

# **Monthly Financial Report**

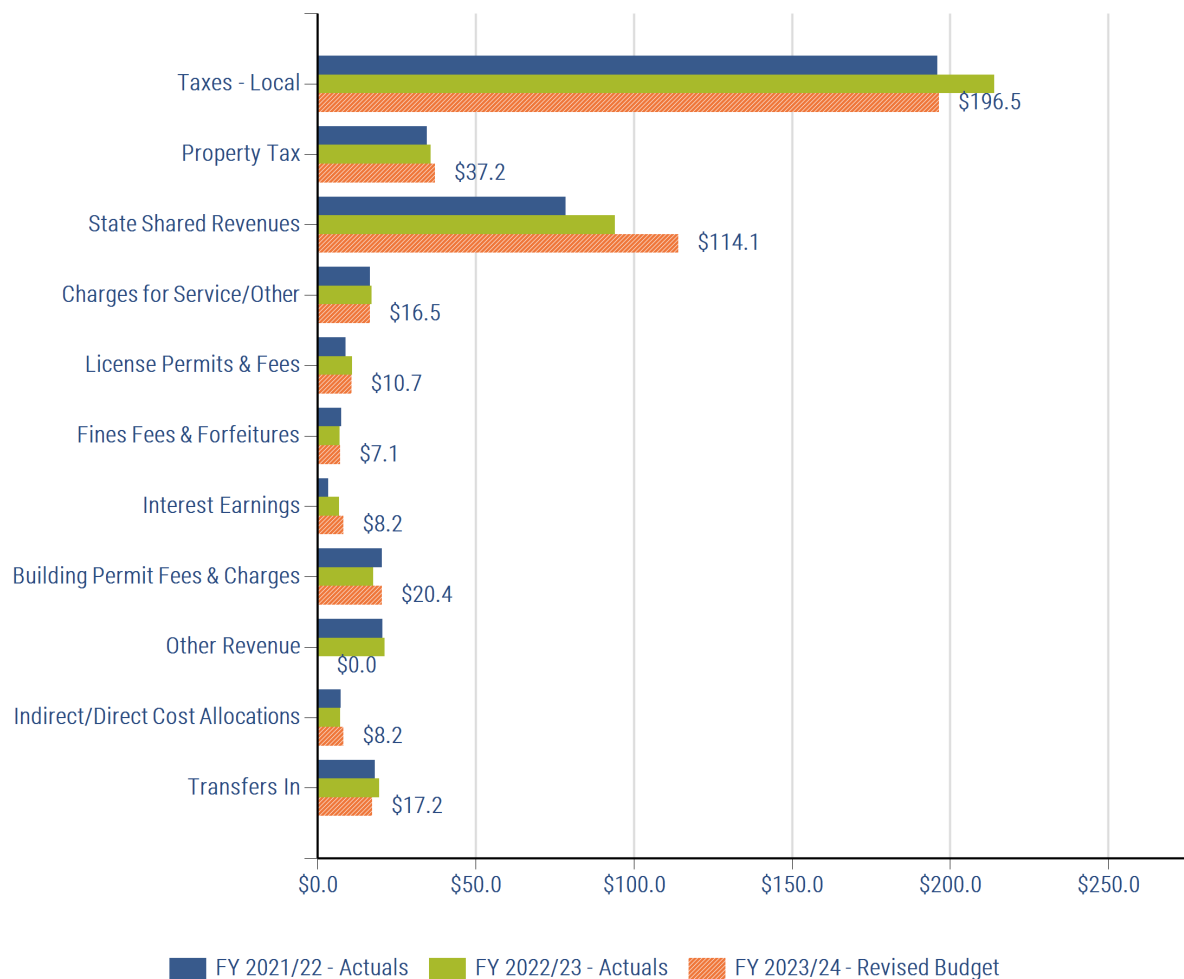
**Fiscal Year to Date as of  
September 30, 2023**

Report to the City Council  
Prepared by the City Treasurer  
November 20, 2023

# Sources

## General Fund

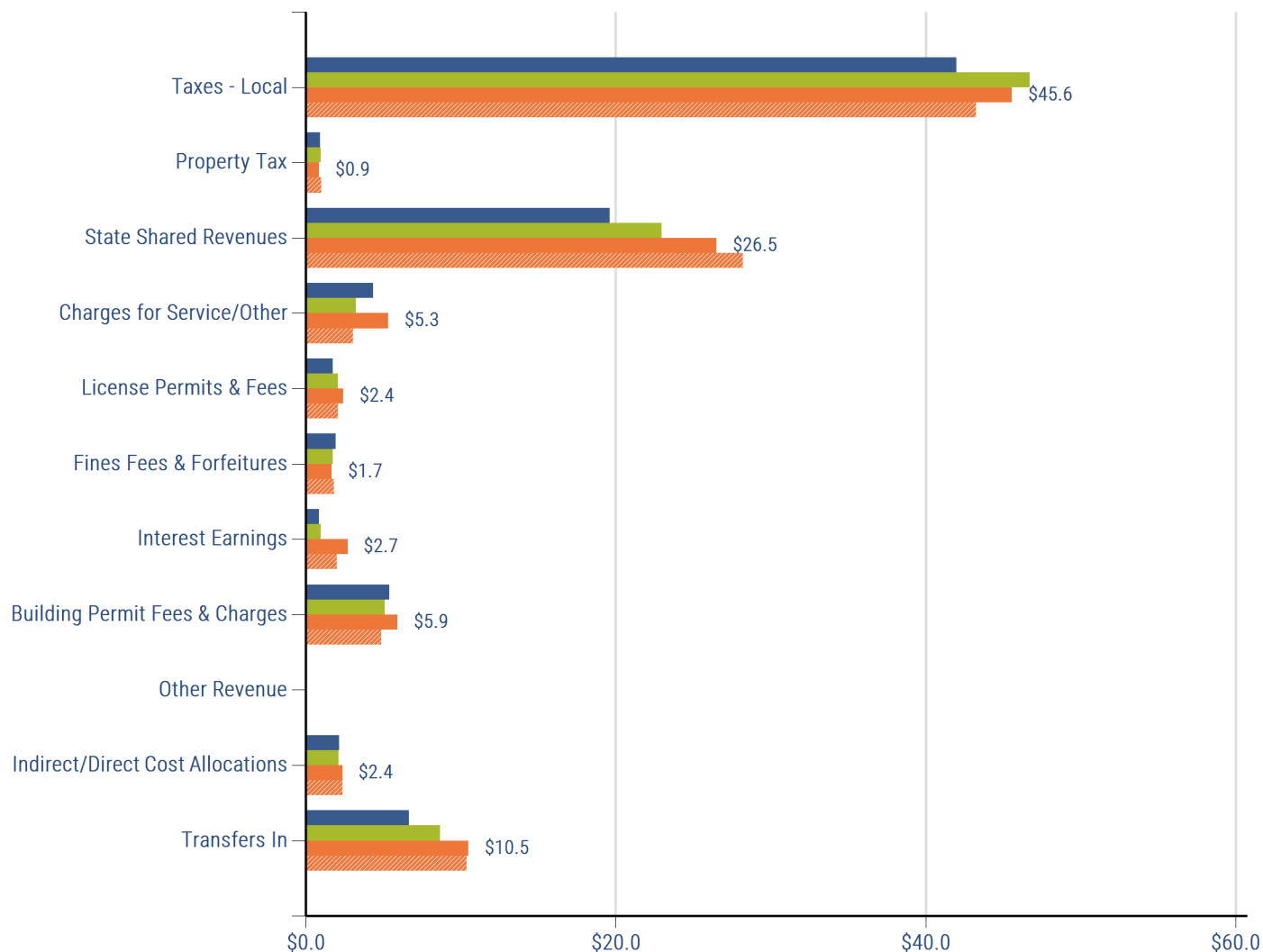
### Twelve Months: Fiscal Year



	FY 2021/22 <u>Actuals</u>	FY 2022/23 <u>Actuals</u>	FY 2023/24 <u>Revised Budget</u>
Taxes - Local	\$195.9	\$214.1	\$196.5
Property Tax	34.6	35.8	37.2
State Shared Revenues	78.5	94.0	114.1
Charges for Service/Other	16.6	17.0	16.5
License Permits & Fees	8.8	10.8	10.7
Fines Fees & Forfeitures	7.5	7.0	7.1
Interest Earnings	3.3	6.9	8.2
Building Permit Fees & Charges	20.3	17.6	20.4
Other Revenue	20.5	21.2	-
Indirect/Direct Cost Allocations	7.2	7.2	8.2
Transfers In	18.2	19.4	17.2
<b>Total Sources</b>	<b>\$411.3</b>	<b>\$450.9</b>	<b>\$436.1</b>

Note: All FY 2022/23 twelve month actuals in this report are preliminary at this time, pending year-end closing and audit.

Sources (Fiscal Year to Date: September 2023)

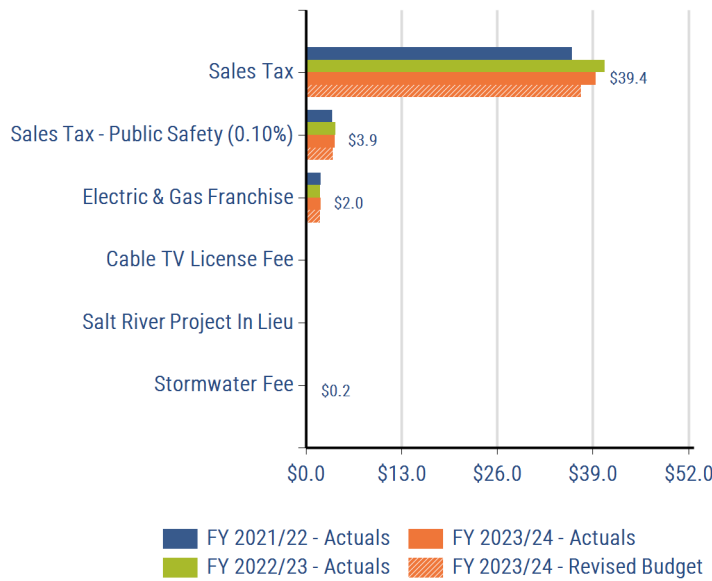


■ FY 2021/22 - Actuals  
 ■ FY 2022/23 - Actuals  
 ■ FY 2023/24 - Actuals  
 ■ FY 2023/24 - Revised Budget

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Taxes - Local	\$42.0	\$46.7	\$45.6	\$43.3	\$2.3	5%
Property Tax	0.9	1.0	0.9	1.0	(0.1)	(13%)
State Shared Revenues	19.6	23.0	26.5	28.2	(1.7)	(6%)
Charges for Service/Other	4.4	3.2	5.3	3.0	2.3	75%
License Permits & Fees	1.7	2.1	2.4	2.1	0.3	16%
Fines Fees & Forfeitures	1.9	1.7	1.7	1.8	(0.1)	(7%)
Interest Earnings	0.9	1.0	2.7	2.0	0.7	34%
Building Permit Fees & Charges	5.4	5.1	5.9	4.9	1.1	22%
Other Revenue	-	-	-	-	-	-
Indirect/Direct Cost Allocations	2.1	2.1	2.4	2.4	-	-
Transfers In	6.7	8.7	10.5	10.4	0.1	1%
<b>Total Sources</b>	<b>\$85.6</b>	<b>\$94.6</b>	<b>\$103.8</b>	<b>\$99.0</b>	<b>\$4.8</b>	<b>5%</b>

\$ in millions / rounding differences may occur

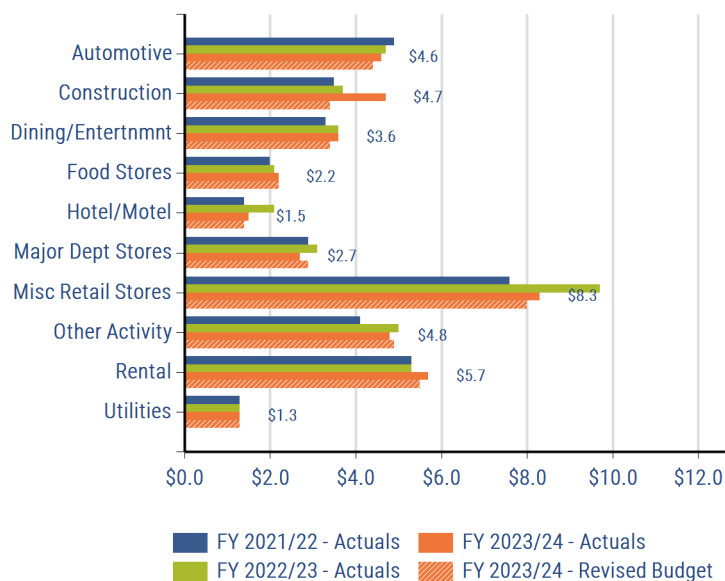
Taxes - Local (Fiscal Year to Date: September 2023)



**Actual to Revised Budget variance of \$2.3 million or 5%:**  
 The favorable variance is primarily due to Sales Tax. See detailed Sales Tax information on page 5. Electric & Gas Franchise revenue variance is favorable due to higher than expected collections from APS resulted from unusual high temperatures that caused greater than anticipated electricity usage.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax	\$36.2	\$40.6	\$39.4	\$37.4	\$2.0	5%
Sales Tax - Public Safety (0.10%)	3.6	4.0	3.9	3.7	0.2	5%
Electric & Gas Franchise	2.0	1.9	2.0	1.9	0.1	4%
Cable TV License Fee	-	-	-	-	-	-
Salt River Project In Lieu	-	-	-	-	-	-
Stormwater Fee	0.2	0.2	0.2	0.2	-	-
<b>Taxes - Local Total</b>	<b>\$42.0</b>	<b>\$46.7</b>	<b>\$45.6</b>	<b>\$43.3</b>	<b>\$2.3</b>	<b>5%</b>

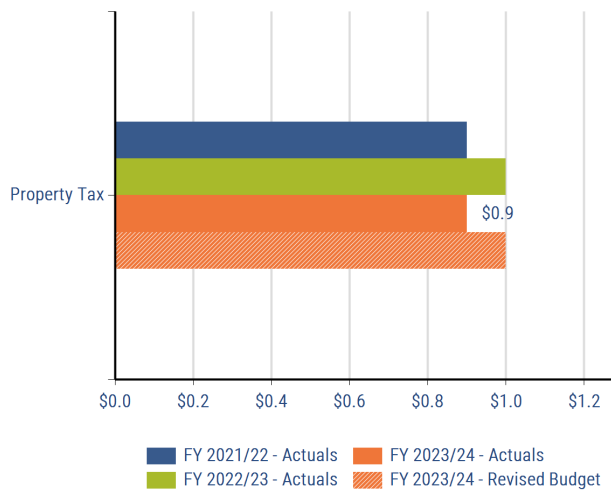
Sales Tax (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of \$2.0 million or 5%:  
The favorable variance in Sales Tax is primarily due to Construction Sales Tax revenue increased from new projects, increased residential/commercial construction, and one-time audit payments.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Automotive	\$4.9	\$4.7	\$4.6	\$4.4	\$0.2	5%
Construction	3.5	3.7	4.7	3.4	1.3	36%
Dining/Entertainment	3.3	3.6	3.6	3.4	0.1	4%
Food Stores	2.0	2.1	2.2	2.2	-	-
Hotel/Motel	1.4	2.1	1.5	1.4	0.1	8%
Major Dept Stores	2.9	3.1	2.7	2.9	(0.1)	(5%)
Misc Retail Stores	7.6	9.7	8.3	8.0	0.3	4%
Other Activity	4.1	5.0	4.8	4.9	(0.1)	(1%)
Rental	5.3	5.3	5.7	5.5	0.2	4%
Utilities	1.3	1.3	1.3	1.3	-	-
<b>Sales Tax Total</b>	<b>\$36.2</b>	<b>\$40.6</b>	<b>\$39.4</b>	<b>\$37.4</b>	<b>\$2.0</b>	<b>5%</b>

