



Informational Memo

Management Services - Memo No. 25-057

Date: December 19, 2024

To: Mayor and Council

Thru: Joshua H. Wright, City Manager
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 November 2024

Attached is the FY 2024-25 General Fund Revenue and Expenditure Reports for the period ending November 30, 2024.

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 November 2024. This month reflects a 9.6% 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.

Collections in State and Local Transaction Privilege Tax (TPT) or Sales Tax (Attachments 1-4) shown in this report reflect October TPT reported/received in November. 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. The Primary Property tax collections through November 2024 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 November 2024, reflect an overall increase of 9.4% above budgeted revenues we would have anticipated being received to date based on historical trends, and a 2.8% increase compared to prior year actuals. Also, when comparing the TPT collections received in November 2024 to the same month in the prior year, collections are down 0.1% as anticipated.

Finally, the FY 2024-25 General Fund Expenditure Summary (Attachment 5) report reflects the percent of adjusted budget expended and encumbered through November 2024. This report then compares this spending percentage to the prior fiscal year. Overall department spending resulted in 46.3% spending through November 2024, compared to 53.5% 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 November 2024

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

General Fund Revenue Summary

FY 2024-25 Year-To-Date Actuals Through November 2024

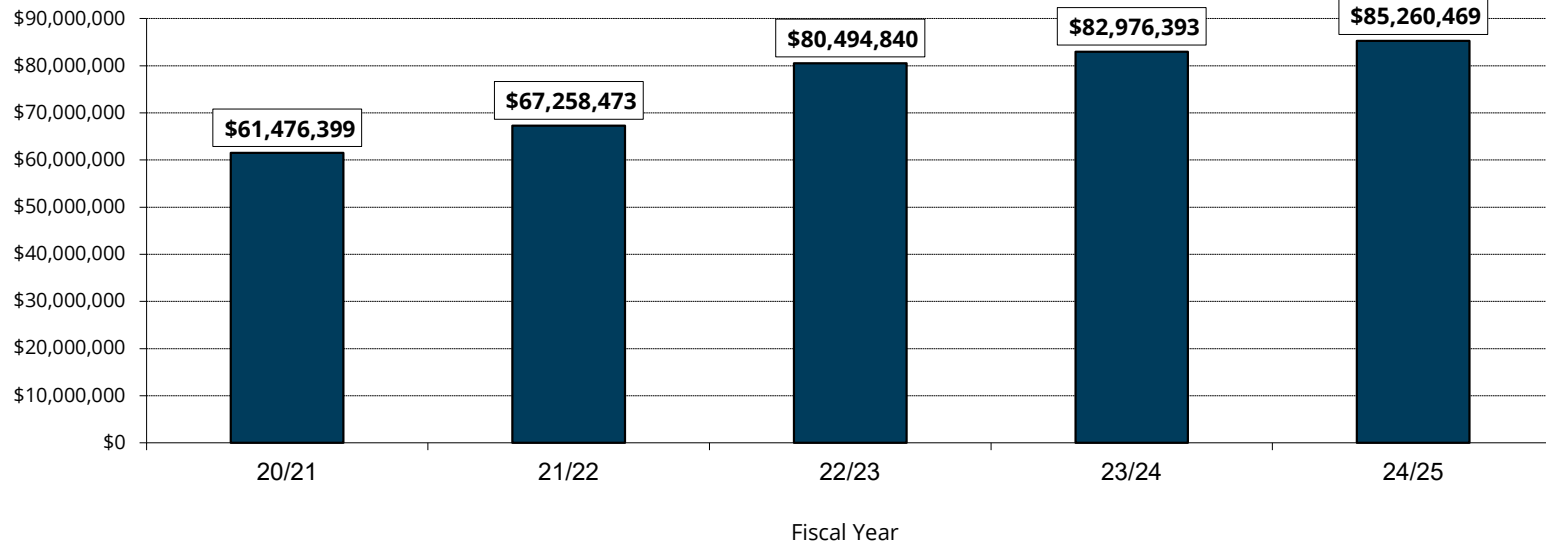
General Fund Revenues	Budget		Actuals			Comparison to Prior Year Actuals		
	FY 2024-25 Adopted Budget	FY 2024-25 Budget Prorated Based on Historical Trend	FY 2024-25 Actual Revenue	+ or - of Actual to Budget	% Change of Actual to Budget	FY 2023-24 Actual Revenues for Same Period	Difference + or - from FY 2023-24 to FY 2024-25	% Change of Actuals to Same Period FY 2023-24
Local Sales Tax Collections	196,000,000	77,923,947	85,260,469	7,336,522	9.4%	82,976,393	2,284,076	2.8%
Local Sales Tax Fees, Audit Assessments, Penalties, Interest	1,908,400	781,510	875,412	93,902	12.0%	3,097,009	(2,221,597)	-71.7%
Total Local Sales Tax Revenue	\$ 197,908,400	\$ 78,705,457	\$ 86,135,881	\$ 7,430,424	9.4%	\$ 86,073,402	\$ 62,479	0.1%
Franchise Fees	3,650,000	739,627	85,527	(654,100)	-88.4%	686,429	(600,902)	-87.5%
Primary Property Taxes	8,783,722	3,802,949	2,542,449	(1,260,500)	-33.1%	3,926,408	(1,383,959)	-35.2%
State Shared Sales Tax Revenue	41,500,000	14,497,702	15,870,371	1,372,669	9.5%	15,700,044	170,327	1.1%
Vehicle License Tax	13,500,000	4,907,283	5,437,269	529,986	10.8%	5,093,834	343,435	6.7%
Urban Revenue Sharing	60,100,000	24,948,116	24,833,061	(115,055)	-0.5%	30,994,183	(6,161,121)	-19.9%
Smart and Safe	1,308,000	-	-	-	0.0%	-	-	0.0%
Public Safety State Allocation*	-	-	-	-	0.0%	1,125,000	(1,125,000)	-100.0%
Licenses & Permits	6,978,300	2,118,055	6,533,438	4,415,383	208.5%	1,293,211	5,240,227	405.2%
Charges for Services	15,707,789	5,222,271	5,360,879	138,608	2.7%	6,076,542	(715,663)	-11.8%
Fines & Forfeitures	3,657,800	1,428,545	1,643,621	215,076	15.1%	1,738,983	(95,362)	-5.5%
Interest & Investments	3,777,000	1,037,028	2,891,742	1,854,714	178.8%	1,155,551	1,736,191	150.2%
Other Revenues	2,830,508	1,179,378	840,596	(338,782)	-28.7%	431,211	409,385	94.9%
Indirect Cost	8,532,282	3,555,118	3,555,118	(0)	0.0%	3,324,243	230,875	6.9%
Total General Fund Revenues	\$ 368,233,801	\$ 142,141,529	\$ 155,729,952	\$ 13,588,423	9.6%	\$ 157,619,041	\$ (1,889,089)	-1.2%
Prior Month	\$ 368,233,801	\$ 109,824,749	\$ 119,955,938	\$ 10,131,188	9.2%	\$ 120,373,458	\$ (417,520)	-0.3%
Change from Prior Month	\$ -	\$ 32,316,780	\$ 35,774,014	\$ 3,457,235	0.3%	\$ 37,245,583	\$ (1,471,569)	-0.9%

