

Monthly Financial Report

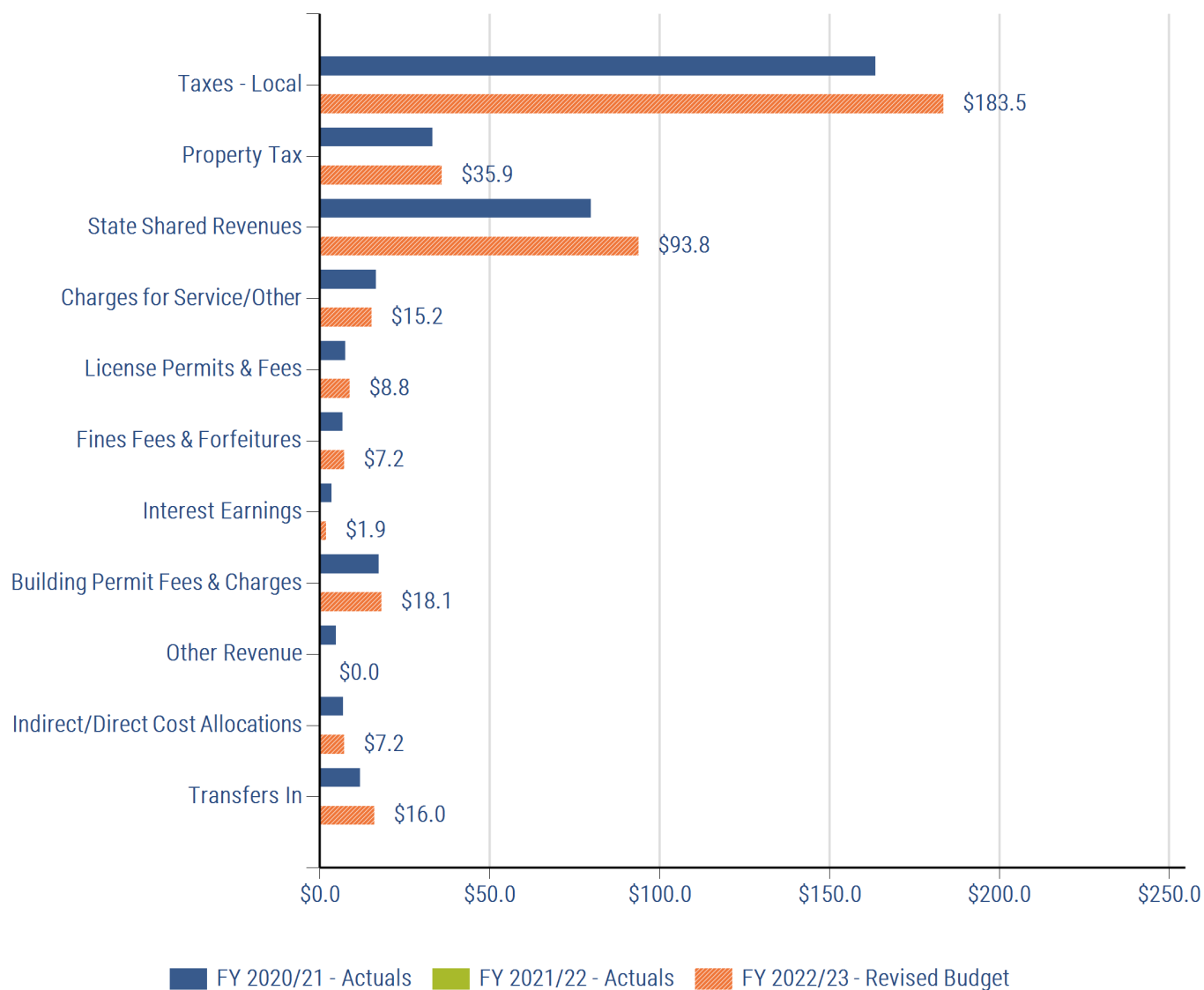
**Fiscal Year to Date as of
August 31, 2022**

Report to the City Council
Prepared by the City Treasurer
October 25, 2022

Sources

General Fund

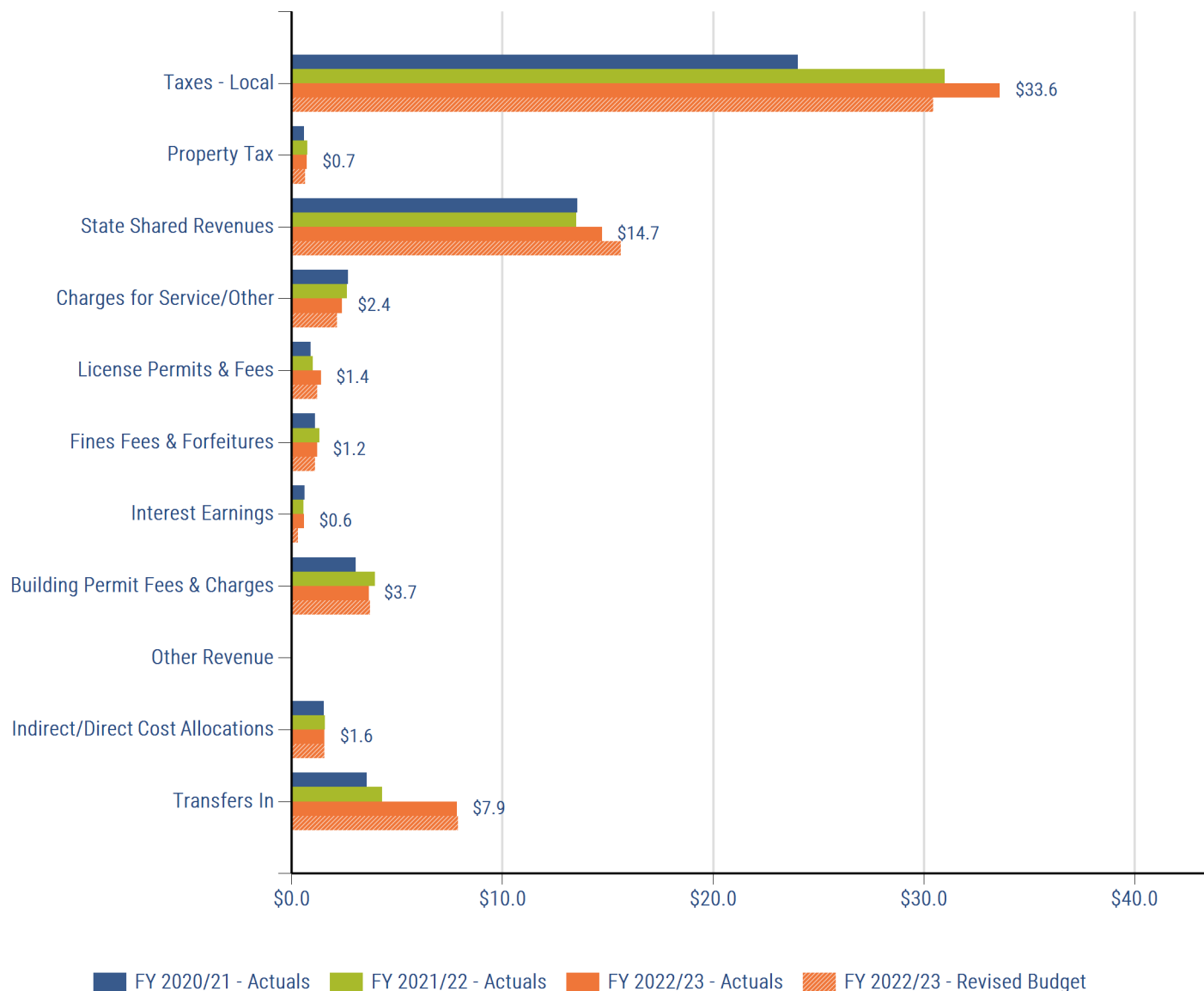
Twelve Months: Fiscal Year



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Revised Budget
Taxes - Local	\$163.5	n/a	\$183.5
Property Tax	33.1	n/a	35.9
State Shared Revenues	79.7	n/a	93.8
Charges for Service/Other	16.5	n/a	15.2
License Permits & Fees	7.6	n/a	8.8
Fines Fees & Forfeitures	6.6	n/a	7.2
Interest Earnings	3.4	n/a	1.9
Building Permit Fees & Charges	17.4	n/a	18.1
Other Revenue	4.7	n/a	-
Indirect/Direct Cost Allocations	6.9	n/a	7.2
Transfers In	11.9	n/a	16.0
Total Sources	\$351.5	n/a	\$387.7

Note: FY 2021/22 twelve month actuals are not available at this time. Once completed, they will be included within the report.