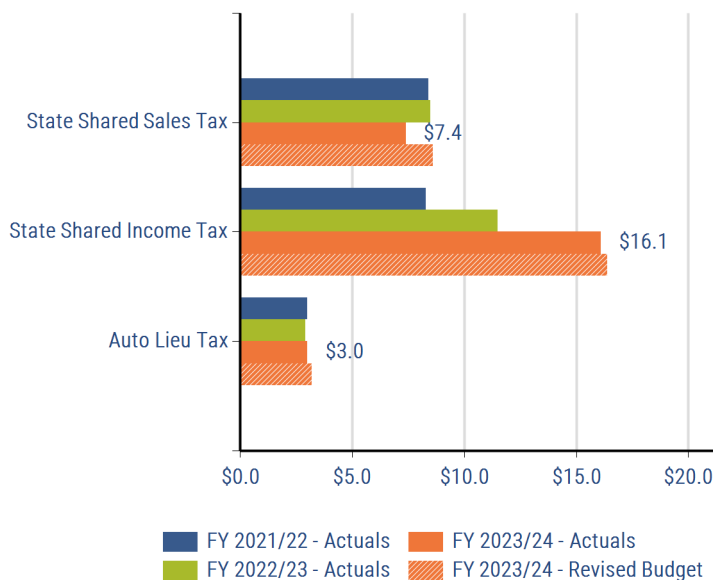
Property Tax (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of (\$0.1) million or (13%): The unfavorable variance is due to distribution timing. The budget is based on the county's three year collection average, and may vary year over year.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Property Tax	\$0.9	\$1.0	\$0.9	\$1.0	(\$0.1)	(13%)
Property Tax Total	\$0.9	\$1.0	\$0.9	\$1.0	(\$0.1)	(13%)

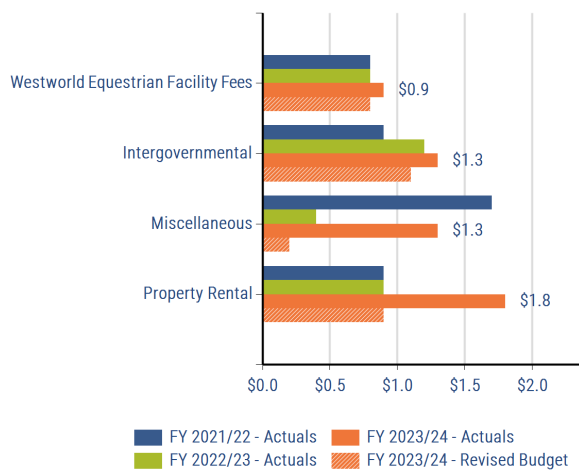
State Shared Revenues (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of (\$1.7) million or (6%): The unfavorable variance in State Shared Sales Tax and State Shared Income Tax is due to lower than anticipated payments received as a result of revised population figure after budget adoption and lower than expected revenue collection. The unfavorable variance in Auto Lieu Tax is due to timing of vehicle license renewals and revised population figure.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
State Shared Sales Tax	\$8.4	\$8.5	\$7.4	\$8.6	(\$1.2)	(14%)
State Shared Income Tax	8.3	11.5	16.1	16.4	(0.3)	(2%)
Auto Lieu Tax	3.0	2.9	3.0	3.2	(0.2)	(6%)
State Shared Revenues Total	\$19.6	\$23.0	\$26.5	\$28.2	(\$1.7)	(6%)

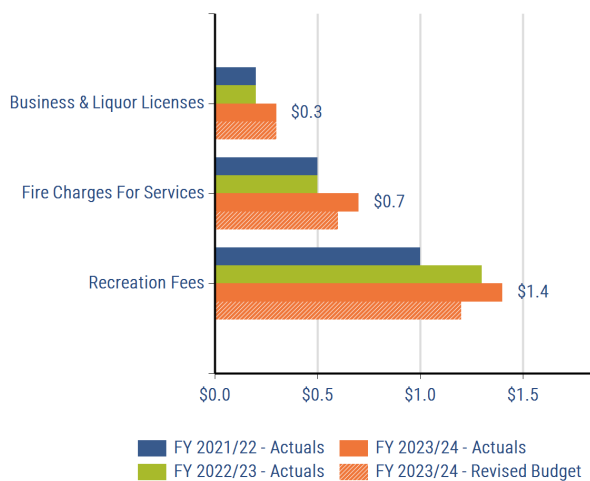
Charges for Service/Other (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of \$2.3 million or 75%:  
The favorable variance is primarily due to 1) Miscellaneous - one-time payment for pension refund in Public Safety - Fire Division, and timing of receiving reimbursement for police service; and 2) Property Rental - timing of receiving payment.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Westworld Equestrian Facility Fees	\$0.8	\$0.8	\$0.9	\$0.8	\$0.1	11%
Intergovernmental	0.9	1.2	1.3	1.1	0.2	16%
Miscellaneous	1.7	0.4	1.3	0.2	1.1	nm
Property Rental	0.9	0.9	1.8	0.9	0.9	nm
<b>Charges for Service/Other Total</b>	<b>\$4.4</b>	<b>\$3.2</b>	<b>\$5.3</b>	<b>\$3.0</b>	<b>\$2.3</b>	<b>75%</b>

License Permits & Fees (Fiscal Year to Date: September 2023)

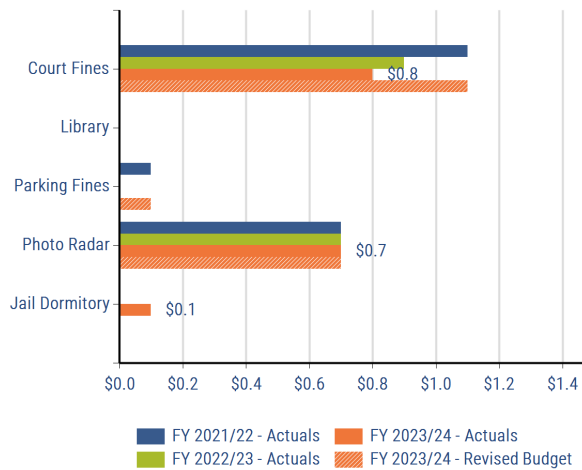


Actual to Revised Budget variance of \$0.3 million or 16%:  
The favorable variance is primarily due to Recreation Fees - higher than anticipated participation in community summer programs and community facility rentals.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Business & Liquor Licenses	\$0.2	\$0.2	\$0.3	\$0.3	\$ -	-
Fire Charges For Services	0.5	0.5	0.7	0.6	0.1	16%
Recreation Fees	1.0	1.3	1.4	1.2	0.3	23%
<b>License Permits &amp; Fees Total</b>	<b>\$1.7</b>	<b>\$2.1</b>	<b>\$2.4</b>	<b>\$2.1</b>	<b>\$0.3</b>	<b>16%</b>

Note: nm (Not Measurable) indicates the variance percentage is equals or over 100%.

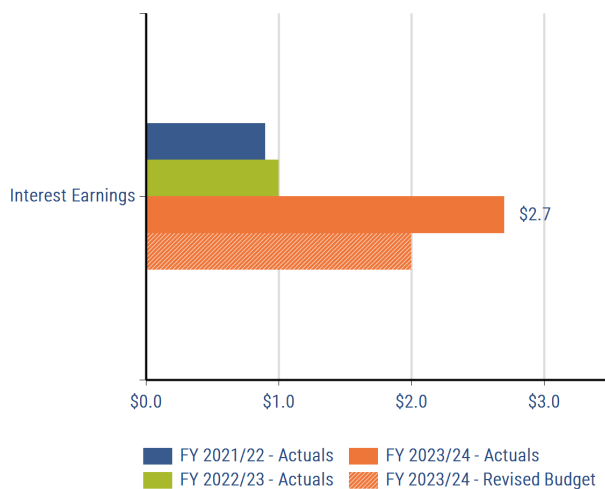
**Fines Fees & Forfeitures (Fiscal Year to Date: September 2023)**



Actual to Revised Budget variance of (\$0.1) million or (7%):  
The unfavorable variance is due to Court Fines - lower than anticipated civil non-photo enforcement case fillings.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Court Fines	\$1.1	\$0.9	\$0.8	\$1.1	(\$0.2)	(20%)
Library	-	-	-	-	-	-
Parking Fines	0.1	-	-	0.1	-	-
Photo Radar	0.7	0.7	0.7	0.7	-	-
Jail Dormitory	-	-	0.1	-	-	-
<b>Fines Fees &amp; Forfeitures Total</b>	<b>\$1.9</b>	<b>\$1.7</b>	<b>\$1.7</b>	<b>\$1.8</b>	<b>(\$0.1)</b>	<b>(7%)</b>

**Interest Earnings (Fiscal Year to Date: September 2023)**

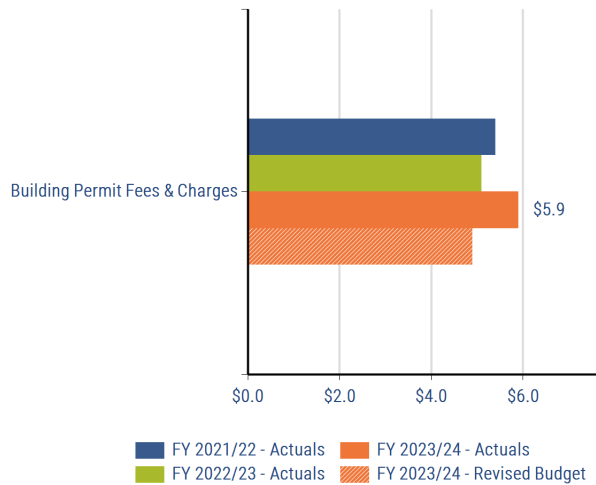


Actual to Revised Budget variance of \$0.7 million or 34%: The favorable variance is due to the interest rate of return being higher than anticipated.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Interest Earnings	\$0.9	\$1.0	\$2.7	\$2.0	\$0.7	34%
<b>Interest Earnings Total</b>	<b>\$0.9</b>	<b>\$1.0</b>	<b>\$2.7</b>	<b>\$2.0</b>	<b>\$0.7</b>	<b>34%</b>



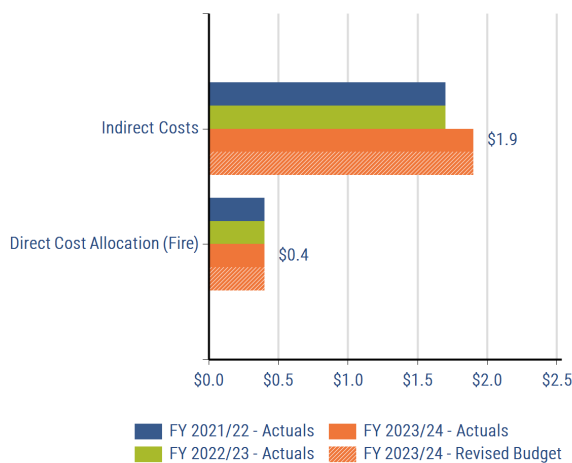
**Building Permit Fees & Charges (Fiscal Year to Date: September 2023)**



Actual to Revised Budget variance of \$1.1 million or 22%. The favorable variance is primarily due to one-time development revenue.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Building Permit Fees & Charges	\$5.4	\$5.1	\$5.9	\$4.9	\$1.1	22%
<b>Building Permit Fees &amp; Charges Total</b>	<b>\$5.4</b>	<b>\$5.1</b>	<b>\$5.9</b>	<b>\$4.9</b>	<b>\$1.1</b>	<b>22%</b>

**Indirect/Direct Cost Allocations (Fiscal Year to Date: September 2023)**

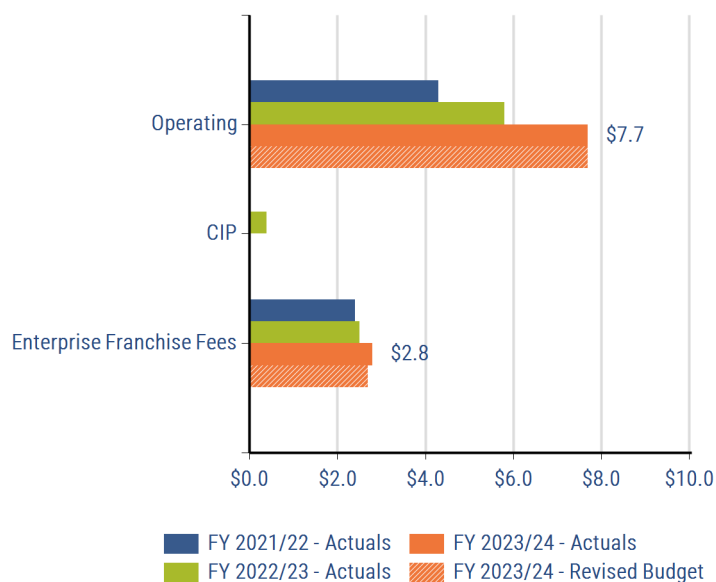


Actual to Revised Budget variance of \$0.0 million or 0%. No explanation necessary.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Indirect Costs	\$1.7	\$1.7	\$1.9	\$1.9	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
<b>Indirect/Direct Cost Allocations Total</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$2.4</b>	<b>\$2.4</b>	<b>\$ -</b>	<b>-</b>

