




Informational Memo

Management Services - Memo No. 26-107

Date: May 21, 2026

To: Mayor and Council

Thru: John Pombier, City Manager 
Dawn Lang, Deputy City Manager/CFO *DLL*

From: Matt Dunbar, Budget & Policy Director *MD*

Subject: Fiscal Year (FY) 2025-26 General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through April 2026

Attached are the FY 2025-26 General Fund Revenue and Expenditure Reports for the period ending April 30, 2026.

Included with this memo are the following attachments:

- 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

The General Fund Revenue Summary (Attachment 1) gives a budget to actual comparison of revenues through April 2026. This month reflects a 2.3% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 1.2% decrease over the same period of the prior year. We anticipate an adjustment of approximately \$1,000,000 to the primary property tax revenues shifting them to the secondary tax category, as the county continues having software issues. We are working with them to get an accurate adjustment for reporting. If that adjustment were made, the total revenue increase compared to the historical budget would be 1.95% versus 2.3%.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect March TPT reported/received in April. Year to date (YTD) collections in Local TPT and Urban Revenue Sharing came in slightly below anticipated budget through April, while State Shared Tax and Vehicle License Tax came in slightly over

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budget. It is important to note that fluctuations related to development/contracting are considered one-time, since once the developments are completed, the related permit and local TPT collections cease. The Local TPT collections through April 2026 reflect a small decrease of 1.1% below budget, and a 3.3% decrease compared to prior-year actuals which was anticipated with the complete removal of the residential rental tax. Also, when comparing the TPT collections received in April 2026 to the same month in the prior year, collections are up 12%.

Finally, the FY 2025-26 General Fund Expenditure Summary (Attachment 5) report reflects the percentage of adjusted budget expended and encumbered through April 2026. This report then compares this spending percentage to the prior fiscal year. Overall department spending resulted in 81.5% spending through April 2026, compared to 80.2% for the same period last year.

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

Attachments: FY 2025-26 General Fund Monthly Revenue and Expenditure Reports through April 2026

c: Tadd Wille, Assistant City Manager
Ryan Peters, Deputy City Manager
Leah Powell, Deputy City Manager

