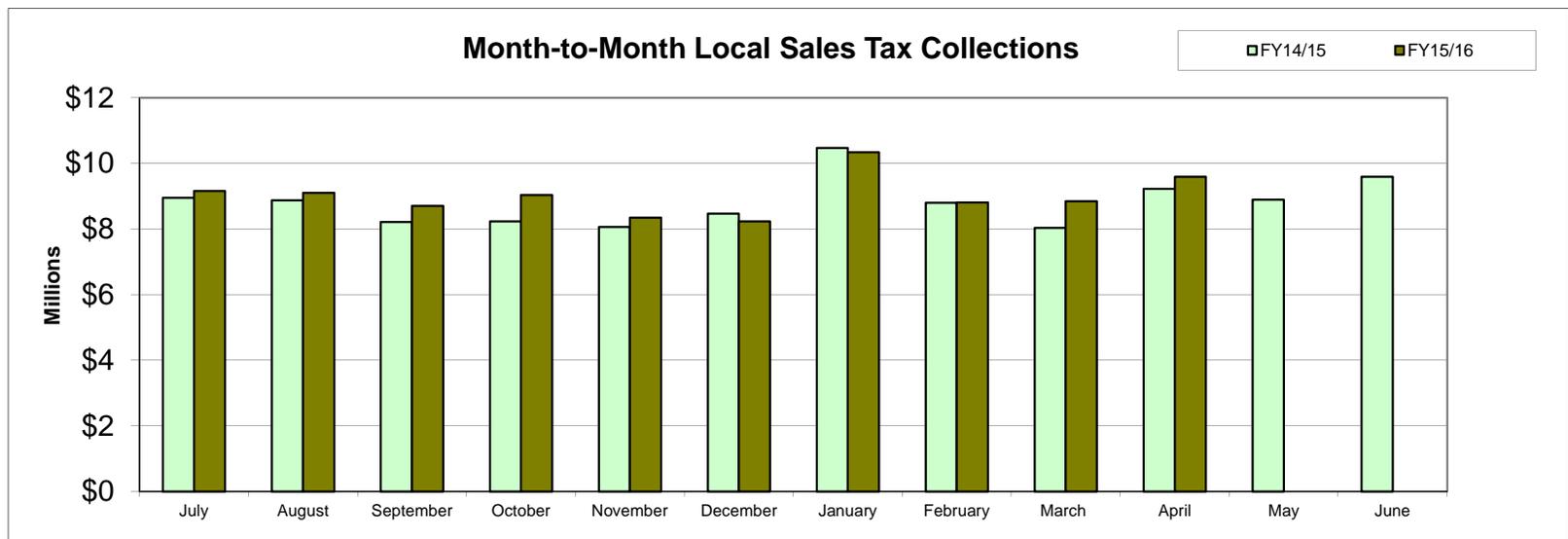
<b>SALES TAX REVENUE BY CLASS THROUGH APRIL EACH YEAR (YEAR-TO-DATE)</b>											
Sales Tax Category	FY14-15	% Chg	THRU APR	% Chg	THRU APR						
	% of Total	fm PY	FY 2015-16	fm PY	FY 2014-15	fm PY	FY 2013-14	fm PY	FY 2012-13	fm PY	FY 2011-12
Utilities	12.5%	4.4%	\$ 11,696,512.98	7.8%	\$ 11,199,020.01	0.7%	\$ 10,391,618.60	1.2%	\$ 10,321,218.71	5.1%	\$ 10,203,110.18
Telecommunications	3.2%	-6.8%	2,683,957.63	-1.5%	2,879,516.84	-6.1%	2,923,096.88	3.8%	3,111,662.72	5.0%	2,996,371.72
Publishing / Advertising / Printing / Transportation	0.2%	-4.0%	214,641.61	5.4%	223,501.20	-24.0%	212,074.23	-5.9%	279,057.56	-1.4%	296,557.26
Restaurants & Bars	9.6%	5.7%	8,735,584.70	6.8%	8,263,586.40	5.8%	7,737,492.37	2.6%	7,311,696.45	10.1%	7,128,423.68
Amusements	0.8%	16.3%	833,340.61	21.3%	716,304.63	0.8%	590,745.01	-0.9%	585,846.22	7.0%	591,153.04
Real Property Rentals	11.3%	7.3%	10,939,869.27	10.6%	10,193,617.39	1.5%	9,220,466.99	8.3%	9,086,892.66	5.5%	8,387,649.49
Tangible Personal Property Rentals	3.1%	-5.8%	2,570,966.81	12.2%	2,728,992.14	2.1%	2,432,353.72	11.8%	2,383,333.29	5.3%	2,132,449.98
Hotels / Motels	2.7%	7.8%	2,360,185.27	12.4%	2,188,685.07	7.0%	1,947,989.99	2.3%	1,821,170.46	14.4%	1,780,388.14
Contracting	8.4%	-6.3%	7,053,578.75	-6.9%	7,528,917.09	-5.5%	8,084,985.07	0.1%	8,554,234.20	64.8%	8,549,793.28
Retail / Manufactured Buildings / Jet Fuel	47.1%	4.0%	42,119,375.24	4.9%	40,497,123.83	3.3%	38,612,706.71	5.2%	37,383,890.02	11.1%	35,537,031.07
Use Tax	1.1%	4.5%	978,125.86	-2.9%	936,091.25	-14.2%	963,799.89	21.3%	1,123,911.37	5.9%	926,818.21
<b>TOTAL SALES TAX REVENUE</b>	<b>100.0%</b>	<b>3.2%</b>	<b>\$ 90,186,138.73</b>	<b>5.1%</b>	<b>\$ 87,355,355.85</b>	<b>1.4%</b>	<b>\$ 83,117,329.46</b>	<b>4.4%</b>	<b>\$ 81,962,913.66</b>	<b>13.0%</b>	<b>\$ 78,529,746.05</b>

