



**MEMORANDUM**

**Management Services Memo No. 16-046**

**DATE:** JANUARY 13, 2016

**TO:** MAYOR AND COUNCIL

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

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

**SUBJECT:** FISCAL YEAR (FY) 2015-16 MONTHLY REVENUE SUMMARY, SALES TAX COLLECTION REPORT (INCLUDING ADDITIONAL INFORMATION ON AUTO SALES) AND GENERAL FUND EXPENDITURE REPORT THROUGH DECEMBER 2015

Attached is the FY 2015-16 General Fund Monthly Revenue and Expenditure Report for the period ending December 2015. 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;
- Attachment 5 – General Fund Expenditure Summary; and
- Attachment 6 - Local Sales Tax Collections from Automobile Dealers.

The General Fund Monthly Revenue Summary gives a budget to actual comparison of revenues through December 2015. This month reflects a 6.3% increase in total General Fund revenues from the budgeted revenue received to date based on historical trends.

Local transaction privilege (sales) tax through December 2015, reflects an increase of 6.2% over historical trend, and an increase of 3.5% compared to the same period last year. Collections in December 2015, were 2.8% lower than December 2014. The largest category, Retail/Manufactured Buildings/Jet Fuel, is 3.2% higher than one year earlier. Some increases compared to the same period last year include Utilities (+7.2%), Amusements (+29.1%), Real Property Rentals (+14.1%), and Use Tax (+12.0%). Some categories lagging slightly behind compared to the prior year are Contracting (-10.4%), and Telecommunications (-8.0%). As a reminder, holiday retail sales in the month of December do not reflect sales tax revenue to the City until taxpayers file returns in January; therefore they will be in the next report.

Year to date results for other General Fund revenue categories are mostly higher, led by Licenses and Permits (+96.2% compared to budget based on historical trend), Interest and Investments (+138.6%), and Vehicle License Tax (+11.2%). Most other 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 December 2015, then compares this spending percent to the prior fiscal year. Spending of 51.5% has occurred through December 2015, compared to 49.7% for the same period last year.

This memo also incorporates summarized information on tax collections from auto dealers in Chandler with a historical comparison from January 2013 through November 2015. This report shows that collections increased 6.81% in calendar year 2014 compared to calendar year 2013. For 2015, collections have increased 10.25% for the period January through November compared to January through November of 2014. As with other retail sales, these collections are reported one month following the retail sales month.

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

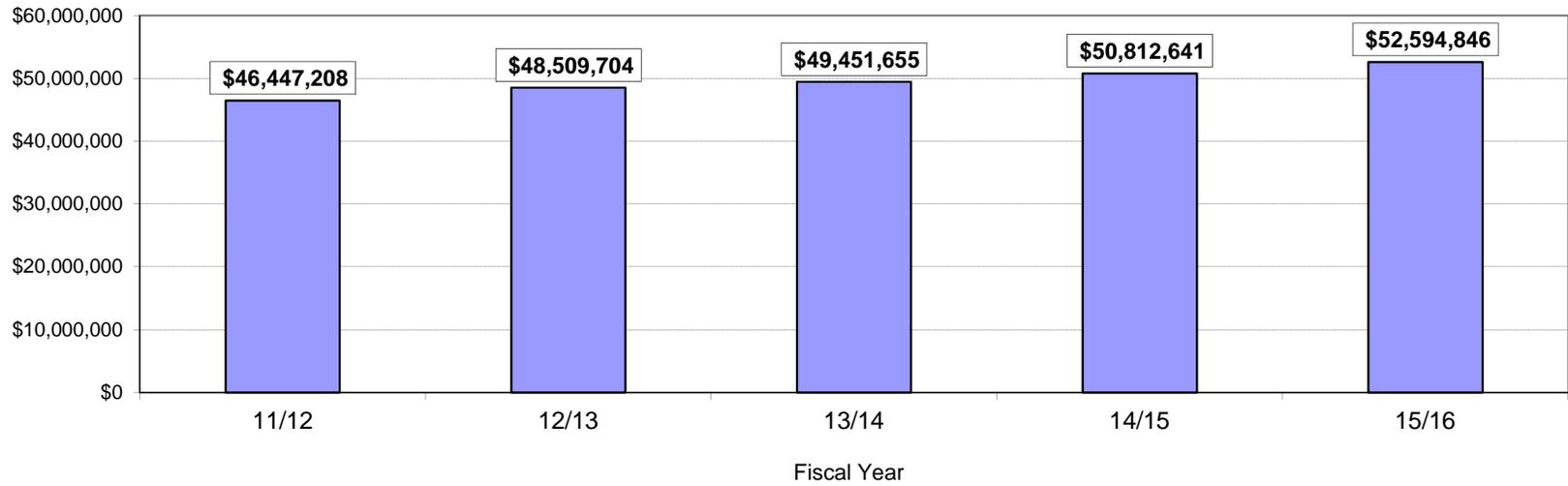
FY 2015-16 Year-To-Date Actuals Through December 2015

