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Chandler



2010

MEMORANDUM

Management Services Memo No. 16-080

DATE: JUNE 16, 2016

TO: MAYOR AND COUNCIL

THRU: MARSHA REED, CITY MANAGER *mmk*
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 MAY 2016

Attached is the FY 2015-16 General Fund Monthly Revenue and Expenditure Report for the period ending May 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 May 2016. This month reflects a 5.3% increase in total General Fund revenues from the budgeted revenue received to date based on historical trends and a 2.9% increase in year to date General Fund revenue compared to the same period last year.

Local transaction privilege (sales) tax through May 2016, reflects an increase of 7.1% over historical trend, and an increase of 3.0% compared to the same period last year. Collections in May 2016, were 0.6% higher than May 2015. The largest category, Retail/Manufactured Buildings/Jet Fuel, is 2.9% higher than one year earlier. Some other increases compared to the same period last year include Utilities (+3.8%), Restaurants & Bars (+5.8%), Amusements (+16.4%), Real Property Rentals (+9.6%), Hotel/Motel (+2.2%), and Use Tax (+3.0%). Among the categories lagging slightly compared to the prior year are Contracting (-3.4%) and Telecommunications (-6.5%).

MS Memo No. 16-072

5/11/2016

Page 2

Year to date results for other General Fund revenue categories are mostly higher, led by Licenses and Permits (+55.7% over budget based on historical trend). With the exception of Fines and Forfeitures (-13.1%), the other revenue 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 May 2016, then compares this spending percent to the prior fiscal year. The fiscal year is 91.7% complete and average spending is slightly under that at 83.8%. This compares to 81.9% 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

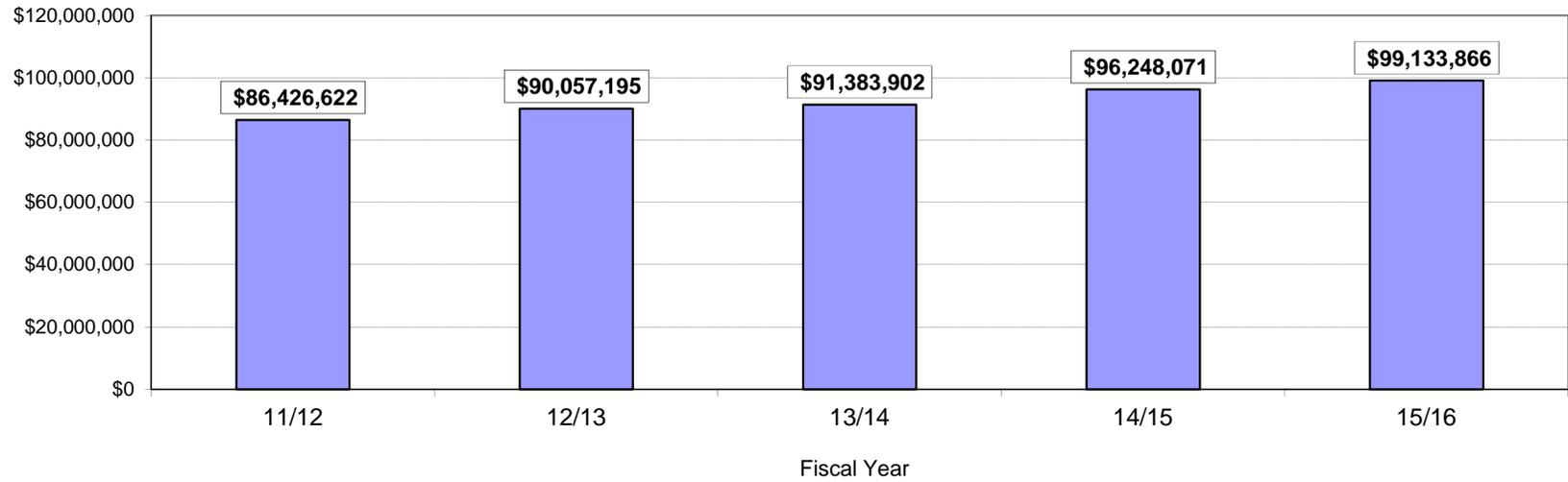
FY 2015-16 Year-To-Date Actuals Through May 2016