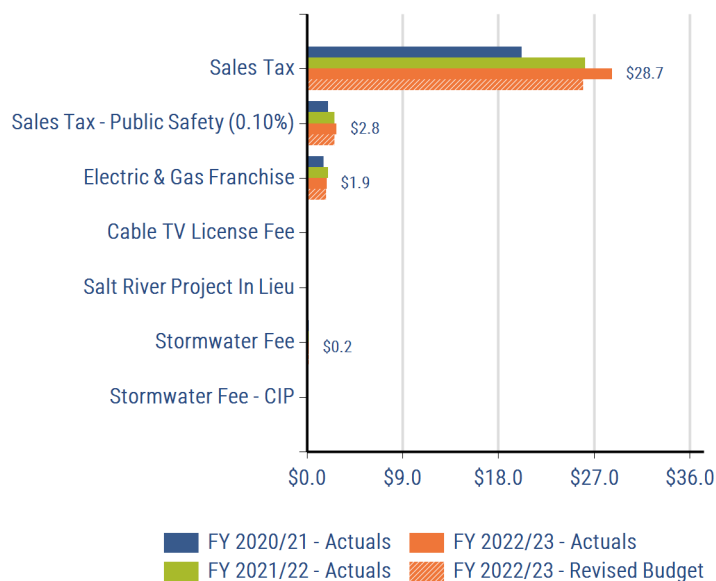
Sources (Fiscal Year to Date: August 2022)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Taxes - Local	\$24.0	\$31.0	\$33.6	\$30.5	\$3.1	10%
Property Tax	0.6	0.8	0.7	0.7	0.1	12%
State Shared Revenues	13.6	13.5	14.7	15.6	(0.9)	(6%)
Charges for Service/Other	2.7	2.6	2.4	2.2	0.2	11%
License Permits & Fees	0.9	1.0	1.4	1.2	0.2	15%
Fines Fees & Forfeitures	1.1	1.3	1.2	1.1	0.1	9%
Interest Earnings	0.6	0.6	0.6	0.3	0.3	84%
Building Permit Fees & Charges	3.1	4.0	3.7	3.7	(0.1)	(2%)
Other Revenue	-	-	-	-	-	-
Indirect/Direct Cost Allocations	1.5	1.6	1.6	1.6	-	-
Transfers In	3.6	4.3	7.9	7.9	-	-
Total Sources	\$51.7	\$60.6	\$67.8	\$64.8	\$3.0	5%

\$ in millions / rounding differences may occur

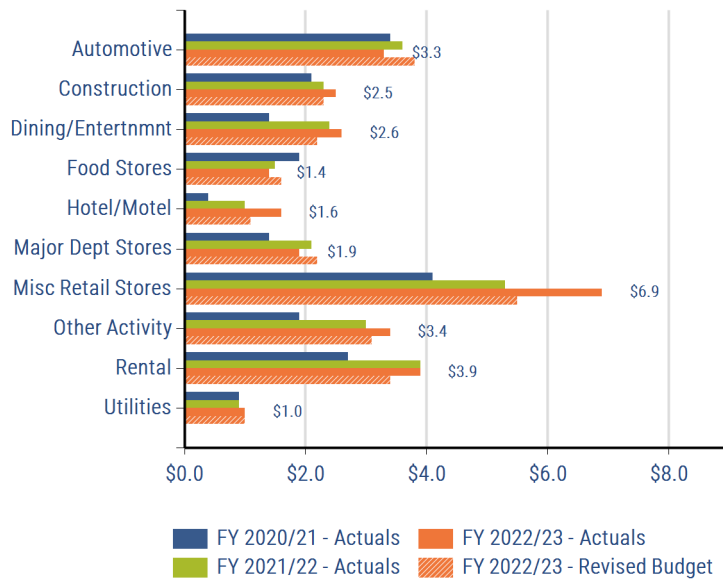
Taxes - Local (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$3.1 million or 10%:
The favorable variance is primarily due to Sales Tax. See detailed Sales Tax information on page 5.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax	\$20.2	\$26.2	\$28.7	\$26.0	\$2.7	11%
Sales Tax - Public Safety (0.10%)	2.0	2.6	2.8	2.6	0.3	11%
Electric & Gas Franchise	1.6	2.0	1.9	1.8	0.1	7%
Cable TV License Fee	-	-	-	-	-	-
Salt River Project In Lieu	-	0.1	-	-	-	-
Stormwater Fee	0.2	0.2	0.2	0.2	-	-
Stormwater Fee - CIP	-	-	-	-	-	-
Taxes - Local Total	\$24.0	\$31.0	\$33.6	\$30.5	\$3.1	10%

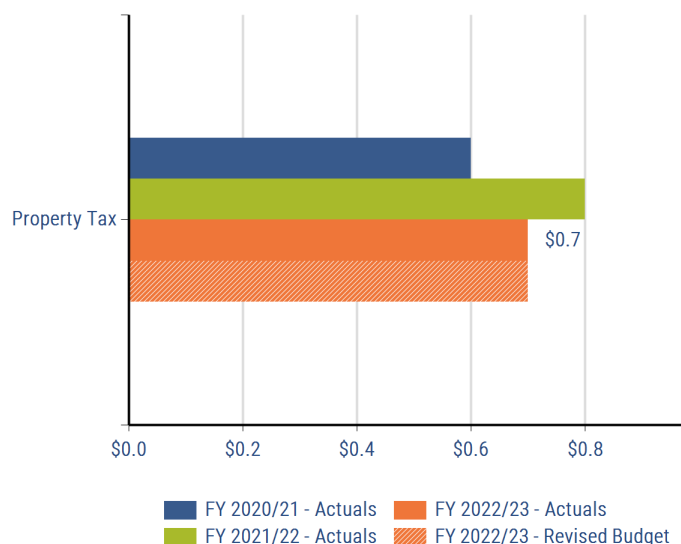
Sales Tax (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$2.7 million or 11%:
 The favorable variance is due to: 1) Dining/Entertainment - supply chain issues and inflation are causing higher prices, and also due to restaurants doing better than anticipated; 2) Hotel/Motel - an unbudgeted tax settlement payment was received; 3) Misc. Retail Stores - new retailers plus a retailer reporting an infrequent large taxable transaction, and also due to inflation raising prices; and 4) Rental - a one-time taxable speculative sale of an apartment complex and also increasing rental rates. The favorable variance would have been greater but is being offset by Automotive - due to decreased sales from motor vehicle dealerships.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Automotive	\$3.4	\$3.6	\$3.3	\$3.8	(\$0.5)	(12%)
Construction	2.1	2.3	2.5	2.3	0.3	12%
Dining/Entertainment	1.4	2.4	2.6	2.2	0.4	18%
Food Stores	1.9	1.5	1.4	1.6	(0.1)	(7%)
Hotel/Motel	0.4	1.0	1.6	1.1	0.6	54%
Major Dept Stores	1.4	2.1	1.9	2.2	(0.2)	(11%)
Misc Retail Stores	4.1	5.3	6.9	5.5	1.4	25%
Other Activity	1.9	3.0	3.4	3.1	0.4	13%
Rental	2.7	3.9	3.9	3.4	0.5	16%
Utilities	0.9	0.9	1.0	1.0	-	-
Sales Tax Total	\$20.2	\$26.2	\$28.7	\$26.0	\$2.7	11%