General Fund Revenue Summary

FY 2025-26 Year-To-Date Actuals Through April 2026

| General Fund Revenues | Budget | | Actuals | | | Comparison to Prior Year Actuals | | |
|--|---------------------------|--|---------------------------|----------------------------|------------------------------|--|---|---|
| | FY 2025-26 Adopted Budget | FY 2025-26 Budget Prorated Based on Historical Trend | FY 2025-26 Actual Revenue | + or - of Actual to Budget | % Change of Actual to Budget | FY 2024-25 Actual Revenues for Same Period | Difference + or - from FY 2024-25 to FY 2025-26 | % Change of Actuals to Same Period FY 2024-25 |
| Local Sales Tax Collections | 201,500,000 | 167,088,091 | 165,213,542 | (1,874,549) | -1.1% | 170,766,735 | (5,553,193) | -3.3% |
| Local Sales Tax Fees, Audit Assessments, Penalties, Interest | 2,338,400 | 1,887,616 | 3,437,287 | 1,549,671 | 82.1% | 2,509,903 | 927,384 | 36.9% |
| Total Local Sales Tax Revenue | \$ 203,838,400 | \$ 168,975,707 | \$ 168,650,830 | \$ (324,878) | -0.2% | \$ 173,276,638 | \$ (4,625,809) | -2.7% |
| Franchise Fees | 3,190,000 | 2,575,458 | 2,455,624 | (119,834) | -4.7% | 2,950,766 | (495,142) | -16.8% |
| Primary Property Taxes | 8,785,177 | 5,782,649 | 6,957,322 | 1,174,673 | 20.3% | 5,456,096 | 1,501,226 | 27.5% |
| State Shared Sales Tax Revenue | 43,186,000 | 33,812,767 | 34,745,771 | 933,004 | 2.8% | 33,593,977 | 1,151,794 | 3.4% |
| Vehicle License Tax | 15,160,000 | 11,730,858 | 12,203,674 | 472,816 | 4.0% | 11,718,990 | 484,684 | 4.1% |
| Urban Revenue Sharing | 55,747,000 | 46,430,942 | 45,680,552 | (750,390) | -1.6% | 49,666,123 | (3,985,571) | -8.0% |
| Smart and Safe | 1,032,994 | 578,800 | 723,196 | 144,396 | 24.9% | 777,585 | (54,389) | -7.0% |
| Public Safety State Allocation* | - | - | 111,700 | 111,700 | 0.0% | - | 111,700 | 0.0% |
| Licenses & Permits | 7,710,300 | 6,019,205 | 8,307,330 | 2,288,125 | 38.0% | 11,048,151 | (2,740,821) | -24.8% |
| Charges for Services | 19,928,507 | 13,274,622 | 12,129,833 | (1,144,789) | -8.6% | 10,957,203 | 1,172,630 | 10.7% |
| Fines & Forfeitures | 3,851,400 | 3,166,012 | 3,434,683 | 268,671 | 8.5% | 3,372,726 | 61,957 | 1.8% |
| Interest & Investments | 8,900,000 | 6,019,679 | 9,855,348 | 3,835,669 | 63.7% | 7,693,483 | 2,161,865 | 28.1% |
| Other Revenues | 2,677,989 | 2,231,658 | 2,351,922 | 120,264 | 5.4% | 1,438,647 | 913,275 | 63.5% |
| Indirect Cost | 9,036,770 | 7,530,642 | 7,530,642 | (0) | 0.0% | 7,110,235 | 420,407 | 5.9% |
| Total General Fund Revenues | \$ 383,044,537 | \$ 308,128,999 | \$ 315,138,426 | \$ 7,009,427 | 2.3% | \$ 319,060,620 | \$ (3,922,194) | -1.2% |
| Prior Month | \$ 383,044,537 | \$ 277,033,243 | \$ 281,481,410 | \$ 4,448,167 | 1.6% | \$ 289,033,371 | \$ (7,551,961) | -2.6% |
| Change from Prior Month | \$ - | \$ 31,095,756 | \$ 33,657,017 | \$ 2,561,260 | 0.7% | \$ 30,027,249 | \$ 3,629,767 | 1.4% |

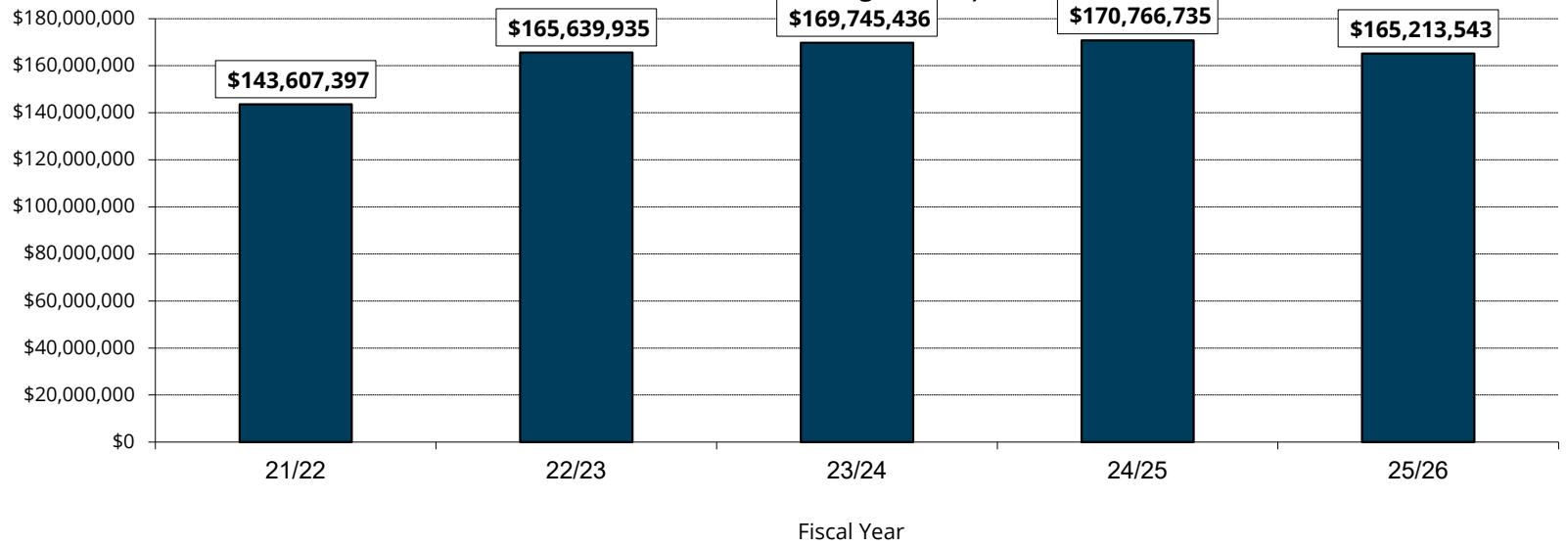
Note:

