

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING AND WORK STUDY SESSION MINUTES
TUESDAY, APRIL 18, 2023**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor David D. Ortega called to order a Regular Meeting and Work Study Session of the Scottsdale City Council at 5:01 P.M. on Tuesday, April 18, 2023 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Kathy Littlefield; and Councilmembers Tammy Caputi, Tom Durham, Barry Graham, Betty Janik, and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, Acting City Auditor Lai Cluff, and City Clerk Ben Lane

PLEDGE OF ALLEGIANCE – Teen Library Volunteers

MAYOR'S REPORT

Mayor Ortega asked for a moment of silent reflection for the people of Ukraine as they continue their fight for freedom and democracy.

Mayor Ortega announced the City is hosting a variety of events to celebrate Earth Week which begins with Earth Day on April 22, 2023 and concludes with Arbor Day on April 28, 2023.

Mayor Ortega read a proclamation declaring April 16-22, 2023 as Scottsdale Volunteer Week to celebrate the kindness and generosity of the many volunteers who serve the community. He recognized the Teen Library Volunteers and Janet Orlandi, who was the recipient of the 2022 William P. Schrader Volunteer Impact Award.

Note: The Presentation/Information Update was heard prior to the City Manager's Report per a request from Mayor Ortega.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

PRESENTATIONS/INFORMATION UPDATES

- **Library Vision Award and Volunteer Recognition**
Presenter(s): Melissa Orr, Interim Library Director

Interim Library Director Melissa Orr gave a PowerPoint presentation (attached) and presented the Scottsdale Public Library 2023 Vision Award to Trey Granger. Mr. Granger serves as the President of the Friends of Scottsdale Library Board.

Library Assistant Alexis Skidmore gave a PowerPoint presentation (attached) and recognized the teen volunteers who were the recipients of the 2022 Presidential Volunteer Service Award.

CITY MANAGER'S REPORT

- **Airport Emergency Drill Video**
- **Scottsdale Airport Sustainability Review of Airfield Projects**

City Manager Jim Thompson introduced the item and speakers.

Aviation Director Gary Mascaro gave a presentation and introduced a video which explained the Scottsdale Airport's emergency drill procedures.

Brad Mikulecky, from Mead & Hunt, gave a PowerPoint presentation (attached) on the Scottsdale Airport Sustainability Plan and reviewed the airfield's projects.

PUBLIC COMMENT

- Alex McLaren spoke on the Thomas Road Project Open House and the need to update the City's Transportation Action Plan 2020 congestion report with current data.
- Heather Phillips expressed concern about the City's Transportation Action Plan 2020 congestion report and increased vehicular traffic in the Downtown area. She also expressed concern about the planning efforts related to the Thompson Peak Dog Park.
- Mitchell Andrew commented on interactions with the Scottsdale Police Department.

MINUTES

Request: Approve the following Council meeting minutes from March 2023:

- a. Retreat Meeting Minutes of March 9, 2023
- b. Special Meeting Minutes of March 21, 2023
- c. Executive Session Minutes of March 21, 2023
- d. Regular Meeting and Work Study Session Minutes of March 21, 2023

MOTION AND VOTE – MINUTES

Councilwoman Janik made a motion to approve the Retreat Meeting Minutes of March 9, 2023; Special Meeting Minutes of March 21, 2023; Executive Session Minutes of March 21, 2023; and Regular Meeting and Work Study Session Minutes of March 21, 2023. Councilwoman Whitehead seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

CONSENT AGENDA

1. **Hilton North Scottsdale at Cavasson Liquor License (14-LL-2023)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for an existing location and owner.
Location: 7965 E. Cavasson Boulevard
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. **Crossroads East Zoning Adoption – Mark Taylor (19-ZN-2002#8)**
Request: Adopt **Ordinance No. 4587** affirming the zoning classification approved as part of Case No. 19-ZN-2002#6 and finalizing the zoning district boundary with comparable Multi-Family Residential (P-C R-5) zoning.
Location: 17800 N. 78th Street and 17900 N. Hayden Road
Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov

3. **Gainey Hyatt Hotel Parking Reduction (22-SA-2023#2)**
Request: Approve a Parking Master Plan with the overall parking reduction of 17.7% of the total parking required to an existing resort on a total of ±27.35-acre site, as allowed in Zoning Ordinance Section 9.104.F.4.c with Multi-Family Residential, Planned Community District (R-5 PCD) zoning.
Location: 7500 E. Doubletree Ranch Road
Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov

(Item 3 was moved to the Regular Agenda, see page 4)

4. **WestWorld Horse Barns Renovation Project Construction Phase Services Contract**
Request: Adopt **Resolution No. 12793** to authorize:
 1. Design Build Manager Contract No. 2021-045-COS-A2 with Caruso Construction, Inc., in the amount of \$4,619,789, for a revised Guaranteed Maximum Price 2, to provide phase two construction services for Bond 2019 Project 45 – Renovate WestWorld Horse Barns to Increase Rentable Space.
 2. A Fiscal Year 2022/23 Capital Budget Appropriation Transfer of up to \$607,292 from Bond 2019, Question 2, Issuance 1, Project 47 – Replace WestWorld Arena Lights to Reduce Operating Costs (DH04) project to Bond 2019, Question 2, Issuance 1, Project 45 – Renovate WestWorld Horse Barns to Increase Rentable Space (DH05) project to be funded by General Obligation Bond 2019 proceeds.
 3. The City Manager and City Treasurer, or designees, to take such actions and execute such documents as necessary to carry out the intent of this Resolution**Location:** 16601 N. Pima Road
Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, daworth@scottsdaleaz.gov

5. **Scottsdale Airport Lease Agreements**
Requests:
 1. Adopt **Resolution No. 12766** to authorize:
 - a. Lease Agreement No. 2023-038-COS with Out West Rentals, LLC for the lease of North General Aviation Box Hangar Space at the Scottsdale Airport.

- b. Lease Agreement No. 2023-039-COS with Cirrus Design Corporation, doing business as Cirrus Aircraft, for the lease of General Aviation Box Hangar Space at the Scottsdale Airport.
 2. Adopt **Resolution No. 12767** authorizing Lease Agreement No. 2023-040-COS with SDL AZ Holdings, LLC, doing business as Atlantic Aviation, for the lease of General Aviation Box Hangar Space at the Scottsdale Airport
Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov
- 6. Edward Byrne Memorial Justice Assistance Grant**
Request: Adopt **Resolution No. 12778** to authorize:
1. Intergovernmental Agreement (IGA) No. 2023-042-COS with the City of Phoenix to accept the City's portion of the Edward Byrne Memorial Justice Assistance Grant, in the amount of \$32,437, to continue to partially fund a full-time property and evidence technician position.
 2. The Mayor to execute IGA No. 2023-042-COS for the purpose of receiving grant funds from the Department of Justice, Edward Byrne Memorial Justice Assistance Grant Program.
 3. A budget transfer, in the amount of \$32,437, from the Fiscal Year 2022/23 Future Grants Budget and/or Grant Contingency Budget to a newly created cost center to record the related grant activity.
- Staff Contact(s):** Jeff Walther, Chief of Police, 480-312-1900, jwalther@scottsdaleaz.gov
- 7. Monthly Financial Report**
Request: Accept the Fiscal Year 2022/23 Monthly Financial Report as of February 2023.
Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov
- 8. Audit Committee Recommendation for the Airport Advisory Commission Sunset Review**
Request: Accept the Audit Committee's recommendation and authorize the continuation of the Airport Advisory Commission.
Staff Contact(s): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

There was no public comment on the Consent Agenda.

Councilwoman Janik made a motion to approve Consent Agenda Items 1 through 8, except Item 3 [Gainey Hyatt Hotel Parking Reduction (22-SA-2023#2)], which was moved to the Regular Agenda. Councilmember Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

REGULAR AGENDA

3. **Gainey Hyatt Hotel Parking Reduction (22-SA-2023#2)**
Request: Approve a Parking Master Plan with the overall parking reduction of 17.7% of the total parking required to an existing resort on a total of ±27.35-acre site, as allowed in Zoning Ordinance Section 9.104.F.4.c with Multi-Family Residential, Planned Community District (R-5 PCD) zoning.
Location: 7500 E. Doubletree Ranch Road
Staff Contact(s): Erin Perreault, Planning, Economic Development, and Tourism Executive Director, 480-312-7093, eperreault@scottsdaleaz.gov

Planner Wayland Barton gave a PowerPoint presentation (attached) on the Gainey Hyatt Hotel Parking Reduction application.

Applicant Representative Kurt Jones, with Tiffany & Bosco, P.A., gave a presentation on the Gainey Hyatt Hotel Parking Reduction application.

There was no public comment on Item 3.