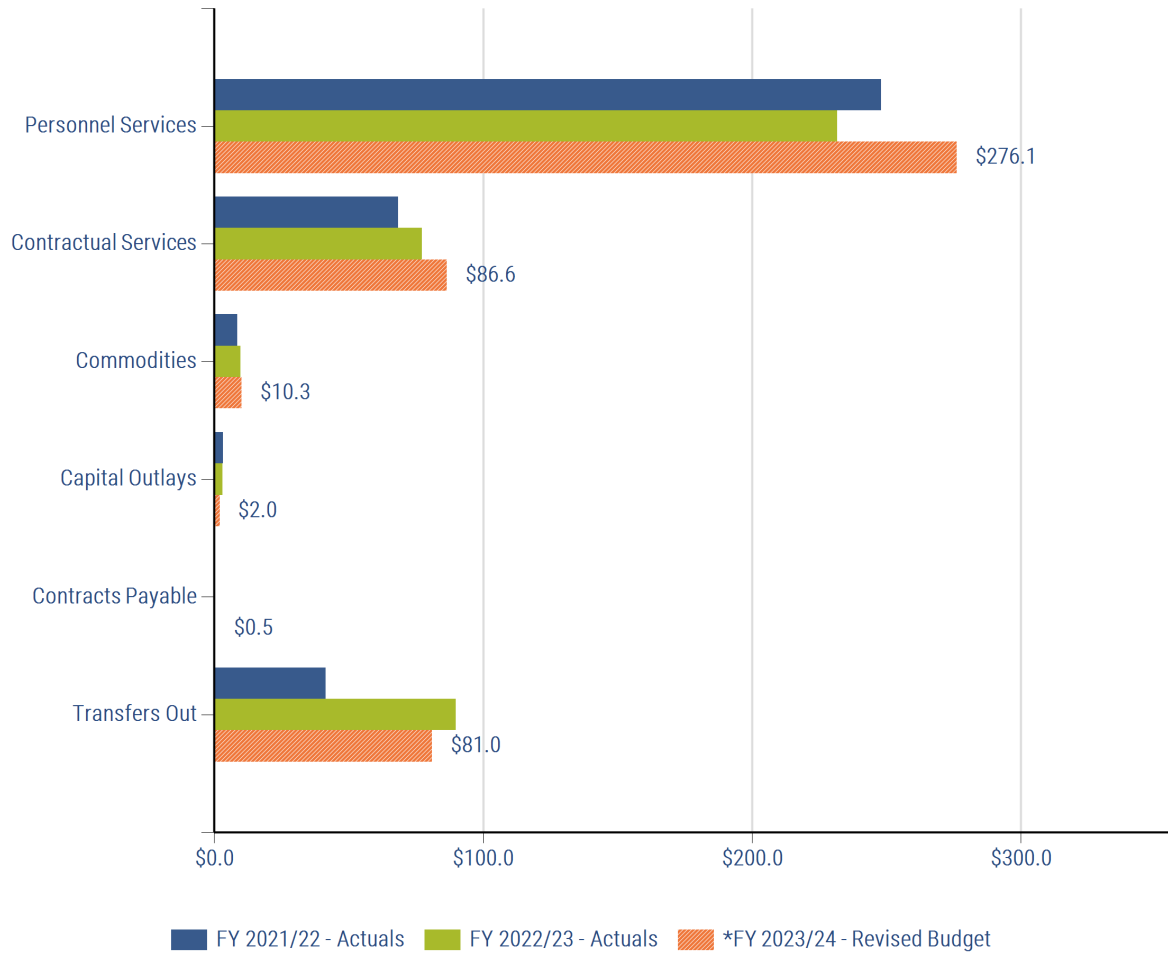
Transfers In (Fiscal Year to Date: September 2023)

Actual to Revised Budget variance of \$0.1 million or 1%: No explanation necessary.



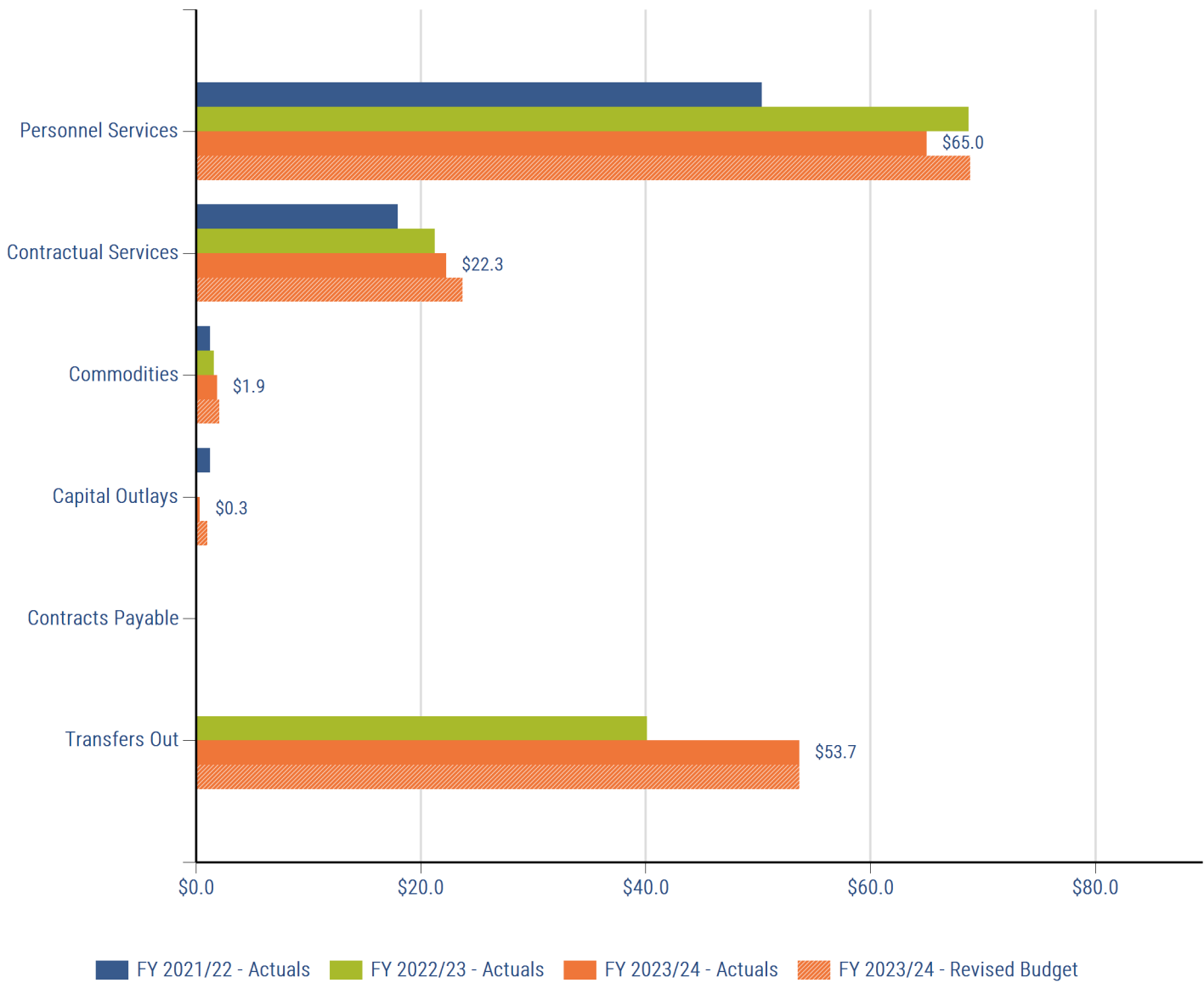
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	Actual vs. Budget	
	<u>Actuals</u>	<u>Actuals</u>	<u>Actuals</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Operating	\$4.3	\$5.8	\$7.7	\$7.7	\$ -	-
CIP	-	0.4	-	-	-	-
Enterprise Franchise Fees	2.4	2.5	2.8	2.7	0.1	4%
<b>Transfers In Total</b>	<b>\$6.7</b>	<b>\$8.7</b>	<b>\$10.5</b>	<b>\$10.4</b>	<b>\$0.1</b>	<b>1%</b>

### Twelve Months: Fiscal Year



	FY 2021/22 <u>Actuals</u>	FY 2022/23 <u>Actuals</u>	FY 2023/24 <u>Revised Budget</u>
Personnel Services	\$247.9	\$231.7	\$276.1
Contractual Services	68.4	77.3	86.6
Commodities	8.7	9.9	10.3
Capital Outlays	3.4	3.2	2.0
Contracts Payable	0.4	0.4	0.5
Transfers Out	41.4	89.9	81.0
<b>Total Uses</b>	<b>\$370.2</b>	<b>\$412.3</b>	<b>\$456.4</b>

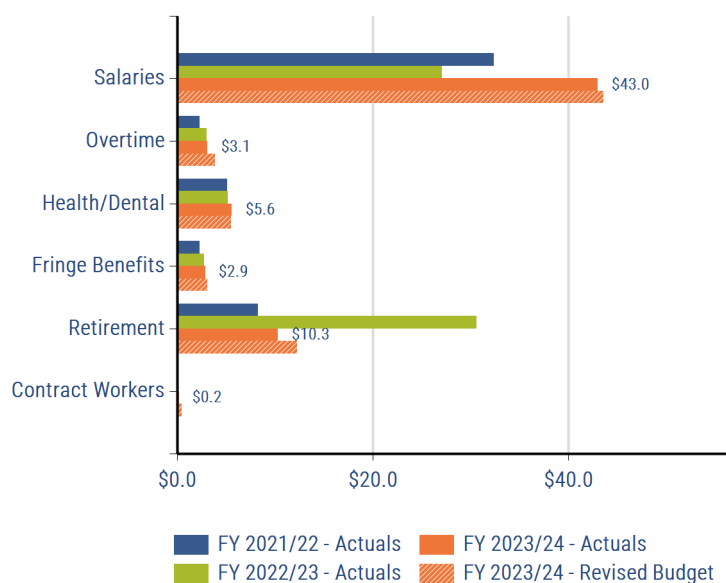
Uses (Fiscal Year to Date: September 2023)



	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$50.4	\$68.7	\$65.0	\$68.9	\$3.9	6%
Contractual Services	18.0	21.2	22.3	23.7	1.5	6%
Commodities	1.3	1.6	1.9	2.1	0.2	8%
Capital Outlays	1.2	0.1	0.3	1.0	0.7	67%
Contracts Payable	-	-	-	-	-	-
Transfers Out	-	40.1	53.7	53.7	-	-
<b>Total Uses</b>	<b>\$70.8</b>	<b>\$131.8</b>	<b>\$143.2</b>	<b>\$149.3</b>	<b>\$6.2</b>	<b>4%</b>

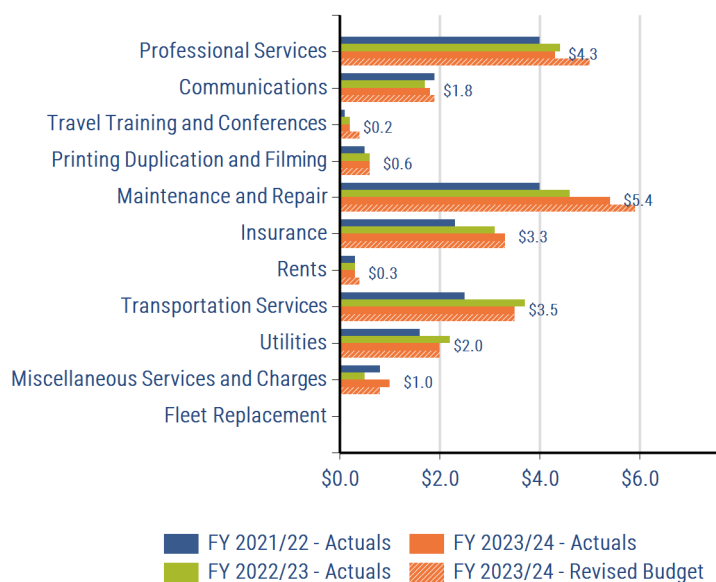
Personnel Services (Fiscal Year to Date: September 2023)

Actual to Revised Budget variance of \$3.9 million or 6%:  
The favorable variance is due to timing of budget allocation for overtime and retirement in the Public Safety - Police Division. Overall, the personnel services expenses are within budget.



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Salaries	\$32.4	\$27.1	\$43.0	\$43.6	\$0.7	2%
Overtime	2.3	3.0	3.1	3.9	0.8	20%
Health/Dental	5.1	5.2	5.6	5.5	-	-
Fringe Benefits	2.3	2.8	2.9	3.1	0.2	5%
Retirement	8.3	30.6	10.3	12.3	2.0	17%
Contract Workers	-	0.1	0.2	0.5	0.3	62%
<b>Personnel Services Total</b>	<b>\$50.4</b>	<b>\$68.7</b>	<b>\$65.0</b>	<b>\$68.9</b>	<b>\$3.9</b>	<b>6%</b>

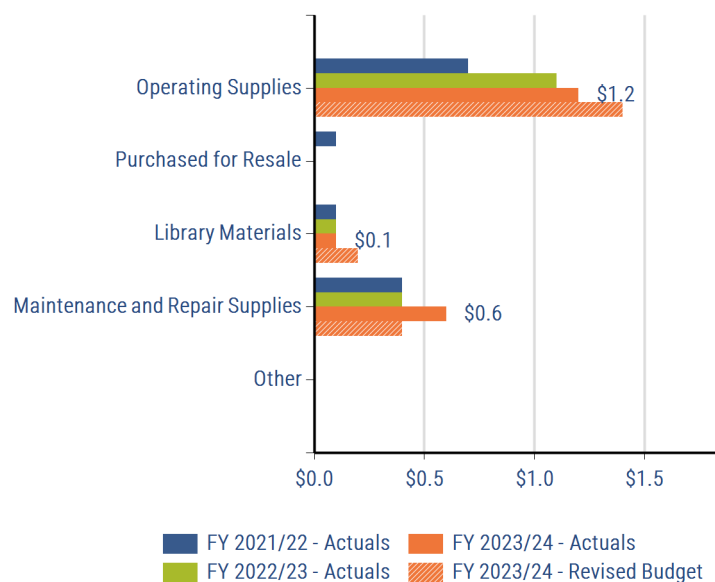
Contractual Services (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of \$1.5 million or 6%. The favorable variance is primarily due to 1) Professional Services - timing of implementation of special events and the citywide citizen engagement platform; and 2) Maintenance and Repair - timing of invoices for the electronic citation and collision platforms and mowing services for parks and sports complex.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Professional Services	\$4.0	\$4.4	\$4.3	\$5.0	\$0.7	14%
Communications	1.9	1.7	1.8	1.9	0.1	6%
Travel Training and Conferences	0.1	0.2	0.2	0.4	0.2	43%
Printing Duplication and Filming	0.5	0.6	0.6	0.6	0.1	10%
Maintenance and Repair	4.0	4.6	5.4	5.9	0.5	9%
Insurance	2.3	3.1	3.3	3.3	-	-
Rents	0.3	0.3	0.3	0.4	0.1	21%
Transportation Services	2.5	3.7	3.5	3.5	-	-
Utilities	1.6	2.2	2.0	2.0	-	-
Miscellaneous Services and Charges	0.8	0.5	1.0	0.8	( 0.2)	(26%)
Fleet Replacement	-	-	-	-	-	-
<b>Contractual Services Total</b>	<b>\$18.0</b>	<b>\$21.2</b>	<b>\$22.3</b>	<b>\$23.7</b>	<b>\$1.5</b>	<b>6%</b>

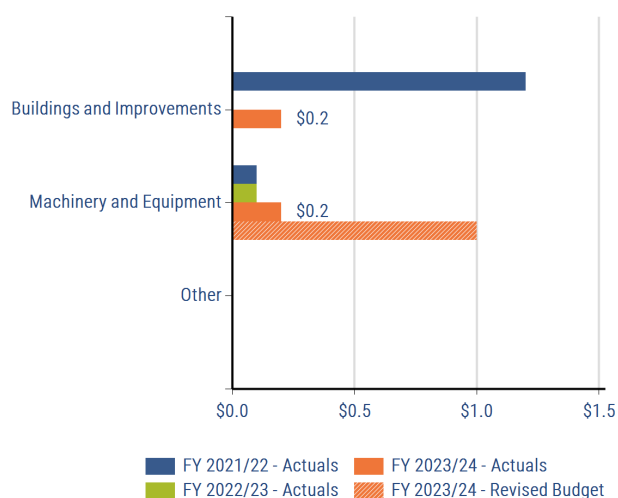
Commodities (Fiscal Year to Date: September 2023)



