



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



**MEMORANDUM**

**Management Services Memo No. 16-065**

**DATE:** APRIL 21, 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 MARCH 2016

Attached is the FY 2015-16 General Fund Monthly Revenue and Expenditure Report for the period ending March 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 March 2016. This month reflects a 5.4% increase in total General Fund revenues from the budgeted revenue received to date based on historical trends and a 2.6% increase in year to date General Fund revenue compared to the same period last year.

Local transaction privilege (sales) tax through March 2016, reflects an increase of 7.0% over historical trend, and an increase of 3.2% compared to the same period last year. Collections in March 2016, were 10% higher than March 2015. The largest category, Retail/Manufactured Buildings/Jet Fuel, is 3.6% higher than one year earlier. Some other increases compared to the same period last year include Utilities (+4.8%), Restaurants & Bars (+5.9%), Amusements (+15.3%), Real Property Rentals (+10.4%), Hotel/Motel (+1.9%), and Use Tax (+7.6%). Some categories lagging slightly compared to the prior year are Contracting (-9.1%) and Telecommunications (-7.1%).

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Year to date results for other General Fund revenue categories are mostly higher, led by Licenses and Permits (+66.9%) and Interest and Investments (+41.1%) compared to budget based on historical trend. Franchise Fees are 11.4% 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. All 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 March 2016, then compares this spending percent to the prior fiscal year. The fiscal year is 75% complete and average spending is slightly under that at 71.3%. This compares to 69.4% 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

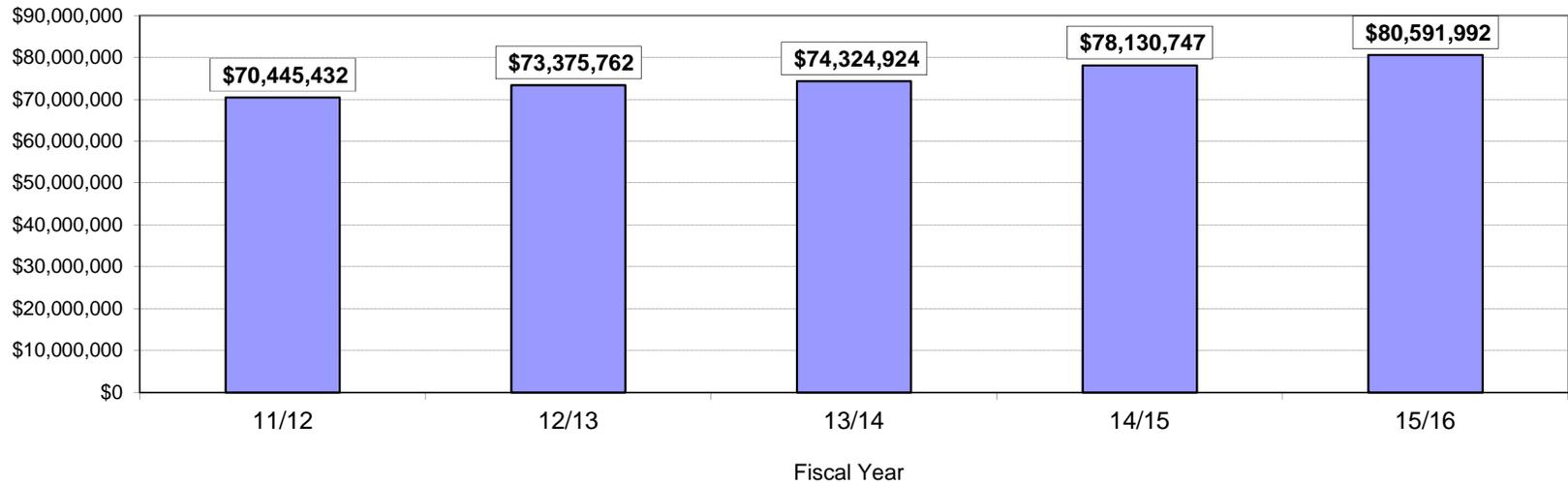
FY 2015-16 Year-To-Date Actuals Through March 2016