Note:

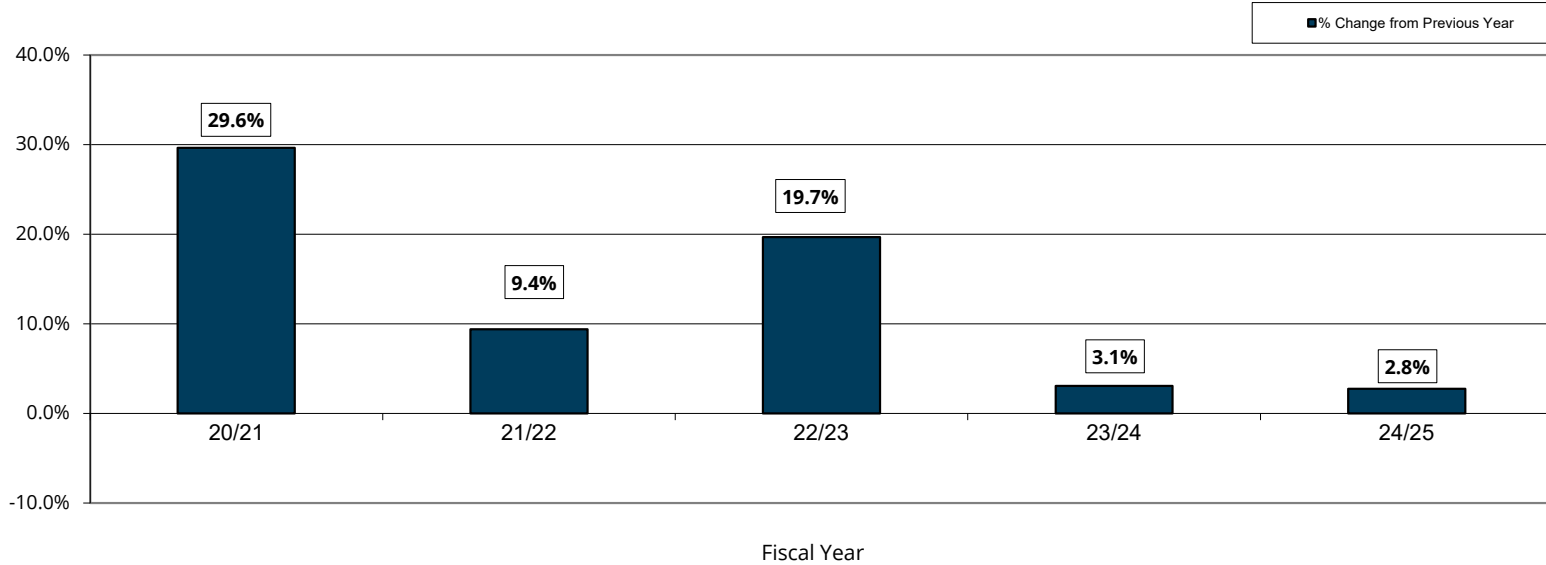
FY 2024-25 Adopted Budget excludes one-time Interfund Transfers-In of \$650,000 to the General Fund 101 for Impact Fee loan repayments, which are used to fund General Capital Projects in Fund 401.