**Actual to Revised Budget variance of \$0.2 million or 8%:** The favorable variance is primarily due to Operating Supplies - the timing of planned purchases for furniture and equipment, ammunition and weapons, and supplies for aquatics and landscaping are made based on inventory needs.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating Supplies	\$0.7	\$1.1	\$1.2	\$1.4	\$0.2	15%
Purchased for Resale	0.1	-	-	-	-	-
Library Materials	0.1	0.1	0.1	0.2	0.1	55%
Maintenance and Repair Supplies	0.4	0.4	0.6	0.4	(0.1)	(30%)
Other	-	-	-	-	-	-
<b>Commodities Total</b>	<b>\$1.3</b>	<b>\$1.6</b>	<b>\$1.9</b>	<b>\$2.1</b>	<b>\$0.2</b>	<b>8%</b>

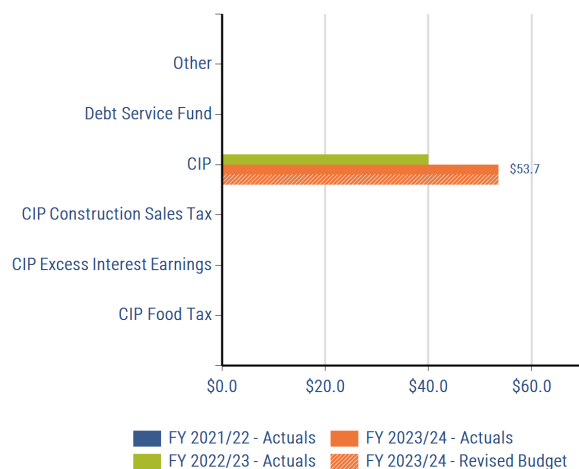
Capital Outlays (Fiscal Year to Date: September 2023)



Actual to Revised Budget variance of \$0.7 million or 67%: The favorable variance is due to Machinery and Equipment - the timing of purchasing barns, stalls and equipment in Community Services, and equipment for vehicles in Public Safety.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Buildings and Improvements	\$1.2	\$ -	\$0.2	\$ -	(\$0.2)	n/a
Machinery and Equipment	0.1	0.1	0.2	1.0	0.8	82%
Other	-	-	-	-	-	-
<b>Capital Outlays Total</b>	<b>\$1.2</b>	<b>\$0.1</b>	<b>\$0.3</b>	<b>\$1.0</b>	<b>\$0.7</b>	<b>67%</b>

Transfers Out (Fiscal Year to Date: September 2023)

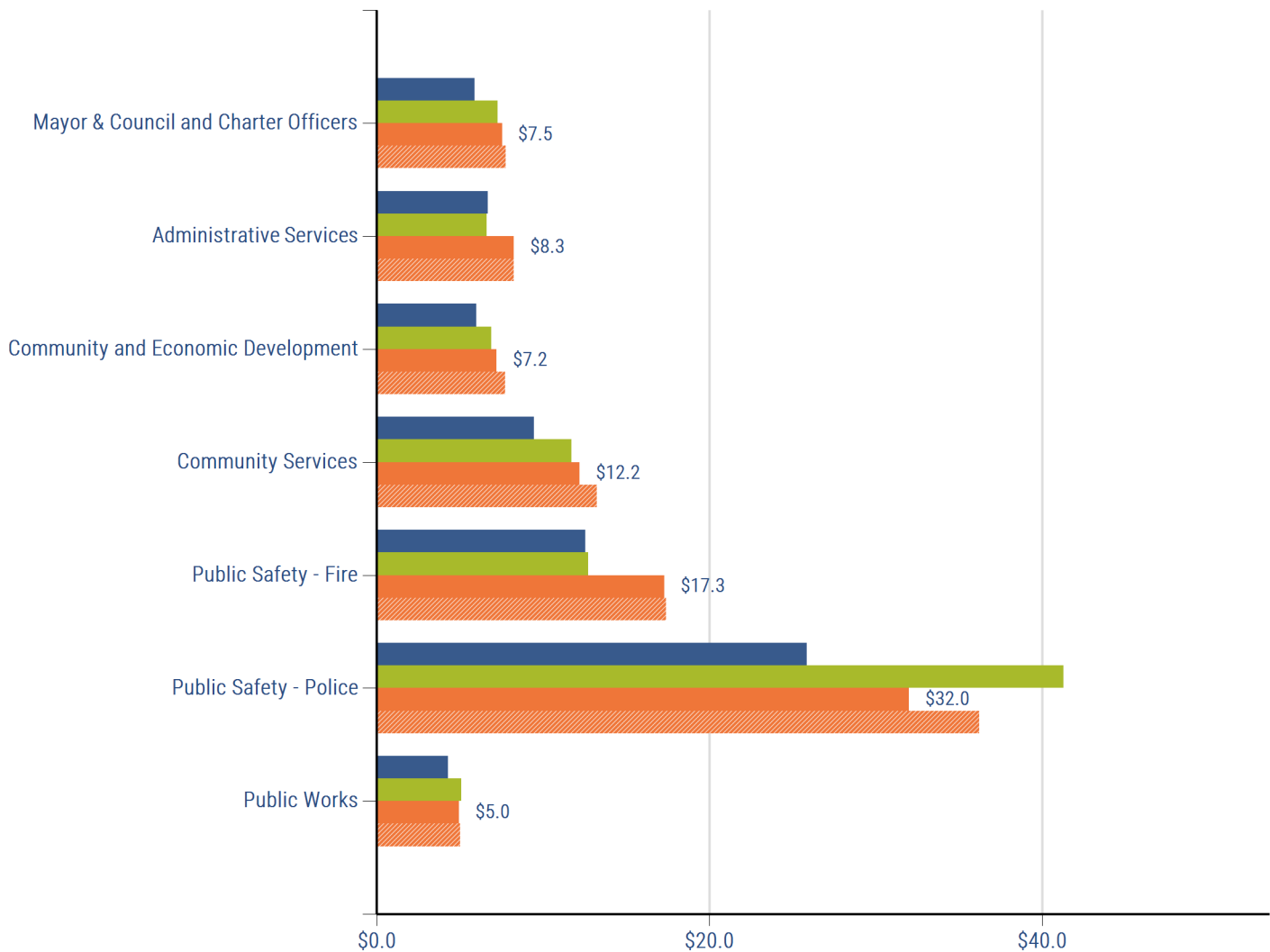


Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Other	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service Fund	-	-	-	-	-	-
CIP	-	40.1	53.7	53.7	-	-
CIP Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
CIP Food Tax	-	-	-	-	-	-
<b>Transfers Out Total</b>	<b>\$0.0</b>	<b>\$40.1</b>	<b>\$53.7</b>	<b>\$53.7</b>	<b>\$ -</b>	<b>-</b>



Division Expenditures (Fiscal Year to Date: September 2023)



■ FY 2021/22 - Actuals  
 ■ FY 2022/23 - Actuals  
 ■ FY 2023/24 - Actuals  
 ■ FY 2023/24 - Revised Budget

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$5.9	\$7.3	\$7.5	\$7.8	\$0.2	3%
Administrative Services	6.7	6.6	8.3	8.3	-	-
Community and Economic Development	6.0	6.9	7.2	7.7	0.5	7%
Community Services	9.5	11.7	12.2	13.3	1.0	8%
Public Safety - Fire	12.6	12.7	17.3	17.4	0.1	0%
Public Safety - Police	25.9	41.3	32.0	36.2	4.2	12%
Public Works	4.3	5.1	5.0	5.0	0.1	1%
<b>Total</b>	<b>\$70.8</b>	<b>\$91.7</b>	<b>\$89.5</b>	<b>\$95.7</b>	<b>\$6.2</b>	<b>6%</b>

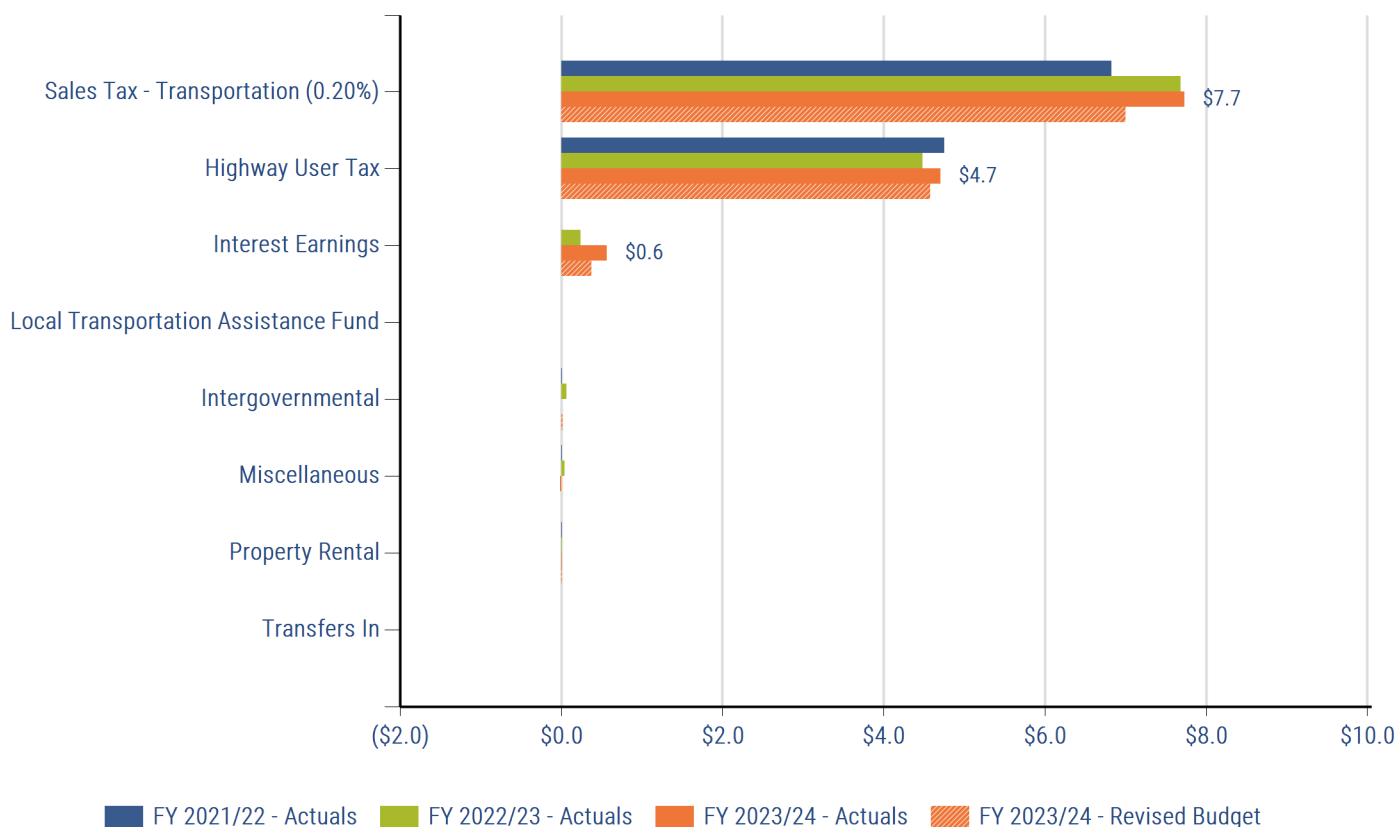
**Actual to Revised Budget variance of \$6.2 million or 6%:**

Community and Economic Development is favorable due to 1) timing of implementation of projects; and 2) timing of purchasing equipment.

Community Services is favorable due to timing of mowing services for parks and sports complex and timing of purchasing supplies for aquatics and landscaping based on inventory needs.

Public Safety - Police is favorable due to 1) timing of budget allocation for overtime and retirement; 2) the timing of invoices for the electronic citation and collision platforms; and 3) timing of purchasing ammunition and weapons based on inventory needs.

Sources (Fiscal Year to Date: September 2023)

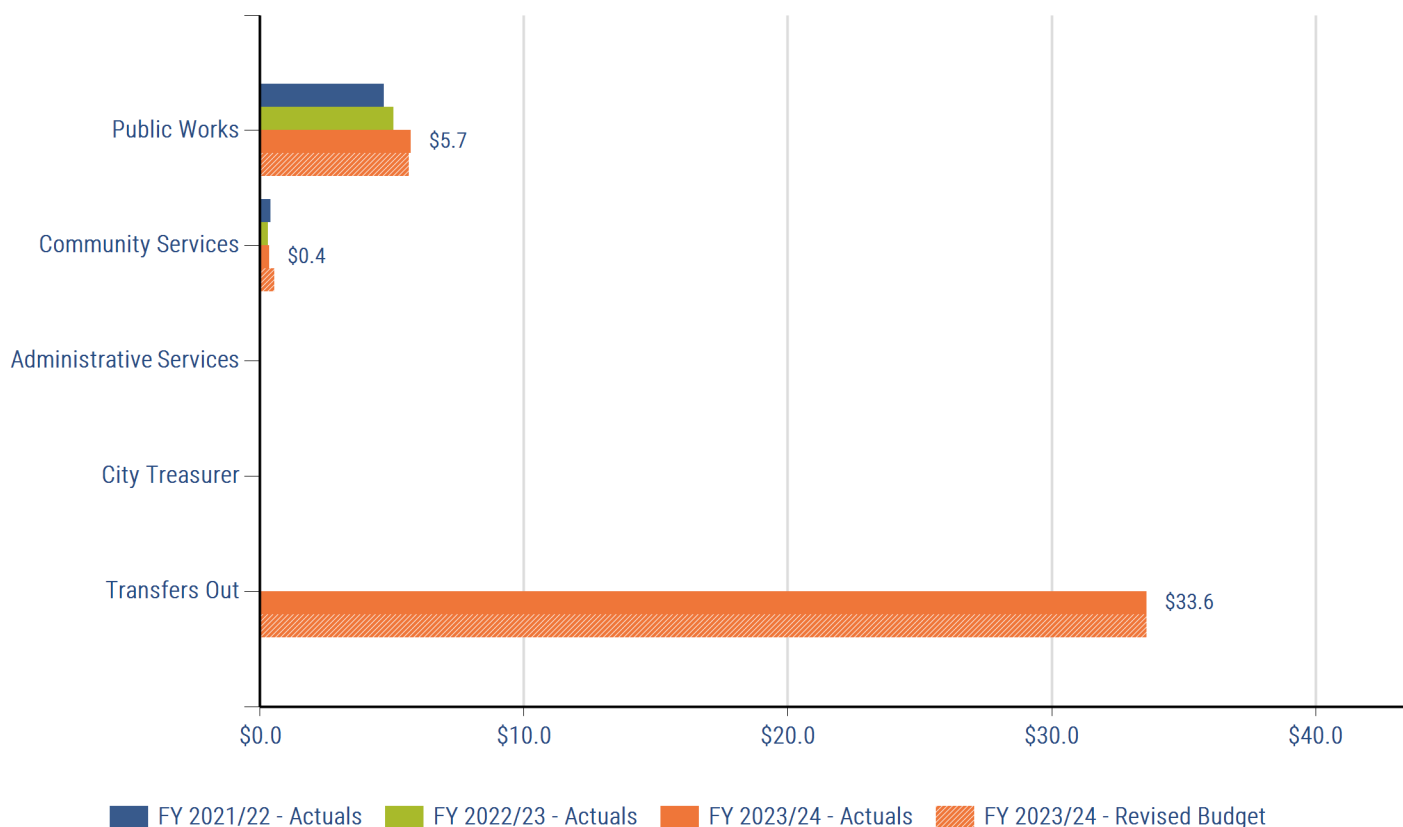


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax - Transportation (0.20%)	\$6.8	\$7.7	\$7.7	\$7.0	\$0.7	11%
Highway User Tax	4.8	4.5	4.7	4.6	0.1	3%
Interest Earnings	-	0.2	0.6	0.4	0.2	50%
Local Transportation Assistance Fund	-	-	-	-	-	-
Intergovernmental	-	0.1	-	-	-	-
Miscellaneous	-	-	-	-	-	n/a
Property Rental	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$11.6</b>	<b>\$12.5</b>	<b>\$13.0</b>	<b>\$12.0</b>	<b>\$1.0</b>	<b>9%</b>