MOTION AND VOTE – ITEM 3

Councilwoman Caputi made a motion to approve a Parking Master Plan with the overall parking reduction of 17.7% of the total parking required to an existing resort on a total of ±27.35-acre site, as allowed in Zoning Ordinance Section 9.104.F.4.c with Multi-Family Residential, Planned Community District (R-5 PCD) zoning. Councilwoman Whitehead seconded the motion, which carried 6/1, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Janik, and Whitehead voting in the affirmative and Councilmember Graham dissenting.

9. Public Hearing on the Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Impact Fees, Fiscal Year 2020/21 – Fiscal Year 2021/22

Request: Hold a public hearing as required by Arizona Revised Statutes §9-463.05(G)(2) to solicit and receive public comment on Report 2304, *City of Scottsdale Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees*, for the City's water and wastewater utilities.

Presenter(s): Lai Cluff, Acting City Auditor and Kevin Burnett, Willdan Financial Services
Staff Contact(s): Lai Cluff, Acting City Auditor, 480-312-7851, lcluff@scottsdaleaz.gov

Acting City Auditor Lai Cluff and Willdan Financial Services Senior Project Manager Kevin Burnett gave a PowerPoint presentation (attached) on the Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan, and Development Impact Fees.

Mayor Ortega opened the public hearing and noting there were no public comments, closed the public hearing.

PUBLIC COMMENT – None

CITIZEN PETITIONS

10. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendaize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Ben Lane, City Clerk, 480-312-2411, blane@scottsdaleaz.gov

No citizen petitions were received.

11. Road Diets Discussion and Possible Action at Future Council Meeting

Request: At the request of Vice Mayor Littlefield, direct the City Manager to agendize an item for discussion and possible Council action regarding the placement of the issue of “road diets” on the next available City election ballot.

MOTION AND VOTE – ITEM 11

Vice Mayor Littlefield made a motion to direct the City Manager to agendize the item for a future meeting. Councilwoman Janik seconded the motion, which failed 3/4, with Vice Mayor Littlefield and Councilmembers Graham and Janik voting in the affirmative, and Mayor Ortega and Councilmembers Caputi, Durham, and Whitehead dissenting.

WORK STUDY SESSION

The City Council recessed at 6:54 P.M.

The City Council reconvened at 7:10 P.M.

PUBLIC COMMENT – None

1. Quarterly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer’s quarterly financial presentation as of March 2023.

Presenter(s): Sonia Andrews, City Treasurer

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

City Treasurer Sonia Andrews gave a PowerPoint presentation (attached) on the City’s quarterly financial status as of March 2023.

MOTION AND VOTE – ADJOURNMENT

Councilmember Graham made a motion to adjourn the Regular Meeting and Work Study Session. Councilmember Durham seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Littlefield; and Councilmembers Caputi, Durham, Graham, Janik, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor Ortega adjourned the Regular Meeting and Work Study Session at 7:25 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on May 16, 2023

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting and Work Study Session of the City Council of Scottsdale, Arizona, held on the 18th day of April 2023.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 16th day of May 2023.

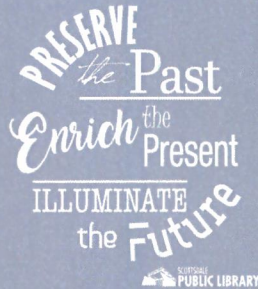
A handwritten signature in blue ink that reads "Ben Lane". The signature is written in a cursive style with a large initial "B".

Ben Lane, City Clerk

Presentations

2023 Vision Award

The Vision Award goes to an individual who exemplifies the **Vision Statement** of Scottsdale Public Library, which is to *Preserve the Past, Enrich the Present and Illuminate the Future.*



Trey Granger

Friends of Scottsdale Public Library Board President



Presidential Volunteer Service Award Teen Volunteer Recipients for 2022

This award honors individuals who give many hours of volunteer service that positively impacts communities. It is a civil award bestowed by the President of the United States on an annual basis. Congratulations to these amazing teens for their contribution and achievement!