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	\$ 75,352,516	\$ 80,591,992	\$ 5,239,476	7.0%	\$ 78,130,747	\$ 2,461,245	3.2%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	2,089,750	1,698,980	2,150,110	451,130	26.6%	2,370,545	(220,435)	-9.3%
<b>Total Local Sales Tax Revenue</b>	<b>104,189,750</b>	<b>77,051,497</b>	<b>82,742,102</b>	<b>5,690,606</b>	<b>7.4%</b>	<b>80,501,292</b>	<b>2,240,810</b>	<b>2.8%</b>
Franchise Fees	3,175,000	1,889,566	2,104,538	214,972	11.4%	1,949,992	154,546	7.9%
Primary Property Taxes	7,272,000	4,167,907	4,353,588	185,681	4.5%	4,101,221	252,367	6.2%
State Shared Sales Taxes	22,506,700	14,706,333	14,697,740	(8,593)	-0.1%	14,024,595	673,145	4.8%
Vehicle License Tax	9,300,000	6,274,583	6,772,186	497,603	7.9%	5,881,888	890,298	15.1%
Urban Revenue Sharing	28,453,600	21,341,659	21,340,214	(1,445)	0.0%	21,456,543	(116,329)	-0.5%
Licenses & Permits	4,488,000	2,950,968	4,923,869	1,972,901	66.9%	3,667,308	1,256,561	34.3%
Charges for Services	11,767,600	8,048,607	7,371,999	(676,608)	-8.4%	8,595,458	(1,223,459)	-14.2%
Fines & Forfeitures	3,662,700	2,706,239	2,477,025	(229,214)	-8.5%	2,746,305	(269,280)	-9.8%
Interest & Investments	1,094,000	486,270	686,303	200,033	41.1%	724,456	(38,153)	-5.3%
Other Revenues	1,748,399	1,311,299	1,428,991	117,692	9.0%	981,658	447,333	45.6%
Indirect Cost	7,174,390	5,380,793	5,380,793	(0)	0.0%	5,684,175	(303,382)	-5.3%
<b>TOTAL GENERAL FUND REVENUES</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>Prior Month</b>	<b>\$ 204,832,139</b>	<b>\$ 130,160,743</b>	<b>\$ 136,705,981</b>	<b>\$ 6,545,238</b>	<b>5.0%</b>	<b>\$ 132,821,671</b>	<b>\$ 3,884,310</b>	<b>2.9%</b>
<b>Change from Prior Month</b>	<b>\$ -</b>	<b>\$ 16,154,978</b>	<b>\$ 17,573,368</b>	<b>\$ 1,418,390</b>	<b>0.4%</b>	<b>\$ 17,493,220</b>	<b>\$ 80,147</b>	<b>-0.3%</b>

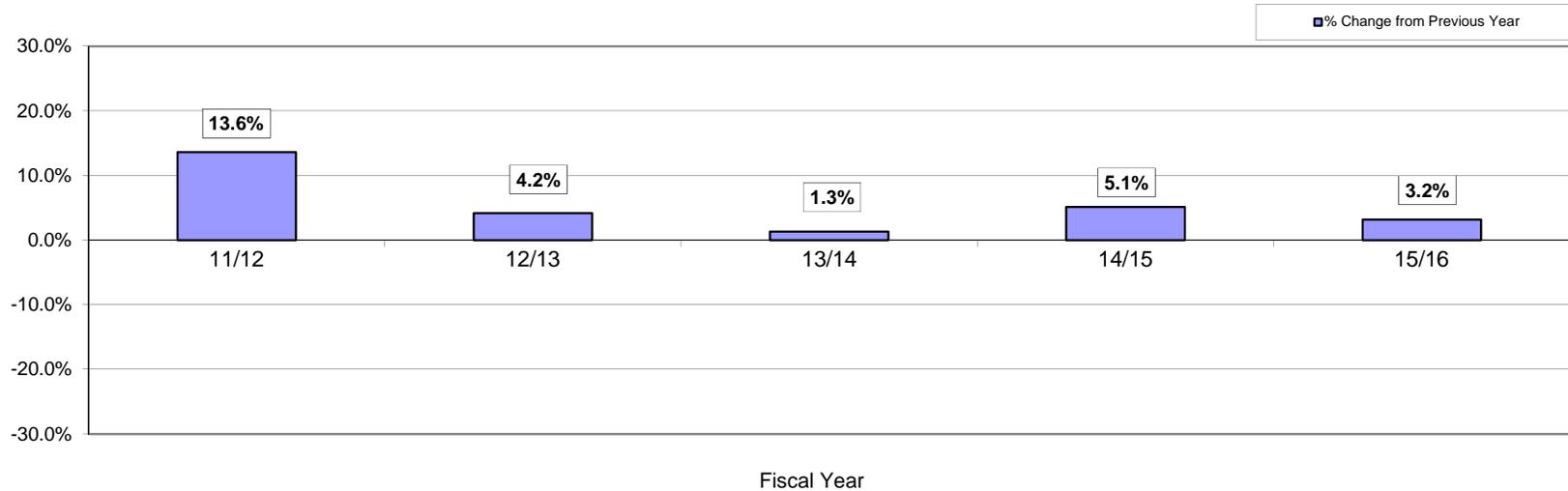
Note:

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 March  
(Based on Retail Sales Through February)**



**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.

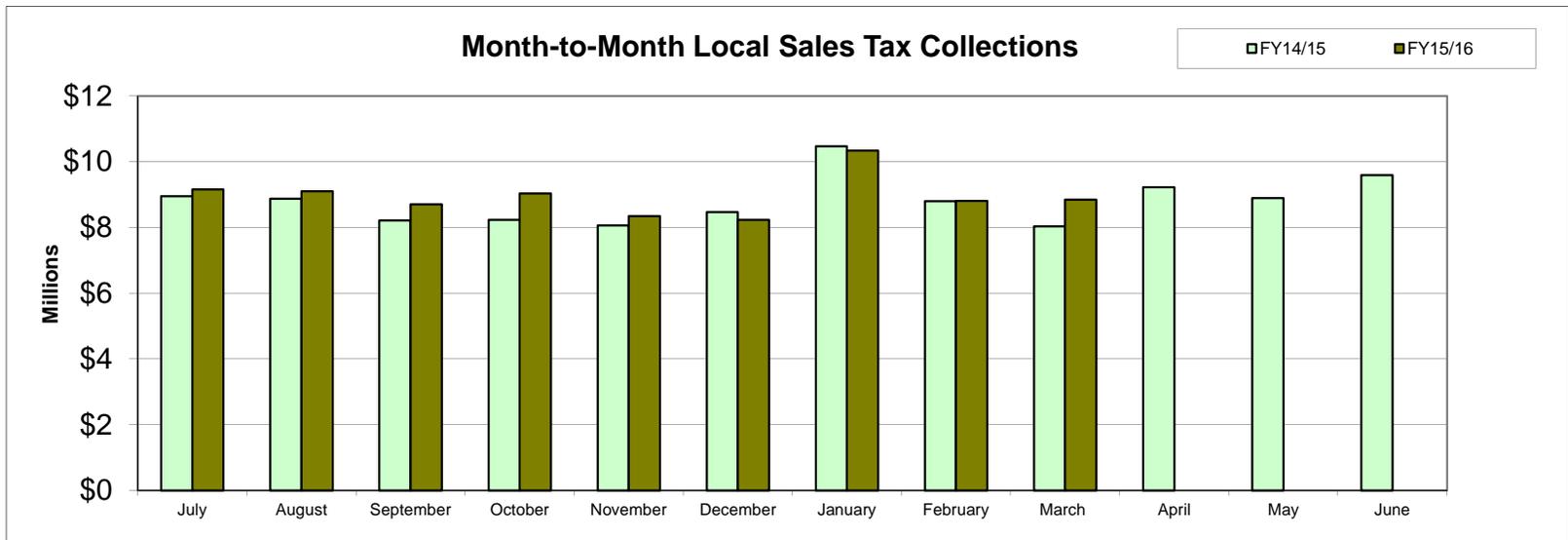
<b>SALES TAX REVENUE BY CLASS THROUGH MARCH EACH YEAR (YEAR-TO-DATE)</b>											
Sales Tax Category	FY14-15	% Chg	THRU MAR	% Chg	THRU MAR						
	% of Total	fm PY	FY 2015-16	fm PY	FY 2014-15	fm PY	FY 2013-14	fm PY	FY 2012-13	fm PY	FY 2011-12
Utilities	12.5%	4.8%	\$ 10,871,146.40	8.0%	\$ 10,373,780.79	0.4%	\$ 9,609,237.74	0.9%	\$ 9,572,136.62	5.2%	\$ 9,486,855.55
Telecommunications	3.2%	-7.1%	2,398,375.32	-1.7%	2,582,228.03	-6.4%	2,625,745.26	4.8%	2,804,568.16	6.6%	2,676,203.10
Publishing / Advertising / Printing / Transportation	0.2%	-0.4%	198,247.31	4.7%	199,019.22	-23.3%	190,162.65	-9.5%	248,045.00	0.3%	273,945.73
Restaurants & Bars	9.6%	5.9%	7,757,070.68	6.4%	7,327,099.57	6.4%	6,883,796.82	2.2%	6,468,724.30	10.3%	6,330,339.06
Amusements	0.8%	15.3%	721,634.93	19.2%	626,064.31	2.0%	525,192.27	0.8%	514,805.25	6.4%	510,883.73
Real Property Rentals	11.3%	10.4%	9,737,254.36	8.8%	8,818,119.68	1.4%	8,103,639.60	7.7%	7,989,635.56	6.5%	7,420,077.47
Tangible Personal Property Rentals	3.1%	-3.9%	2,285,662.13	9.0%	2,378,955.22	1.4%	2,181,889.73	13.0%	2,151,543.72	4.8%	1,903,242.75
Hotels / Motels	2.7%	1.9%	1,890,830.77	15.1%	1,855,315.17	4.9%	1,611,825.30	2.2%	1,536,882.74	16.6%	1,503,666.59
Contracting	8.4%	-9.1%	6,179,068.37	-6.1%	6,801,329.06	-5.8%	7,241,085.25	-1.8%	7,687,562.94	69.1%	7,829,554.72
Retail / Manufactured Buildings / Jet Fuel	47.1%	3.6%	37,673,479.92	5.4%	36,351,663.12	3.2%	34,486,003.61	5.4%	33,416,102.22	11.1%	31,691,371.50
Use Tax	1.1%	7.6%	879,221.55	-5.7%	817,173.26	-12.1%	866,345.48	20.3%	985,755.64	8.6%	819,292.04
<b>TOTAL SALES TAX REVENUE</b>	<b>100.0%</b>	<b>3.2%</b>	<b>\$ 80,591,991.74</b>	<b>5.1%</b>	<b>\$ 78,130,747.43</b>	<b>1.3%</b>	<b>\$ 74,324,923.71</b>	<b>4.2%</b>	<b>\$ 73,375,762.15</b>	<b>13.6%</b>	<b>\$ 70,445,432.24</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			
May	8,892,715			
June	9,594,021			
<b>Totals</b>	<b>78,130,747</b>	<b>80,591,992</b>	<b>2,461,245</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 MARCH 2016