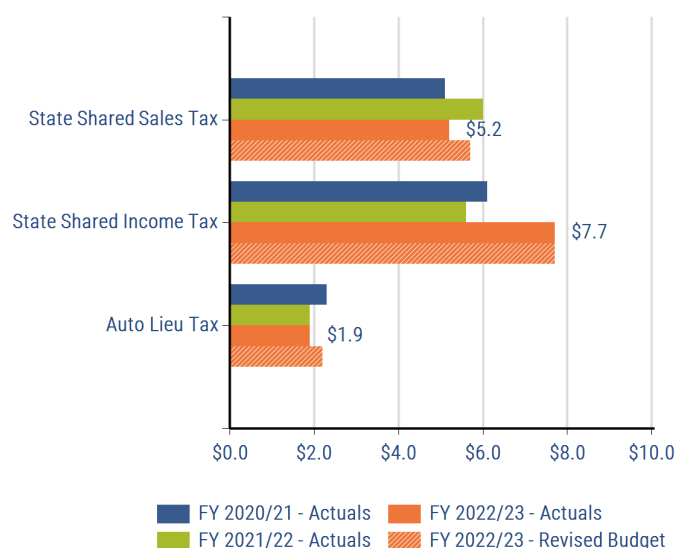
Property Tax (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$0.1 million or 12%: The favorable variance is due to budget timing and the timing of payments. Budget is based on a three-year average and may vary year over year.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Property Tax	\$0.6	\$0.8	\$0.7	\$0.7	\$0.1	12%
Property Tax Total	\$0.6	\$0.8	\$0.7	\$0.7	\$0.1	12%

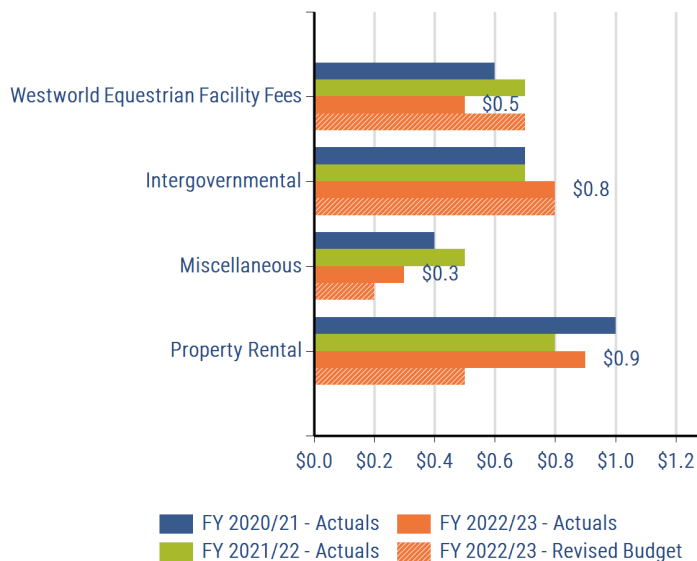
State Shared Revenues (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of (\$0.9) million or (6%): It is unclear if State Shared Sales Tax is unfavorable due to timing and/or a reduction in collections. It is unclear if Auto Lieu Tax is unfavorable due to budget timing or if we will be trending unfavorable this year due to revised population counts and less vehicle license tax taken in by the State due to the chip shortage despite an increased demand for used cars.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
State Shared Sales Tax	\$5.1	\$6.0	\$5.2	\$5.7	(\$0.5)	(8%)
State Shared Income Tax	6.1	5.6	7.7	7.7	(0.1)	(1%)
Auto Lieu Tax	2.3	1.9	1.9	2.2	(0.4)	(16%)
State Shared Revenues Total	\$13.6	\$13.5	\$14.7	\$15.6	(\$0.9)	(6%)

Charges for Service/Other (Fiscal Year to Date: August 2022)

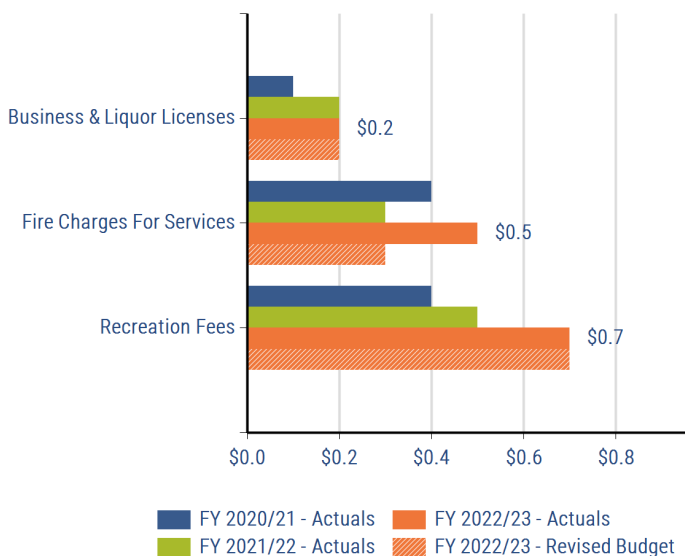


Actual to Revised Budget variance of \$0.2 million or 11%: WestWorld Equestrian Fees is unfavorable primarily due to revenues planned for in FY 2022/23 were recorded in FY 2021/22. Miscellaneous is favorable primarily due to increased planning and development late fees,

which are traditionally not budgeted for. Property Rental is favorable primarily due to advanced payments for cell tower and outdoor dining leases.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Westworld Equestrian Facility Fees	\$0.6	\$0.7	\$0.5	\$0.7	(\$0.2)	(32%)
Intergovernmental	0.7	0.7	0.8	0.8	-	-
Miscellaneous	0.4	0.5	0.3	0.2	0.1	39%
Property Rental	1.0	0.8	0.9	0.5	0.3	67%
Charges for Service/Other Total	\$2.7	\$2.6	\$2.4	\$2.2	\$0.2	11%

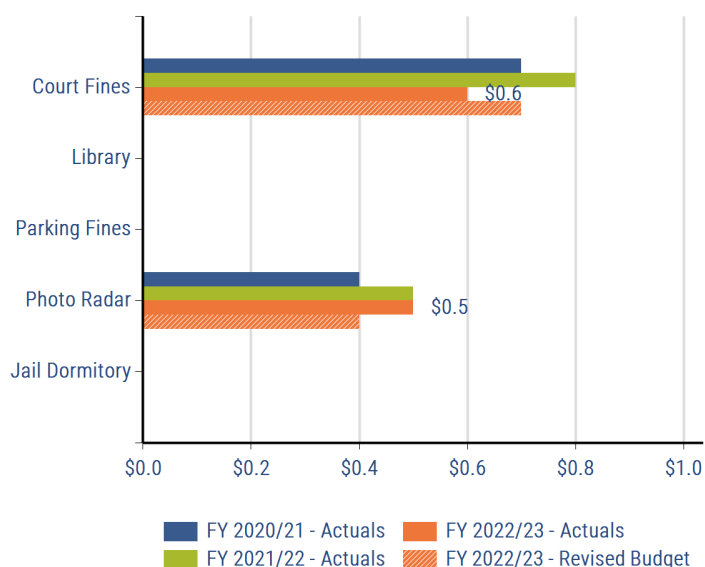
License Permits & Fees (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$0.2 million or 15%: Fire Charges for Services is favorable primarily due to fines received for non-standard response times on ambulance calls based on the contract.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Business & Liquor Licenses	\$0.1	\$0.2	\$0.2	\$0.2	\$ -	-
Fire Charges For Services	0.4	0.3	0.5	0.3	0.2	61%
Recreation Fees	0.4	0.5	0.7	0.7	-	-
License Permits & Fees Total	\$0.9	\$1.0	\$1.4	\$1.2	\$0.2	15%

