



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

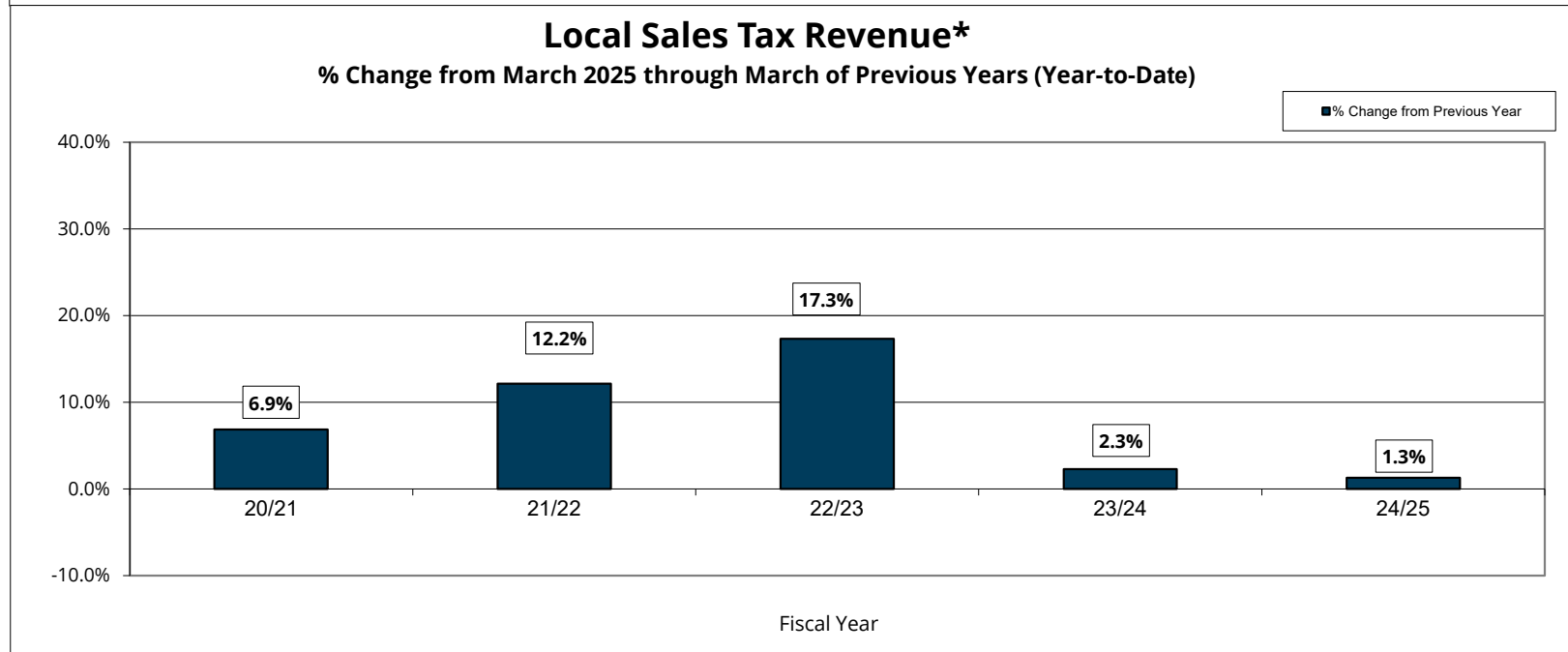
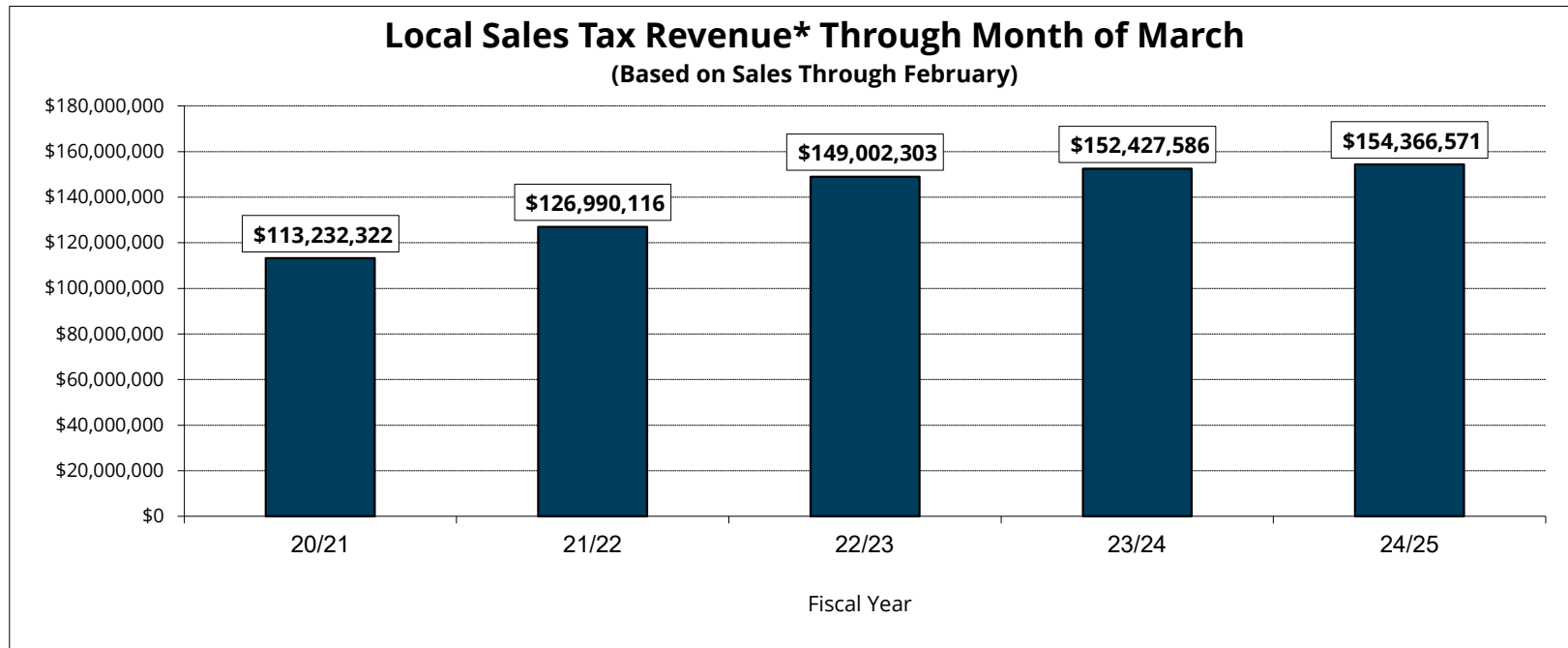
	Budget		Actuals			Comparison to Prior Year Actuals		
General Fund Revenues	FY 2024-25 Adopted Budget	FY 2024-25 Budget Prorated Based on Historical Trend	FY 2024-25 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2023-24 Actual Revenues for Same Period	Difference + or - from FY 2023-24 to FY 2024-25	% Change of Actuals to Same Period 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 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 % of Total	% Chg Fm PY	FY 2024-25	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg 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
Total Sales Tax Revenue*	100.0%	1.3%	\$ 154,366,571	2.3%	\$ 152,427,586	17.3%	\$ 149,002,303	12.2%	\$ 126,990,116	6.9%	\$ 113,232,322