Bronze Award Honorees

Mintra Waram
Katy Tobin
Alfredo Santos
Teagan O'Neil
Ariana Olsen
Beshoy Narouz
Keely McGinley
Tyler Jackson
Shaylee Dowell
Lavanya Bhatia

Silver Award Honorees

Phillip Holland
Adelina Grotenhuis
Sindhuri Nayudu

Gold Award Honorees

Scott Deaner
Bhavitha Sunkara
Charles Skidmore
Neha Jasthi



SCOTTSDALE AIRPORT SUSTAINABILITY REVIEW



SCOTTSDALE AIRPORT SUSTAINABILITY REVIEW

Federally-funded Projects completed at the Scottsdale Airport since 2018:

- Runway 3 Safety Area and Detention Basin Erosion Protection
- Transient Apron Reconstruction
- Delta Apron Reconstruction (Phase 1 & 2)
- Charlie Apron Reconstruction
- Runway 3-21 Electrical Rehabilitation
- Runway 3-21 Rehabilitation
- Airfield Security Fence Upgrades
- Taxiway A Reconstruction (Phases 1 & 2)

SCOTTSDALE AIRPORT SUSTAINABILITY REVIEW

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- Runway 3 Safety Area and Detention Basin Erosion Protection
- Transient Apron Reconstruction
- Delta Apron Reconstruction (Phase 1 & 2)
- Charlie Apron Reconstruction
- **Runway 3-21 Electrical Rehabilitation**
- **Runway 3-21 Rehabilitation**
- Airfield Security Fence Upgrades
- **Taxiway A Reconstruction (Phases 1 & 2)**

Future Federally-funded Projects for 2023:

- **Taxiway A4 Rehabilitation**
- **Airport Drive Rehabilitation**
- **Perimeter Road Rehabilitation**
- **West Side Apron Lighting Upgrades**

Runway 3-21 Electrical Rehabilitation

completed in Fall 2019

avoids using

8,420

kilowatt-hours annually



equivalent to greenhouse gas emissions avoided by diverting

2.5 tons

of waste from landfill to a
recycling facility



Runway 3-21 Rehabilitation Project

COMPLETED IN SUMMER 2021

4,130

gallons of gas
by placing all asphalt millings at
WestWorld of Scottsdale to
improve the existing parking lots

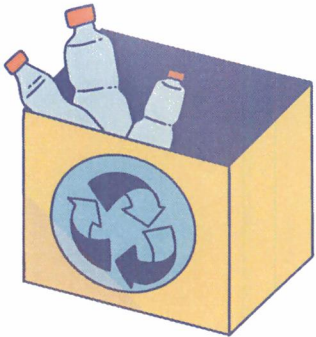


equivalent to greenhouse
gas emissions from

4.6

homes' energy usage
for one year

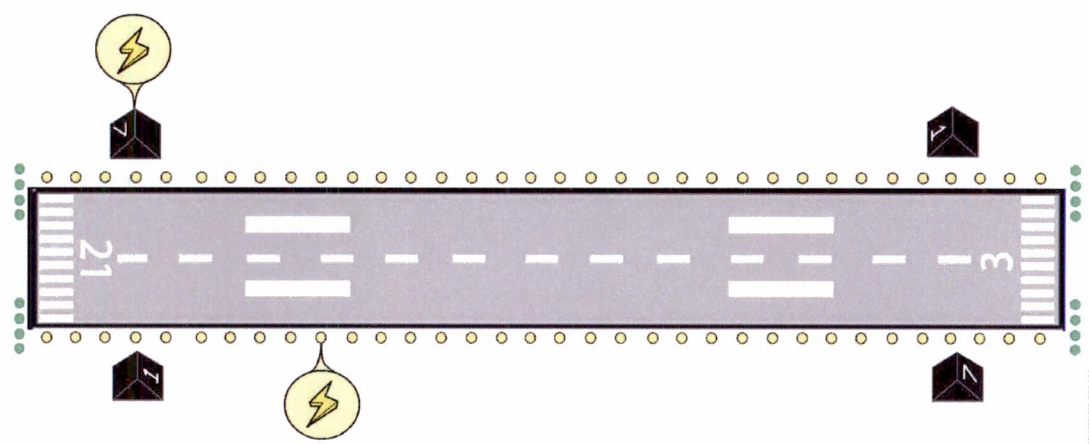
30,240



930



Overall electricity use for the Runway 3-21 circuit has been reduced by over **50%** since 2018



Perimeter Road Rehabilitation, Airport Drive Rehabilitation, and Taxiway A4 Rehabilitation Projects