**Actual to Revised Budget variance of \$1.0 million or 9%:** Sales Tax - Transportation (0.20%) is favorable due to Sales Tax, see page 5 for explanations by category. Interest Earnings is favorable due to the interest rate of return being higher than expected.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)

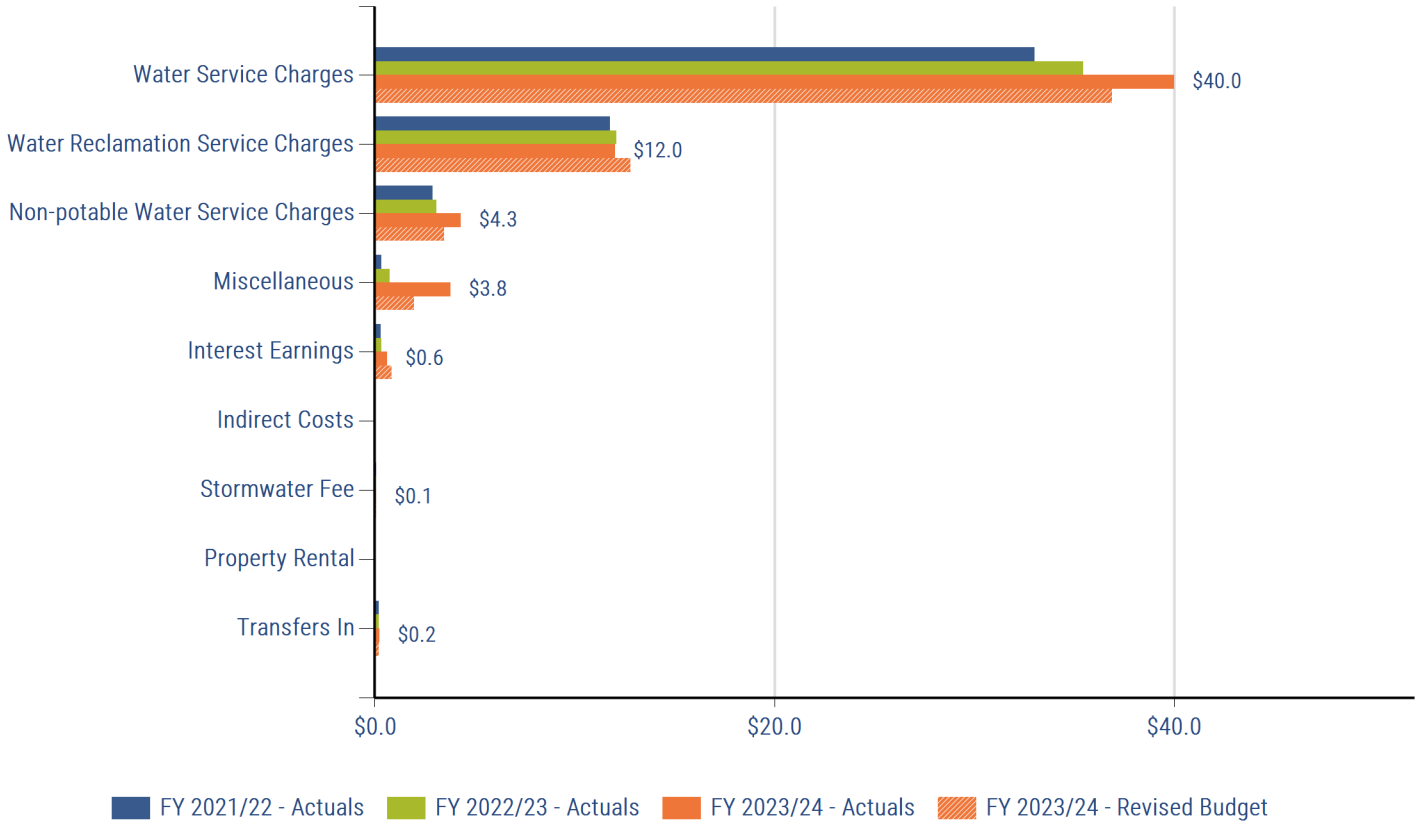


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Public Works	\$4.7	\$5.1	\$5.7	\$5.6	(\$0.1)	(1%)
Community Services	0.4	0.3	0.4	0.6	0.2	34%
Administrative Services	-	-	-	-	-	-
City Treasurer	-	-	-	-	-	-
Transfers Out	-	-	33.6	33.6	-	-
<b>Total Uses</b>	<b>\$5.1</b>	<b>\$5.4</b>	<b>\$39.7</b>	<b>\$39.8</b>	<b>\$0.1</b>	<b>0%</b>

**Actual to Revised Budget variance of \$0.1 million or 0%:** The favorable variance in Community Services is due to timing in Right-of-Way median maintenance.

\$ in millions/rounding differences may occur

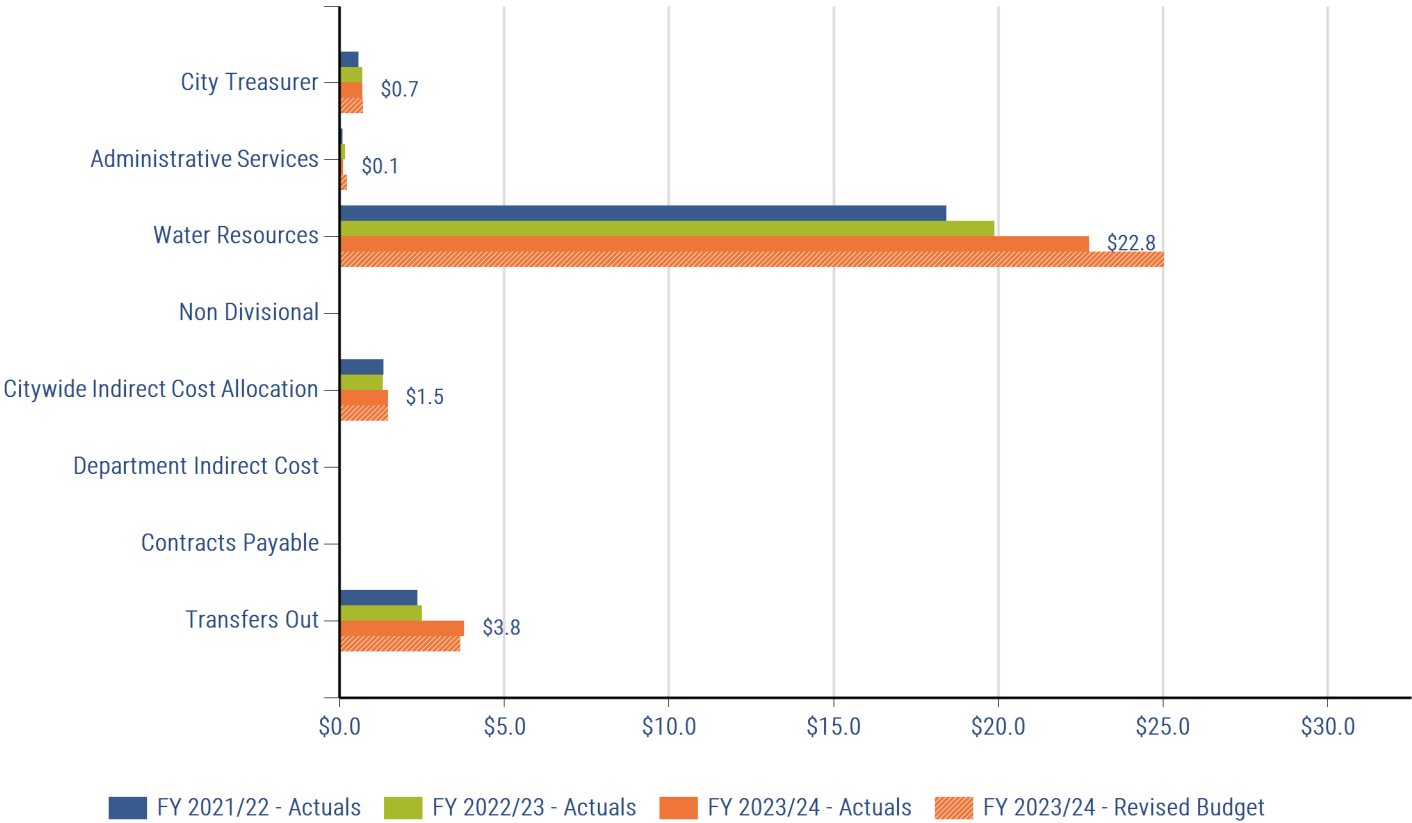
Sources (Fiscal Year to Date: September 2023)



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Water Service Charges	\$33.0	\$35.5	\$40.0	\$36.9	\$3.1	8%
Water Reclamation Service Charges	11.8	12.1	12.0	12.8	( 0.8)	(6%)
Non-potable Water Service Charges	2.9	3.1	4.3	3.5	0.8	24%
Miscellaneous	0.3	0.7	3.8	2.0	1.8	92%
Interest Earnings	0.3	0.3	0.6	0.9	( 0.2)	(25%)
Indirect Costs	-	-	-	-	-	-
Stormwater Fee	0.1	0.1	0.1	0.1	-	-
Property Rental	-	-	-	-	-	-
Transfers In	0.2	0.2	0.2	0.2	-	-
<b>Total Sources</b>	<b>\$48.6</b>	<b>\$52.0</b>	<b>\$61.1</b>	<b>\$56.3</b>	<b>\$4.8</b>	<b>9%</b>

**Actual to Revised Budget variance of \$4.8 million or 9%:** The favorable variance is due to 1) Water Service Charges and Non-potable Water Service Charges - water usage is higher than anticipated resulting from less rain during the monsoon season compared to the prior three-year average; 2) Miscellaneous - higher compensation received from the Central Arizona Project (CAP) and Arizona Department of Water Resources (ADWS) for reducing usage from Lake Mead.

Uses (Fiscal Year to Date: September 2023)

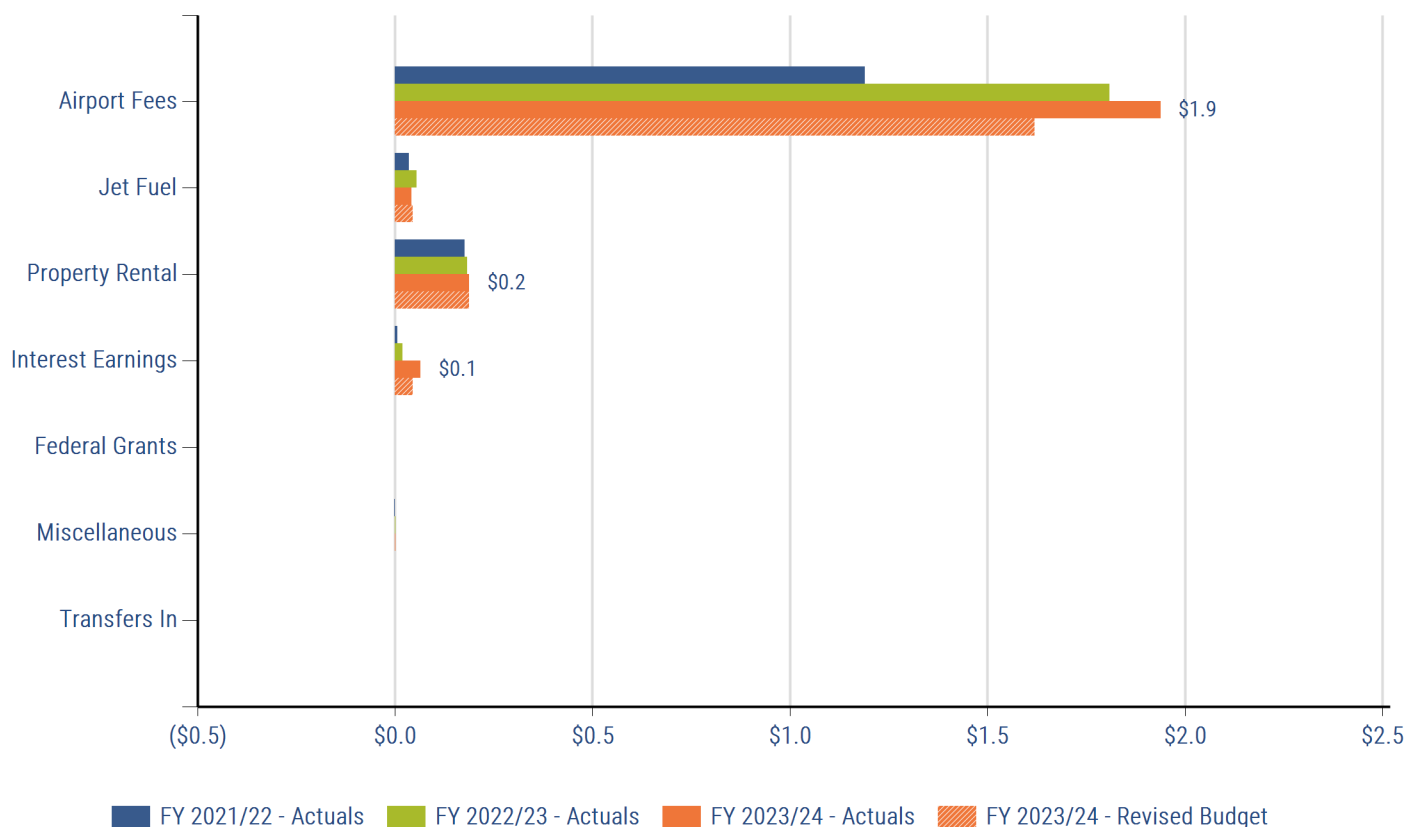


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
City Treasurer	\$0.6	\$0.7	\$0.7	\$0.7	\$ -	-
Administrative Services	0.1	0.2	0.1	0.2	0.1	48%
Water Resources	18.4	19.9	22.8	25.0	2.3	9%
Non Divisional	-	-	-	-	-	-
Citywide Indirect Cost Allocation	1.3	1.3	1.5	1.5	-	-
Department Indirect Cost	-	-	-	-	-	-
Contracts Payable	-	-	-	-	-	-
Transfers Out	2.4	2.5	3.8	3.7	(0.1)	(3%)
<b>Total Uses</b>	<b>\$22.8</b>	<b>\$24.6</b>	<b>\$28.8</b>	<b>\$31.1</b>	<b>\$2.3</b>	<b>7%</b>

**Actual to Revised Budget variance of \$2.3 million or 7%:** The favorable variance is due to Water Resources - salary saving from new employee hires and lower overtime expenses, and from timing of expenses for advertising, repair and maintenance services.

