



## Informational Memo

### Management Services - Memo No. 21-012

**Date:** August 20, 2020

**To:** Mayor and Council

**Thru:** Marsha Reed, City Manager *MR*  
Dawn Lang, Management Services Director *DL*

**From:** Matt Dunbar, Budget Manager *MD*

**Subject:** Fiscal Year (FY) 2019-20 Year-End General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through June 2020

Attached is the Year-End FY 2019-20 General Fund Revenue and Expenditure Reports for the period ending June 30, 2020. The June report is typically released in August of each year due to the fiscal year end accounting process, which ensures all revenues and expenditures are thoroughly reviewed and properly reflected.

This report includes additional information to better assess COVID-19 impacts. Included as attachments to this memo are:

- Attachment 1 – General Fund Revenue Summary
- Attachment 2 – Local Sales Tax Revenue Five-Year Comparison
- Attachment 3 – Local Sales Tax Revenue by Class (*updated with Month over PY Month*)
- Attachment 4 – Local Sales Tax Revenue Month-by-Month Comparison to Prior Year
- Attachment 5 – *COVID-19 Revenue Impact Analysis*
- Attachment 6 – General Fund Expenditure Summary

The General Fund Revenue Summary (Attachment 1) gives a budget to actual comparison of revenues through June 2020. The fiscal year ended \$10.7M or 4.3% higher in total General Fund revenues compared to the Adopted Budget. The increase represents the strong revenue growth we saw during first three quarters of the year, but has been curtailed by the last quarter which saw declines due to the economic pressures caused by COVID-19 closures. Mid-year, the revenue projections were revised based on actuals to \$261,497,452, but once COVID-19 impacts were reflected, they were reduced by \$10.5M, bringing them to \$251,047,452. Based on FY 2019-20 year end revenue results of \$259,660,236, the reduction was only \$1,837,216 vs. the \$10.5M projected.

The individual revenue categories recording revenues under Adopted Budget, reflect COVID-19 revenue reduction impacts as business activity and many City services were curtailed due to the closures and social distancing requirements during March, April, May, and June. An additional attachment (Attachment 5 - COVID-19 Revenue Impact Analysis) is again included to analyze the anticipated impacts of the pandemic, as well as the new view of tax data, on Attachment 3, to show the month over same month in prior year collections.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect May TPT sales reported/received in June, and reflects closures which continued through May 15<sup>th</sup> when the Governor's stay at home order expired. Overall year to date (YTD) collections in State and Local TPT and Licenses & Permits remained above the Adopted Budget through June as a result of strong revenue growth in periods that were prior to the COVID-19 outbreak. In addition, development in Chandler and its related economic impact continues to slow, as anticipated; however, most of these prior period increases were considered one-time, since once the developments are completed, the related Permit and Local TPT collections cease. The Local TPT collections through June 2020, reflect an overall increase of 4.6% above the prior year collections, and a 1.4% increase compared to the same period last year, again showing an increase as revenues were coming in very strong throughout the year prior to COVID-19 impacts. However, Local TPT revenues did see a 4.8% decline in the month over same month prior year comparison as shown at the bottom of Attachment 3.

While all categories of Local TPT have the potential to be impacted by the COVID-19 pandemic, certain categories will show a more significant impact as shown on Attachment 3, which reflects TPT by tax classification and is explained below:

- The largest TPT category, Retail/Manufactured Buildings/Jet Fuel, is 7.5% higher YTD than one year earlier, and shows a month over same month prior year increase of 10.3%.
- Contracting reflects a 16.9% decrease YTD than one year earlier, mainly due to the completion or near completion of various major construction projects such as Intel, downtown construction, and various multi-family residential projects throughout the City, and a month over same month prior year decrease of 29.4%.
- The 10.2% YTD decrease over prior year in Hotels/Motels, while a reduction, still reflects strong growth in this category from prior periods, and masks the significant actual month over same month prior year reduction of 61.3%.
- The 8.7% YTD increase over prior year in Real Property Rentals reflects increases in rentals on the market as well as rental rates, and even the month over same month prior year shows an increase of 0.5%. We anticipate this category to see modest reductions in upcoming months.