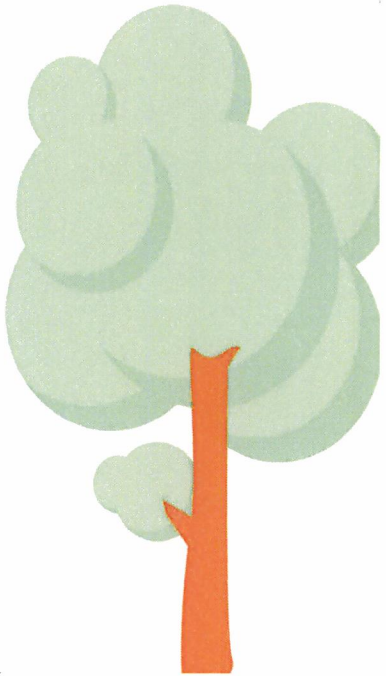
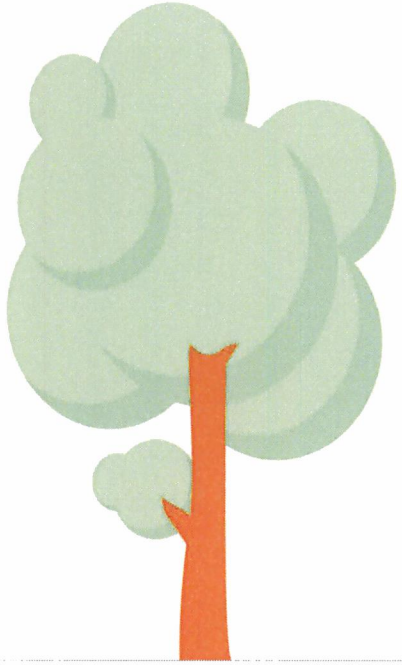
to be completed in 2023

Increases life expectancy of the pavements by



Saved **1,000** gallons of gas

equivalent to carbon sequestered by 147 trees planted and grown for 10 years



Westside Apron Lighting Upgrades Project

to be completed in 2023

saves

24,090

Kilowatt-hours annually

equivalent to greenhouse gas emissions avoided by
diverting 6 tons of waste from landfill
to a recycling facility.



SCOTTSDALE AIRPORT SUSTAINABILITY REVIEW

Thank You!

Questions?

Brad Mikulecky, PE

brad.mikulecky@meadhunt.com

Gainey Hyatt Hotel Parking Reduction

22-SA-2023#2

City Council

April 18, 2023

Coordinator: Wayland Barton

1

Request to Consider:

- Request by applicant for a parking reduction to an existing resort that is more than ten percent (10%) of the total parking required.