FY 2025-26 Adopted Budget excludes one-time Interfund Transfers-In of \$575,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*A total of \$111,725 is expected from SB1147 awarding the Chandler Police Department to purchase Peregrine software. No additional funding is anticipated in the current FY.

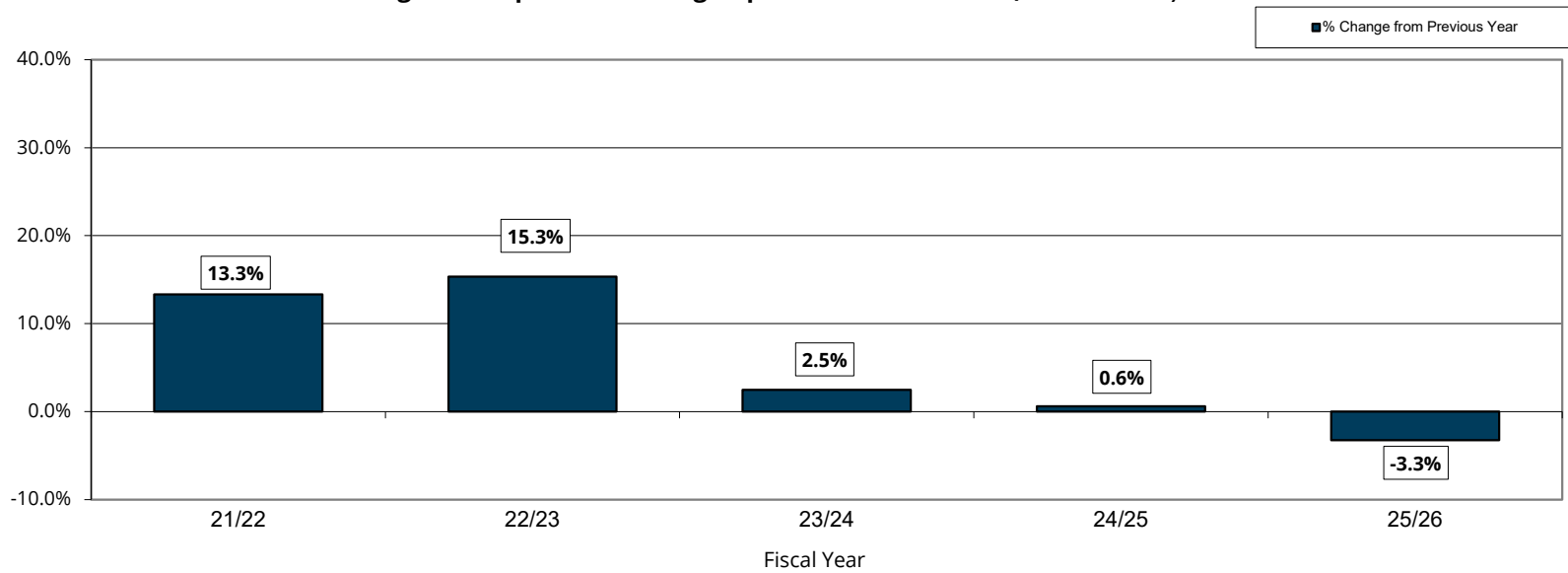
Local Sales Tax Revenue* Through Month of April