- Another category that has substantial impacts due to the closures and social distancing is Restaurant & Bars, which shows a YTD decrease over prior year of only 5.3%, while the monthly comparison shows a decrease of 20.0% from June 2019.
- Amusements is also showing a significant downturn when compared to June of the prior year of 57.8%, but the YTD reduction over prior year is more mild at 18.0% as there was growth in this category prior to the COVID-19 closures.
- The YTD decrease over prior year of 51.0% in Publishing was due in part to a correction made at the State level from prior period collections.
- Other TPT categories are -1.5% to 7.7% lower or higher than the prior year through the fiscal year end.

Also, Attachment 5, provides a COVID-19 Revenue Impact Analysis, showing Chandler's top 51 taxpayers by business type, representing approximately 45% of total TPT received. The individual taxpayer information is grouped by business type due to confidentiality reporting requirements of the State. The month over month was 113.25% higher and month over same month prior year was 1% higher. This gives us even more direct information of how revenues are impacted based on the type of business, helping us better forecast future revenues. The report also details the anticipated FY 2019-20 \$10.5M reduction in revenues by major revenue category versus the actual revenue reductions we are realizing. After spreading the impact over March, April, May and June, the YTD impact through June of \$3.7M is \$6.8M better than we anticipated for these revenues. This is another helpful metric as we continue to refine our forecasts.

Finally, the FY 2019-20 General Fund Expenditure Summary report reflects the percent of adjusted budget expended and encumbered through June 2020, Fiscal Year-End. This report then compares this spending percentage to the prior fiscal year. Overall department spending, including an increased one-time Public Safety Personnel Retirement System (PSPRS) unfunded liability payment (+\$20.7M over prior year), resulted in 91.6% spending through year end, compared to 95.2% for the same period last year. Overall, revenues came in \$13,446,759 higher than expenditures, including encumbrances.

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

Attachments: FY 2019-20 General Fund Monthly Revenue and Expenditure Reports through Fiscal Year-End

cc: Debra Stapleton, Assistant City Manager  
Joshua H. Wright, Assistant City Manager