GENERAL FUND REVENUES	BUDGET		ACTUALS	+ or - of Actual to Budget Based on Historical Trend		% Change of Actual to Budget Based on Hist. Trend		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	\$	%	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	\$ 49,528,284	<b>\$ 52,594,846</b>	\$ 3,066,562	6.2%	\$ 50,812,641	\$ 1,782,205	3.5%		
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	2,089,750	1,003,628	<b>1,500,947</b>	497,319	49.6%	1,325,733	175,214	13.2%		
<b>Total Local Sales Tax Revenue</b>	<b>104,189,750</b>	<b>50,531,912</b>	<b>54,095,793</b>	3,563,881	7.1%	52,138,374	1,957,419	3.8%		
Franchise Fees	3,175,000	795,301	<b>820,590</b>	25,289	3.2%	778,012	42,578	5.5%		
Primary Property Taxes	7,272,000	3,658,715	<b>3,841,449</b>	182,734	5.0%	3,620,009	221,440	6.1%		
State Shared Sales Taxes	22,506,700	8,844,935	<b>8,933,013</b>	88,078	1.0%	8,425,036	507,977	6.0%		
Vehicle License Tax	9,300,000	3,858,486	<b>4,289,547</b>	431,061	11.2%	3,949,349	340,198	8.6%		
Urban Revenue Sharing	28,453,600	14,221,754	<b>14,226,810</b>	5,056	0.0%	14,304,362	(77,552)	-0.5%		
Licenses & Permits	4,488,000	1,732,423	<b>3,398,523</b>	1,666,100	96.2%	2,210,227	1,188,296	53.8%		
Charges for Services	11,767,600	5,027,807	<b>4,798,651</b>	(229,156)	-4.6%	4,924,399	(125,748)	-2.6%		
Fines & Forfeitures	3,662,700	1,676,805	<b>1,557,903</b>	(118,902)	-7.1%	1,726,189	(168,286)	-9.7%		
Interest & Investments	1,094,000	187,548	<b>447,527</b>	259,979	138.6%	183,144	264,383	144.4%		
Other Revenues	1,748,399	874,200	<b>963,368</b>	89,168	10.2%	415,084	548,284	132.1%		
Indirect Cost	7,174,390	3,587,195	<b>3,587,195</b>	(0)	0.0%	3,789,450	(202,255)	-5.3%		
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 204,832,139</b>	<b>\$ 94,997,081</b>	<b>\$ 100,960,368</b>	<b>\$ 5,963,288</b>	<b>6.3%</b>	<b>\$ 96,463,635</b>	<b>\$ 4,496,734</b>	<b>4.7%</b>		
<b>Prior Month</b>	<b>\$ 204,832,139</b>	<b>\$ 79,442,145</b>	<b>\$ 84,298,153</b>	<b>\$ 4,856,007</b>	<b>6.1%</b>	<b>\$ 80,374,095</b>	<b>\$ 3,924,058</b>	<b>4.9%</b>		
<b>Change from Prior Month</b>	<b>\$ -</b>	<b>\$ 15,554,936</b>	<b>\$ 16,662,215</b>	<b>\$ 1,107,281</b>	<b>0.2%</b>	<b>\$ 16,089,540</b>	<b>\$ 572,676</b>	<b>-0.2%</b>		

