



**MEMORANDUM**

**Management Services Memo No. 14-053**

**DATE:** MARCH 12, 2014

**TO:** MAYOR & COUNCIL

**THRU:** RICH DLUGAS, CITY MANAGER *RD*  
DAWN LANG, MANAGEMENT SERVICES DIRECTOR *DL*

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

**SUBJECT:** FISCAL YEAR (FY) 2013-14 MONTHLY REVENUE SUMMARY, SALES TAX COLLECTION REPORT AND GENERAL FUND EXPENDITURE REPORT THROUGH FEBRUARY 2014

Attached is the FY 2013-14 General Fund Monthly Revenue and Expenditure Report for the period ending February 2014. 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 February 2014. This month reflects a 7.8% increase in total General Fund revenues from the budgeted revenue received to date based on historical trends.

Local transaction privilege (sales) tax through February 2014 reflects an increase of 9.1% over historical trend, and an increase of 1.8% compared to the same period last year. Within the sales tax categories, Contracting is down -6.6% compared to the previous year and Tangible Personal Property Rentals (typically used for construction equipment rentals) is down by -4.8%, although both categories are slightly improved from the prior month. The Retail/Manufactured Building/Jet Fuel category continues to run ahead of the prior year by 4.6%; the Restaurant & Bar category is 7.0% higher than the previous year; and, the Hotel/Motel category is up 8.4% compared to February 2013.

Among the other revenue categories, Licenses and Permits are continuing to perform strongly compared to budget based on historical trend (+40.5%). The budgeted revenues for this category

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was reduced for FY 2013-14 due to an anticipated decrease due to the completion of the Intel expansion and other development projects; however, other projects have come on line and Licenses and Permits collections are now back at virtually the same level as FY 2012-13.

The FY 2013-14 General Fund Expenditure Summary report reflects the percent of adjusted budget expended and encumbered through February 2014, then compares this spending percent to the prior fiscal year. Spending of 65.2% has occurred through February 2014, compared to 65.9% for the same period last year.

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

c: Marsha Reed, Assistant City Manager  
Nachie Marquez, Assistant City Manager

## CITY OF CHANDLER REVENUE SUMMARY

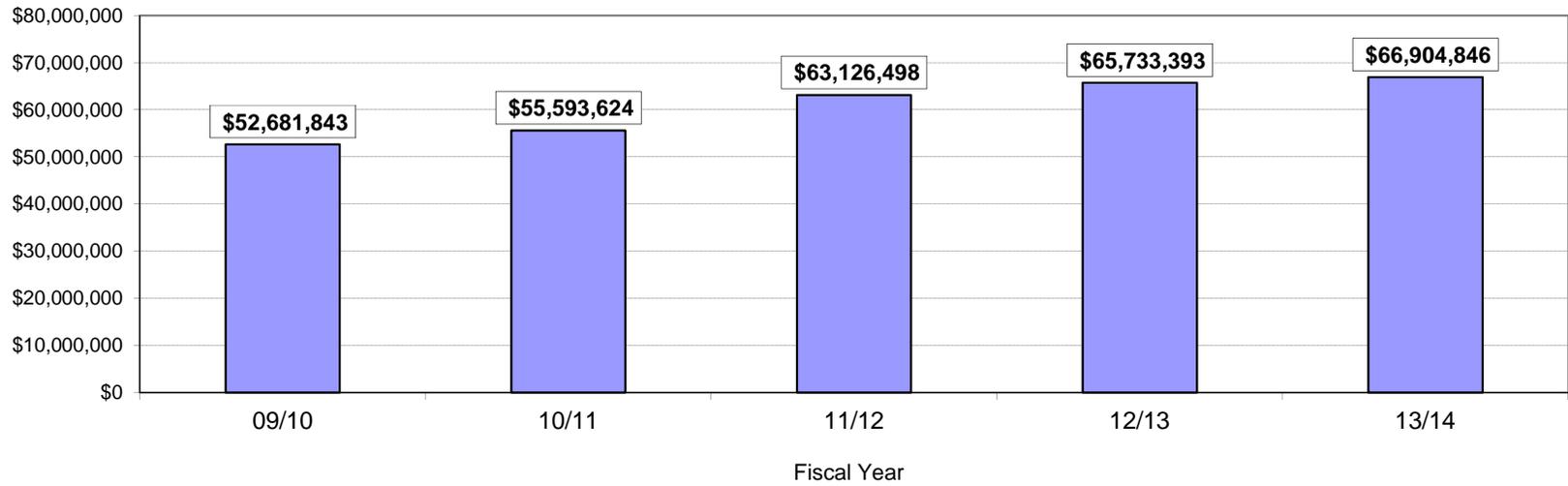
FY 2013-14 Year-To-Date Actuals Through February 2014