## General Fund Revenue Summary

### FY 2019-20 Year-To-Date Actuals Through June 2020

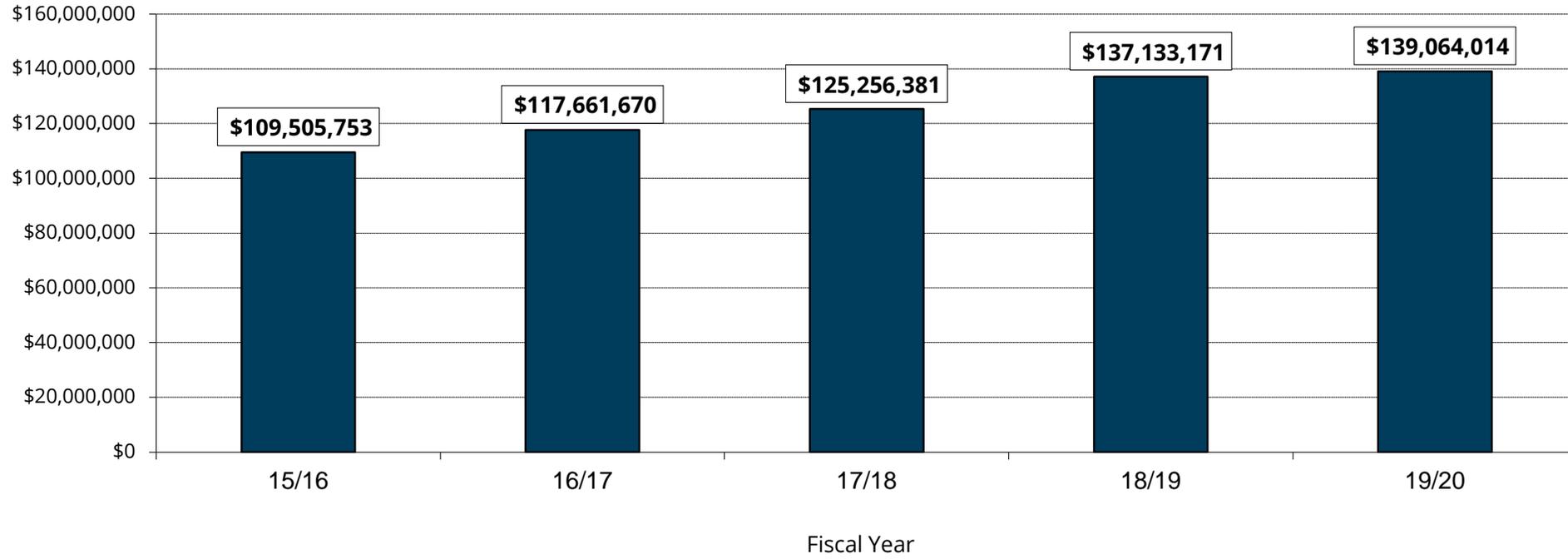
General Fund Revenues	Budget	Actuals			Comparison to Prior Year Actuals		
	FY 2019-20 Adopted Budget	FY 2019-20 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2018-19 Actual Revenues for Same Period	Difference + or - from FY 2018-19 to FY 2019-20	% Change of Actuals to Same Period FY 2018-19
Local Sales Tax Collections	\$ 133,000,000	\$ 139,064,014	\$ 6,064,014	4.6%	\$ 137,133,171	\$ 1,930,843	1.4%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,832,100	1,742,605	(89,495)	-4.9%	1,766,628	(24,023)	-1.4%
<b>Total Local Sales Tax Revenue</b>	<b>\$ 134,832,100</b>	<b>\$ 140,806,619</b>	<b>\$ 5,974,519</b>	<b>4.4%</b>	<b>\$ 138,899,799</b>	<b>\$ 1,906,820</b>	<b>1.4%</b>
Franchise Fees	3,300,000	\$ 3,432,995	132,995	4.0%	3,556,211	(123,216)	-3.5%
Primary Property Taxes	7,821,800	\$ 7,836,487	14,687	0.2%	7,636,782	199,705	2.6%
State Shared Sales Taxes	25,000,000	\$ 26,597,361	1,597,361	6.4%	25,525,595	1,071,766	4.2%
Vehicle License Tax	11,300,000	\$ 10,917,423	(382,577)	-3.4%	10,937,104	(19,681)	-0.2%
Urban Revenue Sharing	31,500,000	\$ 33,255,159	1,755,159	5.6%	30,693,731	2,561,428	8.3%
Licenses & Permits	6,905,500	\$ 7,756,890	851,390	12.3%	7,280,990	475,900	6.5%
Charges for Services	12,369,250	\$ 11,843,754	(525,496)	-4.2%	12,719,388	(875,634)	-6.9%
Fines & Forfeitures	3,763,650	\$ 3,321,253	(442,397)	-11.8%	3,883,157	(561,904)	-14.5%
Interest & Investments	3,259,000	\$ 4,860,570	1,601,570	49.1%	3,286,560	1,574,010	47.9%
Other Revenues	1,367,883	\$ 1,480,083	112,200	8.2%	2,747,409	(1,267,326)	-46.1%
Indirect Cost	7,551,592	\$ 7,551,592	-	0.0%	7,411,500	140,092	1.9%
<b>Total General Fund Revenues</b>	<b>\$ 248,970,775</b>	<b>\$ 259,660,186</b>	<b>\$ 10,689,411</b>	<b>4.3%</b>	<b>\$ 254,578,226</b>	<b>\$ 5,081,960</b>	<b>2.0%</b>
<b>Prior Month</b>	<b>\$ 248,970,775</b>	<b>\$ 234,727,279</b>	<b>\$ 11,648,191</b>	<b>5.2%</b>	<b>\$ 229,360,841</b>	<b>\$ 5,366,438</b>	<b>2.3%</b>
<b>Change from Prior Month</b>	<b>\$ -</b>	<b>\$ 24,932,907</b>	<b>\$ (958,780)</b>	<b>-0.9%</b>	<b>\$ 25,217,385</b>	<b>\$ (284,478)</b>	<b>-0.3%</b>

**Note:**

FY 2019-20 Actual excludes one-time Interfund Transfers-In of \$2,100,000 to the General Fund for Impact Fee loan repayments, which are used for General Capital Projects, and \$27,253,193 in AZCares Grant funds which will be reallocated to the Operating Grant Fund in FY 2020-21.