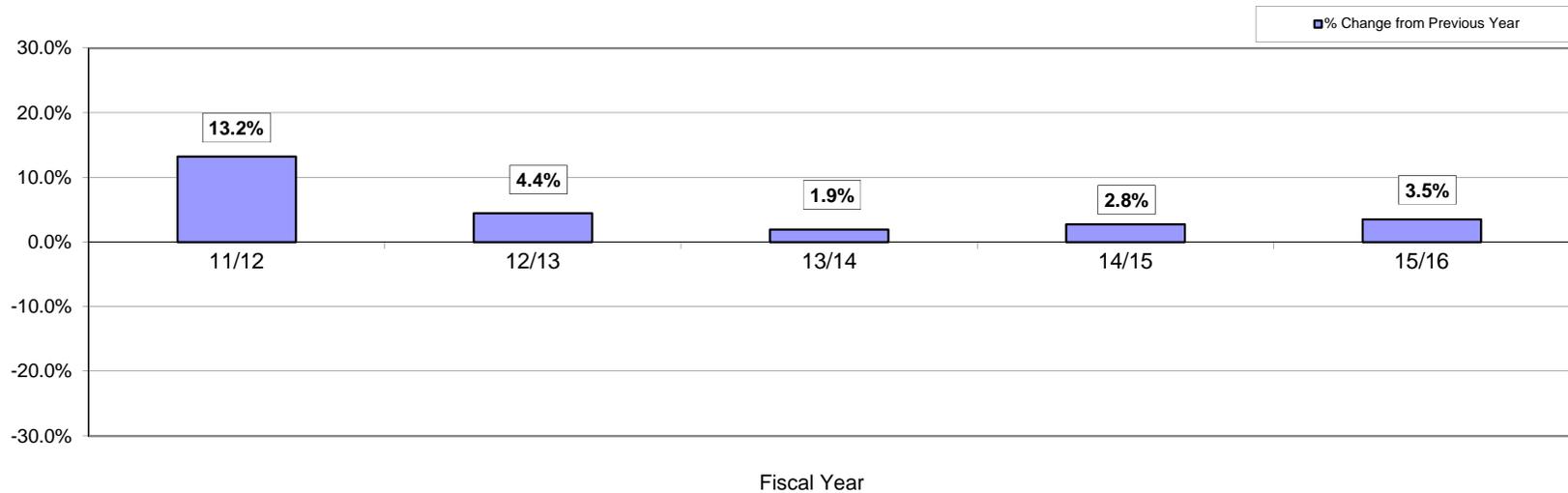
Note:

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 December**  
 (Based on Retail Sales Through November)