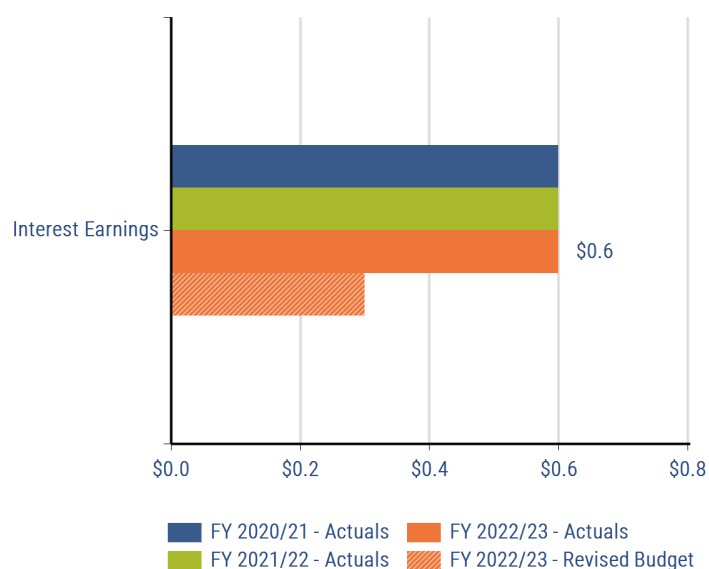
Fines Fees & Forfeitures (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$0.1 million or 9%: Photo Radar is favorable primarily due to photo enforcement adjudications being up 34% over the same time last year.

	<u>FY 2020/21 Actuals</u>	<u>FY 2021/22 Actuals</u>	<u>FY 2022/23 Actuals</u>	<u>FY 2022/23 Revised Budget</u>	<u>Actual vs. Budget Favorable / (Unfavorable)</u>	
					<u>Amount</u>	<u>Percent</u>
Court Fines	\$0.7	\$0.8	\$0.6	\$0.7	\$ -	-
Library	-	-	-	-	-	-
Parking Fines	-	-	-	-	-	-
Photo Radar	0.4	0.5	0.5	0.4	0.1	28%
Jail Dormitory	-	-	-	-	-	-
Fines Fees & Forfeitures Total	\$1.1	\$1.3	\$1.2	\$1.1	\$0.1	9%

Interest Earnings (Fiscal Year to Date: August 2022)



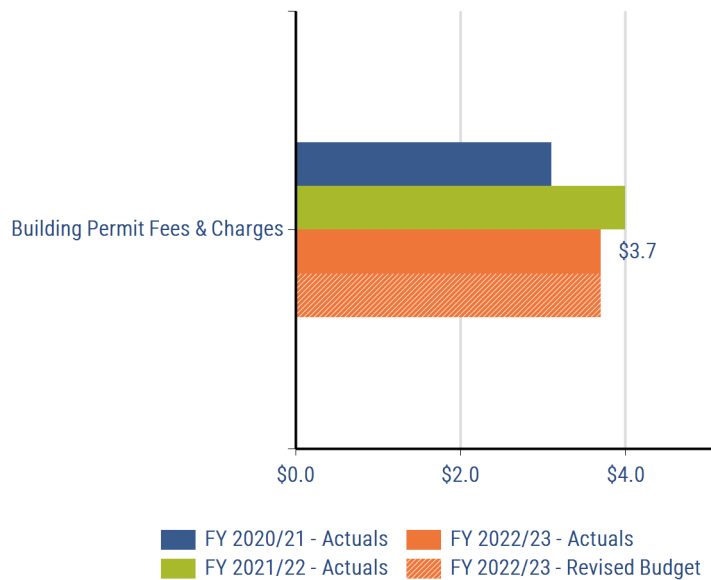
Actual to Revised Budget variance of \$0.3 million or 84%: Favorable variance is due to the approximate rate of return being higher than expected.

	<u>FY 2020/21 Actuals</u>	<u>FY 2021/22 Actuals</u>	<u>FY 2022/23 Actuals</u>	<u>FY 2022/23 Revised Budget</u>	<u>Actual vs. Budget Favorable / (Unfavorable)</u>	
					<u>Amount</u>	<u>Percent</u>
Interest Earnings	\$0.6	\$0.6	\$0.6	\$0.3	\$0.3	84%
Interest Earnings Total	\$0.6	\$0.6	\$0.6	\$0.3	\$0.3	84%

\$ in millions / rounding differences may occur

Building Permit Fees & Charges (Fiscal Year to Date: August 2022)

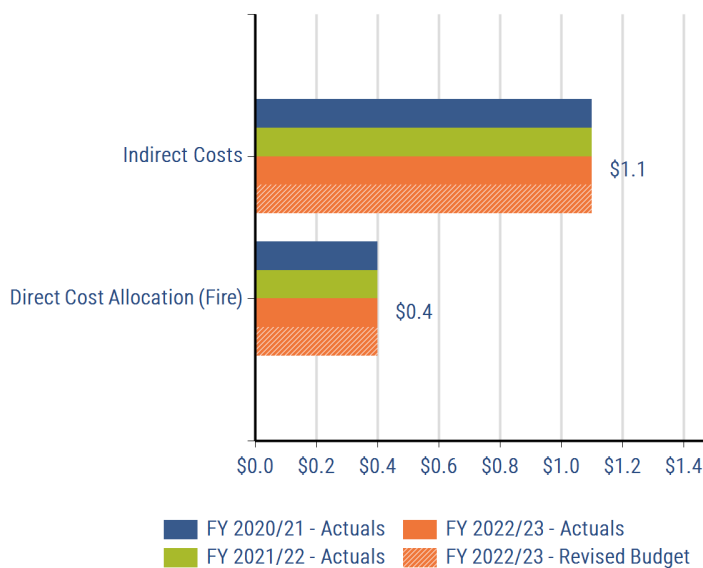
Actual to Revised Budget variance of (\$0.1) million or (2%):
Unfavorable variance is due to timing.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Building Permit Fees & Charges	\$3.1	\$4.0	\$3.7	\$3.7	(\$0.1)	(2%)
Building Permit Fees & Charges Total	\$3.1	\$4.0	\$3.7	\$3.7	(\$0.1)	(2%)

Indirect/Direct Cost Allocations (Fiscal Year to Date: August 2022)