\$ in millions/rounding differences may occur

Sources (Fiscal Year to Date: September 2023)

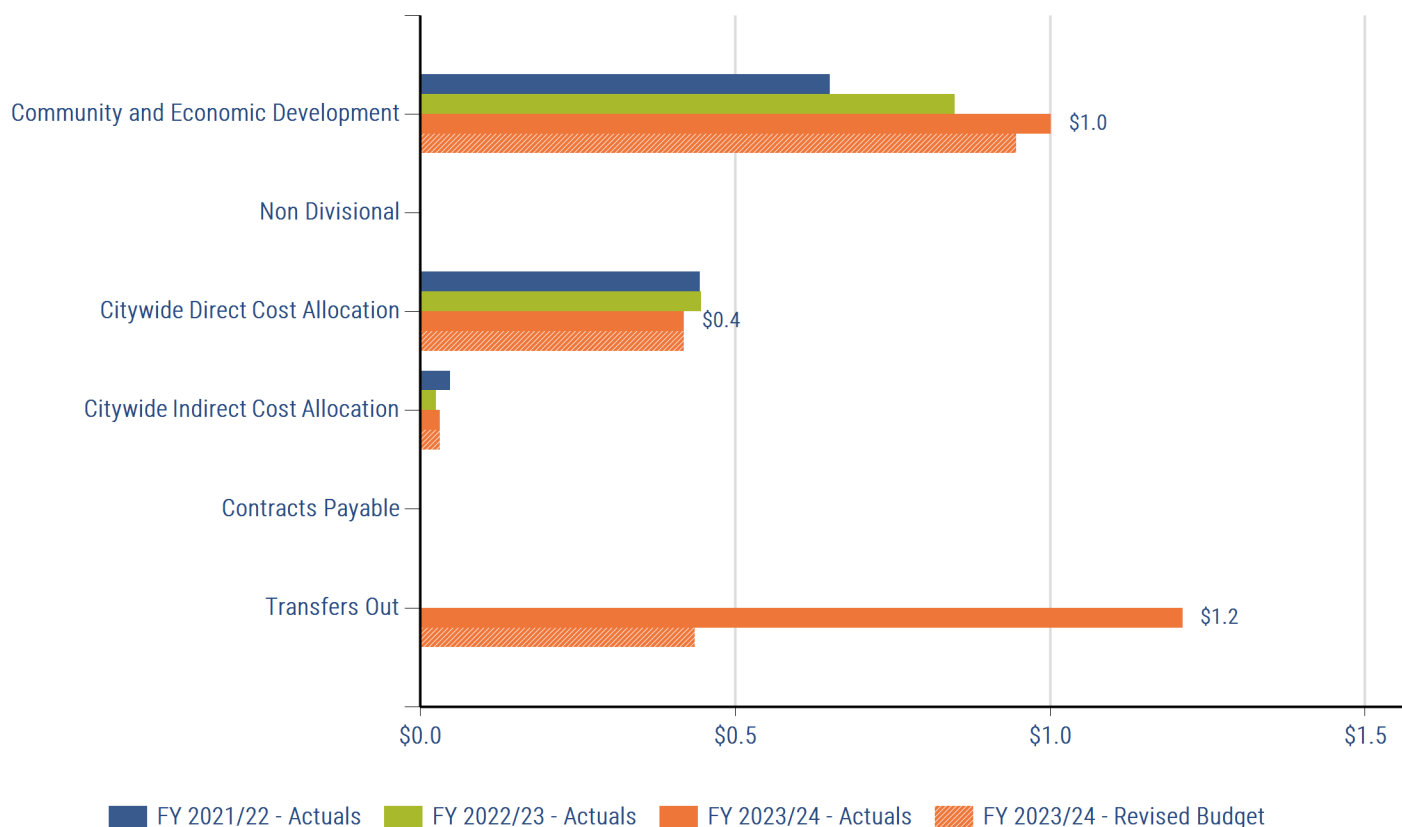


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Airport Fees	\$1.2	\$1.8	\$1.9	\$1.6	\$0.3	20%
Jet Fuel	-	0.1	-	-	-	-
Property Rental	0.2	0.2	0.2	0.2	-	-
Interest Earnings	-	-	0.1	-	-	-
Federal Grants	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$1.4</b>	<b>\$2.1</b>	<b>\$2.2</b>	<b>\$1.9</b>	<b>\$0.3</b>	<b>18%</b>

**Actual to Revised Budget variance of \$0.3 million or 18%:** The favorable variance is due to Airport Fees - permit fee revenue from higher than anticipated aeronautical business activity.

\$ in millions/rounding differences may occur

### Uses (Fiscal Year to Date: September 2023)



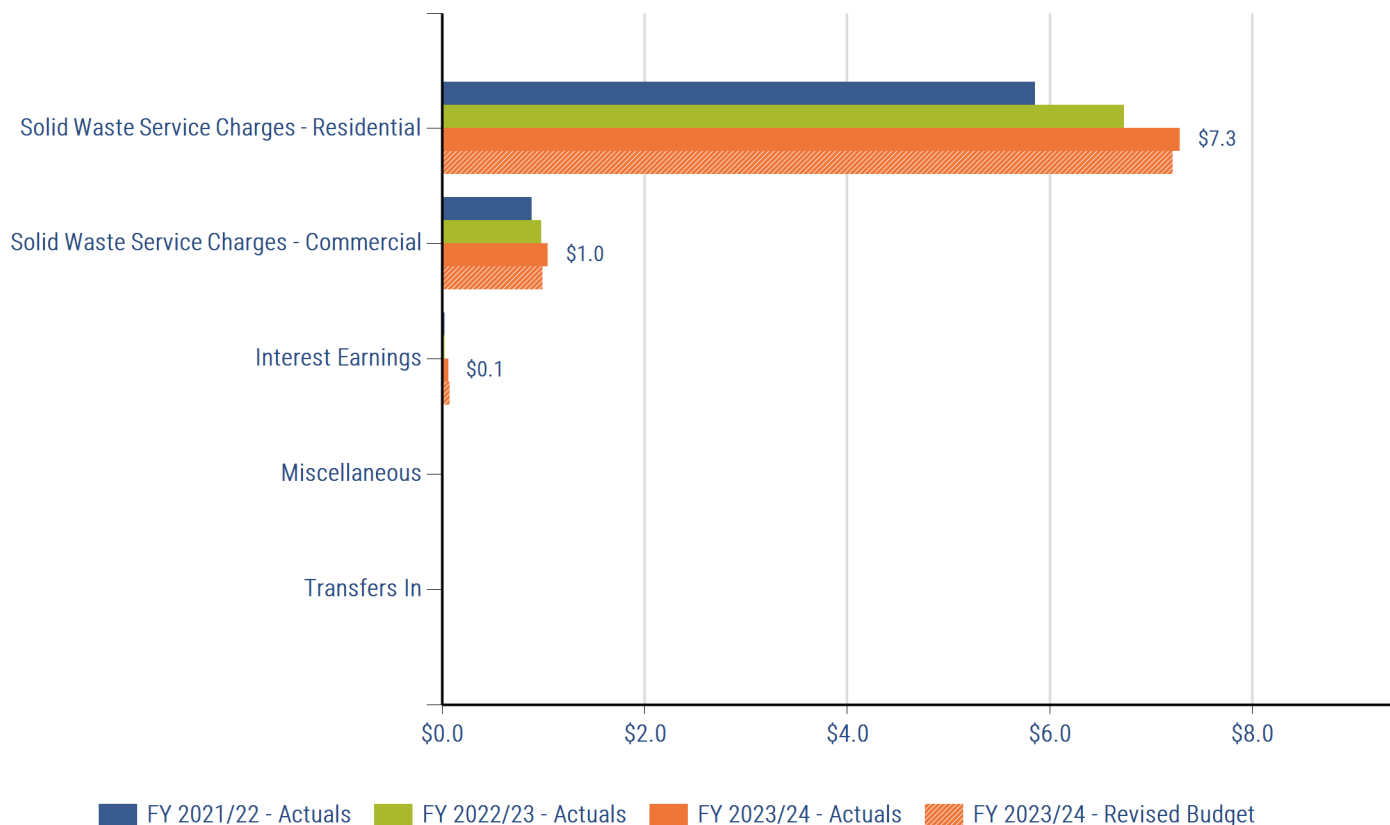
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Community and Economic Development	\$0.7	\$0.8	\$1.0	\$0.9	(\$0.1)	(6%)
Non Divisional	-	-	-	-	-	-
Citywide Direct Cost Allocation	0.4	0.4	0.4	0.4	-	-
Citywide Indirect Cost Allocation	-	-	-	-	-	-
Contracts Payable	-	-	-	-	-	-
Transfers Out	-	-	1.2	0.4	( 0.8)	nm
<b>Total Uses</b>	<b>\$1.1</b>	<b>\$1.3</b>	<b>\$2.7</b>	<b>\$1.8</b>	<b>(\$0.8)</b>	<b>(45%)</b>

**Actual to Revised Budget variance of (\$0.8) million or (45%):** The unfavorable variance in Transfers Out is due to two council approved airport capital improvement projects.

\$ in millions/rounding differences may occur



Sources (Fiscal Year to Date: September 2023)

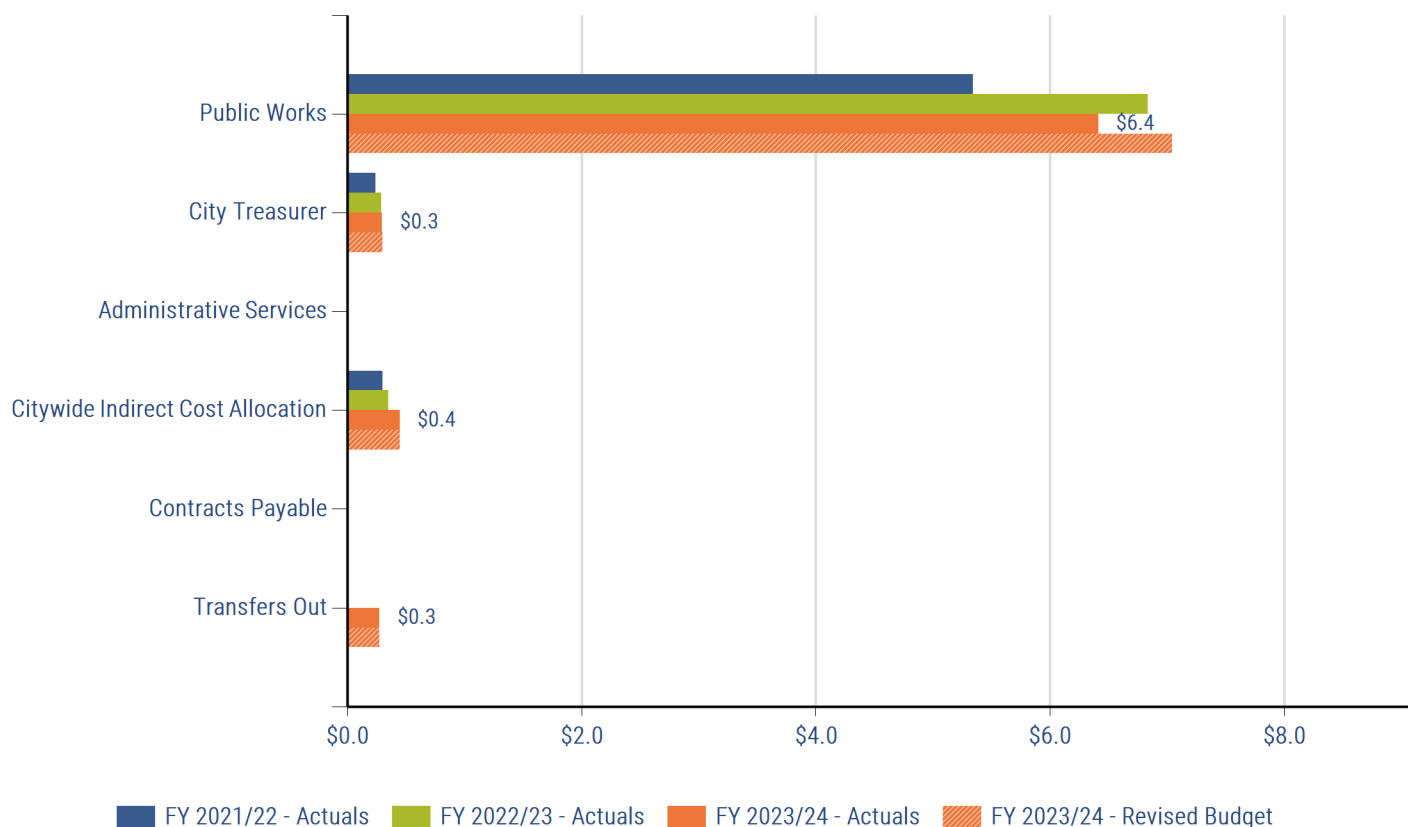


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Solid Waste Service Charges - Residential	\$5.9	\$6.7	\$7.3	\$7.2	\$0.1	1%
Solid Waste Service Charges - Commercial	0.9	1.0	1.0	1.0	0.1	6%
Interest Earnings	-	-	0.1	0.1	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$6.8</b>	<b>\$7.7</b>	<b>\$8.4</b>	<b>\$8.3</b>	<b>\$0.1</b>	<b>1%</b>

Actual to Revised Budget variance of \$0.1 million or 1%. No explanation necessary.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)