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



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

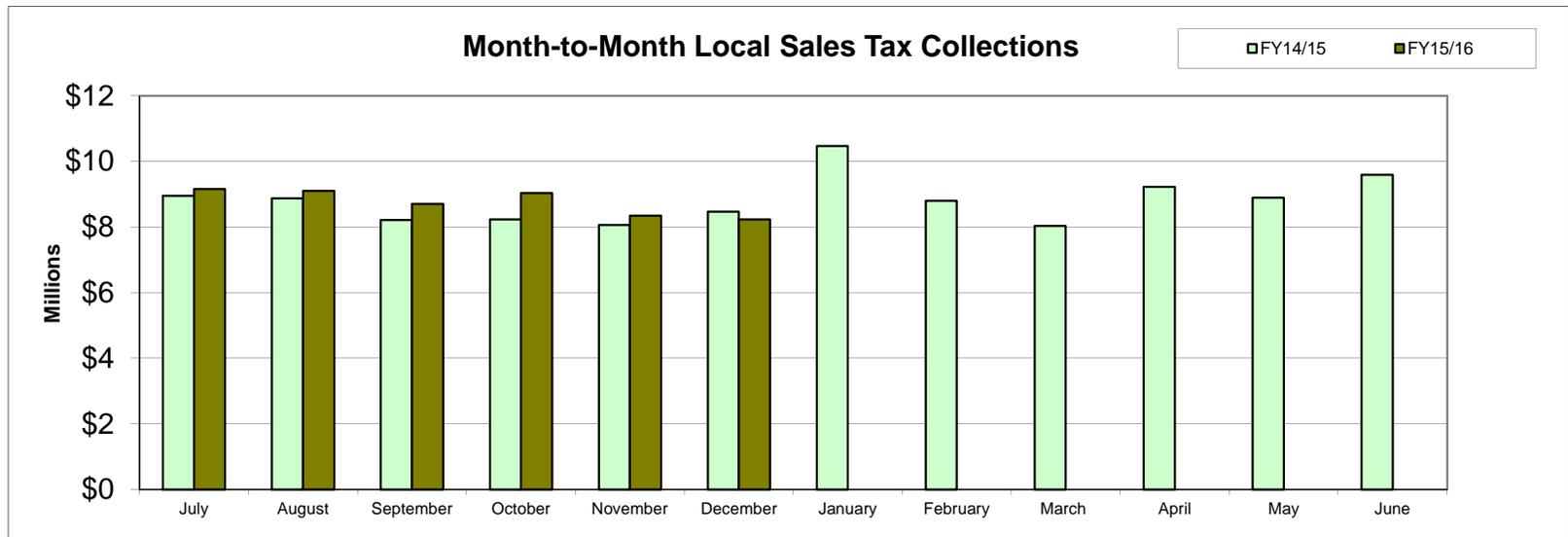
SALES TAX REVENUE BY CLASS THROUGH DECEMBER EACH YEAR (YEAR-TO-DATE)											
Sales Tax Category	FY14-15	% Chg	THRU DEC	% Chg	THRU DEC						
	% of Total	fm PY	FY 2015-16	fm PY	FY 2014-15	fm PY	FY 2013-14	fm PY	FY 2012-13	fm PY	FY 2011-12
Utilities	12.5%	7.2%	\$ 8,180,266.31	5.9%	\$ 7,631,598.32	0.4%	\$ 7,203,210.48	0.4%	\$ 7,176,579.42	5.6%	\$ 7,150,253.55
Telecommunications	3.2%	-8.0%	1,581,324.31	2.2%	1,719,726.10	-11.7%	1,683,481.03	3.5%	1,907,237.87	-0.6%	1,842,491.67
Publishing / Advertising / Printing / Transportation	0.2%	2.0%	132,471.25	6.1%	129,825.74	-24.6%	122,343.61	-13.0%	162,161.14	1.3%	186,309.17
Restaurants & Bars	9.6%	4.5%	4,919,779.54	4.6%	4,707,249.78	8.7%	4,500,776.79	1.8%	4,141,021.12	10.4%	4,068,114.18
Amusements	0.8%	29.1%	464,743.48	1.9%	360,091.48	11.4%	353,286.89	-2.5%	317,232.33	9.5%	325,340.71
Real Property Rentals	11.3%	14.1%	6,437,158.98	5.2%	5,641,726.56	2.9%	5,362,699.92	3.9%	5,210,900.44	8.8%	5,016,901.11
Tangible Personal Property Rentals	3.1%	-1.3%	1,508,674.77	22.4%	1,528,953.48	-12.3%	1,249,247.76	17.5%	1,424,470.63	7.3%	1,212,066.45
Hotels / Motels	2.7%	-2.9%	1,036,274.30	7.4%	1,067,151.00	6.2%	994,051.95	0.7%	936,368.61	23.9%	929,767.73
Contracting	8.4%	-10.4%	4,164,535.41	-8.6%	4,648,768.58	-9.9%	5,084,013.43	8.2%	5,645,101.30	68.7%	5,218,004.39
Retail / Manufactured Buildings / Jet Fuel	47.1%	3.2%	23,689,952.76	2.8%	22,949,415.50	6.7%	22,333,028.63	4.8%	20,922,281.55	9.8%	19,956,263.72
Use Tax	1.1%	12.0%	479,664.54	-24.3%	428,134.05	-15.1%	565,514.11	23.0%	666,349.93	14.3%	541,695.12
<b>TOTAL SALES TAX REVENUE</b>	<b>100.0%</b>	<b>3.5%</b>	<b>\$ 52,594,845.65</b>	<b>2.8%</b>	<b>\$ 50,812,640.59</b>	<b>1.9%</b>	<b>\$ 49,451,654.60</b>	<b>4.4%</b>	<b>\$ 48,509,704.34</b>	<b>13.2%</b>	<b>\$ 46,447,207.80</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
<b>July</b>	8,951,200	9,159,604	208,404	2.3%
<b>August</b>	8,878,039	9,107,351	229,312	2.6%
<b>September</b>	8,216,900	8,703,199	486,299	5.9%
<b>October</b>	8,230,791	9,037,881	807,090	9.8%
<b>November</b>	8,064,142	8,350,897	286,755	3.6%
<b>December</b>	8,471,569	8,235,914	(235,655)	-2.8%
January	10,475,640			
February	8,802,881			
March	8,039,585			
April	9,224,608			
May	8,892,715			
June	9,594,021			
<b>Totals</b>	<b>50,812,641</b>	<b>52,594,846</b>	<b>1,782,205</b>	<b>3.5%</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 DECEMBER 2015