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 2013-14 Adjusted Budget	FY 2013-14 Budget Prorated Based on Historical Trend	FY 2013-14 Actual Revenue YTD	FY 2012-13 Actual Revenues for Same Period	Difference + or (-) from FY 2012-13 to FY 2013-14	% Change of Actuals to Same Period FY 2012-13				
Local Sales Tax Collections	\$ 92,750,000	\$ 61,348,054	<b>\$ 66,904,846</b>	\$ 5,556,792	9.1%	\$ 65,733,393	\$ 1,171,453	1.8%		
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	2,461,000	1,744,094	<b>2,137,418</b>	393,324	22.6%	2,269,942	(132,524)	-5.8%		
<b>Total Local Sales Tax Revenue</b>	<b>95,211,000</b>	<b>63,092,148</b>	<b>69,042,264</b>	5,950,116	9.4%	68,003,335	1,038,929	1.5%		
Franchise Fees	2,875,000	1,531,498	<b>1,772,050</b>	240,552	15.7%	1,663,798	108,252	6.5%		
Primary Property Taxes	7,250,000	3,968,942	<b>4,126,378</b>	157,436	4.0%	4,258,829	(132,451)	-3.1%		
State Shared Sales Taxes	19,400,000	11,159,474	<b>11,930,401</b>	770,927	6.9%	11,077,115	853,286	7.7%		
Vehicle License Tax	7,870,700	4,575,470	<b>4,846,997</b>	271,527	5.9%	4,492,169	354,828	7.9%		
Urban Revenue Sharing	26,343,000	17,561,888	<b>17,593,839</b>	31,951	0.2%	16,079,638	1,514,201	9.4%		
Licenses & Permits	3,476,000	2,059,749	<b>2,894,566</b>	834,817	40.5%	2,916,689	(22,123)	-0.8%		
Charges for Services	10,572,450	6,212,532	<b>7,207,321</b>	994,789	16.0%	7,144,245	63,076	0.9%		
Fines & Forfeitures	3,439,300	2,201,825	<b>2,365,801</b>	163,976	7.4%	2,321,179	44,622	1.9%		
Interest & Investments	637,000	259,445	<b>338,990</b>	79,545	30.7%	464,501	(125,511)	-27.0%		
Other Revenues	2,110,950	1,407,300	<b>1,157,256</b>	(250,044)	-17.8%	1,266,121	(108,865)	-8.6%		
Indirect Cost	7,841,958	5,227,972	<b>5,227,972</b>	(0)	0.0%	5,351,460	(123,488)	-2.3%		
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 187,027,358</b>	<b>\$ 119,258,243</b>	<b>\$ 128,503,835</b>	<b>\$ 9,245,592</b>	<b>7.8%</b>	<b>\$ 125,039,079</b>	<b>\$ 3,464,756</b>	<b>2.8%</b>		
Prior Month	<b>\$ 187,027,358</b>	<b>\$ 104,534,689</b>	<b>\$ 112,347,315</b>	<b>\$ 7,812,626</b>	<b>7.5%</b>	<b>\$ 108,796,622</b>	<b>\$ 3,550,693</b>	<b>3.3%</b>		
Change from Prior Month	<b>\$ -</b>	<b>\$ 14,723,554</b>	<b>\$ 16,156,520</b>	<b>\$ 1,432,966</b>	<b>0.3%</b>	<b>\$ 16,242,457</b>	<b>\$ (85,937)</b>	<b>-0.5%</b>		

