



## Informational Memo

### Management Services - Memo No. 25-095

**Date:** April 17, 2025

**To:** Mayor and Council

**Thru:** Joshua H. Wright, City Manager *JHW*  
Dawn Lang, Deputy City Manager/CFO *DLL*

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

**Subject:** Fiscal Year (FY) 2024-25 General Fund Revenue Summary, Sales Tax Collection Report, and Expenditure Reports through March 2025

Attached is the FY 2024-25 General Fund Revenue and Expenditure Reports for the period ending March 31, 2025.

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 March 2025. This month reflects a 9.0% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 0.3% decrease over the same period of the prior year.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect February TPT reported/received in March. Overall, year to date (YTD) collections in Local TPT and State Shared TPT Revenue all came in above budget, and Urban Revenue Sharing only slightly below budget at 0.7%. The Primary Property tax collections through March 2025 show as lower than anticipated due to refunds based on the Qasimyar vs. Maricopa County Class Action Lawsuit which impacted taxpayers that changed the use of their home from a residential home to a rental home between 2015 and 2021.

Additionally, 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 March 2025, reflect an overall increase of 6.8% above budgeted revenues we would have anticipated being received to date based on historical trends, and a 1.3% increase compared to prior year actuals. Also, when comparing the TPT collections received in March 2025 to the same month in the prior year, collections are down 5.7%. We anticipated a reduction this month, as the taxability of residential rental stopped in January and the reduction is now beginning to be reflected in the report.

Finally, the FY 2024-25 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through March 2025. This report then compares this spending percentage to the prior fiscal year. Overall department spending resulted in 73.7% spending through March 2025, compared to 75.0% for the same period last year which included a large Public Safety Personnel Retirement System (PSPRS) payment of \$73 million which was a one-time increase in the prior year.

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

Attachments: FY 2024-25 General Fund Monthly Revenue and Expenditure Reports through March 2025

