



Informational Memo

Management Services - Memo No. 25-119

Date: June 19, 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 May 2025

Attached is the FY 2024-25 General Fund Revenue and Expenditure Reports for the period ending May 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 May 2025. This month reflects a 7.1% increase in total General Fund revenues from the budgeted revenues we would have anticipated being received to date based on historical trends, and a 2.2% 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 April TPT reported/received in May. 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 -0.8%. The Primary Property tax collections through May 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 May 2025, reflect an overall increase of 4.9% above budgeted revenues we would have anticipated being received to date based on historical trends, and are flat when compared to prior year actuals. Also, when comparing the TPT collections received in May 2025 to the same month in the prior year, collections are down -6.0%. We anticipated the continued reduction, as the taxability of residential rental stopped in January and the revenue decrease continues 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 May 2025. This report then compares this spending percentage to the prior fiscal year. Overall department spending resulted in 86.3% spending through May 2025, compared to 86.2% 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 2024-25 General Fund Monthly Revenue and Expenditure Reports through May 2025

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

General Fund Revenue Summary

FY 2024-25 Year-To-Date Actuals Through May 2025

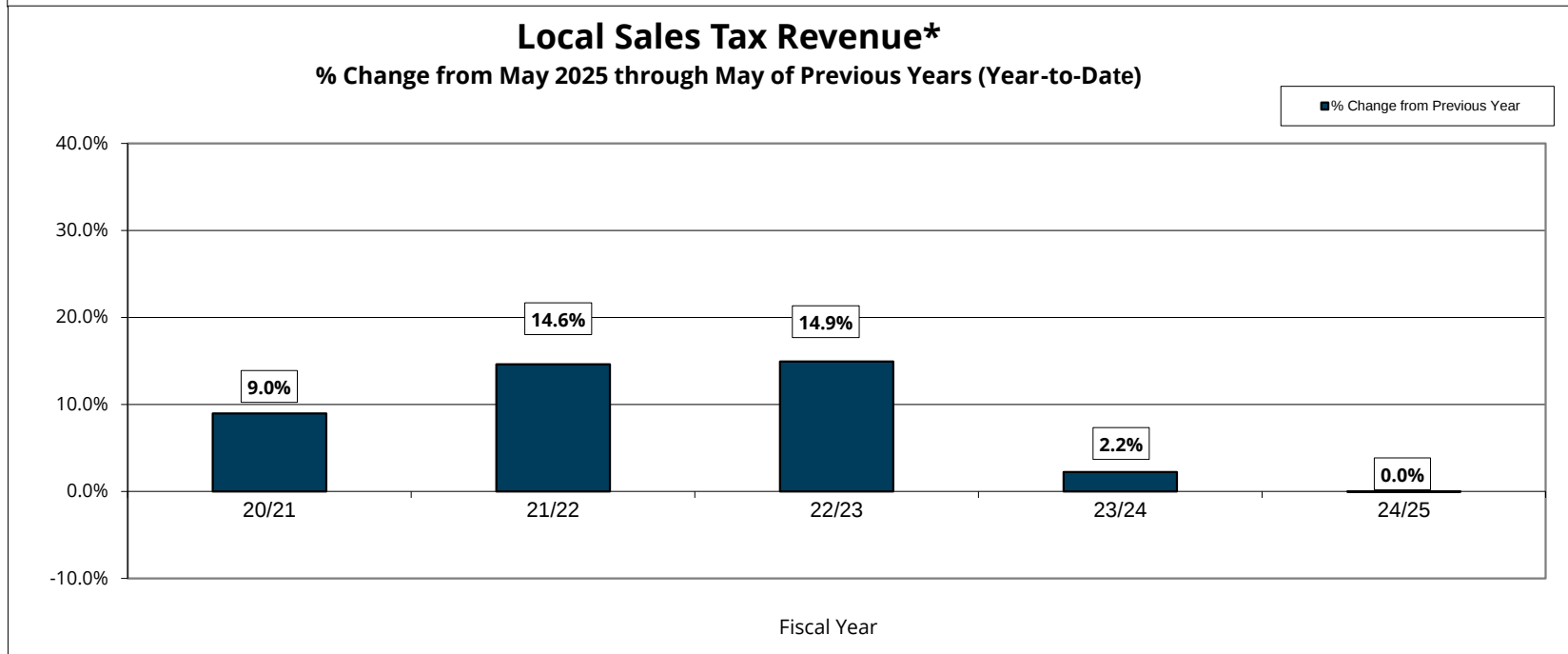
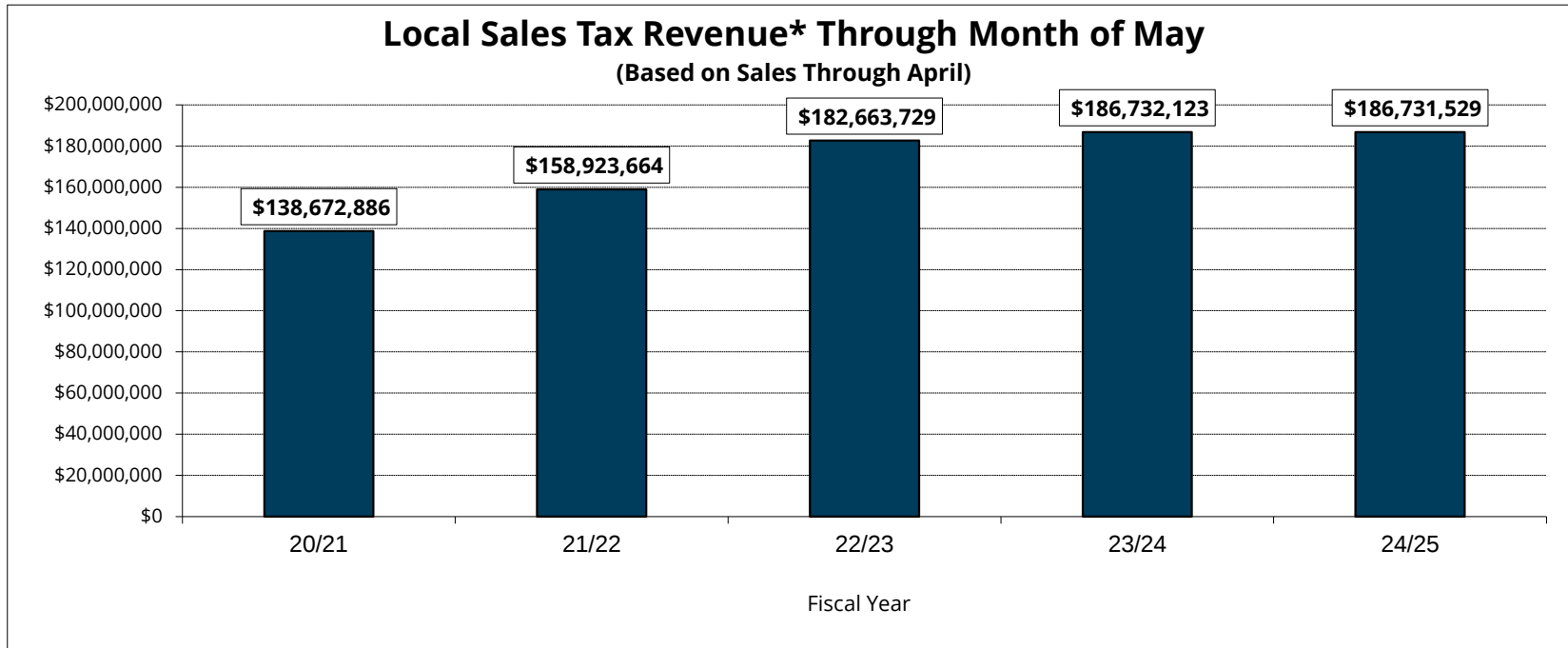
	Budget		Actuals			Comparison to Prior Year Actuals		