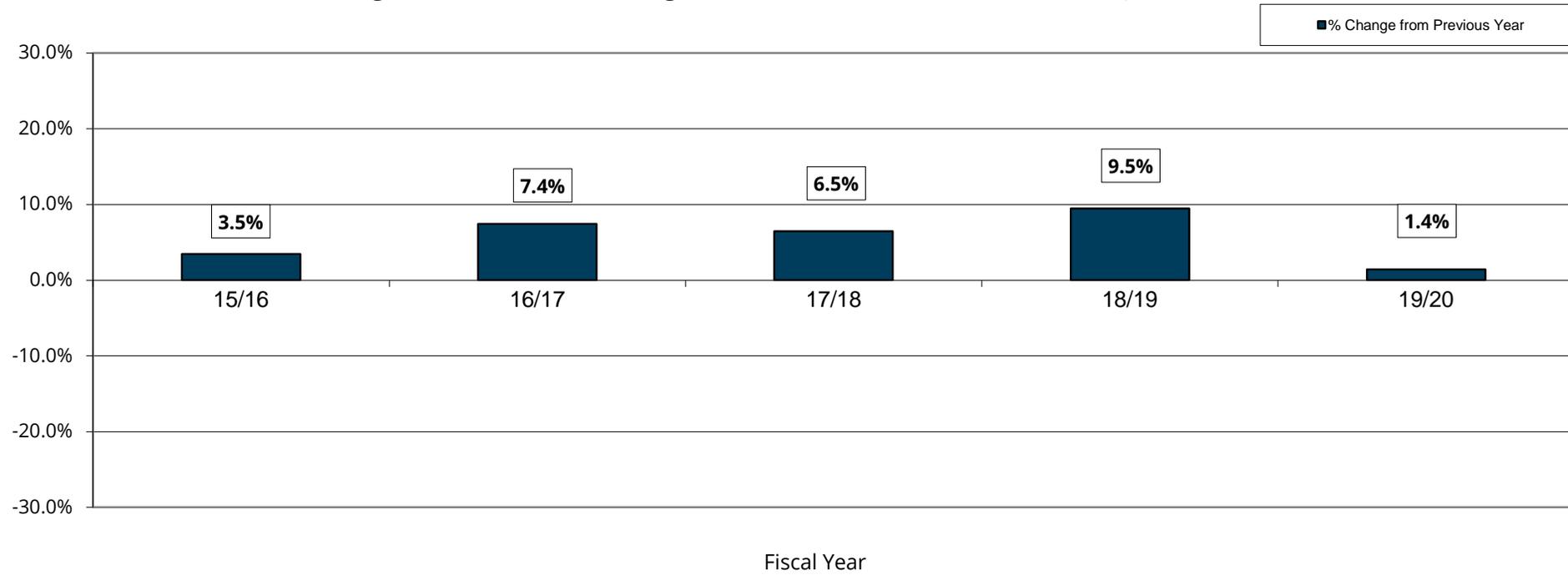
## Local Sales Tax Revenue\* Through Month of June

(Based on Sales Through May)



## Local Sales Tax Revenue\*

% Change from June 2020 through June 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 June Each Year (Year-to-Date)

