



Quarterly Financial Update Quarter 2

City Treasurer's Office

City Council Meeting – February 21, 2023

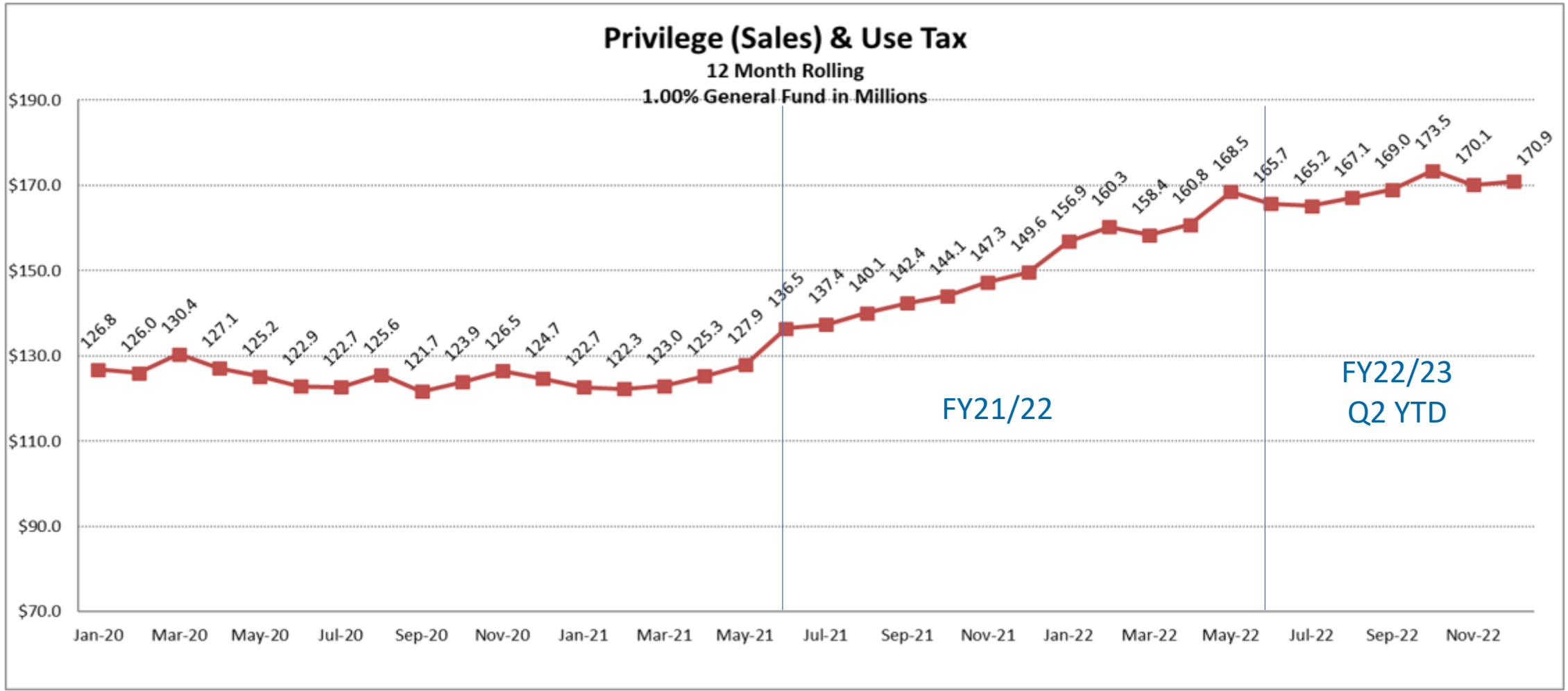
Primary Focus of Quarterly Financial Updates

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

FY2022/23 YTD Q2 (Jul – Dec 2022)

- ❑ Sales tax growth tapering as consumers rein in spending
- ❑ Dining and Hotel/Motel tax collections remain strong
- ❑ Overall General Fund revenues and expenditures are within budget

Local Sales Tax Trending



General Fund 1.1% Sales Tax – Q2 YTD

General Fund Local Sales Tax: July - December 2022 Up 8% from prior year

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Retail	\$24.6	\$27.2	\$25.1	\$2.2	9%	\$51.7
Rental	\$11.3	\$11.7	\$10.5	\$1.2	12%	\$20.6
Automotive	\$11.0	\$11.1	\$11.2	(\$0.1)	-1%	\$23.4
Dining/Entertainment	\$7.9	\$8.1	\$6.7	\$1.5	22%	\$15.0
Construction	\$7.3	\$8.7	\$7.4	\$1.2	17%	\$14.2
Food Stores	\$4.4	\$4.5	\$4.5	(\$0.0)	-1%	\$10.0
Hotel/Motel	\$4.1	\$5.0	\$3.5	\$1.5	43%	\$8.8
Other	\$12.9	\$14.3	\$13.1	\$1.2	9%	\$26.4
Total	\$83.5	\$90.5	\$81.9	\$8.6	10%	\$170.1