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	\$ 92,599,222	\$ 99,133,866	\$ 6,534,644	7.1%	\$ 96,248,071	\$ 2,885,795	3.0%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	2,089,750	1,924,853	2,425,104	500,251	26.0%	2,657,132	(232,028)	-8.7%
Total Local Sales Tax Revenue	104,189,750	94,524,074	101,558,970	7,034,895	7.4%	98,905,203	2,653,767	2.7%
Franchise Fees	3,175,000	2,588,705	2,837,051	248,346	9.6%	2,669,495	167,556	6.3%
Primary Property Taxes	7,272,000	6,325,994	6,700,964	374,970	5.9%	6,454,355	246,609	3.8%
State Shared Sales Taxes	22,506,700	18,667,924	18,634,896	(33,028)	-0.2%	17,888,086	746,810	4.2%
Vehicle License Tax	9,300,000	8,064,956	8,393,810	328,854	4.1%	7,825,684	568,126	7.3%
Urban Revenue Sharing	28,453,600	26,082,953	26,082,484	(469)	0.0%	26,224,664	(142,180)	-0.5%
Licenses & Permits	4,488,000	3,830,833	5,963,036	2,132,203	55.7%	4,562,187	1,400,849	30.7%
Charges for Services	11,767,600	10,582,243	10,615,577	33,334	0.3%	10,568,726	46,851	0.4%
Fines & Forfeitures	3,662,700	3,341,699	2,903,207	(438,492)	-13.1%	3,334,157	(430,950)	-12.9%
Interest & Investments	1,094,000	995,540	998,015	2,475	0.2%	981,629	16,386	1.7%
Other Revenues	1,748,399	1,602,699	1,614,601	11,902	0.7%	1,122,106	492,495	43.9%
Indirect Cost	7,174,390	6,576,524	6,576,524	(0)	0.0%	6,947,325	(370,801)	-5.3%
TOTAL GENERAL FUND REVENUES	\$ 204,832,139	\$ 183,184,145	\$ 192,879,135	\$ 9,694,990	5.3%	\$ 187,483,617	\$ 5,395,518	2.9%
Prior Month	\$ 204,832,139	\$ 164,160,711	\$ 172,733,489	\$ 8,572,778	5.2%	\$ 168,194,557	\$ 4,538,933	2.7%
Change from Prior Month	\$ -	\$ 19,023,434	\$ 20,145,646	\$ 1,122,212	0.1%	\$ 19,289,060	\$ 856,585	0.2%

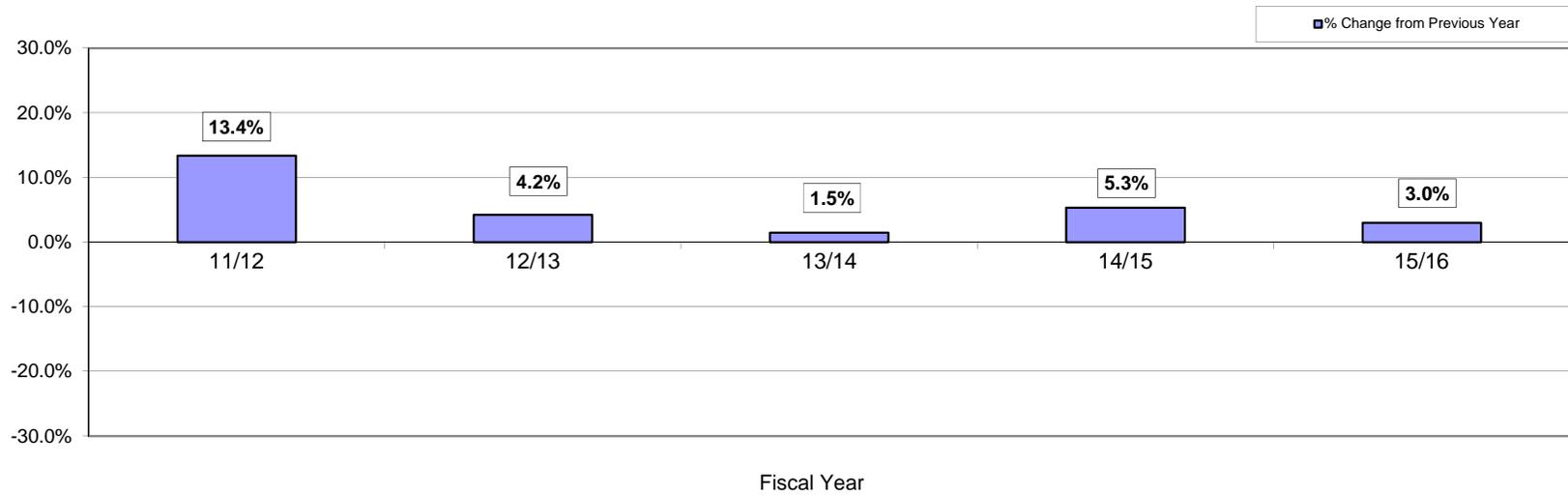
Note:

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 May
(Based on Retail Sales Through April)**



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



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

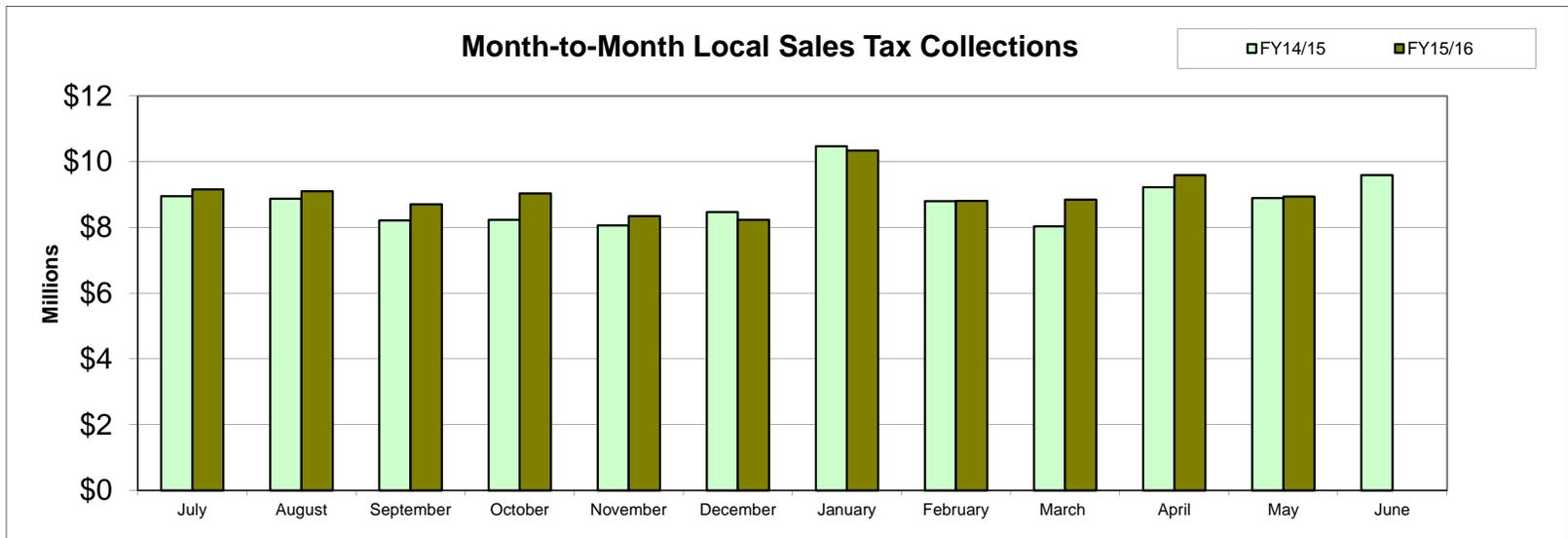
SALES TAX REVENUE BY CLASS THROUGH MAY EACH YEAR (YEAR-TO-DATE)											
Sales Tax Category	FY14-15	% Chg	THRU MAY	% Chg	THRU MAY						
	% of Total	fm PY	FY 2015-16	fm PY	FY 2014-15	fm PY	FY 2013-14	fm PY	FY 2012-13	fm PY	FY 2011-12
Utilities	12.5%	3.8%	\$ 12,508,311.12	7.6%	\$ 12,049,232.01	0.8%	\$ 11,200,349.56	1.2%	\$ 11,110,192.99	5.7%	\$ 10,983,255.26
Telecommunications	3.2%	-6.5%	2,942,745.84	-2.0%	3,147,105.15	-5.7%	3,210,016.32	2.9%	3,403,901.20	4.3%	3,306,939.47
Publishing / Advertising / Printing / Transportation	0.2%	-6.3%	232,415.30	5.7%	247,913.79	-24.1%	234,461.67	-4.8%	309,016.40	-2.6%	324,667.82
Restaurants & Bars	9.6%	5.8%	9,709,138.51	6.5%	9,176,973.43	6.4%	8,613,786.00	2.9%	8,092,899.06	9.5%	7,864,925.83
Amusements	0.8%	16.4%	933,304.35	22.8%	802,038.38	0.2%	652,943.54	-1.3%	651,571.96	7.3%	660,112.61
Real Property Rentals	11.3%	9.6%	12,033,807.91	8.6%	10,980,534.46	1.9%	10,115,308.40	7.5%	9,927,568.85	6.8%	9,237,053.64
Tangible Personal Property Rentals	3.1%	-5.7%	2,829,875.15	12.3%	3,002,142.67	1.6%	2,673,388.11	8.9%	2,632,502.03	7.0%	2,417,165.89
Hotels / Motels	2.7%	2.2%	2,700,973.83	16.7%	2,643,335.91	9.5%	2,265,882.92	0.4%	2,068,389.20	16.4%	2,060,186.98
Contracting	8.4%	-3.4%	7,829,647.38	-8.8%	8,107,336.13	-5.9%	8,886,968.50	-1.2%	9,447,752.51	67.6%	9,564,022.46
Retail / Manufactured Buildings / Jet Fuel	47.1%	2.9%	46,337,965.96	6.0%	45,047,610.42	3.2%	42,507,371.88	5.5%	41,174,905.02	10.8%	39,029,598.81
Use Tax	1.1%	3.0%	1,075,681.11	2.0%	1,043,848.74	-17.4%	1,023,425.56	26.5%	1,238,495.46	6.1%	978,692.78
TOTAL SALES TAX REVENUE	100.0%	3.0%	\$ 99,133,866.46	5.3%	\$ 96,248,071.09	1.5%	\$ 91,383,902.46	4.2%	\$ 90,057,194.68	13.4%	\$ 86,426,621.55