c: Tadd Wille, Assistant City Manager  
Andy Bass, Deputy City Manager

## General Fund Revenue Summary

### FY 2024-25 Year-To-Date Actuals Through March 2025

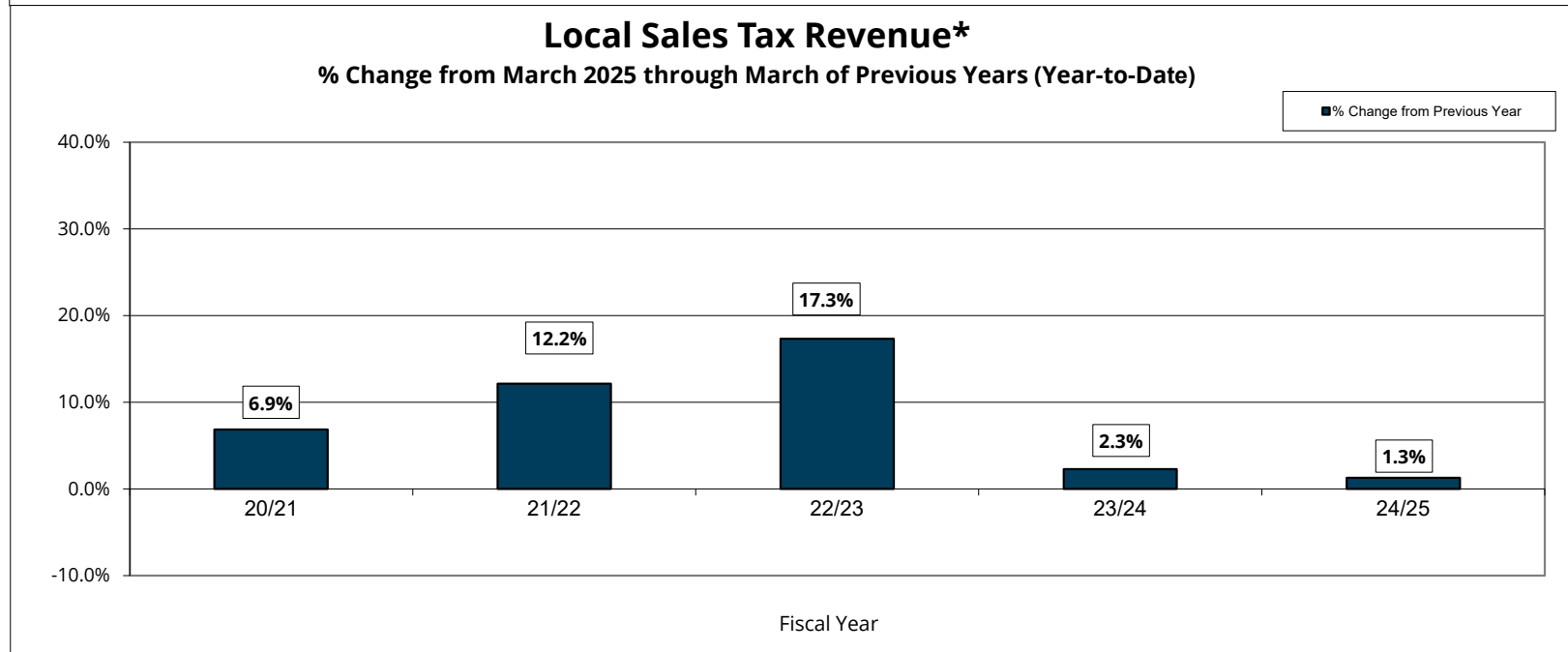
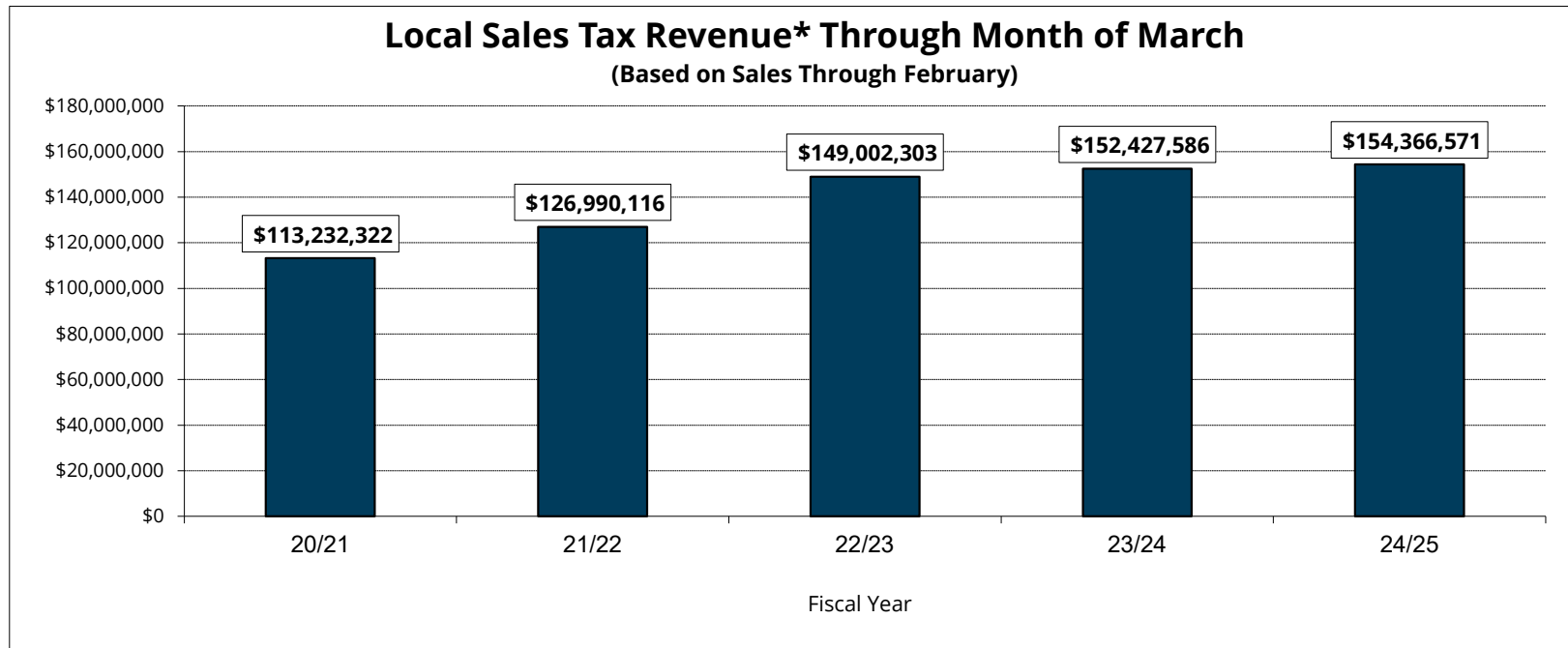
|                                                                 | Budget                          |                                                               | Actuals                         |                                  |                                 | Comparison to Prior Year Actuals                    |                                                          |                                                        |
|-----------------------------------------------------------------|---------------------------------|---------------------------------------------------------------|---------------------------------|----------------------------------|---------------------------------|-----------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------|
| General Fund Revenues                                           | FY 2024-25<br>Adopted<br>Budget | FY 2024-25<br>Budget Prorated<br>Based on<br>Historical Trend | FY 2024-25<br>Actual<br>Revenue | + or -<br>of Actual to<br>Budget | % Change of<br>Actual to Budget | FY 2023-24<br>Actual<br>Revenues<br>for Same Period | Difference<br>+ or - from<br>FY 2023-24<br>to FY 2024-25 | % Change of<br>Actuals to<br>Same Period<br>FY 2023-24 |
| Local Sales Tax Collections                                     | 196,000,000                     | 144,497,921                                                   | 154,366,571                     | 9,868,650                        | 6.8%                            | 152,427,586                                         | 1,938,985                                                | 1.3%                                                   |
| Local Sales Tax Fees, Audit<br>Assessments, Penalties, Interest | 1,908,400                       | 1,406,643                                                     | 2,106,303                       | 699,660                          | 49.7%                           | 3,409,426                                           | (1,303,123)                                              | -38.2%                                                 |
| Total Local Sales Tax Revenue                                   | \$ 197,908,400                  | \$ 145,904,564                                                | \$ 156,472,874                  | \$ 10,568,310                    | 7.2%                            | \$ 155,837,012                                      | \$ 635,862                                               | 0.4%                                                   |
| Franchise Fees                                                  | 3,650,000                       | 2,405,004                                                     | 2,437,102                       | 32,098                           | 1.3%                            | 2,081,412                                           | 355,690                                                  | 17.1%                                                  |