Total General Fund Sources – Q2 YTD

Total General Fund Revenues: July - December 2022

Up 8% from prior year

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Local Sales Tax	\$83.5	\$90.5	\$81.9	\$8.6	10%	\$170.1
State Shared	\$38.8	\$45.9	\$46.2	(\$0.3)	-1%	\$92.5
Charges for Services	\$7.3	\$6.2	\$5.6	\$0.6	11%	\$14.2
Other	\$48.9	\$50.7	\$47.6	\$3.0	6%	\$95.8
Total	\$178.5	\$193.3	\$181.3	\$11.9	7%	\$372.7

Total General Fund Uses – Q2 YTD

General Fund Uses: July - December 2022

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Personnel Costs	\$133.1	\$116.9	\$116.5	(\$0.4)	0%	\$241.8
Commodities/Contracts	\$36.8	\$44.1	\$46.2	\$2.0	4%	\$85.2
Transfers	\$9.3	\$41.8	\$40.1	(\$1.6)	-4%	\$84.7
Other	\$1.6	\$0.9	\$0.8	(\$0.1)	-16%	\$2.5
Total	\$180.7	\$203.7	\$203.6	(\$0.1)	0%	\$414.3

Total General Fund Uses – By Division – Q2 YTD

General Fund Divisions: July - December 2022

(in millions)	FY22 Actuals	FY23 Actuals	FY23 Budget	Budget Variance	Budget Variance	FY23 Forecast
Mayor/Council/Charter						
Officers	\$14.2	\$15.6	\$17.1	\$1.6	9%	\$33.0
Administrative Services	\$9.8	\$11.2	\$10.0	(\$1.2)	-12%	\$18.9
Comm & Ec Dev	\$11.6	\$12.4	\$13.4	\$1.0	7%	\$25.4
Community Services	\$19.2	\$22.4	\$22.5	\$0.1	0%	\$44.6
Public Safety - Fire	\$25.7	\$26.9	\$25.3	(\$1.6)	-6%	\$53.7
Public Safety - Police	\$80.8	\$63.1	\$63.6	\$0.5	1%	\$126.1
Public Works	\$10.1	\$10.4	\$11.1	\$0.8	7%	\$20.3
Total	\$171.4	\$162.0	\$163.1	\$1.1	1%	\$322.0

Questions and Comments?



Quarterly CIP Update Quarter 2

City Council Meeting – January 24, 2023

Agenda

- Bond 2019
- Other Projects In Design
- Other Projects Under Construction

Bond 2019 Program

Bond 2019 – Question 1 - FY 2022/23 Projects

No.	Title	Status
2	Add Splash Pad and Improve Walkways at McCormick-Stillman Railroad Park	Design commencing
30	Indian School Park Field 1 Lighting	Bases, poles, fixtures set to arrive/install January 2023
41	Install Solar Heating System for Eldorado Pool	Analyzing alternatives
42	Add a Dog Park to Thompson Peak Park	Design progressing
53	Build Multi-Use Sports Fields in the area of Bell Road	Phase 2 construction progressing
55	Build a 17-Acre Park at Ashler Hills Drive & 74 th Way (Whisper Rock)	Municipal Use Master Site Plan and DRB approved; proceeding with final design
61	Purchase land, expand Pinnacle Peak Park parking lot, staff office and restrooms, renovate hiking trail and construct an interpretive trail	Waiting on ASLD for approval to submit application for auction

Two question 1 projects are completed

55 – Build a 17-Acre Park at Ashler Hills Drive & 74th Way (Whisper Rock)

Project description:

- Open turf play areas
- Shaded playground
- Restrooms
- Lighted Sport Courts (basketball and pickleball)
- Walking Paths and Trails
- Lighted Parking (70 spaces)

Status:

- Municipal Use Master Site Plan approved October 2022; DRB approved November 2022
- Design is at 60%
- Construction planned to start Fall 2023

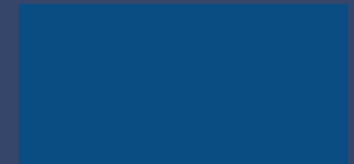


ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$6.1 M	\$422k	\$274k	\$5.4 M