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru Dec 2015	Percentage of Adjusted Budget Expended & Encumbered Thru Dec 2015	Percentage of Adjusted Budget Expended & Encumbered Thru Dec 2014	Over/Under Last Year's Percentage
City Clerk	\$ 617,010	\$ 638,367	\$ 330,309	51.7%	66.1%	-14.4%
City Manager and Organizational Support*	31,542,698	33,364,510	18,008,160	54.0%	53.1%	0.8%
Communications & Public Affairs	2,317,974	2,516,908	1,234,835	49.1%	50.6%	-1.5%
Community & Neighborhood Services	20,522,667	21,776,880	11,765,593	54.0%	55.5%	-1.5%
Fire	33,446,070	34,520,993	18,098,568	52.4%	53.1%	-0.6%
Law	3,475,487	3,557,561	1,741,322	48.9%	45.9%	3.1%
Magistrate	4,306,286	4,371,308	2,082,310	47.6%	44.3%	3.3%
Management Services	7,124,855	7,419,497	3,686,324	49.7%	50.0%	-0.2%
Mayor and Council	837,550	851,888	425,330	49.9%	45.0%	5.0%
Police	66,601,585	67,477,952	36,668,423	54.3%	51.7%	2.6%
Transportation & Development	18,002,139	21,118,323	11,677,453	55.3%	49.8%	5.5%
Non-Departmental (Personnel Services and O&M)	10,344,754	18,127,185	5,438,902	30.0%	11.3%	18.7%
<b>Subtotal Prior to Contingencies/Reserves</b>	<b>\$ 199,139,075</b>	<b>\$ 215,741,372</b>	<b>\$ 111,157,529</b>	<b>51.5%</b>	<b>49.7%</b>	<b>1.8%</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	24,233,072	-	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>\$ 244,595,922</b>	<b>\$ 242,448,805</b>	<b>\$ 111,157,529</b>	<b>45.8%</b>	<b>43.2%</b>	<b>2.6%</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.

**City of Chandler**  
**Car Dealers**  
**Tax Collected by Calendar Year**  
**January 2013 to Present**

<b>Report Period</b>	<b>Current Monthly Tax Received From Car Dealers</b>	<b>% Change Compared to Same Month of Prior Year</b>
Jan-13	582,519	
Feb-13	630,564	
Mar-13	747,619	
Apr-13	705,274	
May-13	712,139	
Jun-13	694,300	
Jul-13	706,932	
Aug-13	731,038	
Sep-13	624,578	
Oct-13	649,884	
Nov-13	723,218	
Dec-13	725,467	
<b>Totals</b>	<b>8,233,532</b>	
Jan-14	595,131	2.17%
Feb-14	642,420	1.88%
Mar-14	767,954	2.72%
Apr-14	697,552	-1.09%
May-14	815,979	14.58%
Jun-14	689,038	-0.76%
Jul-14	732,230	3.58%
Aug-14	804,734	10.08%
Sep-14	693,616	11.05%
Oct-14	727,006	11.87%
Nov-14	765,348	5.83%
Dec-14	863,036	18.96%
<b>Totals</b>	<b>8,794,045</b>	<b>6.81%</b>
Jan-15	765,403	28.61%
Feb-15	750,523	16.83%
Mar-15	810,803	5.58%
Apr-15	820,022	17.56%
May-15	891,521	9.26%
Jun-15	790,660	14.75%
Jul-15	765,172	4.50%
Aug-15	838,715	4.22%
Sep-15	778,286	12.21%
Oct-15	775,123	6.62%
Nov-15	757,489	-1.03%
Dec-15	Not Available Yet	Not Available Yet
<b>Totals</b>	<b>8,743,716</b>	<b>10.25%</b>

NOTE: Taxes are collected during the month following the Report Period (i.e., December is received in January).