(Based on Sales Through March)



Local Sales Tax Revenue*

% Change from April 2026 through April of Previous Years (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 April Each Year (Year-to-Date)

| Sales Tax Category | FY24-25 % of Total | % Chg Fm PY | FY 2025-26 | % Chg Fm PY | FY 2024-25 | % Chg Fm PY | FY 2023-24 | % Chg Fm PY | FY 2022-23 | % Chg Fm PY | FY 2021-22 | FY 2020-21 |
|--|--------------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|-----------------------|
| Utilities | 10.5% | 5.6% | \$ 19,014,693 | 14.3% | \$ 18,014,498 | 9.4% | \$ 15,763,069 | 7.9% | \$ 14,404,631 | 1.3% | \$ 13,350,984 | \$ 13,177,834 |
| Telecommunications | 0.8% | -8.8% | \$ 1,296,815 | -16.0% | \$ 1,421,454 | 17.4% | \$ 1,693,155 | 8.2% | \$ 1,442,555 | -11.8% | \$ 1,332,649 | \$ 1,510,930 |
| Publishing / Advertising / Printing / Transportation | 0.1% | 1.6% | \$ 177,690 | 15.9% | \$ 174,858 | -17.8% | \$ 150,885 | 8.4% | \$ 183,449 | 4.4% | \$ 169,299 | \$ 162,184 |
| Restaurants & Bars | 9.4% | 3.1% | \$ 16,174,810 | 3.0% | \$ 15,687,328 | 5.2% | \$ 15,231,375 | 9.7% | \$ 14,473,737 | 28.8% | \$ 13,190,412 | \$ 10,238,976 |
| Amusements | 1.0% | -1.5% | \$ 1,614,294 | 19.2% | \$ 1,639,387 | 13.3% | \$ 1,375,531 | 14.8% | \$ 1,213,556 | 80.2% | \$ 1,057,328 | \$ 586,906 |
| Real Property Rentals | 10.3% | -30.6% | \$ 12,879,574 | -10.5% | \$ 18,550,532 | 6.2% | \$ 20,724,427 | 12.9% | \$ 19,520,183 | 9.7% | \$ 17,289,896 | \$ 15,759,025 |
| Tangible Personal Property Rentals | 3.1% | 47.3% | \$ 7,628,682 | -17.3% | \$ 5,180,183 | 46.2% | \$ 6,260,391 | 22.9% | \$ 4,282,847 | 11.8% | \$ 3,483,935 | \$ 3,116,805 |
| Hotels / Motels | 3.3% | 4.9% | \$ 5,993,395 | 3.5% | \$ 5,712,602 | -2.7% | \$ 5,520,706 | 18.8% | \$ 5,671,302 | 93.9% | \$ 4,771,895 | \$ 2,461,238 |
| Contracting | 9.5% | -36.4% | \$ 10,594,265 | -19.9% | \$ 16,660,200 | -4.2% | \$ 20,788,507 | 61.2% | \$ 21,694,619 | 14.7% | \$ 13,458,799 | \$ 11,736,239 |
| Retail / Manufactured Buildings / Jet Fuel | 48.6% | 3.5% | \$ 84,622,920 | 3.4% | \$ 81,790,290 | 2.9% | \$ 79,127,934 | 10.3% | \$ 76,872,300 | 13.2% | \$ 69,720,850 | \$ 61,582,857 |
| Use Tax | 3.4% | -12.1% | \$ 5,216,403 | -90.9% | \$ 5,935,403 | -47.1% | \$ 3,109,455 | 1.7% | \$ 5,880,755 | -9.4% | \$ 5,781,351 | \$ 6,378,097 |
| Total Sales Tax Revenue* | 100.0% | -3.3% | \$ 165,213,543 | 0.6% | \$ 170,766,735 | 2.5% | \$ 169,745,436 | 15.3% | \$ 165,639,935 | 13.3% | \$ 143,607,397 | \$ 126,711,092 |