2



Context Aerial

22-SA-2023#2

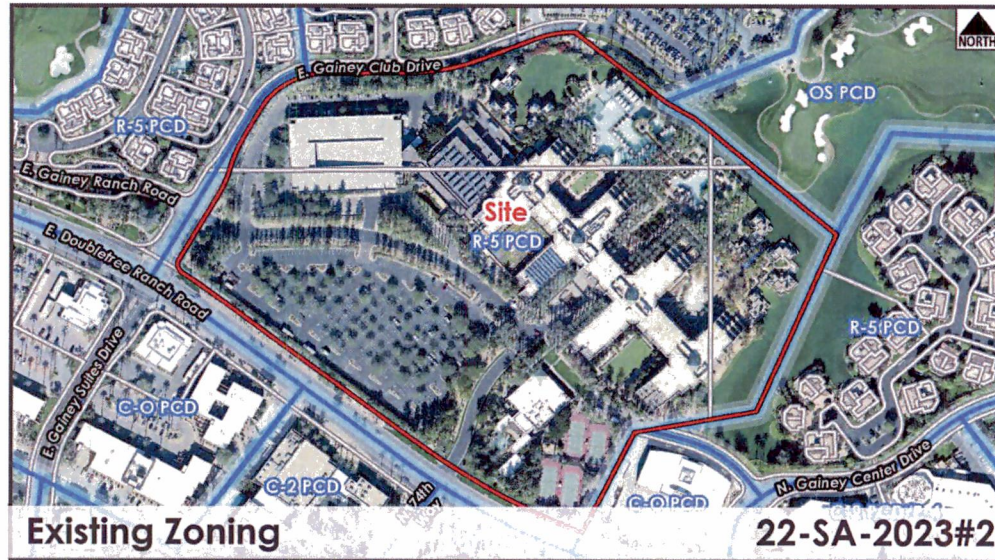
3



Detail Aerial

22-SA-2023#2

4

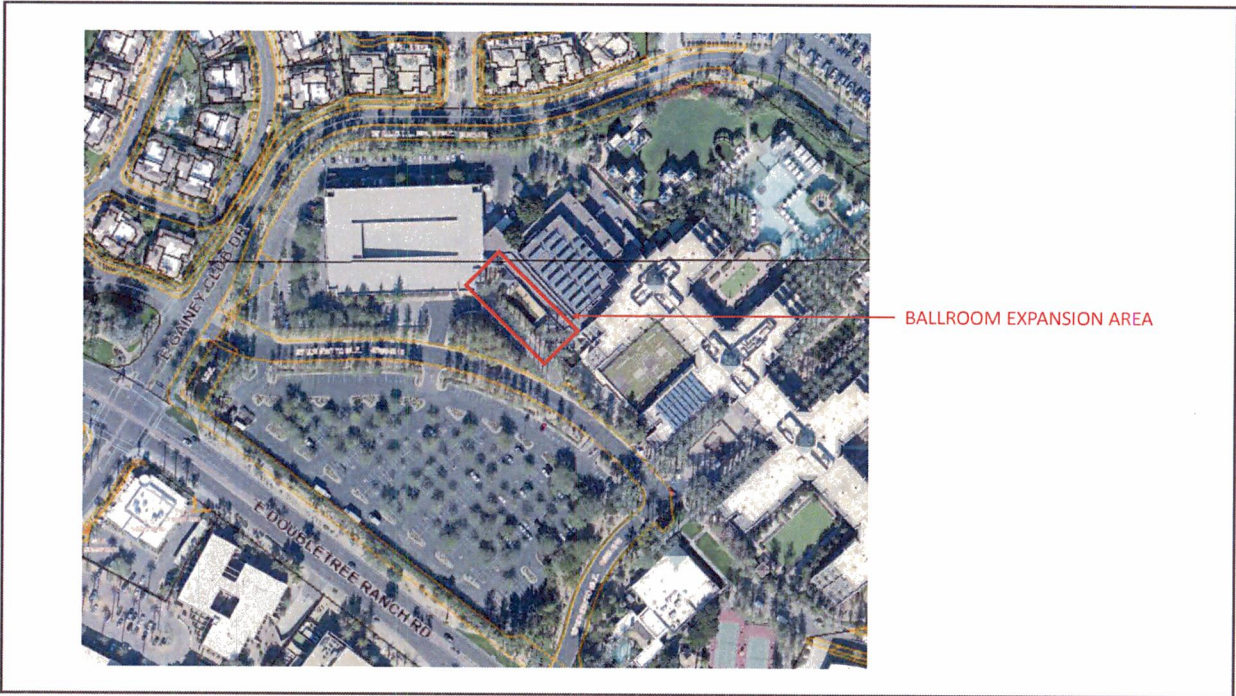


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Purpose of Request:

- The request is to reduce the amount of required parking based on the City's current parking standards by 17.7% to accommodate a future +/- 11,840 square foot ballroom expansion.

6



7



8

Key Items for Consideration:

- ZO Sec. 9.104.F.4 allows a parking reduction from the City's current standards by more than ten percent (10%), subject to City Council approval (1,281 to 1,054 required parking spaces, 17.7% reduction).
- Existing site is currently providing 1,054 parking spaces.

9

Recommended Approach:

- Staff recommends that the City Council approve the Parking Master Plan with the overall parking reduction of 17.7%, per the attached stipulations.

10

Gainey Hyatt Hotel Parking Reduction

22-SA-2023#2

City Council

April 18, 2023

Coordinator: Wayland Barton

Item 9

**Public Hearing on Biennial Certified Audit of Land Use Assumptions (LUA),
Infrastructure Improvement Plan (IIP), and Development Impact Fees,
FY 2020/21 – FY 2021/22**

City Council Meeting – April 18, 2023

1

Background

In 2011, state legislation placed several requirements on municipalities' development impact fees.

(Arizona Revised Statutes §9-463.05)

The City of Scottsdale adopts development fees for Scottsdale Water's water and wastewater utilities following these requirements.

2

Background (cont'd)

The state law also requires the City to either:

1. Appoint an Infrastructure Improvements Advisory Committee (subject to additional statutory requirements)

OR

2. Provide for a biennial certified audit of its land use assumptions, infrastructure improvements plan and development fees.

Scottsdale Water opted for the biennial certified audit.

3

Background (cont'd)

The audit shall be conducted by “qualified professionals”:

- Not employees or officials of the city
- Did not prepare the IIP
- Defined as professional engineer, surveyor, financial analyst or planner providing services within the scope of their license, education or experience.

The City Auditor’s office contracted with Willdan Financial Services and administered the audit contract.

4

Background (cont'd)

The City is required to post the report on its website and conduct a public hearing within 60 days.