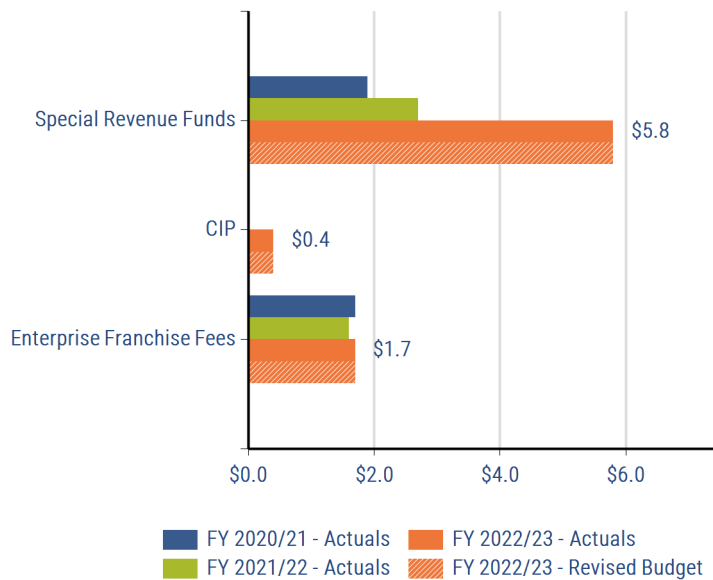
Actual to Revised Budget variance of \$0.0 million or 0%:
No explanation necessary.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Indirect Costs	\$1.1	\$1.1	\$1.1	\$1.1	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
Indirect/Direct Cost Allocations Total	\$1.5	\$1.6	\$1.6	\$1.6	\$ -	-

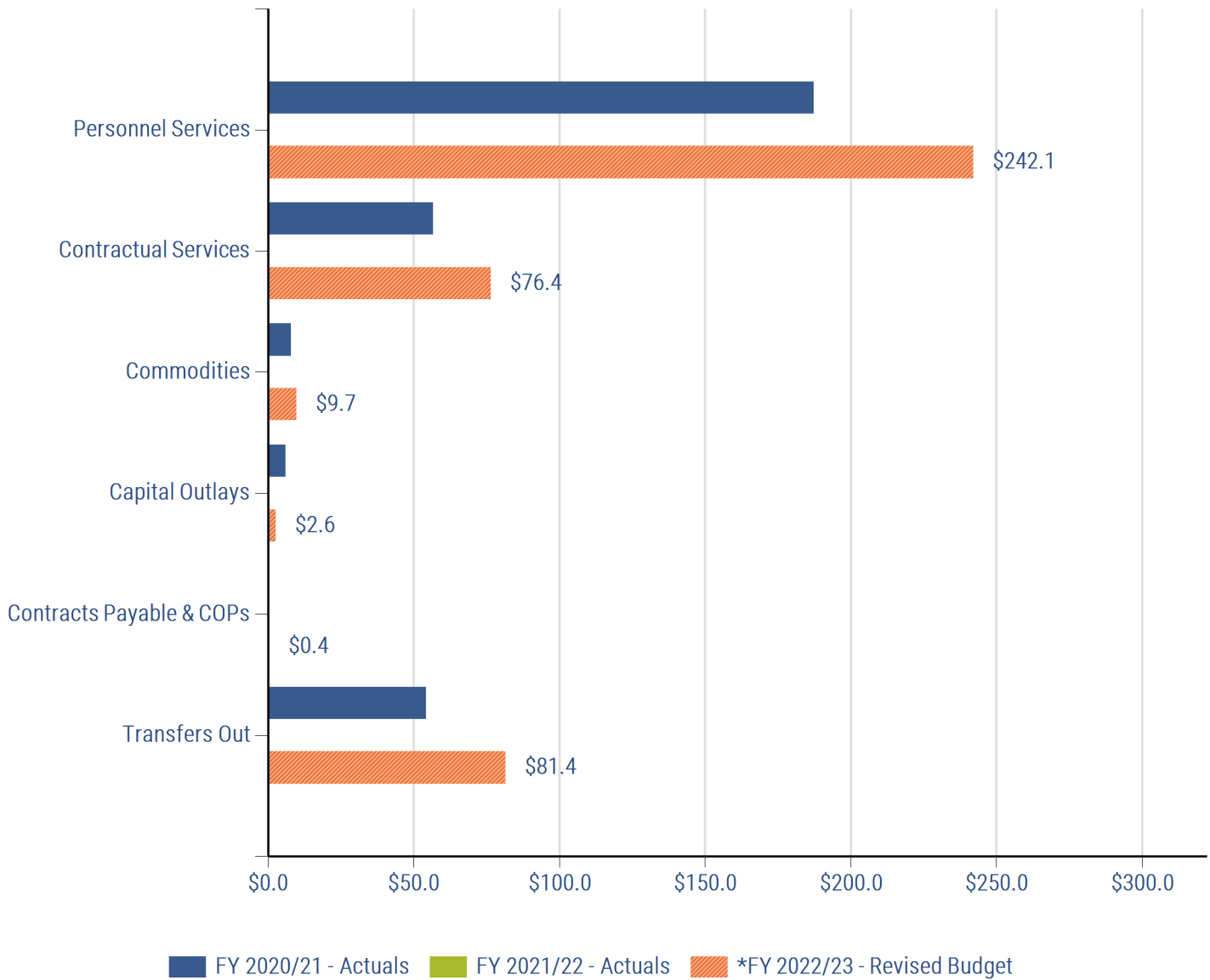
Transfers In (Fiscal Year to Date: August 2022)

Actual to Revised Budget variance of \$0.0 million or 0%:
No explanation necessary.



	FY 2020/21	FY 2021/22	FY 2022/23	FY 2022/23	Actual vs. Budget	
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Special Revenue Funds	\$1.9	\$2.7	\$5.8	\$5.8	\$ -	-
CIP	-	-	0.4	0.4	-	-
Enterprise Franchise Fees	1.7	1.6	1.7	1.7	-	-
Transfers In Total	\$3.6	\$4.3	\$7.9	\$7.9	\$ -	-