*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.

Local Sales Tax Revenue* Through Month of November (Based on Sales Through October)



Local Sales Tax Revenue* % Change from November 2024 through November 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 November Each Year (Year-to-Date) Revised

Sales Tax Category	FY23-24 % 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%	16.1%	\$ 10,832,147	7.5%	\$ 9,329,218	5.2%	\$ 8,681,285	0.2%	\$ 8,253,229	8.0%	\$ 8,239,420
Telecommunications	1.0%	-8.1%	\$ 777,851	25.6%	\$ 846,012	-1.4%	\$ 673,641	-15.0%	\$ 682,862	-19.7%	\$ 803,579
Publishing / Advertising / Printing / Transportation	0.1%	4.8%	\$ 81,090	-15.8%	\$ 77,371	12.9%	\$ 91,867	3.2%	\$ 81,399	218.7%	\$ 78,899
Restaurants & Bars	8.9%	4.1%	\$ 7,471,373	5.6%	\$ 7,174,222	9.9%	\$ 6,790,940	31.1%	\$ 6,179,462	-8.8%	\$ 4,713,488
Amusements	0.8%	19.4%	\$ 753,371	11.7%	\$ 631,171	30.7%	\$ 565,002	112.6%	\$ 432,234	-57.0%	\$ 203,339
Real Property Rentals	11.9%	2.8%	\$ 10,237,128	10.5%	\$ 9,960,738	11.4%	\$ 9,011,952	8.0%	\$ 8,090,232	-1.3%	\$ 7,493,519
Tangible Personal Property Rentals	3.5%	-21.6%	\$ 2,511,287	61.2%	\$ 3,204,453	19.2%	\$ 1,987,698	6.3%	\$ 1,668,024	-14.1%	\$ 1,569,662
Hotels / Motels	3.3%	2.1%	\$ 2,100,256	1.1%	\$ 2,057,196	21.6%	\$ 2,034,255	69.9%	\$ 1,672,759	-29.4%	\$ 984,439
Contracting	12.2%	-17.5%	\$ 9,352,052	8.7%	\$ 11,333,935	89.2%	\$ 10,430,638	-3.2%	\$ 5,512,311	-13.6%	\$ 5,695,075
Retail / Manufactured Buildings / Jet Fuel	47.3%	1.0%	\$ 38,420,519	2.0%	\$ 38,049,573	16.1%	\$ 37,285,565	10.4%	\$ 32,127,416	17.5%	\$ 29,097,790
Use Tax	2.0%	-771.5%	\$ 2,723,394	-89.4%	\$ 312,503	15.0%	\$ 2,941,997	-1.5%	\$ 2,558,545	31.6%	\$ 2,597,190
Total Sales Tax Revenue*	100.0%	2.8%	\$ 85,260,469	3.1%	\$ 82,976,393	19.7%	\$ 80,494,840	9.4%	\$ 67,258,473	5.2%	\$ 61,476,399

Sales Tax Revenue By Class

Through November (Month-over-Month)