General Fund Revenues	FY 2024-25 Adopted Budget	FY 2024-25 Budget Prorated Based on Historical Trend	FY 2024-25 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2023-24 Actual Revenues for Same Period	Difference + or - from FY 2023-24 to FY 2024-25	% Change of Actuals to Same Period FY 2023-24
Local Sales Tax Collections	196,000,000	177,957,930	186,731,529	8,773,599	4.9%	186,732,123	(596)	0.0%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	1,781,144	2,960,839	1,179,696	66.2%	3,915,948	(955,109)	-24.4%
Total Local Sales Tax Revenue	\$ 197,908,400	\$ 179,739,074	\$ 189,692,368	\$ 9,953,294	5.5%	\$ 190,648,072	\$ (955,703)	-0.5%
Franchise Fees	3,650,000	3,198,641	3,010,300	(188,341)	-5.9%	3,085,330	(75,030)	-2.4%
Primary Property Taxes	8,783,722	8,195,497	6,713,058	(1,482,439)	-18.1%	8,132,558	(1,419,500)	-17.5%
State Shared Sales Tax Revenue	41,500,000	35,710,770	37,948,173	2,237,403	6.3%	37,468,959	479,214	1.3%
Vehicle License Tax	13,500,000	11,613,937	13,087,622	1,473,685	12.7%	12,373,403	714,219	5.8%
Urban Revenue Sharing	60,100,000	55,078,302	54,632,735	(445,567)	-0.8%	68,187,202	(13,554,467)	-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%	2,250,000	(2,250,000)	-100.0%
Licenses & Permits	6,978,300	5,991,650	12,925,741	6,934,091	115.7%	4,340,028	8,585,713	197.8%
Charges for Services	15,707,789	13,065,143	12,760,504	(304,639)	-2.3%	16,388,351	(3,627,847)	-22.1%
Fines & Forfeitures	3,657,800	3,336,626	3,747,326	410,700	12.3%	3,993,630	(246,304)	-6.2%
Interest & Investments	3,777,000	3,060,606	8,781,360	5,720,754	186.9%	4,448,181	4,333,179	97.4%
Other Revenues	2,830,508	2,594,632	1,518,665	(1,075,967)	-41.5%	2,116,716	(598,051)	-28.3%
Indirect Cost	8,532,282	7,821,259	7,821,259	(0)	0.0%	7,313,334	507,925	6.9%
Total General Fund Revenues	\$ 368,233,801	\$ 329,956,551	\$ 353,416,696	\$ 23,460,147	7.1%	\$ 361,463,757	\$ (8,047,061)	-2.2%
Prior Month	\$ 368,233,801	\$ 296,053,055	\$ 319,060,620	\$ 23,007,565	7.8%	\$ 321,729,113	\$ (2,668,494)	-0.8%
Change from Prior Month	\$ -	\$ 33,903,496	\$ 34,356,076	\$ 452,582	-0.7%	\$ 39,734,644	\$ (5,378,567)	-1.4%