Sales Tax Category	FY18-19 % of Total	% Chg Fm PY	FY 2019-20	% Chg Fm PY	FY 2018-19	% Chg Fm PY	FY 2017-18	% Chg Fm PY	FY 2016-17	% Chg Fm PY	FY 2015-16
Utilities	10.5%	-1.5%	\$ 14,175,575.45	4.1%	\$ 14,386,603.26	3.2%	\$ 13,824,331.40	-2.9%	\$ 13,391,857.46	4.5%	\$ 13,786,741.25
Telecommunications	1.6%	7.7%	2,351,800.56	-8.8%	2,184,382.15	-14.3%	2,395,673.03	-13.6%	2,796,065.08	-5.9%	3,234,369.25
Publishing / Advertising / Printing / Transportation	0.2%	-51.0%	128,020.60	42.9%	261,208.61	-2.2%	182,820.12	-24.8%	186,862.09	-4.7%	248,433.11
Restaurants & Bars	9.3%	-5.3%	12,065,696.83	7.3%	12,737,207.55	4.7%	11,872,940.57	5.5%	11,341,714.01	5.5%	10,752,479.23
Amusements	0.9%	-18.0%	1,048,280.08	18.0%	1,278,258.89	6.2%	1,083,160.71	0.0%	1,019,938.24	13.9%	1,019,939.41
Real Property Rentals	12.1%	8.7%	18,088,281.60	10.0%	16,647,603.48	10.9%	15,134,275.39	3.3%	13,647,156.14	10.4%	13,217,561.15
Tangible Personal Property Rentals	3.0%	6.3%	4,303,934.58	10.1%	4,047,000.61	1.8%	3,676,195.76	15.5%	3,611,179.71	-4.2%	3,125,459.30
Hotels / Motels	3.0%	-10.2%	3,647,201.53	9.4%	4,059,955.75	8.4%	3,712,084.67	15.8%	3,424,279.31	2.3%	2,957,685.41
Contracting	12.0%	-16.9%	13,667,588.55	32.7%	16,437,926.94	7.8%	12,388,977.60	29.8%	11,496,791.19	-0.2%	8,855,056.75
Retail / Manufactured Buildings / Jet Fuel	43.5%	7.5%	64,154,358.73	5.5%	59,676,815.80	6.5%	56,591,792.14	3.8%	53,126,486.58	2.9%	51,180,771.08
Use Tax	3.9%	0.3%	5,433,275.19	23.3%	5,416,207.62	21.4%	4,394,129.20	221.1%	3,619,340.39	-1.6%	1,127,256.95
<b>Total Sales Tax Revenue</b>	<b>100.0%</b>	<b>1.4%</b>	<b>\$ 139,064,013.70</b>	<b>9.5%</b>	<b>\$ 137,133,170.66</b>	<b>6.5%</b>	<b>\$ 125,256,380.59</b>	<b>7.4%</b>	<b>\$ 117,661,670.20</b>	<b>3.5%</b>	<b>\$ 109,505,752.89</b>

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

## Sales Tax Revenue By Class

Through June (Month-over-Month)