Bond 2019 – Question 2 - FY 2022/23 Projects

No.	Title	Status
1	Replace Aging Infrastructure and Improve Public Event Spaces on Civic Center Plaza	Construction progressing with first event planned for January 22
15	Build 200 space Parking Lot off 75 th Street to serve the City Court and Scottsdale Stadium	Will be built with Scottsdale Stadium Phase 2 project
18	Build Roadway & Pedestrian Improvements along 2 nd Street from Drinkwater Boulevard to Goldwater Boulevard	In design; evaluating concepts
23	Repair Lakes and Irrigation at Vista del Camino Park in the Indian Bend Wash	GMP 1 awarded by City council January 10
45	Renovate Horse Barns to Increase Rentable Space	First barn being installed. Scheduled to be complete prior to Arabian Horse Show
57	Install Solar Systems at North Corp Campus	In construction with parking deck
63	Build Parking Structures in Old Town Scottsdale	Pending decisions on location, scope

Four question 2 projects are completed



45 – Renovate WestWorld Horse Barns to Increase Rentable Space

Project Description:

- Built in the 1980's, the barns require renovation to remain useful and rentable.

Status:

- Barn A (critical condition) currently being replaced
- Demolition began on December 12
- The shell and stalls are complete
- Installing footing reinforcement and new electrical and fire sprinkler
- On track to be complete end of January in time for Arabian Horse Show



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$5.7 M	\$852k	\$173k	\$4.7 M

Bond 2019 – Question 3 - FY 2022/23 Projects

No.	Title	Status
5	Modernize Computer Equipment Rooms to Protect City Servers	First UPS (McKellips Road) replacement completed, working on second unit at SCPA
7	Replace Outdated 911 Computer Aided Dispatch and Records Management to Improve Efficiency	Scheduled end of 2022 go-live with RMS April 2023 for Computer Aided Dispatch
8	Replace Website Management Software	Work progressing target end date June 2023
9	Install Fiber Optic Infrastructure to Reduce Operating Costs	Multiple locations in design and construction
11	Replace Document Management System to Improve Public Access to Information	In deployment, projected completion by end of FY 2022/23
12	Update Scottsdale's 15 Year-old Digital Terrain Model	Exploring options to decrease cost. Projected completion by end of FY 2022/23
14	Replace Obsolete Planning and Permitting Software	Consultant proceeding with evaluation and assessment
17	Obtain a Citywide Data Management and Analytics Solution for Data-Based Decision Making	Procuring data tools, projected completion in FY 2022/23
28	Build New Fire Station near Hayden Road and Loop 101 to Improve Response Times	In design
29	Replace Workstations at 911 Communications Dispatch Center to Accommodate New Technology	Completed building structural analysis, design progressing

Bond 2019 – Question 3 (continued)

No.	Title	Status
26	Replace Deteriorating Vehicle Track at Police and Fire Training Facility	FD plans at City of Tempe for permit review; PD plans at 60% design; GMP 1 scheduled for Council authorization in February
27	Modernize and Expand the Police and Fire Training Facility	
38	Build a New Fire Department Training Facility	
33	Renovate Via Linda Police Station to Increase Efficiency	Portion is in design in support of Bond project 29
35	Install Bullet Proof Glass in Reception Areas of Police Department Facilities	PD Headquarters complete; crime lab in progress; 3 more sites to follow
36	Provide Free Wi-Fi at the Civic Center Plaza	Being delivered with Civic Center Plaza
37	Implement an Inventory and Asset Control System for City Technology	Starting to receive equipment and building servers for first phase
40	Renovate & Expand Civic Center Jail and Downtown Police Facility to Meet Demand	Design progressing

Four question 3 projects are completed

28 – Build a New Fire Station near Hayden Road and the Loop 101 to Improve Response Times

Project Description:

- Design and construct a new 12,000 square foot fire station northwest of the Airpark near the 101 and Hayden Road

Status:

- Schematic design is complete
- Municipal Use Master Site Plan process is forthcoming
- Public meeting held November 28 ,2022
- Construction targeted for Winter 2023
- Projected completion Winter of 2024



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$10.5M	\$216k	\$1.7M	\$8.6M

Completed Bond 2019 Projects

Question 1:

- 10 - Replace Tennis Court Surface at Indian School Park and Tennis Center
- 24 - Install High Efficiency Sports Lighting at 4 Facilities

Question 2:

- 46 – Replace the Public Address System at WestWorld
- 47 - Replace WestWorld Arena Lights to Reduce Operating Costs
- 50 - Renovate Arena at WestWorld to Provide Flexible Event Space
- 52 - Expand Restrooms in WestWorld North Hall

Question 3:

- 4 - Replace Outdated Emergency Response Equipment for Fire Department
- 6 - Replace Emergency Power Source for Public Safety Radio Network
- 16 - Replace the City's Obsolete Training Software
- 44 - Replacement of Fire Utility truck to be used on Fire Ground Activity and Response to Hazard Materials and Technical Rescue Incidents