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 May 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%	14.5%	\$ 19,481,436	9.9%	\$ 17,013,811	7.7%	\$ 15,486,203	1.6%	\$ 14,379,010	8.5%	\$ 14,148,007
Telecommunications	1.0%	-17.3%	\$ 1,547,510	18.1%	\$ 1,871,556	7.6%	\$ 1,584,876	-11.0%	\$ 1,473,027	-23.1%	\$ 1,655,402
Publishing / Advertising / Printing / Transportation	0.1%	19.0%	\$ 191,519	-19.1%	\$ 160,998	8.3%	\$ 199,002	2.8%	\$ 183,705	54.0%	\$ 178,645
Restaurants & Bars	8.9%	2.7%	\$ 17,316,496	5.1%	\$ 16,855,748	9.3%	\$ 16,033,604	27.6%	\$ 14,664,188	3.2%	\$ 11,488,534
Amusements	0.8%	17.4%	\$ 1,804,291	12.6%	\$ 1,537,481	14.2%	\$ 1,365,181	79.3%	\$ 1,195,361	-33.3%	\$ 666,695
Real Property Rentals	11.9%	-13.1%	\$ 19,653,879	5.8%	\$ 22,604,798	12.4%	\$ 21,371,585	9.7%	\$ 19,012,857	4.5%	\$ 17,336,642
Tangible Personal Property Rentals	3.5%	-15.4%	\$ 5,739,457	41.2%	\$ 6,785,237	25.5%	\$ 4,803,710	12.7%	\$ 3,828,933	-14.7%	\$ 3,397,924
Hotels / Motels	3.3%	1.4%	\$ 6,300,939	-1.7%	\$ 6,216,631	18.5%	\$ 6,324,093	91.1%	\$ 5,337,382	-20.8%	\$ 2,793,313
Contracting	12.2%	-22.4%	\$ 18,016,991	-6.0%	\$ 23,223,291	68.5%	\$ 24,702,362	14.2%	\$ 14,660,207	2.2%	\$ 12,838,978
Retail / Manufactured Buildings / Jet Fuel	47.3%	3.9%	\$ 90,226,677	2.9%	\$ 86,827,661	8.5%	\$ 84,408,865	14.1%	\$ 77,817,678	17.0%	\$ 68,189,156
Use Tax	2.0%	-77.5%	\$ 6,452,333	-43.1%	\$ 3,634,912	0.2%	\$ 6,384,246	6.6%	\$ 6,371,315	22.7%	\$ 5,979,588
Total Sales Tax Revenue*	100.0%	0.0%	\$ 186,731,529	2.2%	\$ 186,732,123	14.9%	\$ 182,663,729	14.6%	\$ 158,923,664	9.0%	\$ 138,672,886