- Posted for Audit Committee meeting: March 10
- Audit Committee voted unanimously (3-0) to accept the report: March 20
- News item posted on City webpage with notice of hearing: March 30
- Public hearing scheduled: April 18 (39 days after initial posting)

Willdan Financial Services will provide an overview of the analysis and results.

5



*CITY OF
SCOTTSDALE, ARIZONA*

BIENNIAL CERTIFIED AUDIT OF LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENT PLANS AND DEVELOPMENT IMPACT FEES

Presented by **Kevin Burnett**

6

BACKGROUND

- City's development impact fees (DIFs) are subject to statutory requirements on how they are assessed, collected, used, and reported (ARS §9-463.05).
- DIFs may be assessed to offset the cost of providing necessary public services to a development.
 - Must be based on Land Use Assumptions (LUA) and an Infrastructure Improvement Plan (IIP) adopted by the City

7

BACKGROUND

- Willdan Financial Services audited the City's:
 - LUA – Prepared by City (November 22, 2017) Updated by Carollo July 2021
 - IIP – Prepared by CH2M Hill (November 22, 2017) Updated by Carollo July 2021
 - Development fee report – Prepared by Confluence Consulting LLC and Raftelis Financial Consultants (March 7, 2018) Updated by Carollo August 2021
 - DIF revenues and expenditures for the periods July 1, 2020 – June 30, 2021 and July 1, 2021 – June 30, 2022.
- Audit completed earlier this year

8

AUDIT OBJECTIVES

Audit scope included reviewing:

1. Land Use Assumptions (LUA)
 - Was development consistent with capital needs?
2. Infrastructure Improvement Plan (IIP)
 - Was the system expanded to accommodate growth?
3. Expenditures
 - Were expenditures made on eligible items?
4. Level of Service
 - Has the City maintained the same level of service for new growth?
5. Permit Sampling
 - Were fees charged correctly?

9

AUDIT RESULTS

1. Review Land Use Assumptions
 - Minor differences between projected and actual development
 - Development looked at a 10-year snapshot
2. Review of Infrastructure Improvement Plan
 - Some projects were completed, some undertaken and not completed, some not yet started.
 - Projects were based on a 10-year horizon
3. Review of Expenditures
 - All of the expenditures were on DIF related projects

10

AUDIT RESULTS (CONTINUED)

4. Level of Service Review

- Appropriate matching of new development and available resources

5. Permit Sampling

- Fees were correctly charged based on development
- Some fees were assessed at older rate based on State Statute:
 - *"A municipality's development fee ordinance shall provide that a new development fee or an increased portion of a modified development fee shall not be assessed against a development for twenty-four months after the date that the municipality issues final approval for a commercial, industrial or multifamily development or the date that the first building permit is issued for a residential development pursuant to an approved site plan or subdivision plat that would increase the number of service units."*
- No inequities in implementing the plan and assessing fees

11

AUDIT CONCLUSIONS

The City's development impact fee program was conducted consistent with and in compliance with ARS §9-463.05

12

QUESTIONS

13

Request:

Hold a public hearing as required by Arizona Revised Statutes §9-463.05(G)(2) to solicit and receive public comment on Report 2304, City of Scottsdale Biennial Certified Audit of Land Use Assumptions, Infrastructure Improvements Plan and Development Fees, for the City's water and wastewater utilities.

14

Quarterly Financial Update Quarter 3

City Treasurer's Office
City Council Meeting – April 18, 2023

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Primary Focus of Quarterly Financial Updates

- Highlight any economic drivers impacting city revenues
- Overview of General Fund revenues and expenditures
 - Sales tax trends
 - Budget to actual variances