| Primary Property Taxes                                          | 8,783,722                       | 5,390,603                                                     | 5,109,715                       | (280,888)                        | -5.2%                           | 5,327,492                                           | (217,777)                                                | -4.1%                                                  |
| State Shared Sales Tax Revenue                                  | 41,500,000                      | 28,643,725                                                    | 30,481,126                      | 1,837,401                        | 6.4%                            | 30,138,271                                          | 342,855                                                  | 1.1%                                                   |
| Vehicle License Tax                                             | 13,500,000                      | 9,231,914                                                     | 10,363,045                      | 1,131,131                        | 12.3%                           | 9,847,702                                           | 515,343                                                  | 5.2%                                                   |
| Urban Revenue Sharing                                           | 60,100,000                      | 45,034,907                                                    | 44,699,511                      | (335,396)                        | -0.7%                           | 55,789,529                                          | (11,090,018)                                             | -19.9%                                                 |
| Smart and Safe                                                  | 1,308,000                       | 550,412                                                       | 777,585                         | 227,173                          | 41.3%                           | 717,994                                             | 59,591                                                   | 8.3%                                                   |
| Public Safety State Allocation*                                 | -                               | -                                                             | -                               | -                                | 0.0%                            | 1,687,500                                           | (1,687,500)                                              | -100.0%                                                |
| Licenses & Permits                                              | 6,978,300                       | 4,682,959                                                     | 11,451,111                      | 6,768,152                        | 144.5%                          | 2,864,649                                           | 8,586,462                                                | 299.7%                                                 |
| Charges for Services                                            | 15,707,789                      | 9,917,882                                                     | 9,887,086                       | (30,796)                         | -0.3%                           | 11,975,129                                          | (2,088,043)                                              | -17.4%                                                 |