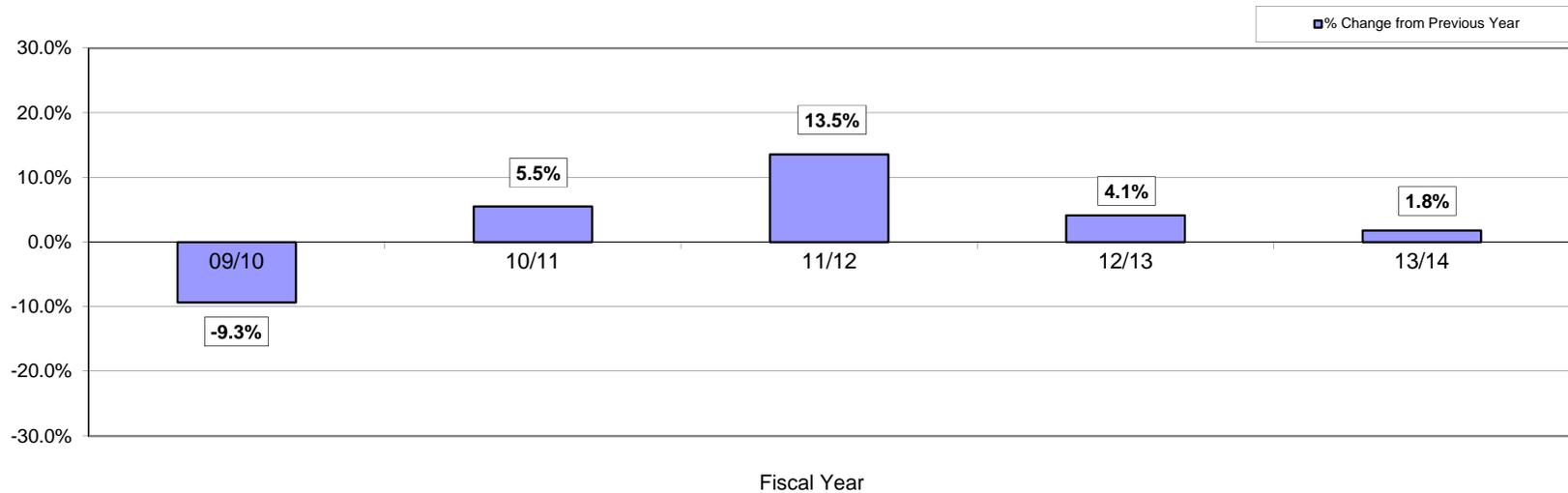
**Note:**

FY 2013-14 Adjusted Budget excludes Interfund Transfers of \$9,000,000 to the General Fund for Wastewater Fund loan repayments.