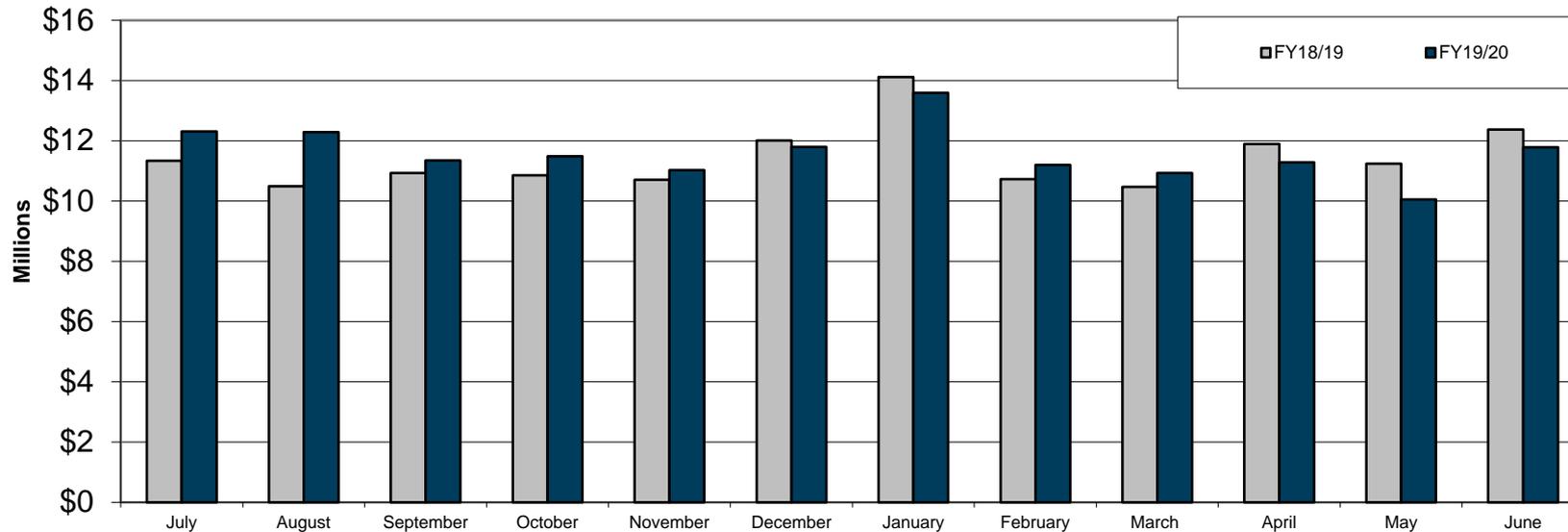
Sales Tax Category	FY18-19 % of Total	% Chg Fm PY	June FY 2019-20	% Chg Fm PY	June FY 2018-19	% Chg Fm PY	June FY 2017-18	% Chg Fm PY	June FY 2016-17	% Chg Fm PY	June FY 2015-16
Utilities	8.9%	4.2%	\$ 1,141,696.47	-13.0%	\$ 1,095,812.91	10.7%	\$ 1,259,426.83	-11.0%	\$ 1,137,447.51	54.9%	\$ 1,278,430.13
Telecommunications	1.7%	-6.1%	197,779.12	-2.7%	210,534.64	10.6%	216,442.07	-32.9%	195,771.24	-1.9%	291,623.41
Publishing / Advertising / Printing / Transportation	0.7%	-85.7%	12,006.81	-379.9%	84,042.94	13.4%	17,512.47	-3.6%	15,441.16	-34.6%	16,017.81
Restaurants & Bars	9.4%	-20.0%	933,329.80	-0.3%	1,167,012.42	17.3%	1,170,768.41	-4.3%	998,505.84	11.4%	1,043,340.72
Amusements	0.9%	-57.8%	48,567.20	15.5%	115,062.60	30.9%	99,583.73	-12.2%	76,092.72	-4.0%	86,635.06
Real Property Rentals	12.1%	0.5%	1,499,366.41	9.8%	1,491,665.09	23.3%	1,358,912.80	-6.9%	1,102,189.47	-13.9%	1,183,753.24
Tangible Personal Property Rentals	2.9%	-11.9%	319,001.60	12.2%	362,277.91	9.0%	322,859.97	0.2%	296,272.30	-15.6%	295,584.15
Hotels / Motels	2.5%	-61.3%	121,512.30	-6.8%	314,132.45	19.2%	337,041.44	10.1%	282,646.52	-23.0%	256,711.58
Contracting	12.7%	-29.4%	1,105,206.05	16.2%	1,566,233.26	10.9%	1,347,695.73	18.5%	1,215,446.72	40.9%	1,025,409.37
Retail / Manufactured Buildings / Jet Fuel	42.8%	10.3%	5,848,752.25	-1.3%	5,303,229.31	18.1%	5,374,134.14	-6.0%	4,551,418.09	16.8%	4,842,805.12
Use Tax	5.4%	-16.3%	558,361.44	74.3%	666,717.30	28.6%	382,549.43	476.9%	297,538.63	-56.6%	51,575.84
<b>Total Sales Tax Revenue</b>	<b>100.0%</b>	<b>-4.8%</b>	<b>\$ 11,785,579.45</b>	<b>4.1%</b>	<b>\$ 12,376,720.83</b>	<b>16.9%</b>	<b>\$ 11,886,927.02</b>	<b>-2.0%</b>	<b>\$ 10,168,770.20</b>	<b>12.4%</b>	<b>\$ 10,371,886.43</b>

# Local Sales Tax Revenue

## Monthly Actuals Compared to Prior Year

Local Sales Tax Collections *	Monthly Collections FY18/19	Monthly Collections FY19/20	\$ Difference + / (-) FY19/20 over FY18/19	% Difference + / (-) FY19/20 over FY18/19
July	\$ 11,336,169	\$ 12,302,360	\$ 966,190	8.5%
August	10,490,872	12,284,035	1,793,164	17.1%
September	10,926,950	11,345,516	418,566	3.8%
October	10,851,553	11,487,595	636,042	5.9%
November	10,703,487	11,022,244	318,758	3.0%
December	12,004,612	11,792,358	(212,254)	-1.8%
January	14,116,030	13,587,573	(528,457)	-3.7%
February	10,726,696	11,200,310	473,613	4.4%
March	10,472,268	10,927,737	455,469	4.3%
April	11,892,337	11,278,996	(613,341)	-5.2%
May	11,235,476	10,049,709	(1,185,767)	-10.6%
June	12,376,721	11,785,579	(591,142)	-4.8%
<b>Totals</b>	<b>\$ 137,133,171</b>	<b>\$ 139,064,014</b>	<b>\$ 1,930,841</b>	<b>1.4%</b>

## Month-to-Month Local Sales Tax Collections



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

# COVID-19 Revenue Impact Analysis

Tax Revenue Comparison of Top 51 Taxpayers (reflects approximately 45% of total TPT)