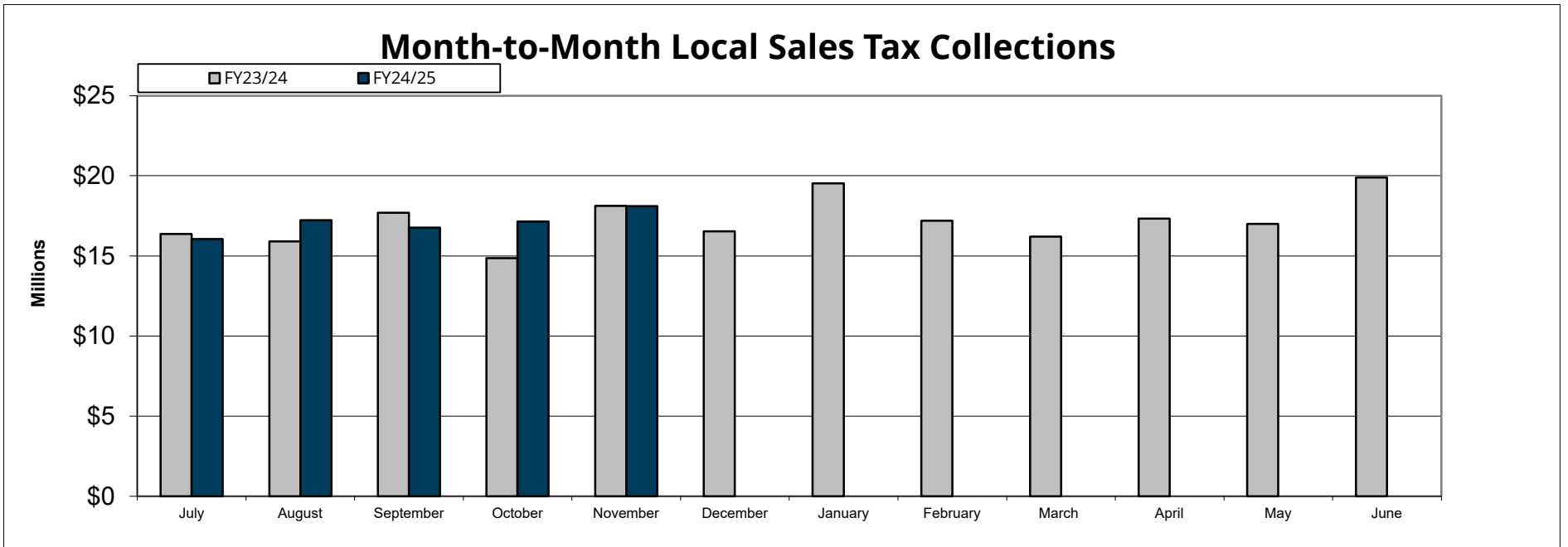
Sales Tax Category	% Chg Fm PY	FY 2024-25	% Chg Fm PY	FY 2023-24	% Chg Fm PY	FY 2022-23	% Chg Fm PY	FY 2021-22	% Chg Fm PY	FY 2020-21
Utilities	20.4%	\$ 1,877,290	10.0%	\$ 1,558,712	12.2%	\$ 1,417,247	-6.7%	\$ 1,263,038	-20.6%	\$ 1,353,337
Telecommunications	-27.2%	\$ 122,530	16.8%	\$ 168,365	8.2%	\$ 144,157	0.5%	\$ 133,202	-33.2%	\$ 132,605
Publishing / Advertising / Printing / Transportation	23.0%	\$ 18,560	-10.3%	\$ 15,095	-4.4%	\$ 16,835	-11.1%	\$ 17,602	14.9%	\$ 19,806
Restaurants & Bars	4.1%	\$ 1,518,705	2.4%	\$ 1,458,238	9.0%	\$ 1,424,129	35.5%	\$ 1,306,310	-7.4%	\$ 964,075
Amusements	19.7%	\$ 143,614	10.7%	\$ 119,953	13.9%	\$ 108,362	80.4%	\$ 95,100	-48.9%	\$ 52,702
Real Property Rentals	2.7%	\$ 1,932,267	7.1%	\$ 1,881,844	2.9%	\$ 1,757,834	17.4%	\$ 1,707,560	-6.4%	\$ 1,454,549
Tangible Personal Property Rentals	-59.2%	\$ 523,695	221.1%	\$ 1,283,783	21.0%	\$ 399,817	10.2%	\$ 330,342	-6.3%	\$ 299,787
Hotels / Motels	2.0%	\$ 565,154	9.5%	\$ 554,131	15.0%	\$ 505,909	83.4%	\$ 439,927	-17.5%	\$ 239,900
Contracting	-21.5%	\$ 2,500,184	50.3%	\$ 3,185,830	105.0%	\$ 2,118,974	11.6%	\$ 1,033,583	-16.8%	\$ 925,863
Retail / Manufactured Buildings / Jet Fuel	10.9%	\$ 8,185,382	0.7%	\$ 7,380,955	10.4%	\$ 7,331,508	11.5%	\$ 6,638,707	24.9%	\$ 5,955,164
Use Tax	-37.2%	\$ 710,695	-8.4%	\$ 517,878	-7.4%	\$ 565,364	28.9%	\$ 610,661	24.8%	\$ 473,792
Total Sales Tax Revenue*	-0.1%	\$ 18,098,076	14.8%	\$ 18,124,782	16.3%	\$ 15,790,137	14.4%	\$ 13,576,031	3.3%	\$ 11,871,579