| Fines & Forfeitures                                             | 3,657,800                       | 2,671,771                                                     | 3,011,977                       | 340,206                          | 12.7%                           | 3,239,210                                           | (227,233)                                                | -7.0%                                                  |
| Interest & Investments                                          | 3,777,000                       | 2,241,201                                                     | 6,595,264                       | 4,354,063                        | 194.3%                          | 3,098,503                                           | 3,496,761                                                | 112.9%                                                 |
| Other Revenues                                                  | 2,830,508                       | 2,122,881                                                     | 1,347,763                       | (775,118)                        | -36.5%                          | 1,256,770                                           | 90,993                                                   | 7.2%                                                   |
| Indirect Cost                                                   | 8,532,282                       | 6,399,212                                                     | 6,399,212                       | (0)                              | 0.0%                            | 5,983,637                                           | 415,575                                                  | 6.9%                                                   |
| Total General Fund Revenues                                     | \$ 368,233,801                  | \$ 265,197,035                                                | \$ 289,033,371                  | \$ 23,836,336                    | 9.0%                            | \$ 289,844,809                                      | \$ (811,439)                                             | -0.3%                                                  |
| Prior Month                                                     | \$ 368,233,801                  | \$ 235,517,937                                                | \$ 259,364,860                  | \$ 23,846,923                    | 10.1%                           | \$ 257,036,633                                      | \$ 2,328,227                                             | 0.9%                                                   |
| Change from Prior Month                                         | \$ -                            | \$ 29,679,098                                                 | \$ 29,668,511                   | \$ (10,587)                      | -1.1%                           | \$ 32,808,176                                       | \$ (3,139,666)                                           | -1.2%                                                  |