Sales Tax Revenue By Class

Through April (Month-over-Month)

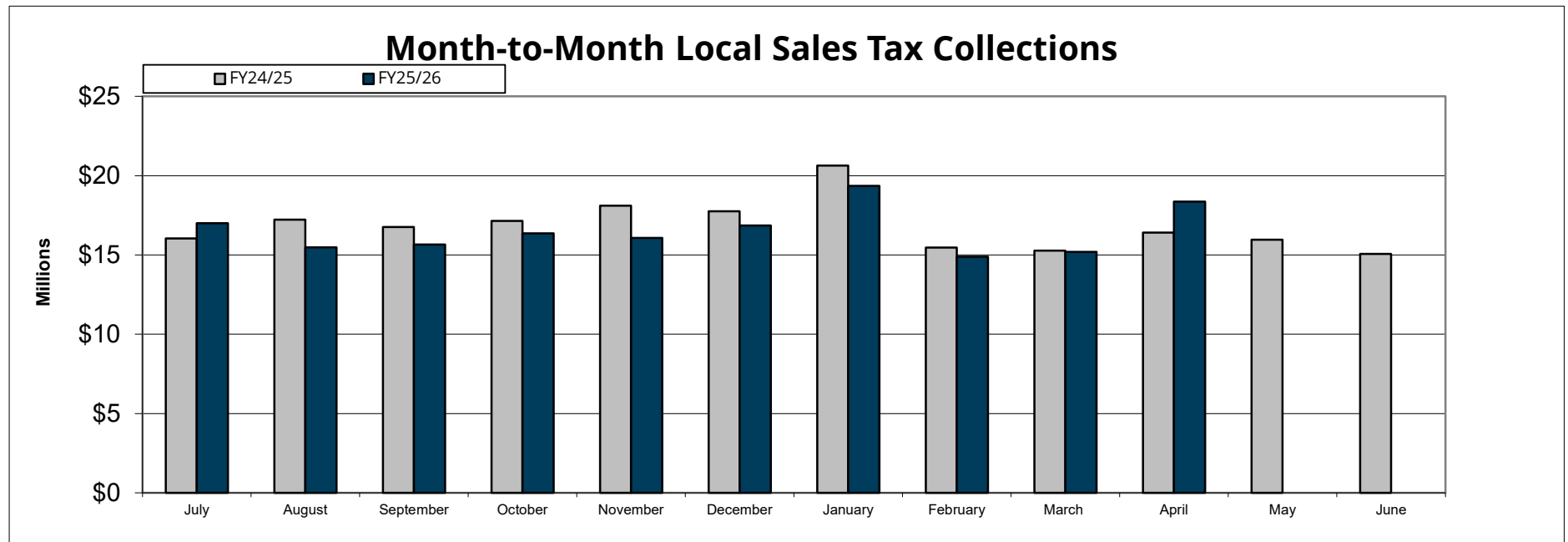
| Sales Tax Category | % Chg Fm PY | FY 2025-26 | % Chg Fm PY | FY 2024-25 | % Chg Fm PY | FY 2023-24 | % Chg Fm PY | FY 2022-23 | % Chg Fm PY | FY 2021-22 | FY 2020-21 |
|--|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------------|
| Utilities | 11.4% | \$ 1,514,297 | 13.9% | \$ 1,359,772 | 6.7% | \$ 1,194,007 | 19.7% | \$ 1,118,810 | -5.5% | \$ 934,499 | \$ 989,238 |
| Telecommunications | -4.7% | \$ 126,216 | -23.3% | \$ 132,495 | -18.5% | \$ 172,670 | 62.6% | \$ 211,775 | -11.0% | \$ 130,266 | \$ 146,310 |
| Publishing / Advertising / Printing / Transportation | -24.6% | \$ 20,038 | 103.1% | \$ 26,567 | -27.6% | \$ 13,082 | -6.0% | \$ 18,072 | 24.0% | \$ 19,216 | \$ 15,496 |
| Restaurants & Bars | -2.4% | \$ 1,764,115 | 0.8% | \$ 1,806,729 | 6.1% | \$ 1,792,141 | 6.1% | \$ 1,689,327 | 28.4% | \$ 1,592,671 | \$ 1,240,584 |
| Amusements | -11.4% | \$ 196,337 | 10.9% | \$ 221,707 | 32.4% | \$ 199,931 | -15.3% | \$ 150,993 | 101.1% | \$ 178,324 | \$ 88,682 |
| Real Property Rentals | 20.7% | \$ 1,386,650 | -45.7% | \$ 1,148,385 | 5.9% | \$ 2,114,346 | 11.1% | \$ 1,996,476 | 6.9% | \$ 1,796,586 | \$ 1,681,376 |
| Tangible Personal Property Rentals | 121.5% | \$ 1,165,569 | -8.0% | \$ 526,213 | 12.6% | \$ 571,706 | 32.9% | \$ 507,680 | 15.3% | \$ 382,083 | \$ 331,325 |
| Hotels / Motels | 10.5% | \$ 1,065,773 | -1.7% | \$ 964,369 | 2.7% | \$ 980,722 | -3.6% | \$ 954,851 | 106.3% | \$ 990,637 | \$ 480,239 |
| Contracting | 7.2% | \$ 1,223,190 | -28.1% | \$ 1,141,478 | -16.3% | \$ 1,586,729 | -3.6% | \$ 1,896,842 | 103.1% | \$ 1,967,445 | \$ 968,576 |
| Retail / Manufactured Buildings / Jet Fuel | 6.9% | \$ 9,252,929 | 7.1% | \$ 8,651,766 | 7.1% | \$ 8,077,591 | -5.5% | \$ 7,542,189 | 18.1% | \$ 7,981,472 | \$ 6,757,359 |
| Use Tax | 53.6% | \$ 645,977 | 31.6% | \$ 420,683 | 11.7% | \$ 614,924 | -14.5% | \$ 550,617 | -17.4% | \$ 644,083 | \$ 779,583 |
| Total Sales Tax Revenue* | 12.0% | \$ 18,361,090 | -5.3% | \$ 16,400,164 | 4.1% | \$ 17,317,851 | 0.1% | \$ 16,637,632 | 23.3% | \$ 16,617,281 | \$ 13,478,769 |