Sales Tax Revenue By Class

Through March (Month-over-Month)

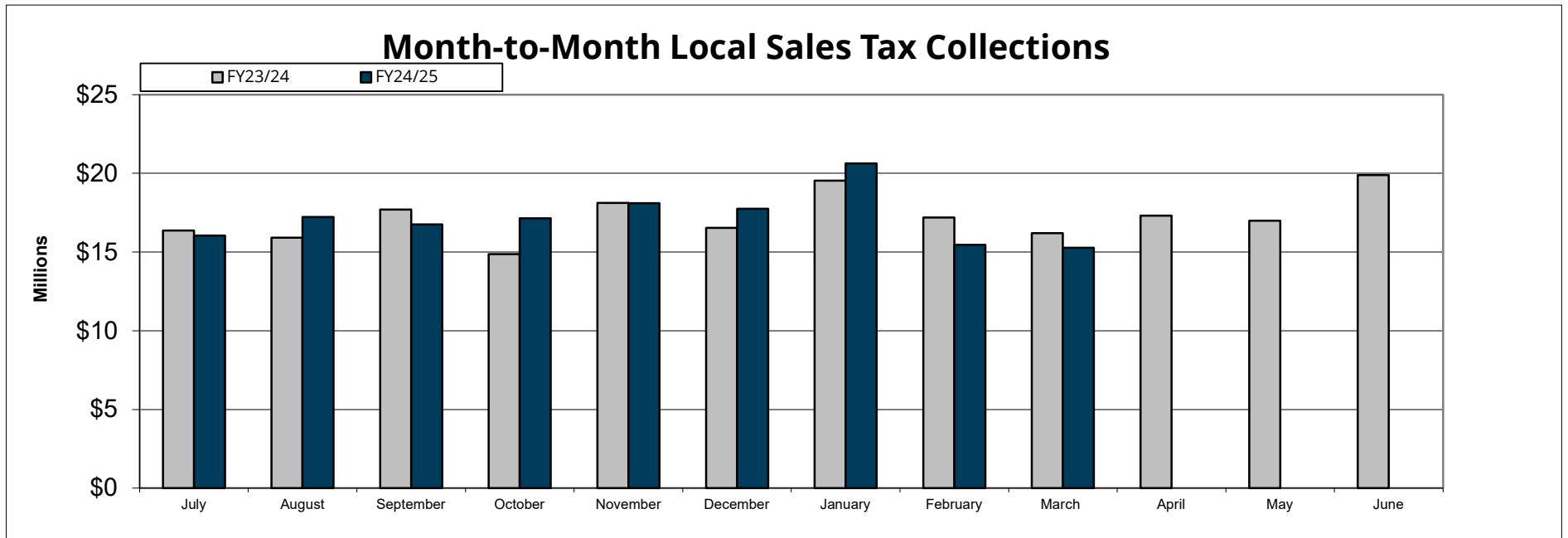
Sales Tax Category	% Chg Fm PY	FY 2024-25	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21
Utilities	10.6%	\$ 1,471,509	14.8%	\$ 1,330,093	11.9%	\$ 1,158,249	9.5%	\$ 1,035,014	5.4%	\$ 945,046
Telecommunications	-19.4%	\$ 133,984	-2.4%	\$ 166,141	33.4%	\$ 170,194	-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
Total Sales Tax Revenue*	-5.7%	\$ 15,278,377	1.7%	\$ 16,194,706	13.2%	\$ 15,926,597	19.9%	\$ 14,067,088	7.4%	\$ 11,731,979

*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%
Totals	\$ 152,427,585	\$ 154,366,571	\$ 1,938,985	1.3%



**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 ⁽¹⁾						
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%
Subtotal Prior to Contingencies/Reserves	\$ 322,623,242	\$ 341,414,030	\$ 251,550,707	73.7%	75.0%	-1.3%
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%
Total General Fund Expenditures	\$ 391,868,342	\$ 382,789,132	\$ 251,550,707	65.7%	65.8%	-0.1%

⁽¹⁾ 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.