BUSINESS TYPE	CURRENT MO. Jun-20	LAST MO. May-20	\$ CHANGE MONTH / MONTH	% CHANGE MONTH / MONTH	CURRENT MO. Jun-20	MO. LAST YEAR Jun-19	\$ CHANGE SAME PERIOD	% CHANGE SAME PERIOD
Commercial Leasing Subtotal	\$ 244,469	\$ 223,013	\$ 21,456	9.62%	\$ 244,469	\$ 263,161	\$ (18,692)	-7.10%
Construction Contracting Subtotal	\$ 338,579	\$ 334,527	\$ 4,052	1.21%	\$ 338,579	\$ 827,951	\$ (489,372)	-59.11%
Department Store Subtotal	\$ 920,093	\$ 864,754	\$ 55,339	6.40%	\$ 920,093	\$ 828,214	\$ 91,879	11.09%
Grocery Store Subtotal	\$ 648,521	\$ 688,524	\$ (40,003)	-5.81%	\$ 648,521	\$ 584,139	\$ 64,382	11.02%
Home Improvement Subtotal	\$ 341,934	\$ 386,261	\$ (44,327)	-11.48%	\$ 341,934	\$ 254,609	\$ 87,325	34.30%
Lodging Subtotal	\$ 9,707	\$ 9,243	\$ 464	5.02%	\$ 9,707	\$ 31,648	\$ (21,941)	-69.33%
Personal Property Rental Subtotal	\$ 65,741	\$ 55,660	\$ 10,081	18.11%	\$ 65,741	\$ 85,918	\$ (20,177)	-23.48%
General Retailer Subtotal	\$ 715,152	\$ 634,142	\$ 81,010	12.77%	\$ 715,152	\$ 529,377	\$ 185,775	35.09%
Telecommunications Subtotal	\$ 92,006	\$ 88,946	\$ 3,059	3.44%	\$ 92,006	\$ 94,917	\$ (2,911)	-3.07%
Utility Subtotal	\$ 1,130,314	\$ 840,727	\$ 289,587	34.44%	\$ 1,130,314	\$ 1,046,107	\$ 84,207	8.05%
Vehicle Dealer Subtotal	\$ 1,030,081	\$ 583,791	\$ 446,290	76.45%	\$ 1,030,081	\$ 851,184	\$ 178,897	21.02%
<b>Total for Top Taxpayers</b>	<b>\$ 10,043,112</b>	<b>\$ 4,709,589</b>	<b>\$ 5,333,523</b>	<b>113.25%</b>	<b>\$ 10,043,112</b>	<b>\$ 9,943,266</b>	<b>\$ 99,846</b>	<b>1.00%</b>
<b>Total for all Taxes</b>	<b>\$ 11,785,579</b>	<b>\$ 10,049,709</b>	<b>\$ 1,735,870</b>	<b>17.27%</b>	<b>\$ 11,785,579</b>	<b>\$ 12,376,721</b>	<b>\$ (591,141)</b>	<b>-4.78%</b>

## Anticipated vs. Actual Revenue Reductions for Major Revenues

Anticipated COVID Impacts Major Revenues	Local TPT Reduction	State Shared Reduction	Vehicle Lic. Tax Reduction	Building Division Fees	Parks & Recreation	Court Fines	Franchise Fees	Total
March	No impact	No impact	No impact	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
April	\$ 1,743,037	\$ 396,268	\$ 96,058	\$ 20,000	\$ 200,000	\$ 50,000	\$ -	\$ 2,505,364
May	\$ 3,870,643	\$ 742,874	\$ 183,761	\$ 60,000	\$ 50,000	\$ -	\$ -	\$ 4,907,278
June	\$ 2,227,810	\$ 575,955	\$ 213,593	\$ 20,000	\$ -	\$ -	\$ -	\$ 3,037,358
<b>Total Estimated Impact</b>	<b>\$ 7,841,490</b>	<b>\$ 1,715,097</b>	<b>\$ 493,412</b>	<b>\$ 100,000</b>	<b>\$ 300,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ 10,500,000</b>