Twelve Months: Fiscal Year

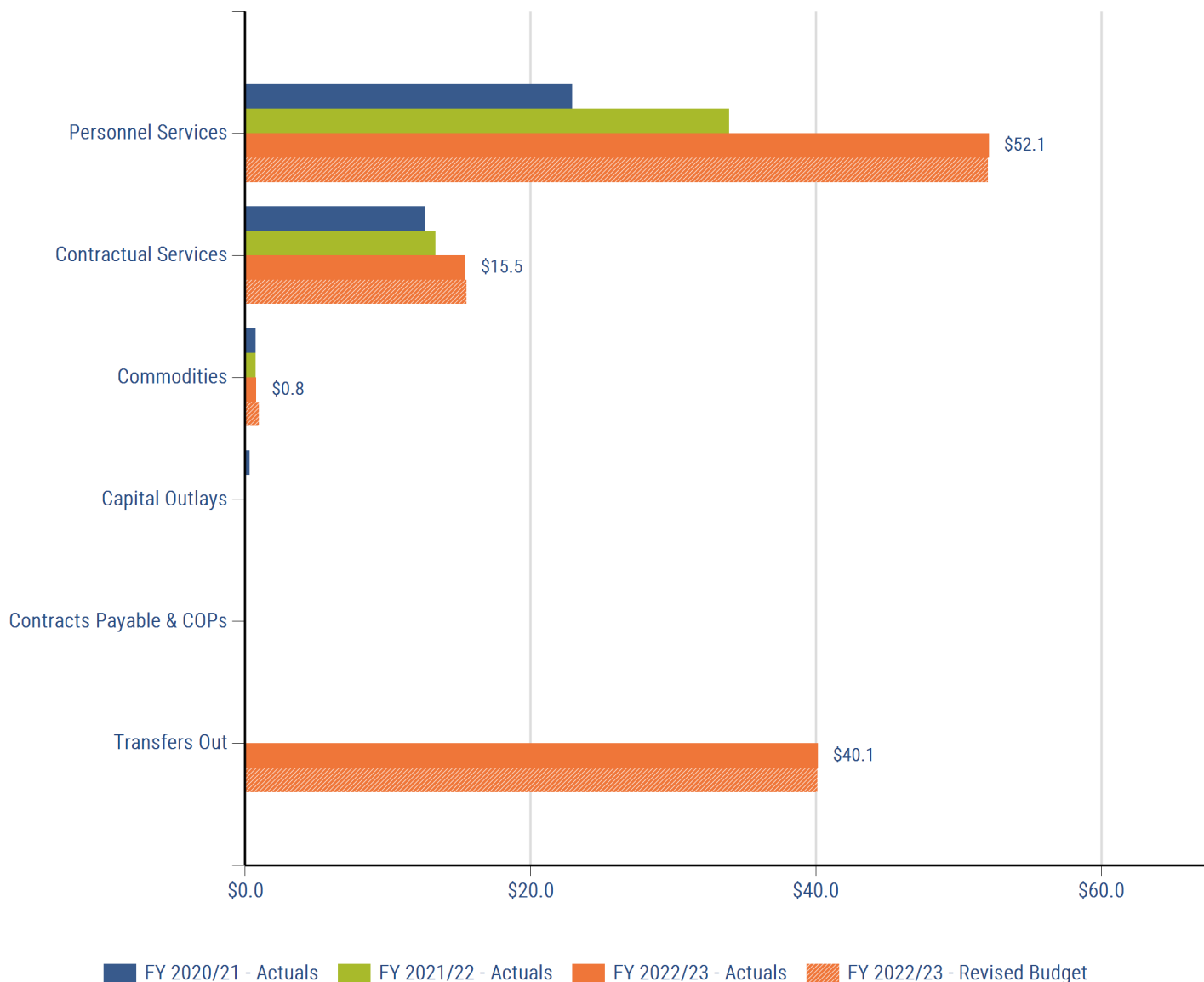


	FY 2020/21 <u>Actuals</u>	FY 2021/22 <u>Actuals</u>	FY 2022/23 <u>Revised Budget</u>
Personnel Services	\$187.3	n/a	\$242.1
Contractual Services	56.6	n/a	76.4
Commodities	7.8	n/a	9.7
Capital Outlays	6.0	n/a	2.6
Contracts Payable & COPs	0.4	n/a	0.4
Transfers Out	54.3	n/a	81.4
Total Uses	\$312.5	n/a	\$412.8

*Includes budgeted vacancy savings net of Leave Accrual Payouts, Utilities, Fleet Maintenance and Fuel costs.

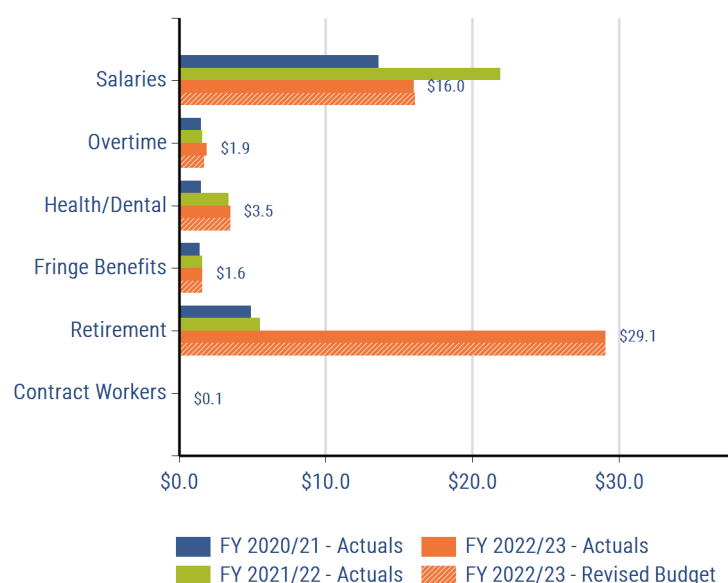
Note: FY 2021/22 twelve month actuals are not available at this time. Once completed, they will be included within the report.

Uses (Fiscal Year to Date: August 2022)



	FY 2020/21	FY 2021/22	FY 2022/23	FY 2022/23	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$22.9	\$33.9	\$52.1	\$52.1	(\$0.1)	0%
Contractual Services	12.6	13.3	15.5	15.5	0.1	0%
Commodities	0.7	0.7	0.8	1.0	0.2	20%
Capital Outlays	0.3	-	-	-	-	-
Contracts Payable & COPs	-	-	-	-	-	-
Transfers Out	-	-	40.1	40.1	-	-
Total Uses	\$36.6	\$48.1	\$108.6	\$108.8	\$0.2	0%

Personnel Services (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of (\$0.1) million or 0%: Salaries is favorable primarily due to new personnel, sworn and civilian, having a lower salary rate than those they replaced and also savings in part-time wages due to vacancies. Overtime is unfavorable due to a total of 42 firefighters out for workers compensation injuries, off-duty injuries, COVID protocols, and FMLA. Adding to the unfavorable variance is overtime used for a large special event season which required Fire Department presence, and paramedic school for new employees to help with the attrition rate. While there is no Retirement variance to report on, Budget and Actuals are significantly higher in FY 2022/23 than in previous years due to a prepayment for Public Safety - Police and Fire annual contributions in an effort to lower the city's unfunded liability with PSPRS.

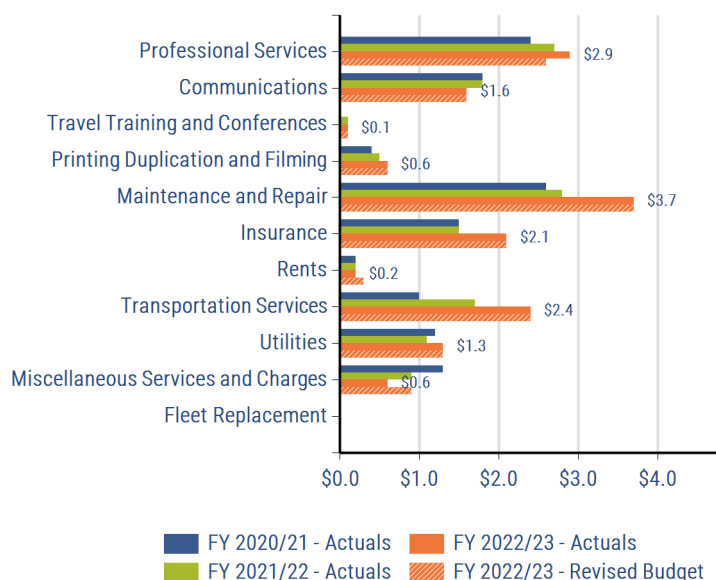
	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Salaries	\$13.6	\$21.9	\$16.0	\$16.1	\$0.2	1%
Overtime	1.5	1.6	1.9	1.7	(0.2)	(13%)
Health/Dental	1.5	3.4	3.5	3.5	-	-
Fringe Benefits	1.4	1.6	1.6	1.6	-	-
Retirement	4.9	5.5	29.1	29.1	-	-
Contract Workers	-	-	0.1	0.1	-	-
Personnel Services Total	\$22.9	\$33.9	\$52.1	\$52.1	(\$0.1)	0%

Personnel Services Citywide Adjustments

	FY 2022/23 Adopted Budget	FY 2022/23 Year-To-Date Saved/(Used)	Remaining
Citywide Pay Program	\$5.4	(\$3.1)	\$2.3
Vacancy Savings	(7.4)	2.0	(5.3)
Medical Leave Payouts	1.3	(0.2)	1.1
Vacation Leave Payouts	1.0	(0.2)	0.8
Vacation Trade Payouts	1.3	-	1.3
Compensation Other	10.4	(10.4)	-
Personnel Services Citywide Adjustments Total	\$11.9	(\$11.8)	

Total Saved/(Used) YTD of (\$11.8) million: Expenses in Citywide Pay Program and Compensation Other were used to support employees salaries when evaluated against inflation impacts and also to provide merit based pay increases to employees meeting or exceeding performance expectations. In addition, the city has achieved \$2.0 million in vacancy savings. This is partially offset by (\$0.4 million) in vacation and medical leave payouts.