**Note:**

FY 2024-25 Adopted Budget excludes one-time Interfund Transfers-In of \$650,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

\*Public Safety State Allocation is a new revenue line established in FY 2023-24 with a final total received of \$2,500,000. No additional funding is anticipated in the current FY.

**Attachment 1**



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

## Sales Tax Revenue By Class

Through March Each Year (Year-to-Date)

| Sales Tax Category                                   | FY24-25<br>% of<br>Total | % Chg<br>Fm PY | FY 2024-25            | % Chg<br>Fm PY | FY 2023-24            | % Chg<br>Fm PY | FY 2022-23            | % Chg<br>Fm PY | FY 2021-22            | % Chg<br>Fm PY | FY 2020-21            |
|------------------------------------------------------|--------------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|-----------------------|
| Utilities                                            | 9.0%                     | 14.3%          | \$ 16,654,726         | 9.7%           | \$ 14,569,062         | 7.0%           | \$ 13,285,822         | 1.9%           | \$ 12,416,486         | 7.8%           | \$ 12,188,595         |
| Telecommunications                                   | 1.0%                     | -15.2%         | \$ 1,288,959          | 23.5%          | \$ 1,520,485          | 2.4%           | \$ 1,230,780          | -11.9%         | \$ 1,202,383          | -22.9%         | \$ 1,364,620          |
| Publishing / Advertising / Printing / Transportation | 0.1%                     | 7.6%           | \$ 148,290            | -16.7%         | \$ 137,803            | 10.2%          | \$ 165,377            | 2.3%           | \$ 150,083            | 63.5%          | \$ 146,688            |
| Restaurants & Bars                                   | 8.9%                     | 3.3%           | \$ 13,880,599         | 5.1%           | \$ 13,439,234         | 10.2%          | \$ 12,784,410         | 28.9%          | \$ 11,597,741         | -5.9%          | \$ 8,998,393          |
| Amusements                                           | 0.8%                     | 20.6%          | \$ 1,417,680          | 10.6%          | \$ 1,175,600          | 20.9%          | \$ 1,062,563          | 76.4%          | \$ 879,004            | -44.9%         | \$ 498,224            |
| Real Property Rentals                                | 11.9%                    | -6.5%          | \$ 17,402,148         | 6.2%           | \$ 18,610,082         | 13.1%          | \$ 17,523,707         | 10.1%          | \$ 15,493,311         | 2.6%           | \$ 14,077,648         |
| Tangible Personal Property Rentals                   | 3.5%                     | -18.2%         | \$ 4,653,971          | 50.7%          | \$ 5,688,685          | 21.7%          | \$ 3,775,167          | 11.4%          | \$ 3,101,851          | -18.4%         | \$ 2,785,480          |
| Hotels / Motels                                      | 3.3%                     | 4.6%           | \$ 4,748,233          | -3.7%          | \$ 4,539,985          | 24.7%          | \$ 4,716,451          | 90.9%          | \$ 3,781,258          | -36.6%         | \$ 1,980,999          |
| Contracting                                          | 12.2%                    | -19.2%         | \$ 15,518,722         | -3.0%          | \$ 19,201,777         | 72.3%          | \$ 19,797,777         | 6.7%           | \$ 11,491,353         | 3.2%           | \$ 10,767,664         |
| Retail / Manufactured Buildings / Jet Fuel           | 47.3%                    | 2.9%           | \$ 73,138,524         | 2.5%           | \$ 71,050,343         | 12.3%          | \$ 69,330,112         | 12.6%          | \$ 61,739,379         | 14.2%          | \$ 54,825,498         |
| Use Tax                                              | 2.0%                     | -121.1%        | \$ 5,514,720          | -53.2%         | \$ 2,494,531          | 3.8%           | \$ 5,330,139          | -8.2%          | \$ 5,137,268          | 55.1%          | \$ 5,598,514          |
| <b>Total Sales Tax Revenue*</b>                      | <b>100.0%</b>            | <b>1.3%</b>    | <b>\$ 154,366,571</b> | <b>2.3%</b>    | <b>\$ 152,427,586</b> | <b>17.3%</b>   | <b>\$ 149,002,303</b> | <b>12.2%</b>   | <b>\$ 126,990,116</b> | <b>6.9%</b>    | <b>\$ 113,232,322</b> |

## Sales Tax Revenue By Class

Through March (Month-over-Month)