**Local Sales Tax Revenue\* Through Month of February  
(Based on Retail Sales Through January)**



**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.

**SALES TAX REVENUE BY CLASS  
THROUGH FEBRUARY EACH YEAR (YEAR-TO-DATE)**

Sales Tax Category	FY12/13	% Chg	THRU FEB	% Chg	THRU FEB	% Chg	THRU FEB	% Chg	THRU FEB	% Chg	THRU FEB
	% of Total	fm PY	FY 2013-14	fm PY	FY 2012-13	fm PY	FY 2011-12	fm PY	FY 2010-11	fm PY	FY 2009-10
Utilities	12.5%	0.0%	\$ 8,840,485.56	1.3%	\$ 8,838,132.43	6.2%	\$ 8,726,342.00	3.2%	\$ 8,217,937.29	-0.1%	\$ 7,964,472.11
Telecommunications	3.8%	-6.7%	2,343,833.19	1.9%	2,512,357.39	11.8%	2,466,403.32	-17.6%	2,205,295.14	-2.8%	2,675,717.68
Publishing / Advertising / Printing / Transportation	0.3%	-23.9%	170,219.87	-9.5%	223,820.17	6.7%	247,303.26	-2.2%	231,867.14	-14.3%	237,075.47
Restaurants & Bars	9.1%	7.0%	6,093,980.55	1.9%	5,694,229.17	10.3%	5,585,477.82	8.9%	5,064,523.66	-2.4%	4,652,351.27
Amusements	0.7%	3.6%	466,936.92	-0.5%	450,591.28	7.9%	452,760.72	11.5%	419,694.27	-7.0%	376,431.59
Real Property Rentals	10.9%	1.8%	7,315,098.69	7.4%	7,186,898.96	6.7%	6,688,820.30	6.3%	6,267,075.20	2.1%	5,895,140.65
Tangible Personal Property Rentals	2.9%	-4.8%	1,841,022.29	14.1%	1,933,024.63	3.0%	1,694,815.74	1.0%	1,645,655.74	5.7%	1,629,400.11
Hotels / Motels	2.3%	8.4%	1,385,301.36	0.3%	1,277,741.94	22.5%	1,274,039.29	21.8%	1,039,987.07	-20.0%	854,035.08
Contracting	10.5%	-6.6%	6,661,167.92	3.0%	7,129,319.44	65.0%	6,919,674.26	-2.2%	4,194,406.47	-37.8%	4,288,382.83
Retail / Manufactured Buildings / Jet Fuel	45.7%	4.6%	30,990,039.50	4.6%	29,625,452.08	10.5%	28,320,409.20	8.8%	25,629,597.89	-9.2%	23,550,291.47
Use Tax	1.3%	-7.5%	796,759.76	14.8%	861,825.24	10.8%	750,452.50	21.3%	677,584.52	-21.5%	558,544.92
<b>TOTAL SALES TAX REVENUE</b>	<b>100.0%</b>	<b>1.8%</b>	<b>\$ 66,904,845.61</b>	<b>4.1%</b>	<b>\$ 65,733,392.73</b>	<b>13.5%</b>	<b>\$ 63,126,498.41</b>	<b>5.5%</b>	<b>\$ 55,593,624.39</b>	<b>-9.3%</b>	<b>\$ 52,681,843.18</b>