2

2

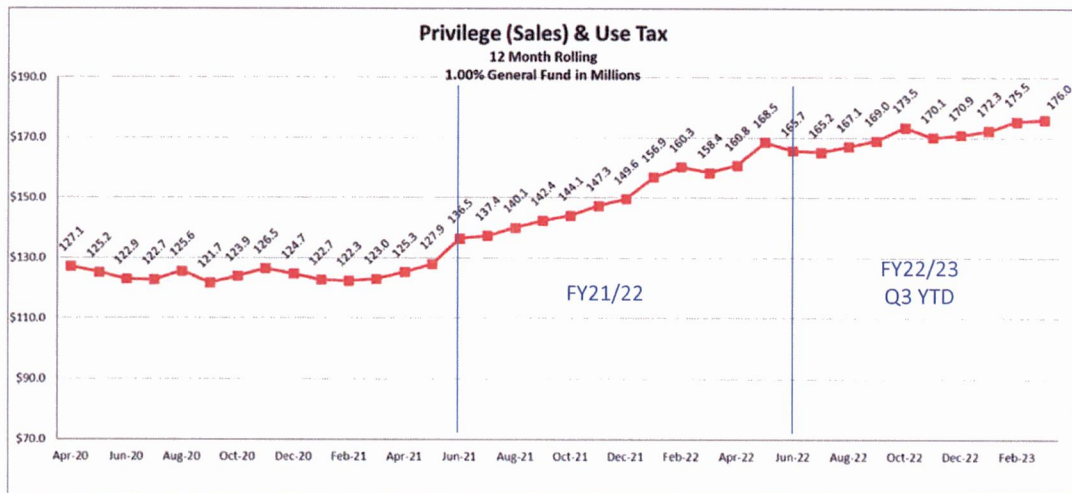
FY2022/23 YTD Q3 (Jul – Mar 2023)

- ❑ Sales tax collections continue to grow but at slower pace
- ❑ Dining and Hotel/Motel categories lead in tax collection growth
- ❑ Total General Fund sources and uses are within budget

3

3

Local Sales Tax Trending (12 month rolling)



4

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General Fund 1.1% Sales Tax – Q3 YTD

General Fund Local Sales Tax: July - March 2023 Up 10% from prior year

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Retail	\$39.5	\$43.3	\$38.9	\$4.4	11%	\$57.8
Rental	\$17.2	\$18.9	\$15.0	\$3.9	26%	\$24.6
Automotive	\$16.9	\$17.0	\$16.7	\$0.3	2%	\$22.3
Dining/Entertainment	\$12.3	\$13.3	\$10.3	\$3.0	29%	\$18.0
Construction	\$10.5	\$12.9	\$10.7	\$2.2	21%	\$15.4
Food Stores	\$7.9	\$7.5	\$7.4	\$0.0	1%	\$11.0
Hotel/Motel	\$7.1	\$8.7	\$6.2	\$2.5	40%	\$12.2
Other	\$20.5	\$22.9	\$19.9	\$3.0	15%	\$29.5
Total	\$131.9	\$144.5	\$125.1	\$19.4	15%	\$190.7

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Total General Fund Sources – Q3 YTD

Total General Fund Revenues: July - March 2023 Up 10% from prior year

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Local Sales Tax	\$131.9	\$144.5	\$125.1	\$19.4	15%	\$190.7
State Shared	\$57.8	\$69.7	\$69.6	\$0.1	0%	\$93.9
Charges for Services	\$11.0	\$11.3	\$9.1	\$2.2	25%	\$14.8
Other	\$88.8	\$91.7	\$66.2	\$25.5	38%	\$119.3
Total	\$289.5	\$317.1	\$270.0	\$47.1	17%	\$418.7

Wtzsime1kikjvshjxk f-4ihzv8

6

6

Total General Fund Uses – Q3 YTD

General Fund Uses: July - March 2023

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Personnel Costs	\$196.1	\$183.5	\$183.5	(\$0.0)	0%	\$238.4
Commodities/Contracts	\$57.1	\$63.5	\$66.2	\$2.8	4%	\$86.7
Transfers	\$15.5	\$41.8	\$40.1	(\$1.6)	-4%	\$85.4
Other	\$2.2	\$2.5	\$1.9	(\$0.6)	-35%	\$2.1
Total	\$271.0	\$291.2	\$291.7	\$0.4	0%	\$412.7

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Total General Fund Uses – By Division – Q3 YTD

General Fund Divisions: July - March 2023

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Mayor/Council/Charter Officers	\$21.3	\$23.8	\$25.4	\$1.6	6%	\$32.6
Administrative Services	\$13.5	\$15.0	\$14.4	(\$0.6)	-4%	\$18.7
Comm & Ec Dev	\$21.4	\$18.6	\$20.3	\$1.7	9%	\$25.1
Community Services	\$29.2	\$35.1	\$34.1	(\$1.0)	-3%	\$45.6
Public Safety - Fire	\$39.8	\$41.4	\$39.9	(\$1.5)	-4%	\$54.2
Public Safety - Police	\$114.5	\$99.1	\$99.6	\$0.5	1%	\$125.3
Public Works	\$15.3	\$16.1	\$17.5	\$1.4	8%	\$22.0
Total	\$255.1	\$249.1	\$251.1	\$2.1	1%	\$323.6

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Questions and Comments?

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