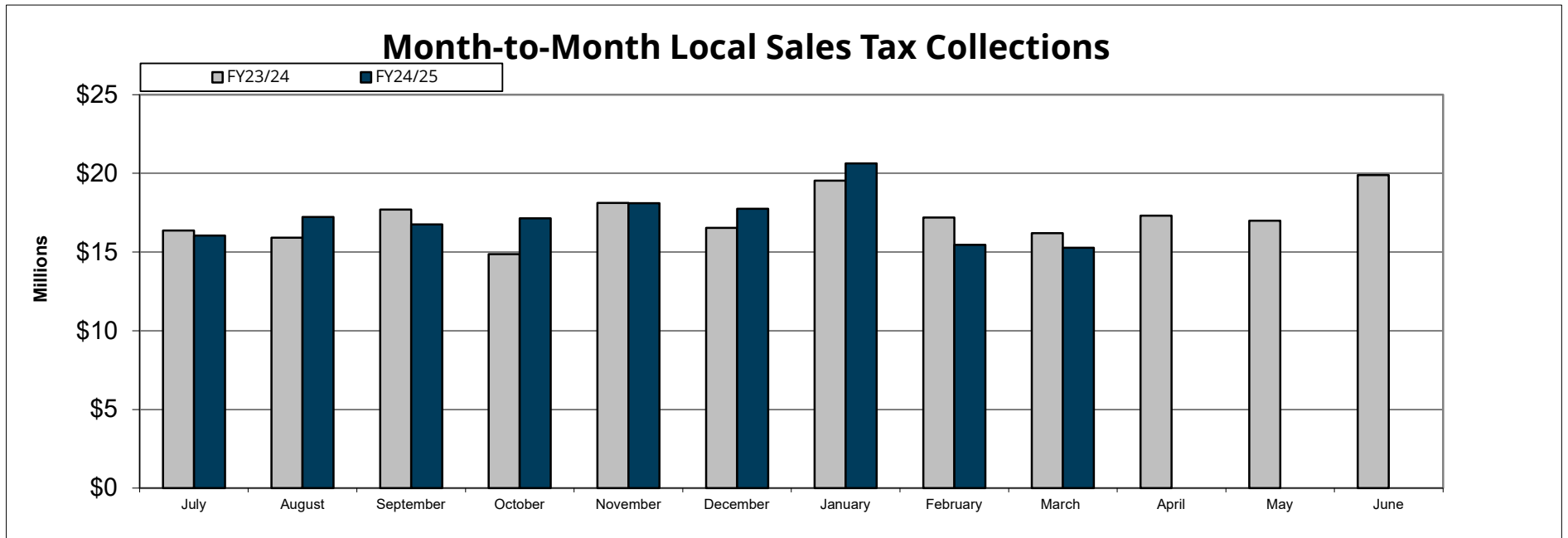
| Sales Tax Category                                   | % Chg<br>Fm PY | FY 2024-25           | % Chg<br>Fm PY | FY 2023-24           | % Chg<br>Fm PY | FY 2022-23           | % Chg<br>Fm PY | FY 2021-22           | % Chg<br>Fm PY | FY 2020-21           |
|------------------------------------------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|
| Utilities                                            | 10.6%          | \$ 1,471,509         | 14.8%          | \$ 1,330,093         | 11.9%          | \$ 1,158,249         | 9.5%           | \$ 1,035,014         | 5.4%           | \$ 945,046           |
| Telecommunications                                   | -19.4%         | \$ 133,984           | -2.4%          | \$ 166,141           | 33.4%          | \$ 170,194           | -7.0%          | \$ 127,558           | -24.1%         | \$ 137,087           |
| Publishing / Advertising / Printing / Transportation | 9.8%           | \$ 13,699            | -17.3%         | \$ 12,478            | -5.0%          | \$ 15,090            | 16.1%          | \$ 15,878            | -9.6%          | \$ 13,671            |
| Restaurants & Bars                                   | -0.5%          | \$ 1,553,787         | 4.1%           | \$ 1,562,001         | 8.1%           | \$ 1,499,781         | 24.1%          | \$ 1,387,777         | 14.1%          | \$ 1,118,285         |
| Amusements                                           | 17.0%          | \$ 167,429           | 16.5%          | \$ 143,099           | -5.0%          | \$ 122,842           | 66.6%          | \$ 129,272           | -23.4%         | \$ 77,596            |
| Real Property Rentals                                | -36.7%         | \$ 1,173,164         | -7.3%          | \$ 1,852,767         | 16.1%          | \$ 1,999,185         | 7.1%           | \$ 1,721,246         | 11.8%          | \$ 1,607,381         |
| Tangible Personal Property Rentals                   | 5.2%           | \$ 543,392           | 8.3%           | \$ 516,624           | 43.5%          | \$ 476,833           | 16.7%          | \$ 332,302           | -49.7%         | \$ 284,812           |
| Hotels / Motels                                      | 3.4%           | \$ 820,229           | -11.0%         | \$ 793,038           | 22.4%          | \$ 890,602           | 155.5%         | \$ 727,411           | -47.8%         | \$ 284,702           |
| Contracting                                          | -32.1%         | \$ 1,425,698         | 1.9%           | \$ 2,099,346         | 7.1%           | \$ 2,060,574         | 146.6%         | \$ 1,923,216         | -18.1%         | \$ 780,015           |
| Retail / Manufactured Buildings / Jet Fuel           | 0.0%           | \$ 7,234,741         | 2.5%           | \$ 7,233,743         | 14.2%          | \$ 7,060,358         | 5.8%           | \$ 6,181,006         | 17.7%          | \$ 5,842,933         |
| Use Tax                                              | -52.6%         | \$ 740,745           | 2.6%           | \$ 485,376           | -2.8%          | \$ 472,890           | -24.1%         | \$ 486,409           | 123.8%         | \$ 640,450           |
| <b>Total Sales Tax Revenue*</b>                      | <b>-5.7%</b>   | <b>\$ 15,278,377</b> | <b>1.7%</b>    | <b>\$ 16,194,706</b> | <b>13.2%</b>   | <b>\$ 15,926,597</b> | <b>19.9%</b>   | <b>\$ 14,067,088</b> | <b>7.4%</b>    | <b>\$ 11,731,979</b> |