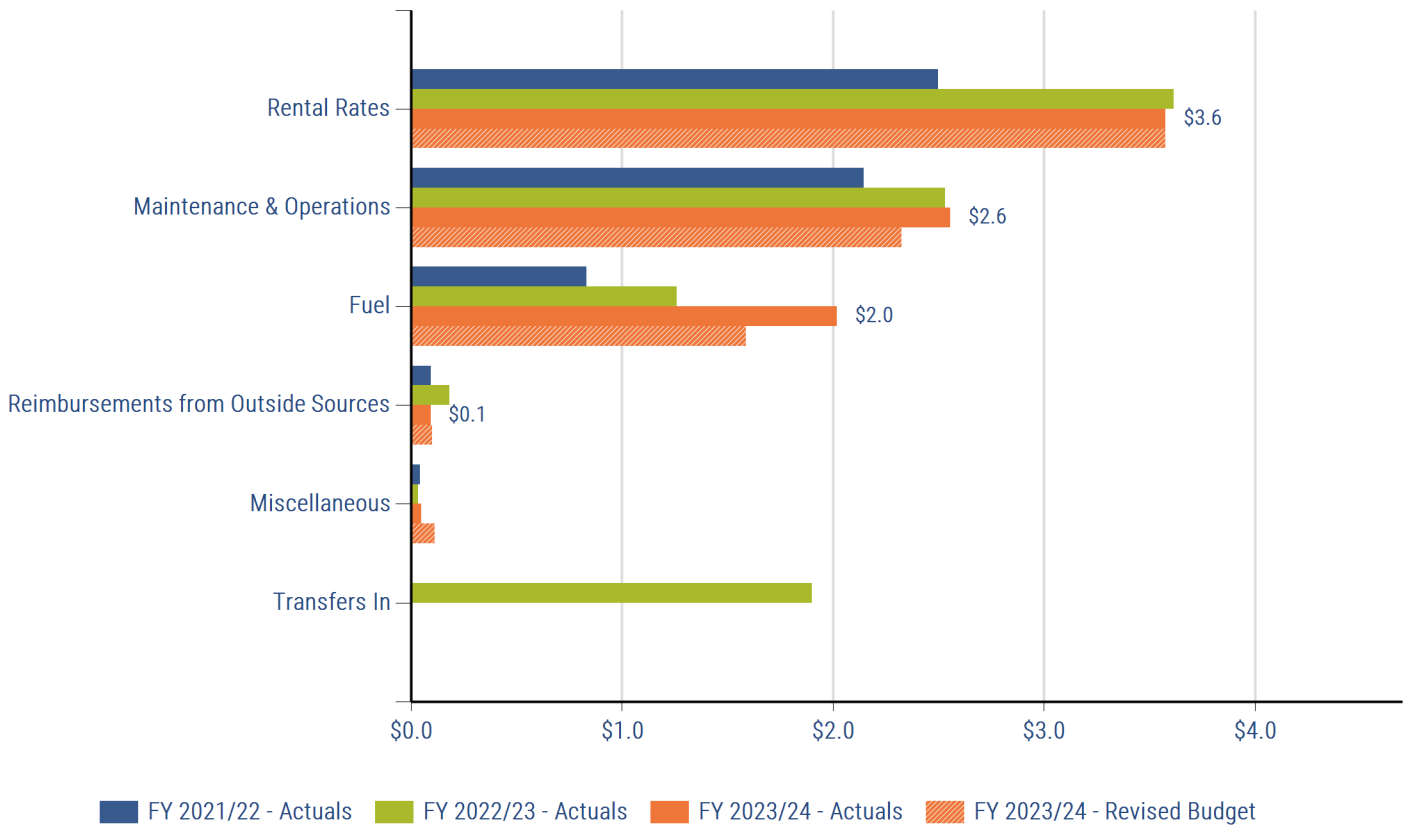


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Public Works	\$5.3	\$6.8	\$6.4	\$7.0	\$0.6	9%
City Treasurer	0.2	0.3	0.3	0.3	-	-
Administrative Services	-	-	-	-	-	-
Citywide Indirect Cost Allocation	0.3	0.3	0.4	0.4	-	-
Contracts Payable	-	-	-	-	-	-
Transfers Out	-	-	0.3	0.3	-	-
<b>Total Uses</b>	<b>\$5.9</b>	<b>\$7.5</b>	<b>\$7.4</b>	<b>\$8.1</b>	<b>\$0.6</b>	<b>8%</b>

**Actual to Revised Budget variance of \$0.6 million or 8%:** The favorable variance in Public Works is due to timing of receiving invoices of the landfill contracts and waste containers for both residential and commercial use.

\$ in millions/rounding differences may occur

Sources (Fiscal Year to Date: September 2023)

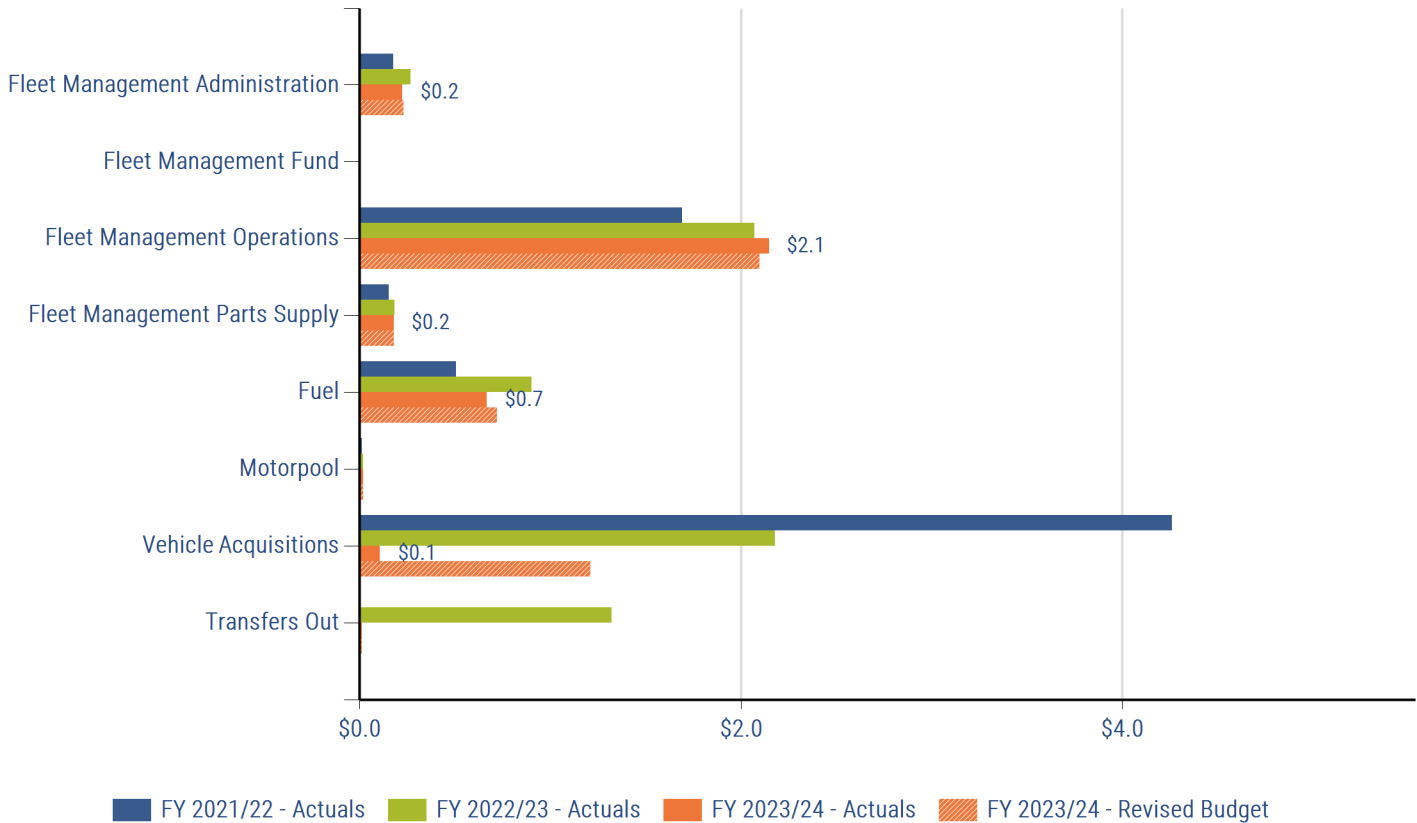


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Rental Rates	\$2.5	\$3.6	\$3.6	\$3.6	\$ -	-
Maintenance & Operations	2.1	2.5	2.6	2.3	0.2	10%
Fuel	0.8	1.3	2.0	1.6	0.4	27%
Reimbursements from Outside Sources	0.1	0.2	0.1	0.1	-	-
Miscellaneous	-	-	-	0.1	(0.1)	(57%)
Transfers In	-	1.9	-	-	-	-
<b>Total Sources</b>	<b>\$5.6</b>	<b>\$9.5</b>	<b>\$8.3</b>	<b>\$7.7</b>	<b>\$0.6</b>	<b>8%</b>

**Actual to Revised Budget variance of \$0.6 million or 8%:** The favorable variance is due to 1) Maintenance & Operations - higher revenue from equipment maintenance charges due to increased service performance; and 2) Fuel - higher than anticipated fuel usage.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)

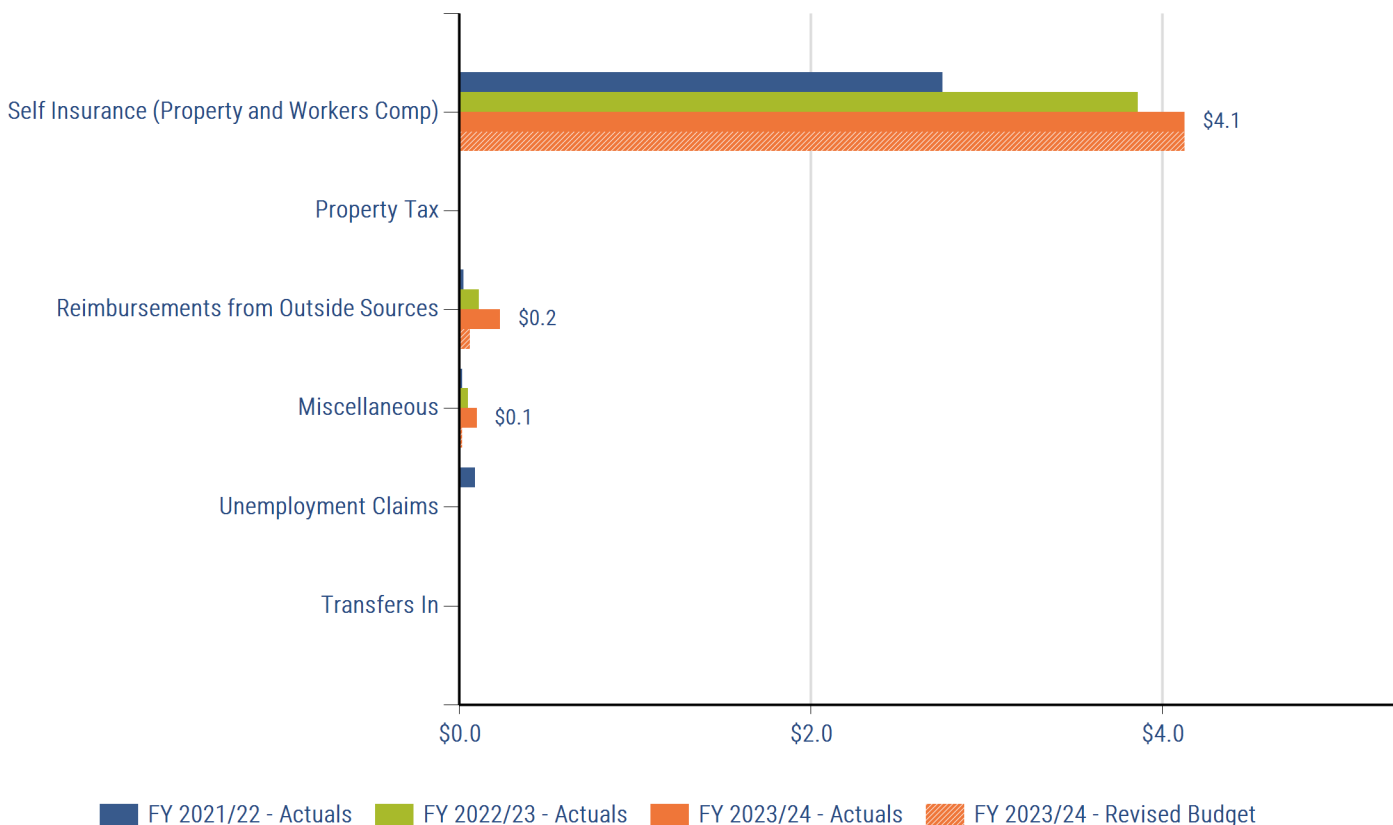


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Fleet Management Administration	\$0.2	\$0.3	\$0.2	\$0.2	\$ -	-
Fleet Management Fund	-	-	-	-	-	-
Fleet Management Operations	1.7	2.1	2.1	2.1	-	-
Fleet Management Parts Supply	0.2	0.2	0.2	0.2	-	-
Fuel	0.5	0.9	0.7	0.7	0.1	7%
Motorpool	-	-	-	-	-	-
Vehicle Acquisitions	4.3	2.2	0.1	1.2	1.1	91%
Transfers Out	-	1.3	-	-	-	-
<b>Total Uses</b>	<b>\$6.8</b>	<b>\$6.9</b>	<b>\$3.4</b>	<b>\$4.5</b>	<b>\$1.1</b>	<b>25%</b>

**Actual to Revised Budget variance of \$1.1 million or 25%:** The favorable variance is due to Vehicle Acquisitions - timing of receiving new city vehicles.

\$ in millions/rounding differences may occur

Sources (Fiscal Year to Date: September 2023)

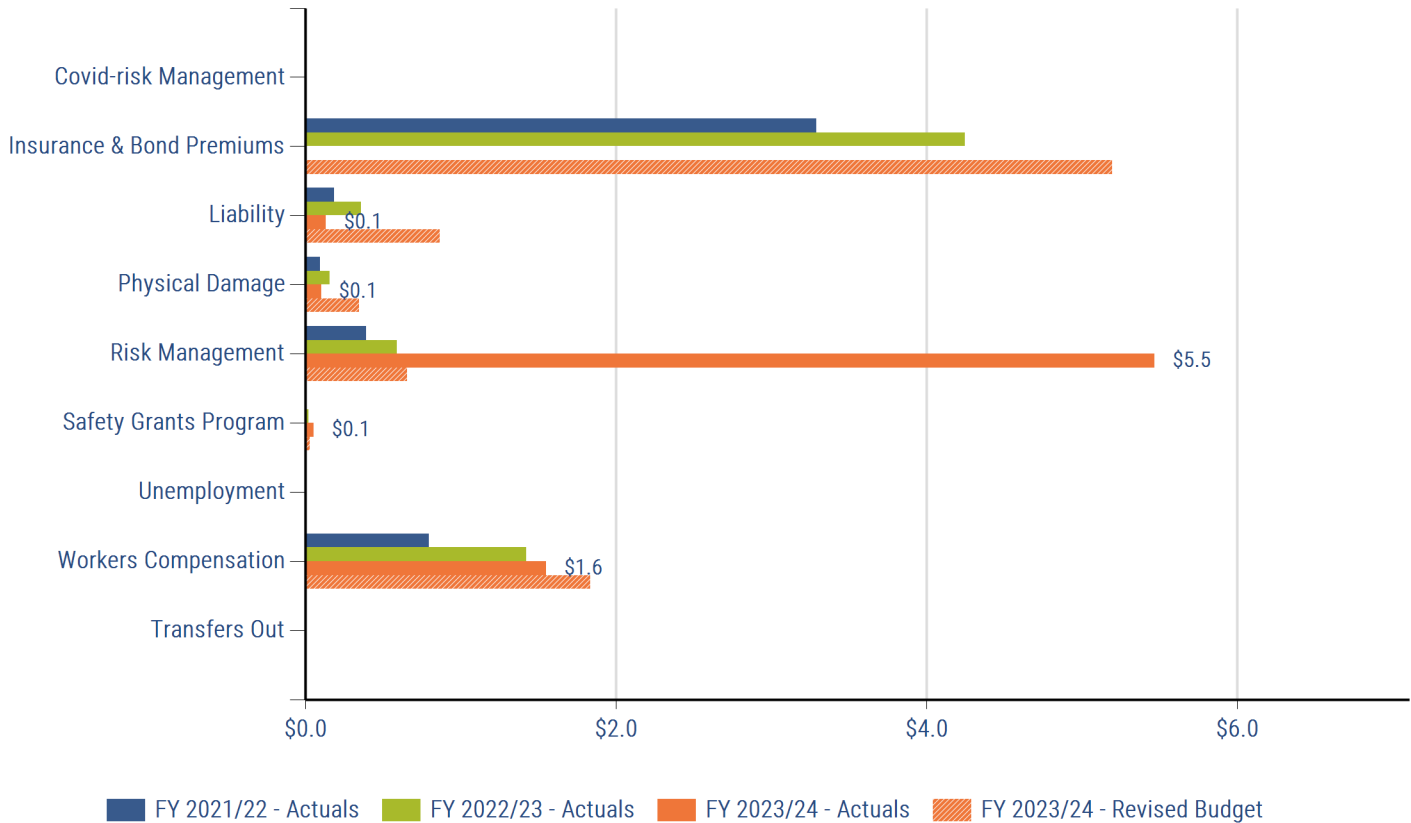


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Self Insurance (Property and Workers Comp)	\$2.8	\$3.9	\$4.1	\$4.1	\$ -	-
Property Tax	-	-	-	-	-	-
Reimbursements from Outside Sources	-	0.1	0.2	0.1	0.2	nm
Miscellaneous	-	0.1	0.1	-	0.1	nm
Unemployment Claims	0.1	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$2.9</b>	<b>\$4.0</b>	<b>\$4.5</b>	<b>\$4.2</b>	<b>\$0.3</b>	<b>6%</b>