Other Projects: Projects In Design

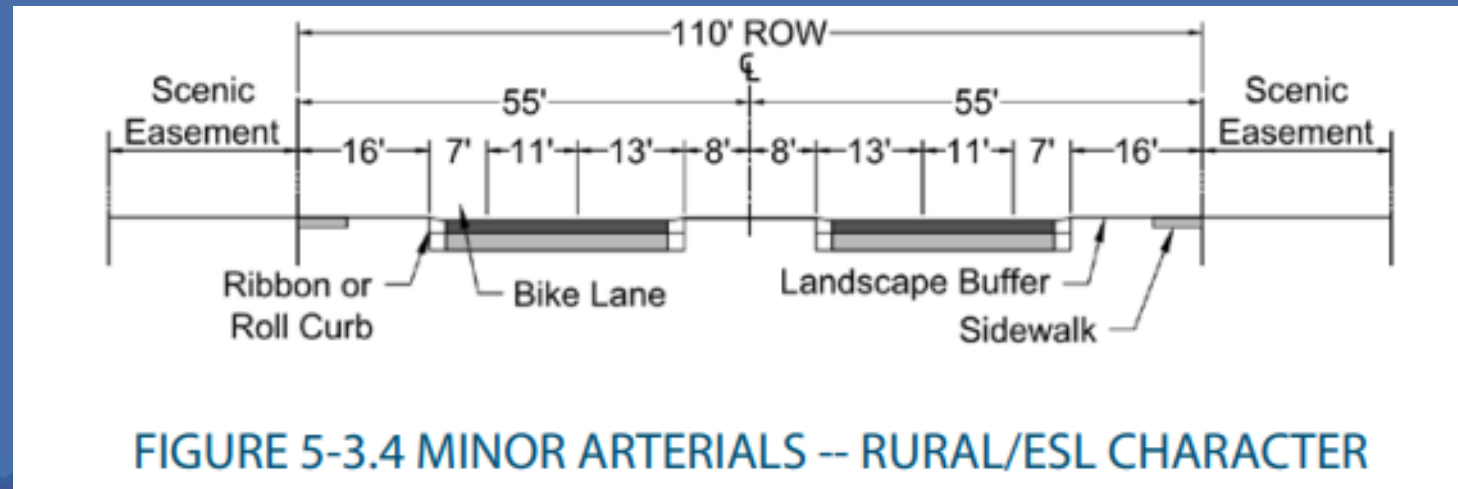
Carefree Highway: Cave Creek Road to Scottsdale Road

Project Description:

- Update road to current standards for minor arterial cross section per DSPM
- To include landscaped median, bike lanes, and multiuse path
- Intersection improvements throughout the corridor
- Drainage improvements
- Includes ALCP Funds

Status:

- Working on 30% design
- Construction anticipated Summer 2024



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$2.8 M	\$329k	\$1.8 M	\$673k

Other Projects: Projects Under Construction

Pima Road – Pinnacle Peak Road to Happy Valley Road

Project Description:

- Design and acquire right of way and construct a six-lane major arterial cross-section with landscaped median, turn lanes, bike lanes, sidewalk, curb and gutter, roadway drainage and ITS

Status:

- Work on channel excavation and box culverts for the La Mirada shopping center continues
- Contractor has completed first series of large diameter waterline (RWDS and IWDS) vertical relocations to prepare for construction of the box culverts crossing Pima Road
- Utility relocations continue
- Prep work for the upcoming Pima Road/Happy Valley Road intersection has started



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$45.8 M	\$9.4 M	\$20.4 M	\$16.0 M

Aquifer Storage and Recovery Wells

Project Description:

- Build deep well water recharge and recovery facilities to ensure long term sustainability of the City's drinking water aquifer.
- Supports improved storage capacity to meet 'Safe Yield' and enhance drought preparedness.

Status:

- Well 54C (Miller & Deer Valley): Equipping underway (20%) expected completion March 2024
- Well 159: (Legacy & Miller): Equipping NTP expected May 2023
- Well 161 (Bell Sport Complex) : Equipping NTP expected June 2023
- Well 160 (Mayo & Hayden): Drilling phase began December 2022 expected to be completed March 2023



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$53.6 M	\$12.3 M	\$14.9 M	\$26.4 M

North Corporation Yard Garage

Project Description:

- Design and Construct a new deck of structured parking at the city's North Corporation Yard to relocate city's trolley fleet from the South Corporation Yard
- Provides infrastructure for 57-Install Solar Systems North Corporation Campus

Status:

- Installing electrical and lighting under the deck
- Installing conduits underground for electric vehicle charging
- Preparing to mill and overlay existing lot then stripe entire garage
- The solar scope scheduled to start at the end of January



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$4.8M	\$3.35 M	\$1.33 M	\$120k

Questions and Comments?