\*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 FY23/24 | Monthly Collections FY24/25 | \$ Difference + / ( - ) FY24/25 over FY23/24 | % Difference + / ( - ) FY24/25 over FY23/24 |
|-------------------------------|-----------------------------|-----------------------------|----------------------------------------------|---------------------------------------------|
| July                          | 16,367,375                  | 16,041,259                  | (326,116)                                    | -2.0%                                       |
| August                        | 15,915,687                  | 17,219,415                  | 1,303,727                                    | 8.2%                                        |
| September                     | 17,693,076                  | 16,754,892                  | (938,185)                                    | -5.3%                                       |
| October                       | 14,875,472                  | 17,146,826                  | 2,271,356                                    | 15.3%                                       |
| November                      | 18,124,782                  | 18,098,076                  | (26,706)                                     | -0.1%                                       |
| December                      | 16,527,924                  | 17,747,416                  | 1,219,492                                    | 7.4%                                        |
| January                       | 19,530,608                  | 20,624,994                  | 1,094,386                                    | 5.6%                                        |
| February                      | 17,197,955                  | 15,455,315                  | (1,742,640)                                  | -10.1%                                      |
| March                         | 16,194,706                  | 15,278,377                  | (916,328)                                    | -5.7%                                       |
| April                         | 17,317,851                  |                             | (17,317,851)                                 | -100.0%                                     |
| May                           | 16,986,687                  |                             | (16,986,687)                                 | -100.0%                                     |
| June                          | 19,885,235                  |                             | (19,885,235)                                 | -100.0%                                     |
| <b>Totals</b>                 | <b>\$ 152,427,585</b>       | <b>\$ 154,366,571</b>       | <b>\$ 1,938,985</b>                          | <b>1.3%</b>                                 |