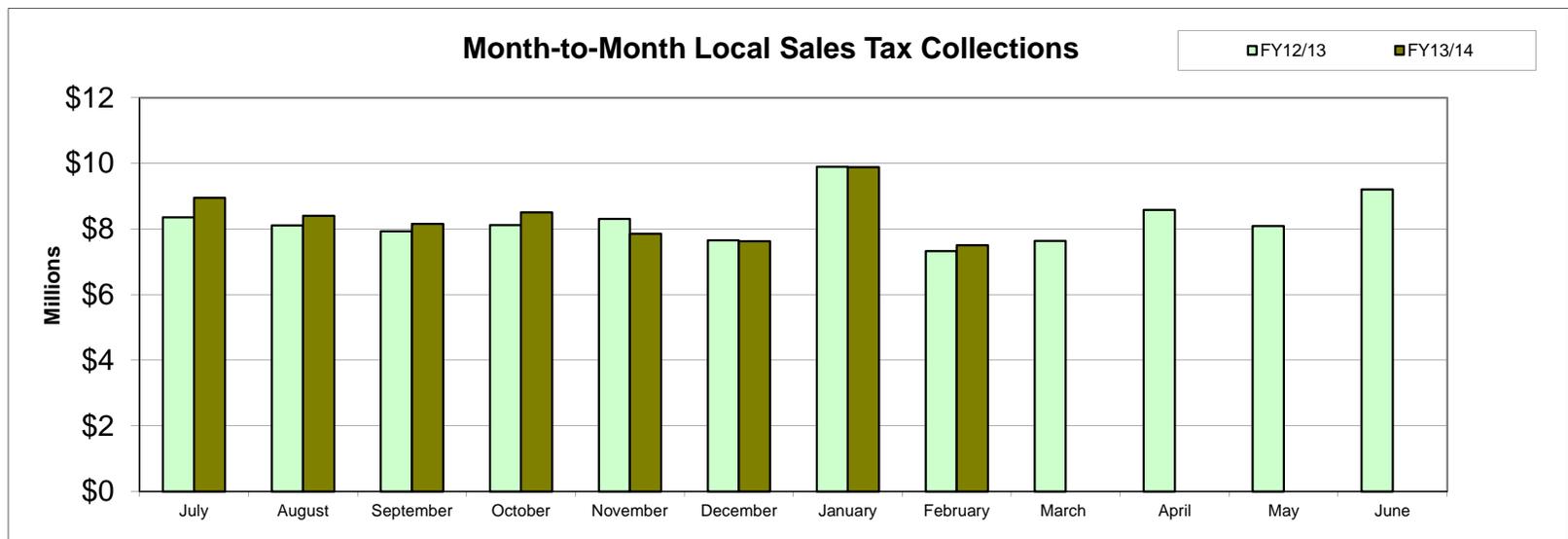


\*Totals are for sales tax only, and exclude privilege license fees, audit assessments, interest, and penalties.

# CITY OF CHANDLER LOCAL SALES TAX REVENUE

## Monthly Actuals Compared to Prior Year

Local Sales Tax Collections *	Monthly Collections FY12/13	Monthly Collections FY13/14	\$ Difference + / (-) FY13/14 over FY12/13	% Difference + / (-) FY13/14 over FY12/13
July	8,356,102	8,953,475	597,373	7.1%
August	8,117,141	8,406,838	289,697	3.6%
September	7,934,470	8,159,584	225,114	2.8%
October	8,124,885	8,505,695	380,810	4.7%
November	8,313,207	7,862,064	(451,143)	-5.4%
December	7,663,900	7,627,478	(36,422)	-0.5%
January	9,895,564	9,885,551	(10,013)	-0.1%
February	7,328,125	7,504,161	176,036	2.4%
March	7,642,369			
April	8,587,152			
May	8,094,281			
June	9,205,895			
<b>Totals</b>	<b>65,733,393</b>	<b>66,904,846</b>	<b>1,171,453</b>	<b>1.8%</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 FEBRUARY 2014

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru Feb 2014	Percentage of Adjusted Budget Expended & Encumbered Thru Feb 2014	Percentage of Adjusted Budget Expended & Encumbered Thru Feb 2013	Over/Under Last Year's Percentage
City Clerk	\$ 578,404	\$ 593,495	\$ 348,141	58.7%	63.3%	-4.6%
City Manager and Organization Support*	23,385,441	24,983,472	17,114,504	68.5%	64.4%	4.1%
Communications & Public Affairs	2,049,614	2,271,144	1,373,473	60.5%	63.4%	-2.9%
Community Services	23,495,193	24,479,811	15,875,403	64.9%	64.6%	0.3%
Fire	30,456,594	30,836,453	20,942,662	67.9%	67.6%	0.3%
Law	3,511,051	3,576,464	2,119,080	59.3%	65.3%	-6.0%
Magistrate	4,146,959	4,203,078	2,468,428	58.7%	60.0%	-1.3%
Management Services	6,752,816	7,037,535	4,492,864	63.8%	62.7%	1.1%
Mayor and Council	796,564	808,065	508,630	62.9%	65.8%	-2.9%
Police	60,784,414	62,105,180	41,111,204	66.2%	68.4%	-2.2%
Transportation & Development	18,494,564	19,886,601	13,359,017	67.2%	68.1%	-0.9%
Non-Departmental (Personnel Services and O&M)	4,387,700	6,480,349	2,310,045	35.6%	54.5%	-18.9%
<b>Subtotal Prior to Contingencies/Reserves</b>	<b>\$ 178,839,314</b>	<b>\$ 187,261,647</b>	<b>\$ 122,023,451</b>	<b>65.2%</b>	<b>65.9%</b>	<b>-0.7%</b>
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	11,899,963	3,744,568	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (12% & Council)	21,584,200	20,763,726	-	0.0%	0.0%	0.0%
<b>TOTAL</b>	<b>\$ 212,323,477</b>	<b>\$ 211,769,941</b>	<b>\$ 122,023,451</b>	<b>57.6%</b>	<b>58.7%</b>	<b>-1.1%</b>

\* Organization Support includes Information Technology, Human Resources, Economic Development, Neighborhood Resources, and Building & Facilities

**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.