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru Mar 2016	Percentage of Adjusted Budget Expended & Encumbered Thru Mar 2016	Percentage of Adjusted Budget Expended & Encumbered Thru Mar 2015	Over/Under Last Year's Percentage
City Clerk	\$ 617,010	\$ 638,364	\$ 441,988	69.2%	78.2%	-9.0%
City Manager and Organizational Support*	31,542,698	33,364,684	24,183,558	72.5%	73.6%	-1.1%
Communications & Public Affairs	2,317,974	2,516,836	1,868,876	74.3%	72.5%	1.8%
Community & Neighborhood Services	20,522,667	21,777,009	15,439,037	70.9%	72.5%	-1.6%
Fire	33,446,070	34,521,069	25,877,944	75.0%	74.4%	0.6%
Law	3,475,487	3,557,497	2,563,168	72.0%	67.6%	4.4%
Magistrate	4,306,286	4,371,229	3,022,613	69.1%	67.3%	1.8%
Management Services	7,124,855	7,419,578	5,267,555	71.0%	70.9%	0.1%
Mayor and Council	837,550	851,855	621,943	73.0%	70.1%	2.9%
Police	66,601,585	67,477,472	52,584,785	77.9%	73.9%	4.0%
Transportation & Development	18,002,139	21,118,498	16,284,780	77.1%	75.4%	1.7%
Non-Departmental (Personnel Services and O&M)	10,344,754	18,127,185	5,601,357	30.9%	18.9%	12.0%
<b>Subtotal Prior to Contingencies/Reserves</b>	<b>\$ 199,139,075</b>	<b>\$ 215,741,276</b>	<b>\$ 153,757,603</b>	<b>71.3%</b>	<b>69.4%</b>	<b>1.9%</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	23,604,386	-	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>\$ 244,595,922</b>	<b>\$ 241,820,023</b>	<b>\$ 153,757,603</b>	<b>63.6%</b>	<b>61.6%</b>	<b>2.0%</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.