Contractual Services (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$0.1 million or 0%: Professional Services is unfavorable due primarily to an earlier payment for the Scottsdale Arts contract than initially planned. The Scottsdale Arts contract and resolution is used to administer the city's arts and cultural activities. The unfavorable variance would have been greater but is being offset by the timing of invoices for large city projects and initiatives. Rents is favorable variance due to timing of equipment needed for the Bell Road Sports Complex and invoice timing. Miscellaneous Services and Charges is favorable due to invoice timing for communication and dispatch services that is contracted with Phoenix Fire Department.

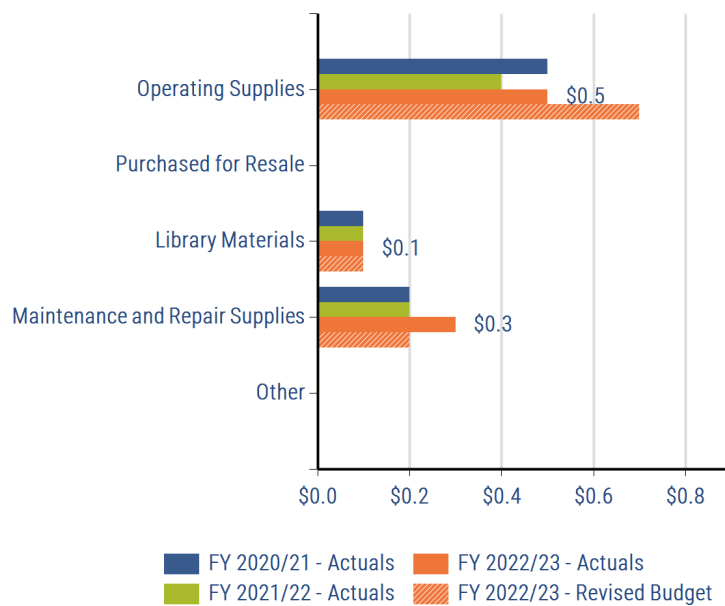
	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Professional Services	\$2.4	\$2.7	\$2.9	\$2.6	(\$0.3)	(11%)
Communications	1.8	1.8	1.6	1.6	-	-
Travel Training and Conferences	-	0.1	0.1	0.1	-	-
Printing Duplication and Filming	0.4	0.5	0.6	0.6	-	-
Maintenance and Repair	2.6	2.8	3.7	3.7	-	-
Insurance	1.5	1.5	2.1	2.1	-	-
Rents	0.2	0.2	0.2	0.3	0.1	24%
Transportation Services	1.0	1.7	2.4	2.4	-	-
Utilities	1.2	1.1	1.3	1.3	-	-
Miscellaneous Services and Charges	1.3	0.9	0.6	0.9	0.3	30%
Contractual Services Total	\$12.6	\$13.3	\$15.5	\$15.5	\$0.1	0%

Contractual Services Citywide Adjustments

	FY 2022/23 Adopted Budget	FY 2022/23 Year-To-Date	
		Used	Remaining
Fleet Replacement	\$8.1	(\$8.1)	\$ -
Fuel and Maint and Repair	6.0	(1.1)	4.9
Utilities	8.4	(1.3)	7.1
Contractual Services Citywide Adjustments Total	\$22.5	(\$10.5)	\$12.0

Total Saved/(Used) YTD of (\$10.5) million: Through August, utilities are trending higher due to increased water usage and higher than anticipated market rates for electric usage.

Commodities (Fiscal Year to Date: August 2022)

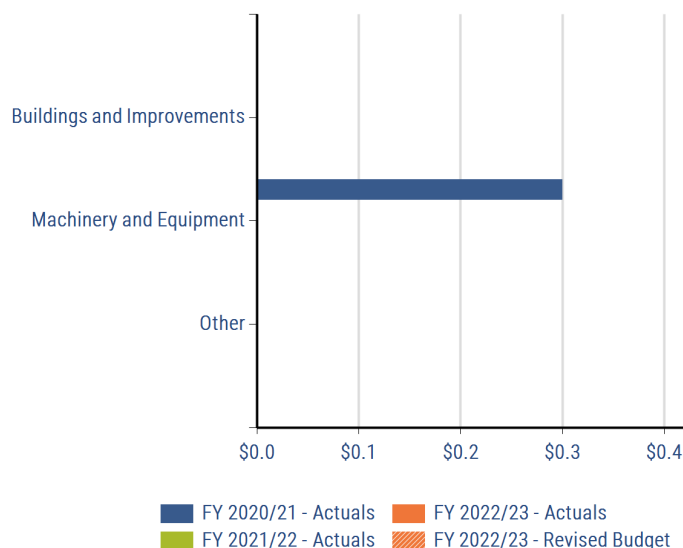


Actual to Revised Budget variance of \$0.2 million or 20%: Operating Supplies is favorable due primarily to the timing of training costs while the Public Safety - Fire and Police training facility is under construction. Adding to the favorable variance is the use of grant funds for equipment that was initially budgeted in the General Fund. The variance would have been greater but is being offset by additional uniform purchases made for new firefighter recruits to replace staff that are leaving or have already left and also due to supplies arriving now versus last fiscal year when they were ordered due to supply chain issues. Maintenance and Repair Supplies is unfavorable due to increased costs and supply chain issues associated with items that are needing repair or need to be replaced at various locations throughout the city. Adding to the unfavorable variance is a large purchase of irrigation repair materials ahead of schedule.

	<u>FY 2020/21</u> <u>Actuals</u>	<u>FY 2021/22</u> <u>Actuals</u>	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2022/23</u> <u>Revised</u> <u>Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u>	
					<u>Amount</u>	<u>Percent</u>
Operating Supplies	\$0.5	\$0.4	\$0.5	\$0.7	\$0.2	33%
Purchased for Resale	-	-	-	-	-	-
Library Materials	0.1	0.1	0.1	0.1	-	-
Maintenance and Repair Supplies	0.2	0.2	0.3	0.2	(0.1)	(46%)
Other	-	-	-	-	-	-
Commodities Total	\$0.7	\$0.7	\$0.8	\$1.0	\$0.2	20%

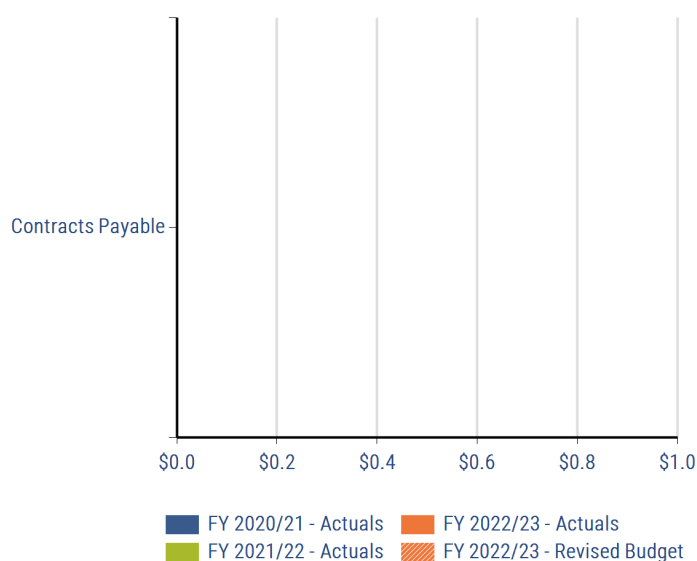
Capital Outlays (Fiscal Year to Date: August 2022)

Actual to Revised Budget variance of \$0.0 million or 0%:
No explanation necessary.