Sales Tax Revenue By Class

Through May (Month-over-Month)

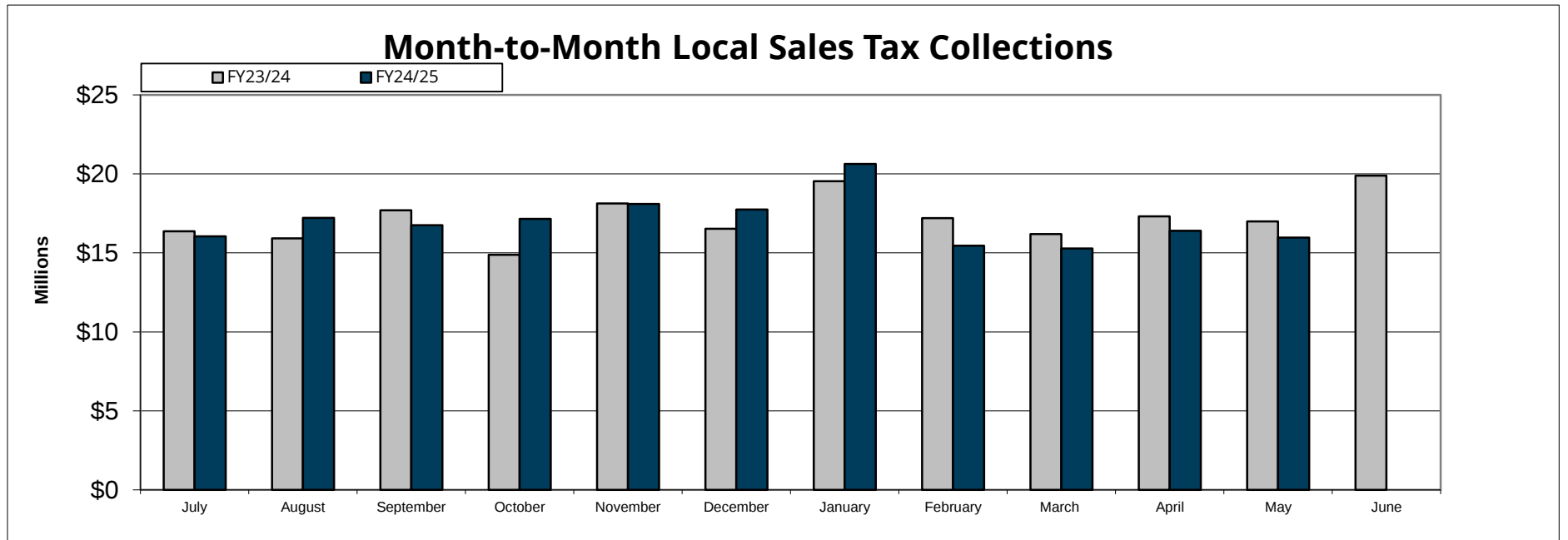
Sales Tax Category	% Chg Fm PY	FY 2024-25	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21
Utilities	17.3%	\$ 1,466,938	15.6%	\$ 1,250,742	5.2%	\$ 1,081,572	6.0%	\$ 1,028,026	14.0%	\$ 970,174
Telecommunications	-29.3%	\$ 126,056	25.4%	\$ 178,401	1.4%	\$ 142,321	-2.8%	\$ 140,379	-25.8%	\$ 144,472
Publishing / Advertising / Printing / Transportation	64.7%	\$ 16,661	-35.0%	\$ 10,113	8.0%	\$ 15,554	-12.5%	\$ 14,406	48.2%	\$ 16,461
Restaurants & Bars	0.3%	\$ 1,629,168	4.1%	\$ 1,624,373	5.8%	\$ 1,559,867	17.9%	\$ 1,473,776	79.1%	\$ 1,249,558
Amusements	1.8%	\$ 164,904	6.8%	\$ 161,950	9.8%	\$ 151,625	73.0%	\$ 138,034	198.5%	\$ 79,789
Real Property Rentals	-41.3%	\$ 1,103,347	1.6%	\$ 1,880,370	7.5%	\$ 1,851,403	9.2%	\$ 1,722,961	19.3%	\$ 1,577,617
Tangible Personal Property Rentals	6.6%	\$ 559,273	0.8%	\$ 524,846	51.0%	\$ 520,863	22.7%	\$ 344,999	10.0%	\$ 281,119
Hotels / Motels	-15.5%	\$ 588,337	6.6%	\$ 695,925	15.4%	\$ 652,791	70.3%	\$ 565,487	348.0%	\$ 332,075
Contracting	-44.3%	\$ 1,356,791	-19.0%	\$ 2,434,784	150.4%	\$ 3,007,743	8.9%	\$ 1,201,409	2.8%	\$ 1,102,739
Retail / Manufactured Buildings / Jet Fuel	9.6%	\$ 8,436,387	2.2%	\$ 7,699,726	-6.9%	\$ 7,536,565	22.6%	\$ 8,096,827	37.8%	\$ 6,606,299
Use Tax	1.6%	\$ 516,930	4.4%	\$ 525,456	-14.7%	\$ 503,491	-248.0%	\$ 589,965	-153.2%	\$ (398,508)
Total Sales Tax Revenue*	-6.0%	\$ 15,964,794	-0.2%	\$ 16,986,687	11.1%	\$ 17,023,794	28.0%	\$ 15,316,267	19.0%	\$ 11,961,794