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

## General Fund Expenditure Summary Thru March 2025

| Department                                                   | Adopted Budget        | Adjusted Budget       | Expenses & Encumbrances Thru March 2025 | Percentage of Adjusted Budget Expended & Encumbered Thru March 2025 | Percentage of Adjusted Budget Expended & Encumbered Thru March 2024 | Over/Under Last Year's Percentage |
|--------------------------------------------------------------|-----------------------|-----------------------|-----------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------|
| City Clerk                                                   | \$ 1,491,484          | \$ 1,531,385          | 1,011,183                               | 66.0%                                                               | 71.4%                                                               | -5.4%                             |
| City Manager and Organization Support <sup>(1)</sup>         |                       |                       |                                         |                                                                     |                                                                     |                                   |
| City Manager                                                 | 2,344,587             | 2,429,049             | 1,873,546                               | 77.1%                                                               | 75.4%                                                               | 1.7%                              |
| Buildings & Facilities                                       | 8,760,515             | 9,324,981             | 7,950,444                               | 85.3%                                                               | 82.4%                                                               | 2.9%                              |
| Cultural Development                                         | 5,187,478             | 5,572,891             | 4,031,934                               | 72.3%                                                               | 74.7%                                                               | -2.4%                             |
| Diversity, Equity, and Inclusion                             | 712,984               | 794,617               | 506,534                                 | 63.7%                                                               | 52.6%                                                               | 11.1%                             |
| Economic Development                                         | 2,249,706             | 2,886,913             | 2,285,903                               | 79.2%                                                               | 73.0%                                                               | 6.2%                              |
| Fleet Services                                               | 1,526,315             | 1,606,897             | 1,176,700                               | 73.2%                                                               | 67.5%                                                               | 5.7%                              |
| Human Resources                                              | 2,477,410             | 2,589,538             | 2,031,729                               | 78.5%                                                               | 65.4%                                                               | 13.1%                             |
| Transportation Policy                                        | 3,335,785             | 3,510,957             | 1,614,407                               | 46.0%                                                               | 19.1%                                                               | 26.9%                             |
| Communications & Public Affairs                              | 3,535,004             | 4,001,545             | 2,984,526                               | 74.6%                                                               | 70.4%                                                               | 4.2%                              |
| Community Services                                           | 34,953,712            | 37,796,691            | 28,080,520                              | 74.3%                                                               | 74.3%                                                               | 0.0%                              |
| Development Services                                         | 13,044,834            | 15,266,123            | 10,852,437                              | 71.1%                                                               | 63.3%                                                               | 7.8%                              |
| Fire                                                         | 48,798,146            | 51,434,470            | 39,222,440                              | 76.3%                                                               | 78.2%                                                               | -1.9%                             |
| Information Technology                                       | 24,028,446            | 30,234,689            | 20,232,982                              | 66.9%                                                               | 62.3%                                                               | 4.6%                              |
| Law                                                          | 4,816,283             | 5,008,251             | 3,800,243                               | 75.9%                                                               | 75.7%                                                               | 0.2%                              |
| Magistrate                                                   | 5,847,458             | 6,103,175             | 4,263,558                               | 69.9%                                                               | 62.4%                                                               | 7.5%                              |
| Management Services                                          | 8,924,130             | 9,315,572             | 6,788,783                               | 72.9%                                                               | 65.0%                                                               | 7.9%                              |
| Mayor and Council                                            | 1,288,723             | 1,356,303             | 973,172                                 | 71.8%                                                               | 62.2%                                                               | 9.6%                              |
| Neighborhood Resources                                       | 10,262,729            | 10,056,846            | 7,383,256                               | 73.4%                                                               | 57.1%                                                               | 16.3%                             |
| Police                                                       | 100,299,908           | 110,009,156           | 85,726,923                              | 77.9%                                                               | 76.0%                                                               | 1.9%                              |
| Public Works & Utilities                                     | 10,257,708            | 11,942,249            | 9,463,174                               | 79.2%                                                               | 76.2%                                                               | 3.0%                              |
| Non-Departmental (Personnel Services and O&M)                | 28,479,897            | 18,641,732            | 9,296,313                               | 49.9%                                                               | 83.3%                                                               | -33.4%                            |
| <b>Subtotal Prior to Contingencies/Reserves</b>              | <b>\$ 322,623,242</b> | <b>\$ 341,414,030</b> | <b>\$ 251,550,707</b>                   | <b>73.7%</b>                                                        | <b>75.0%</b>                                                        | <b>-1.3%</b>                      |
| Non-Departmental Reserves (Carryforward, Utility, Fuel & DT) | 14,899,800            | 3,750,592             | -                                       | 0.0%                                                                | 0.0%                                                                | 0.0%                              |
| Non-Departmental Contingencies (15% & Council)               | 54,345,300            | 37,624,510            | -                                       | 0.0%                                                                | 0.0%                                                                | 0.0%                              |
| <b>Total General Fund Expenditures</b>                       | <b>\$ 391,868,342</b> | <b>\$ 382,789,132</b> | <b>\$ 251,550,707</b>                   | <b>65.7%</b>                                                        | <b>65.8%</b>                                                        | <b>-0.1%</b>                      |

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

**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.