	FY 2020/21	FY 2021/22	FY 2022/23	FY 2022/23	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Buildings and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-
Machinery and Equipment	0.3	-	-	-	-	-
Other	-	-	-	-	-	-
Capital Outlays Total	\$0.3	\$0.0	\$0.0	\$0.0	\$ -	-

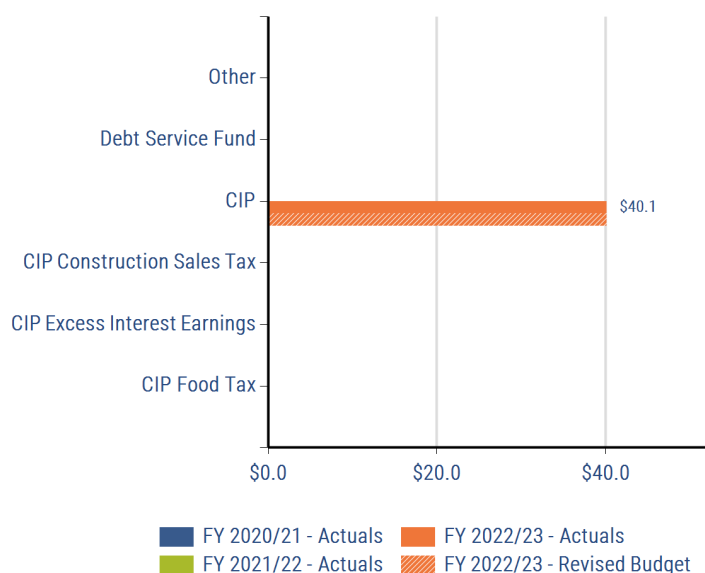
Contracts Payable & COPs (Fiscal Year to Date: August 2022)



Actual to Revised Budget variance of \$0.0 million or 0%:
No explanation necessary.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contracts Payable & COPs Total	\$0.0	\$0.0	\$0.0	\$0.0	\$ -	-

Transfers Out (Fiscal Year to Date: August 2022)

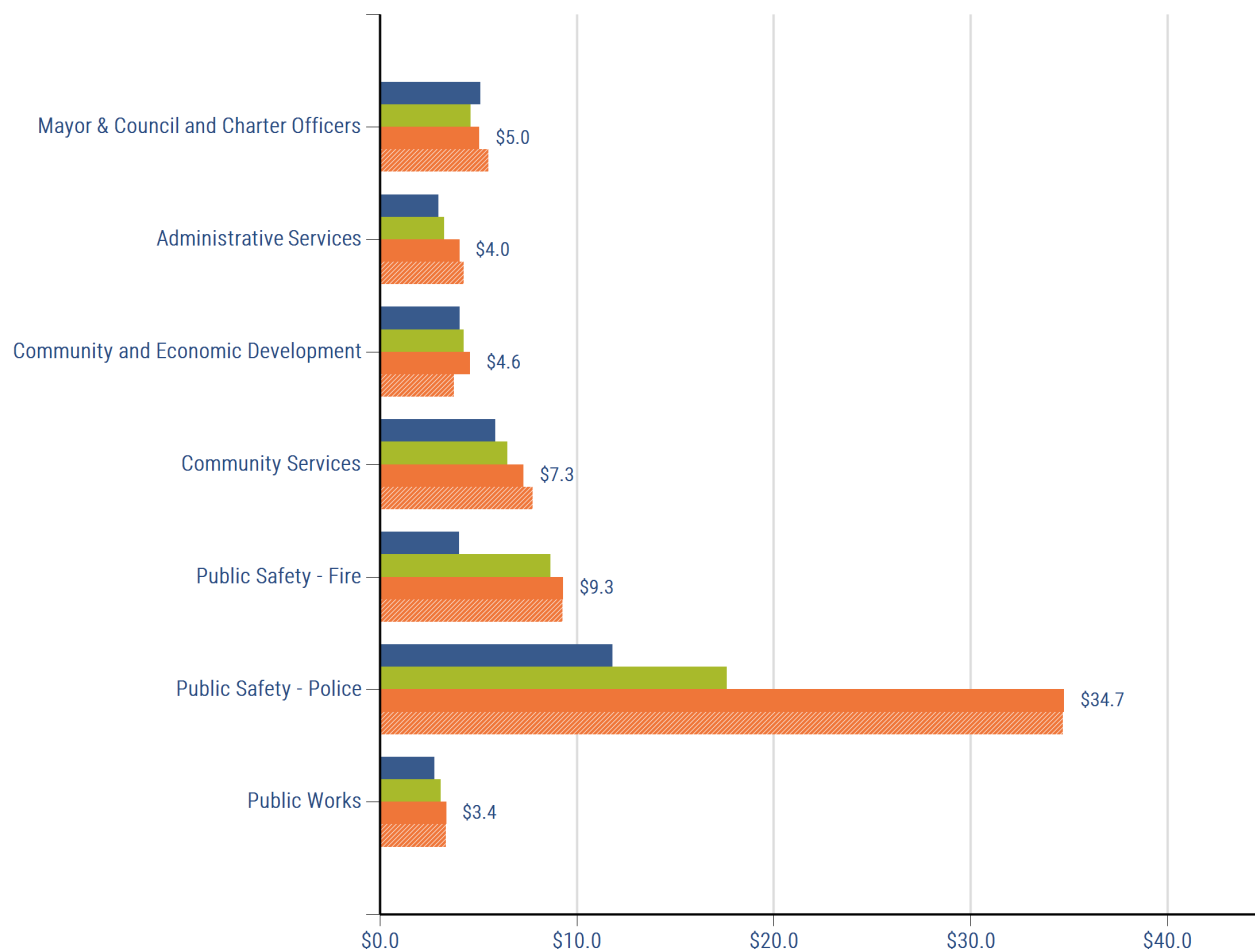


Actual to Revised Budget variance of \$0.0 million or 0%:
While there is no variance to report for Transfers Out - CIP, Budget and Actuals are significantly higher in FY 2022/23 due to planned budget transfers from General Fund to CIP to be allocated towards various CIP projects and Bond 2019 projects that were recognized to have shortfalls during the construction process.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Other	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Debt Service Fund	-	-	-	-	-	-
CIP	-	-	40.1	40.1	-	-
CIP Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
CIP Food Tax	-	-	-	-	-	-
Transfers Out Total	\$0.0	\$0.0	\$40.1	\$40.1	\$ -	-

\$ in millions / rounding differences may occur

Division Expenditures (Fiscal Year to Date: August 2022)



■ FY 2020/21 - Actuals ■ FY 2021/22 - Actuals ■ FY 2022/23 - Actuals ■ FY 2022/23 - Revised Budget

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$5.1	\$4.6	\$5.0	\$5.5	\$0.5	8%
Administrative Services	3.0	3.3	4.0	4.3	0.2	5%
Community and Economic Development	4.1	4.3	4.6	3.8	(0.8)	(22%)
Community Services	5.9	6.5	7.3	7.8	0.5	6%
Public Safety - Fire	4.0	8.7	9.3	9.3	-	-
Public Safety - Police	11.8	17.6	34.7	34.7	-	-
Public Works	2.8	3.1	3.4	3.3	-	-
Total	\$36.6	\$48.0	\$68.4	\$68.6	\$0.2	0%

Actual to Revised Budget variance of \$0.2 million or 0%:

Mayor & Council and Charter Officers is favorable due to the timing of city-wide initiatives and software purchases and also due to vacancy savings.

Administrative Services is favorable due to invoice timing for large software products used city-wide.

Community and Economic Development is unfavorable primarily due to the timing of payments for the Scottsdale Art contract to cultivate the city's cultural activities and arts.

Community Services is favorable due to timing of the Indian School Park Master Plan, new personnel having a lower salary than those they replaced, savings from vacant part-time positions, and also timing.