*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	16,400,164	(917,687)	-5.3%
May	16,986,687	15,964,794	(1,021,893)	-6.0%
June	19,885,235		(19,885,235)	-100.0%
Totals	\$ 186,732,123	\$ 186,731,529	\$ (595)	0.0%



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

General Fund Expenditure Summary

Thru May 2025

Department	Adopted Budget	Adjusted Budget	Expenses & Encumbrances Thru May 2025	Percentage of Adjusted Budget Expended & Encumbered Thru May 2025	Percentage of Adjusted Budget Expended & Encumbered Thru May 2024	Over/Under Last Year's Percentage
City Clerk	\$ 1,491,484	\$ 1,531,385	1,212,206	79.2%	86.0%	-6.8%
City Manager and Organization Support ⁽¹⁾	-	-				
City Manager	2,344,587	2,429,049	2,276,297	93.7%	91.7%	2.0%
Buildings & Facilities	8,760,515	9,649,918	9,197,199	95.3%	94.8%	0.5%
Cultural Development	5,187,478	5,572,891	4,980,742	89.4%	92.7%	-3.3%
Diversity, Equity, and Inclusion	712,984	794,617	637,889	80.3%	66.1%	14.2%
Economic Development	2,249,706	2,886,913	2,542,815	88.1%	84.1%	4.0%
Fleet Services	1,526,315	1,606,897	1,396,252	86.9%	83.8%	3.1%
Human Resources	2,477,410	2,589,538	2,443,089	94.3%	80.7%	13.6%
Transportation Policy	3,335,785	3,510,957	1,718,488	48.9%	26.3%	22.6%
Communications & Public Affairs	3,535,004	4,001,545	3,473,311	86.8%	80.5%	6.3%
Community Services	34,953,712	37,796,691	33,201,584	87.8%	86.9%	0.9%
Development Services	13,044,834	15,266,123	12,535,239	82.1%	80.7%	1.4%
Fire	48,798,146	51,891,435	46,222,606	89.1%	93.4%	-4.3%
Information Technology	24,028,446	30,234,689	24,981,321	82.6%	79.4%	3.2%
Law	4,816,283	5,008,251	4,533,683	90.5%	90.8%	-0.3%
Magistrate	5,847,458	6,103,175	5,057,736	82.9%	75.3%	7.6%
Management Services	8,301,678	8,664,358	7,523,857	86.8%	79.1%	7.7%
Mayor and Council	1,288,723	1,356,303	1,197,987	88.3%	83.4%	4.9%
Neighborhood Resources	10,262,729	10,056,846	8,199,794	81.5%	77.3%	4.2%
Police	100,299,908	110,118,861	101,247,254	91.9%	89.9%	2.0%
Public Works & Utilities	10,257,708	11,942,249	10,299,245	86.2%	82.8%	3.4%
Non-Departmental (Personnel Services and O&M)	28,479,897	18,090,417	9,428,721	52.1%	84.3%	-32.2%
Subtotal Prior to Contingencies/Reserves	\$ 322,000,790	\$ 341,103,108	\$ 294,307,315	86.3%	86.2%	0.1%
Non-Departmental Reserves (Carryforward, Utility, Fuel & DT)	14,899,800	3,422,050	-	0.0%	0.0%	0.0%
Non-Departmental Contingencies (15% & Council)	54,345,300	37,404,988	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 391,245,890	\$ 381,930,146	\$ 294,307,315	77.1%	75.6%	1.5%

⁽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.