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

Local Sales Tax Revenue

Monthly Actuals Compared to Prior Year

| Local Sales Tax Collections * | Monthly Collections FY24/25 | Monthly Collections FY25/26 | \$ Difference + / (-) FY24/25 over FY25/26 | % Difference + / (-) FY24/25 over FY25/26 |
|-------------------------------|-----------------------------|-----------------------------|--|---|
| July | 16,041,259 | 16,997,601 | 956,342 | 6.0% |
| August | 17,219,415 | 15,480,337 | (1,739,078) | -10.1% |
| September | 16,754,892 | 15,649,408 | (1,105,483) | -6.6% |
| October | 17,146,827 | 16,361,157 | (785,669) | -4.6% |
| November | 18,098,076 | 16,069,324 | (2,028,752) | -11.2% |
| December | 17,747,416 | 16,861,960 | (885,456) | -5.0% |
| January | 20,624,994 | 19,357,005 | (1,267,989) | -6.1% |
| February | 15,455,315 | 14,886,887 | (568,428) | -3.7% |
| March | 15,278,377 | 15,188,773 | (89,604) | -0.6% |
| April | 16,400,164 | 18,361,090 | 1,960,926 | 12.0% |
| May | 15,964,794 | | (15,964,794) | -100.0% |
| June | 15,064,258 | | (15,064,258) | -100.0% |
| Totals | \$ 170,766,735 | \$ 165,213,542 | \$ (5,553,192) | -3.3% |