Actual COVID Impacts Major Revenues	Local TPT Reduction	State Shared Reduction	Vehicle Lic. Tax Reduction	Building Division Fees	Parks & Recreation	Court Fines	Franchise Fees	Total
March	No impact	No impact	No impact	\$ 69,132	\$ 309,912	\$ 55,976	\$ 97,181	\$ 532,201
April	\$ 613,340	\$ (574,898)	\$ 86,304	\$ (212,159)	\$ 243,302	\$ 123,317	\$ 446,853	\$ 726,059
May	\$ 1,185,767	\$ 497,557	\$ (219,781)	\$ 213,369	\$ 299,349	\$ 152,852	\$ (58,627)	\$ 2,070,486
June	\$ 591,141	\$ 143,791	\$ 32,409	\$ (1,035,746)	\$ 432,057	\$ 91,241	\$ 114,332	\$ 369,225
<b>Total Actual Impact</b>	<b>\$ 2,390,248</b>	<b>\$ 66,450</b>	<b>\$ (101,068)</b>	<b>\$ (965,404)</b>	<b>\$ 1,284,620</b>	<b>\$ 423,386</b>	<b>\$ 599,739</b>	<b>\$ 3,697,972</b>
<b>Variance from Estimate</b>	<b>\$ 5,451,242</b>	<b>\$ 1,648,647</b>	<b>\$ 594,480</b>	<b>\$ 1,065,404</b>	<b>\$ (984,620)</b>	<b>\$ (373,386)</b>	<b>\$ (599,739)</b>	<b>\$ 6,802,028</b>

### Notes:

Top Taxpayers selected using ranking from FY18-19 end of year total tax received.

Revenue is based on total taxes (by taxpayer) received within the Accounting Period; no direct correlation to period of tax return.

## General Fund Expenditure Summary Thru June 2020

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru Jun 2020	Percentage of Adjusted Budget Expended & Encumbered Thru Jun 2020	Percentage of Adjusted Budget Expended & Encumbered Thru Jun 2019	Over/Under Last Year's Percentage
City Clerk	\$ 749,869	\$ 1,180,676	\$ 1,092,064	92.5%	90.2%	2.3%
City Manager and Organization Support <sup>(1)</sup>	16,972,444	19,387,746	17,707,755	91.3%	83.4%	7.9%
Communications & Public Affairs	2,574,476	2,966,099	2,453,792	82.7%	83.7%	-1.0%
Community Services	26,971,684	27,854,930	25,701,813	92.3%	96.8%	-4.5%
Cultural Development	3,650,576	3,863,620	3,575,006	92.5%	97.3%	-4.8%
Development Services	8,877,333	9,065,593	8,086,099	89.2%	92.2%	-3.0%
Fire	37,255,753	38,470,718	37,761,629	98.2%	98.7%	-0.5%
Information Technology	11,662,825	12,666,371	10,908,495	86.1%	92.4%	-6.3%
Law	3,795,202	3,862,945	3,778,149	97.8%	98.7%	-0.9%
Magistrate	4,607,201	4,667,631	4,446,225	95.3%	97.9%	-2.6%
Management Services	8,137,020	8,327,144	7,704,780	92.5%	95.2%	-2.7%
Mayor and Council	1,049,815	1,059,148	985,512	93.0%	94.4%	-1.4%
Neighborhood Resources	4,013,933	4,268,515	3,383,847	79.3%	89.4%	-10.1%
Police	76,789,941	79,074,222	76,833,017	97.2%	98.6%	-1.4%
Public Works & Utilities	11,312,245	14,625,461	13,669,383	93.5%	94.8%	-1.4%
Non-Departmental (Personnel Services and O&M)	40,072,980	37,313,924	28,125,912	75.4%	81.0%	-5.6%
<b>Subtotal Prior to Contingencies/Reserves</b>	<b>\$ 258,493,297</b>	<b>\$ 268,654,743</b>	<b>\$ 246,213,477</b>	<b>91.6%</b>	<b>95.2%</b>	<b>-3.6%</b>
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	10,650,000	3,650,000	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	37,345,700	30,276,618	-	0.0%	0.0%	0.0%
<b>Total General Fund Expenditures</b>	<b>\$ 306,488,997</b>	<b>\$ 302,581,361</b>	<b>\$ 246,213,477</b>	<b>81.4%</b>	<b>84.8%</b>	<b>-3.4%</b>

<sup>(1)</sup> Organization Support includes Buildings & Facilities, Economic Development, Fleet Services, Human Resources and Transportation Policy.

**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.