*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		(16,527,924)	-100.0%
January	19,530,608		(19,530,608)	-100.0%
February	17,197,955		(17,197,955)	-100.0%
March	16,194,706		(16,194,706)	-100.0%
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	\$ 82,976,392	\$ 85,260,469	\$ 2,284,076	2.8%



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

General Fund Expenditure Summary Thru November 2024

Department	Adopted Budget	Adjusted Budget	Encumb Thru November 2024	Expenses Thru November 2024	Expenses & Encumbrances Thru November 2024	Percentage of Adjusted Budget Expended & Encumbered Thru November 2024	Percentage of Adjusted Budget Expended & Encumbered Thru November 2023	Over/Under Last Year's Percentage
City Clerk	\$ 1,491,484	\$ 1,526,708	\$ 2,255	\$ 598,840	601,095	39.4%	39.8%	-0.4%
City Manager and Organization Support ⁽¹⁾								
City Manager	2,344,587	2,429,049	1,111	987,319	988,429	40.7%	41.0%	-0.3%
Buildings & Facilities	8,760,515	9,324,981	1,034,887	4,330,214	5,365,102	57.5%	57.5%	0.0%
Cultural Development	5,187,478	5,557,546	224,634	2,177,696	2,402,330	43.2%	45.2%	-2.0%
Diversity, Equity, and Inclusion	712,984	794,617	3,466	247,381	250,847	31.6%	30.8%	0.8%
Economic Development	2,249,706	2,872,066	320,751	1,358,295	1,679,046	58.5%	48.8%	9.7%
Fleet Services	1,526,315	1,606,897	14,384	658,838	673,223	41.9%	37.0%	4.9%
Human Resources	2,477,410	2,588,949	18,590	1,142,144	1,160,734	44.8%	38.7%	6.1%
Transportation Policy	3,335,785	3,510,957	787,414	647,756	1,435,171	40.9%	14.6%	26.3%
Communications & Public Affairs	3,535,004	4,001,545	270,198	1,417,484	1,687,683	42.2%	46.5%	-4.3%
Community Services	34,953,712	37,779,617	2,926,808	14,731,356	17,658,165	46.7%	46.2%	0.6%
Development Services	13,044,834	14,001,941	478,130	4,640,251	5,118,381	36.6%	36.3%	0.3%
Fire	48,798,146	51,092,572	2,480,825	21,203,055	23,683,879	46.4%	44.0%	2.4%
Information Technology	24,028,446	30,229,471	7,473,824	7,445,360	14,919,184	49.4%	46.9%	2.4%
Law	4,816,283	5,008,251	1,066	2,067,503	2,068,570	41.3%	41.6%	-0.3%
Magistrate	5,847,458	6,099,581	329,452	2,172,798	2,502,250	41.0%	42.2%	-1.2%
Management Services	8,924,130	9,315,572	46,165	3,743,718	3,789,882	40.7%	38.4%	2.3%
Mayor and Council	1,288,723	1,356,303	825	526,041	526,866	38.8%	33.1%	5.7%
Neighborhood Resources	10,262,729	10,054,005	1,943,805	3,443,271	5,387,075	53.6%	39.1%	14.5%
Police	100,299,908	110,237,233	3,023,229	47,804,643	50,827,872	46.1%	44.6%	1.5%
Public Works & Utilities	10,257,708	11,929,517	3,651,235	3,190,412	6,841,646	57.4%	62.8%	-5.4%
Non-Departmental (Personnel Services and O&M)	28,479,897	19,424,303	425,386	8,202,857	8,628,243	44.4%	81.3%	-36.9%
Subtotal Prior to Contingencies/Reserves	\$ 322,623,242	\$ 340,741,681	\$ 25,458,441	\$ 132,737,232	\$ 158,195,673	46.4%	53.5%	-7.1%
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	44,037,131	-	-	-	0.0%	0.0%	0.0%
Total General Fund Expenditures	\$ 391,868,342	\$ 388,529,404	\$ 25,458,441	\$ 132,737,232	\$ 158,195,673	40.7%	46.9%	-6.2%

⁽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.