\*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

# CITY OF CHANDLER LOCAL SALES TAX REVENUE

## Monthly Actuals Compared to Prior Year

Local Sales Tax Collections *	Monthly Collections FY14/15	Monthly Collections FY15/16	\$ Difference +/- (-) FY15/16 over FY14/15	% Difference +/- (-) FY15/16 over FY14/15
July	8,951,200	9,159,604	208,404	2.3%
August	8,878,039	9,107,351	229,312	2.6%
September	8,216,900	8,703,199	486,299	5.9%
October	8,230,791	9,037,881	807,090	9.8%
November	8,064,142	8,350,897	286,755	3.6%
December	8,471,569	8,235,914	(235,655)	-2.8%
January	10,475,640	10,337,210	(138,430)	-1.3%
February	8,802,881	8,815,281	12,400	0.1%
March	8,039,585	8,844,655	805,070	10.0%
April	9,224,608	9,594,147	369,539	4.0%
May	8,892,715			
June	9,594,021			
<b>Totals</b>	<b>87,355,355</b>	<b>90,186,138</b>	<b>2,830,783</b>	<b>3.2%</b>



*\*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.*

## CITY OF CHANDLER GENERAL FUND EXPENDITURE SUMMARY THROUGH APRIL 2016

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru Apr 2016	Percentage of Adjusted Budget Expended & Encumbered Thru Apr 2016	Percentage of Adjusted Budget Expended & Encumbered Thru Apr 2015	Over/Under Last Year's Percentage
City Clerk	\$ 617,010	\$ 638,364	\$ 483,907	75.8%	82.8%	-7.0%
City Manager and Organizational Support*	31,542,698	33,321,562	26,333,865	79.0%	81.1%	-2.1%
Communications & Public Affairs	2,317,974	2,516,836	2,008,840	79.8%	80.7%	-0.9%
Community & Neighborhood Services	20,522,667	21,777,009	16,768,227	77.0%	78.8%	-1.8%
Fire	33,446,070	34,637,069	28,214,915	81.5%	81.3%	0.2%
Law	3,475,487	3,557,497	2,841,792	79.9%	74.9%	5.0%
Magistrate	4,306,286	4,371,229	3,368,592	77.1%	74.1%	3.0%
Management Services	7,124,855	7,419,578	5,768,212	77.7%	75.7%	2.0%
Mayor and Council	837,550	851,855	689,524	80.9%	77.8%	3.1%
Police	66,601,585	67,477,472	58,019,608	86.0%	81.0%	5.0%
Transportation & Development	18,002,139	21,118,498	17,456,273	82.7%	79.9%	2.8%
Non-Departmental (Personnel Services and O&M)	10,344,754	18,127,185	5,654,410	31.2%	20.0%	11.2%
<b>Subtotal Prior to Contingencies/Reserves</b>	<b>\$ 199,139,075</b>	<b>\$ 215,814,154</b>	<b>\$ 167,608,166</b>	<b>77.7%</b>	<b>75.6%</b>	<b>2.1%</b>
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	14,649,854	2,474,361	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	30,806,993	23,488,386	-	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>\$ 244,595,922</b>	<b>\$ 241,776,901</b>	<b>\$ 167,608,166</b>	<b>69.3%</b>	<b>67.1%</b>	<b>2.2%</b>

\* Organization Support includes Building & Facilities, Cultural Affairs, Economic Development, Human Resources, Information Technology, and Planning.

**Adopted Budget:** Includes estimated reserves for encumbrance carryforward from the previous fiscal year and full Council approved reserve/contingency established in the budget.

**Adjusted Budget:** Includes movement of estimated reserves for encumbrance appropriation to Departments based on actual end-of-year encumbrances and Council approved contingency transfers. Reserves/Contingency appropriation cannot be spent from Reserve/Contingency line items; it must be moved to spendable lines within Departments.

**NOTE:** The total Adopted budget compared to the total Adjusted budget always equals when viewing all funds. When looking at the General Fund only, it is not uncommon for the amounts to differ. This is due to estimated carryforward appropriation, personnel adjustment appropriation or Council approved contingency transfers being moved to other funds, as directed by Council and authorized by the Budget Resolution.