*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	8,947,728	55,013	0.6%
June	9,594,021			
Totals	96,248,071	99,133,866	2,885,795	3.0%



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

CITY OF CHANDLER GENERAL FUND EXPENDITURE SUMMARY THROUGH MAY 2016

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru May 2016	Percentage of Adjusted Budget Expended & Encumbered Thru May 2016	Percentage of Adjusted Budget Expended & Encumbered Thru May 2015	Over/Under Last Year's Percentage
City Clerk	\$ 617,010	\$ 638,364	\$ 524,680	82.2%	88.0%	-5.8%
City Manager and Organizational Support*	31,542,698	33,080,204	28,524,172	86.2%	87.2%	-1.0%
Communications & Public Affairs	2,317,974	2,516,836	2,166,237	86.1%	87.3%	-1.2%
Community & Neighborhood Services	20,522,667	21,777,009	18,147,031	83.3%	85.3%	-2.0%
Fire	33,446,070	34,637,069	30,468,598	88.0%	87.5%	0.5%
Law	3,475,487	3,557,497	3,072,597	86.4%	82.2%	4.2%
Magistrate	4,306,286	4,371,229	3,652,118	83.5%	80.9%	2.6%
Management Services	7,124,855	7,419,578	6,265,149	84.4%	82.5%	1.9%
Mayor and Council	837,550	851,855	753,910	88.5%	85.8%	2.7%
Police	66,601,585	67,477,472	63,022,910	93.4%	88.3%	5.1%
Transportation & Development	18,002,139	21,088,781	18,376,713	87.1%	86.1%	1.0%
Non-Departmental (Personnel Services and O&M)	10,344,754	18,127,185	5,709,623	31.5%	20.3%	11.2%
Subtotal Prior to Contingencies/Reserves	\$ 199,139,075	\$ 215,543,079	\$ 180,683,738	83.8%	81.9%	1.9%
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%
TOTAL	\$ 244,595,922	\$ 241,505,826	\$ 180,683,738	74.8%	72.8%	2.0%

* 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.