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

General Fund Expenditure Summary

Thru April 2026

| Department | Adopted Budget | Adjusted Budget | Expenses & Encumbrances Thru April 2026 | Percentage of Adjusted Budget Expended & Encumbered Thru April 2026 | Percentage of Adjusted Budget Expended & Encumbered Thru April 2025 | Over/Under Last Year's Percentage |
|--|-----------------------|-----------------------|---|---|---|-----------------------------------|
| City Clerk | \$ 1,820,422 | \$ 1,849,914 | \$ 1,445,114 | 78.1% | 72.5% | 5.6% |
| City Manager and Organization Support ⁽¹⁾ | | | | | | |
| City Manager | 2,518,121 | 2,579,991 | 2,313,181 | 89.7% | 86.0% | 3.7% |
| Buildings & Facilities | 9,825,128 | 10,201,107 | 8,850,578 | 86.8% | 92.3% | -5.5% |
| Connection & Impact ⁽²⁾ | 772,172 | 837,853 | 576,331 | 68.8% | 70.5% | -1.7% |
| Cultural Development | 5,354,380 | 5,693,956 | 4,943,778 | 86.8% | 82.2% | 4.6% |
| Economic Development | 2,402,586 | 2,458,597 | 1,830,453 | 74.5% | 83.5% | -9.0% |
| Fleet Services | 1,573,340 | 1,611,043 | 1,310,490 | 81.3% | 79.8% | 1.5% |
| Human Resources | 2,855,446 | 2,948,885 | 2,359,032 | 80.0% | 86.6% | -6.6% |
| Transportation Policy | 3,142,701 | 3,206,101 | 1,897,095 | 59.2% | 47.4% | 11.8% |
| Communications & Public Affairs | 4,041,629 | 4,535,030 | 3,252,035 | 71.7% | 78.6% | -6.9% |
| Community Services | 41,260,816 | 42,713,054 | 35,026,639 | 82.0% | 81.0% | 1.0% |
| Development Services | 14,989,060 | 16,976,800 | 11,974,914 | 70.5% | 76.7% | -6.2% |
| Fire | 44,625,913 | 48,381,234 | 43,951,514 | 90.8% | 82.6% | 8.2% |
| Information Technology | 28,091,564 | 33,822,093 | 28,649,403 | 84.7% | 77.6% | 7.1% |
| Law | 4,983,964 | 5,118,254 | 4,359,576 | 85.2% | 83.1% | 2.1% |
| Magistrate | 5,766,537 | 6,056,221 | 4,706,730 | 77.7% | 76.5% | 1.2% |
| Management Services | 8,915,629 | 9,222,314 | 7,522,474 | 81.6% | 80.0% | 1.6% |
| Mayor and Council | 1,403,336 | 1,454,804 | 1,148,770 | 79.0% | 80.3% | -1.3% |
| Neighborhood Resources | 9,618,384 | 11,188,708 | 8,779,013 | 78.5% | 77.8% | 0.7% |
| Police | 97,245,804 | 105,118,331 | 89,852,483 | 85.5% | 84.6% | 0.9% |
| Public Works & Utilities | 6,392,740 | 7,806,126 | 7,120,668 | 91.2% | 82.1% | 9.1% |
| Non-Departmental (Personnel Services and O&M) | 47,879,363 | 31,135,195 | 17,256,280 | 55.4% | 51.7% | 3.7% |
| Subtotal Prior to Contingencies/Reserves | \$ 345,479,035 | \$ 354,915,611 | \$ 289,126,556 | 81.5% | 80.2% | 1.3% |
| Non-Departmental Reserves (Carryforward, Utility, Fuel & DT) | 15,363,725 | 3,091,675 | - | 0.0% | 0.0% | 0.0% |
| Non-Departmental Contingencies (15% & Council) | 56,424,600 | 23,694,481 | - | 0.0% | 0.0% | 0.0% |
| Total General Fund Expenditures | \$ 417,267,360 | \$ 381,701,767 | \$ 289,126,556 | 75.7% | 71.5% | 4.2% |

⁽¹⁾ Organization Support includes Buildings and Facilities, Economic Development, Connection & Impact, Fleet Services, Human Resources, Transportation Policy and Cultural Development.

⁽²⁾ Diversity, Equity, & Inclusion division of the City Managers Office renamed to Connection & Impact, effective September 2025.

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

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.