**Actual to Revised Budget variance of \$0.3 million or 6%:** The favorable variance is due to a recovery of expense for a worker’s compensation claim in Reimbursements from Outside Sources.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)

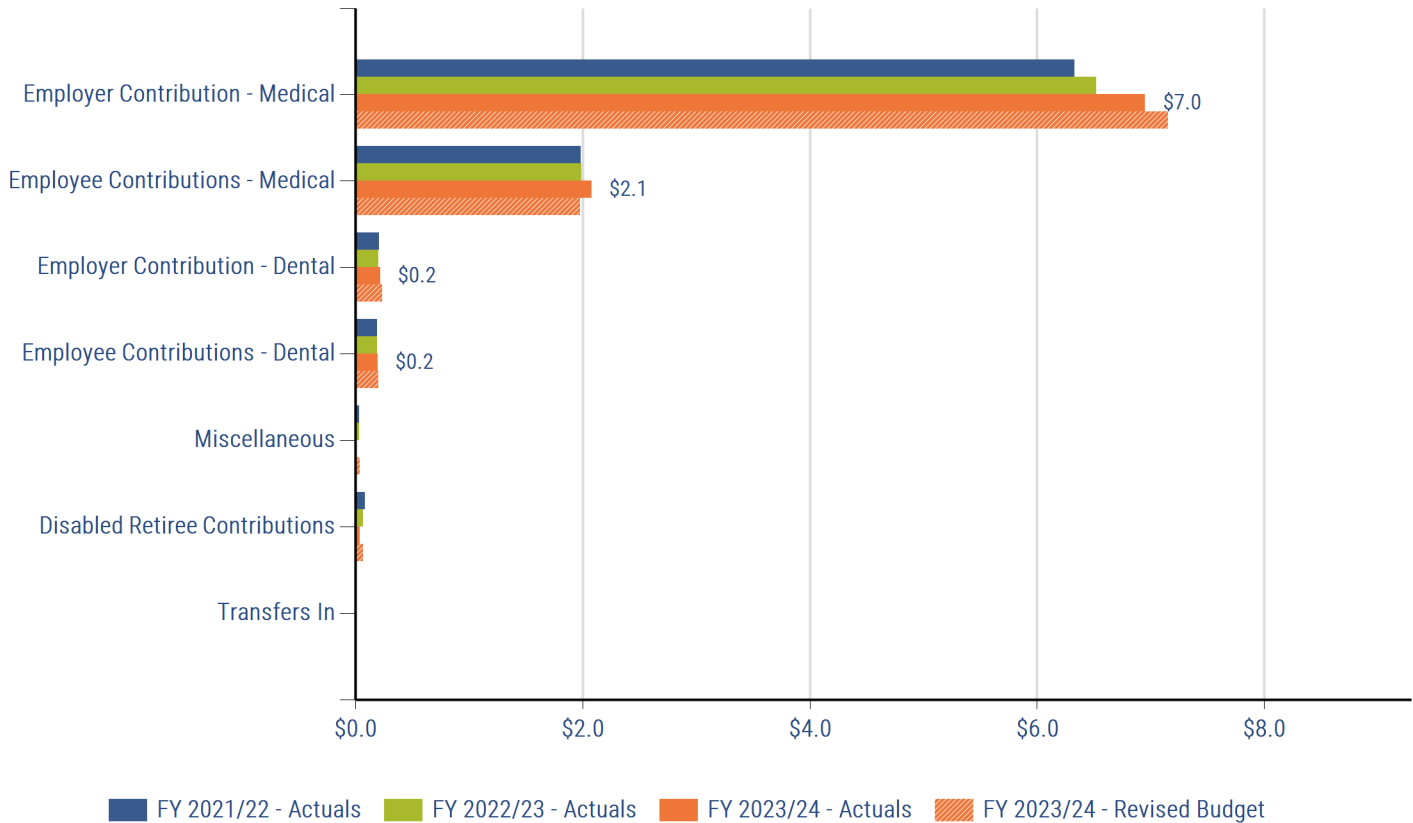


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Covid-risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	-
Insurance & Bond Premiums	3.3	4.2	-	5.2	5.2	100%
Liability	0.2	0.4	0.1	0.9	0.7	85%
Physical Damage	0.1	0.2	0.1	0.3	0.2	71%
Risk Management	0.4	0.6	5.5	0.7	(4.8)	nm
Safety Grants Program	-	-	0.1	-	-	-
Unemployment	-	-	-	-	-	-
Workers Compensation	0.8	1.4	1.6	1.8	0.3	15%
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$4.8</b>	<b>\$6.8</b>	<b>\$7.3</b>	<b>\$8.9</b>	<b>\$1.6</b>	<b>18%</b>

**Actual to Revised Budget variance of \$1.6 million or 18%:** The favorable variance is primarily due to 1) lower worker's compensation claims; and 2) insurance costs lower than initially projected.

\$ in millions/rounding differences may occur

Sources (Fiscal Year to Date: September 2023)

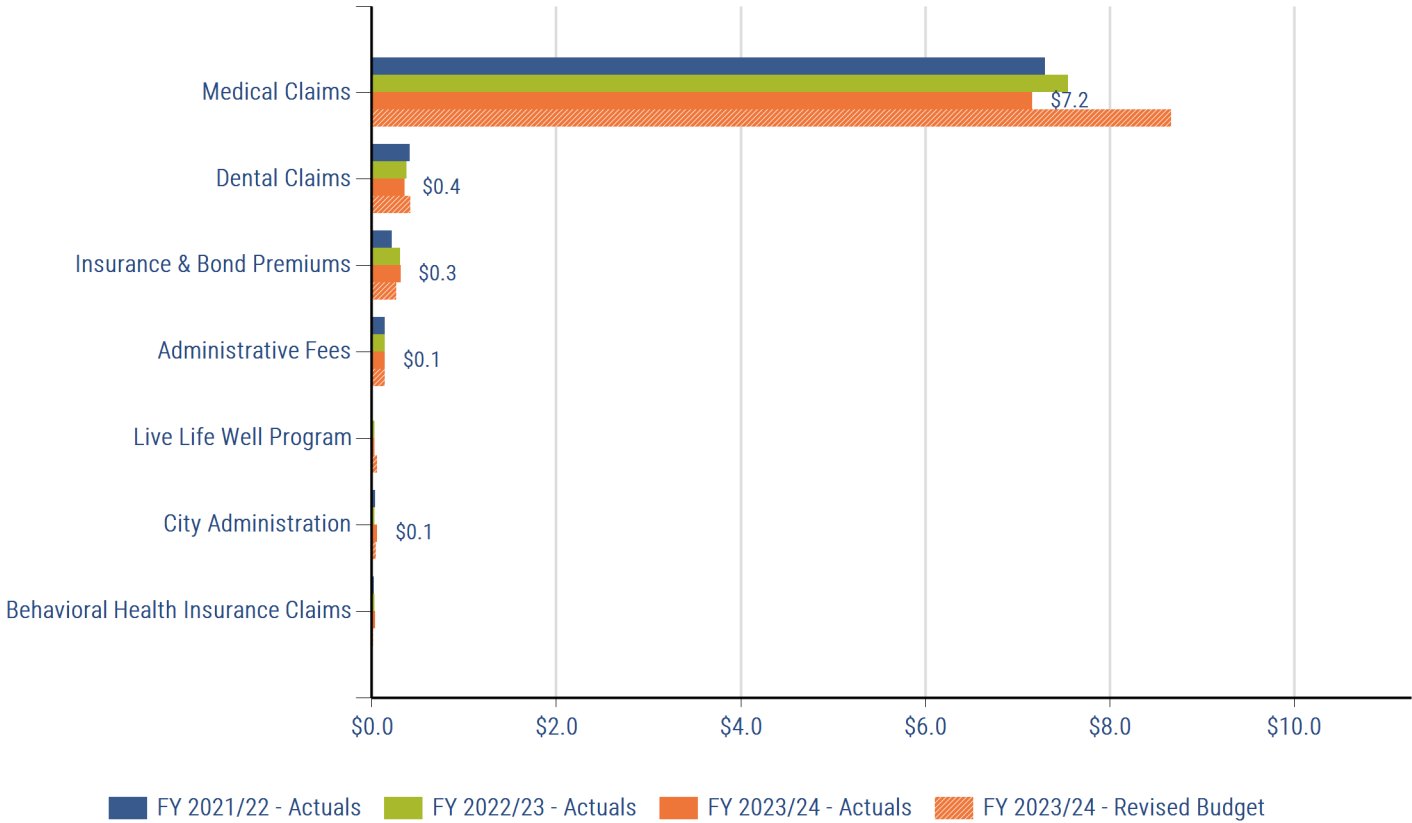


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Employer Contribution - Medical	\$6.3	\$6.5	\$7.0	\$7.2	(\$0.2)	(3%)
Employee Contributions - Medical	2.0	2.0	2.1	2.0	0.1	5%
Employer Contribution - Dental	0.2	0.2	0.2	0.2	-	-
Employee Contributions - Dental	0.2	0.2	0.2	0.2	-	-
Miscellaneous	-	-	-	-	-	-
Disabled Retiree Contributions	0.1	0.1	-	0.1	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$8.8</b>	<b>\$9.0</b>	<b>\$9.5</b>	<b>\$9.7</b>	<b>(\$0.2)</b>	<b>(2%)</b>

**Actual to Revised Budget variance of (\$0.2) million or (2%):** The unfavorable variance is due to Employer Contribution - Medical, resulting from new hire is selecting different plan than what was budgeted.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)



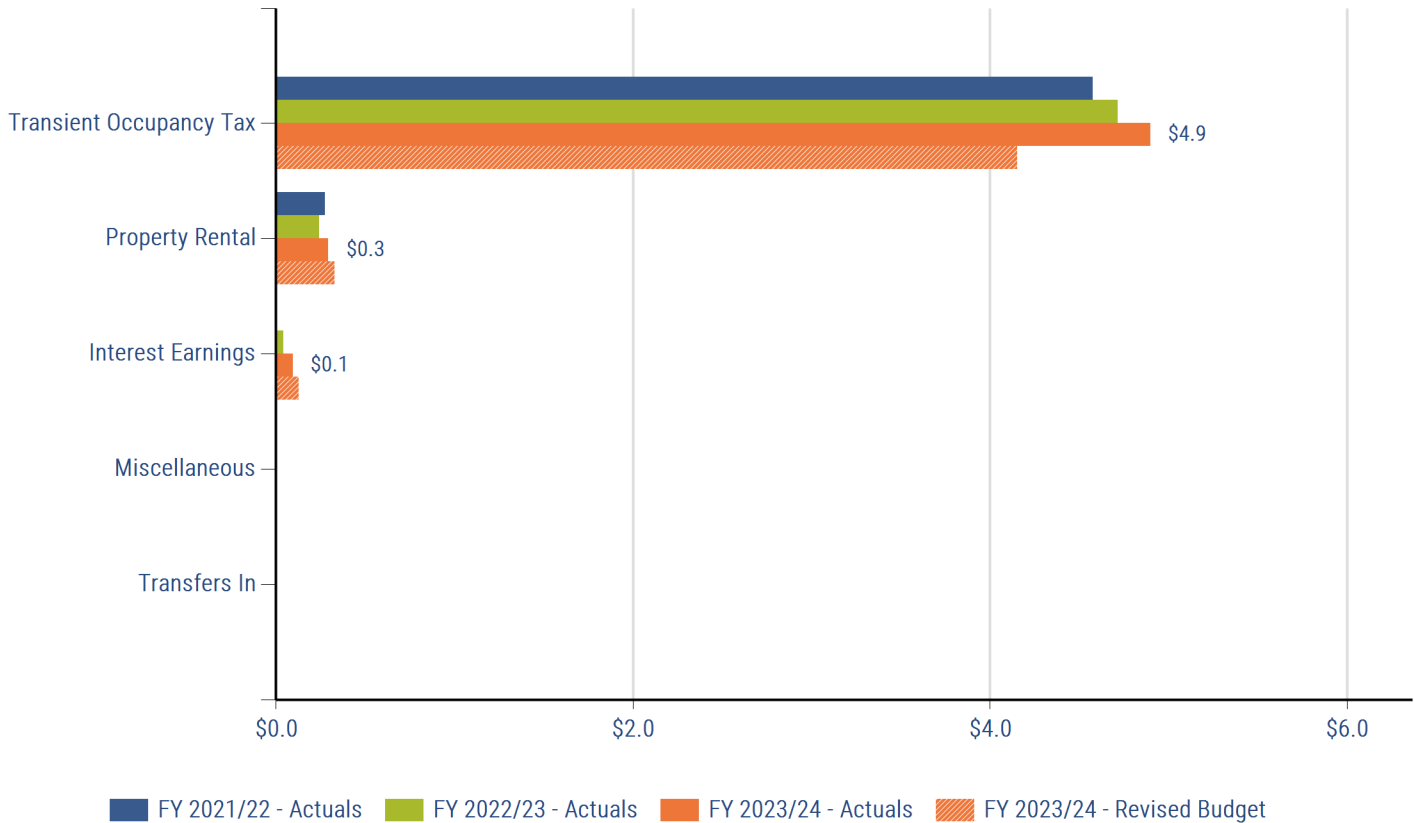
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Medical Claims	\$7.3	\$7.6	\$7.2	\$8.7	\$1.5	17%
Dental Claims	0.4	0.4	0.4	0.4	0.1	15%
Insurance & Bond Premiums	0.2	0.3	0.3	0.3	-	-
Administrative Fees	0.1	0.1	0.1	0.1	-	-
Live Life Well Program	-	-	-	0.1	-	-
City Administration	-	-	0.1	-	-	-
Behavioral Health Insurance Claims	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$8.1</b>	<b>\$8.5</b>	<b>\$8.1</b>	<b>\$9.6</b>	<b>\$1.5</b>	<b>16%</b>

**Actual to Revised Budget variance of \$1.5 million or 16%:** The favorable variance is due to Medical Claims - timing and difficulty in predicting claims.

\$ in millions/rounding differences may occur



Sources (Fiscal Year to Date: September 2023)

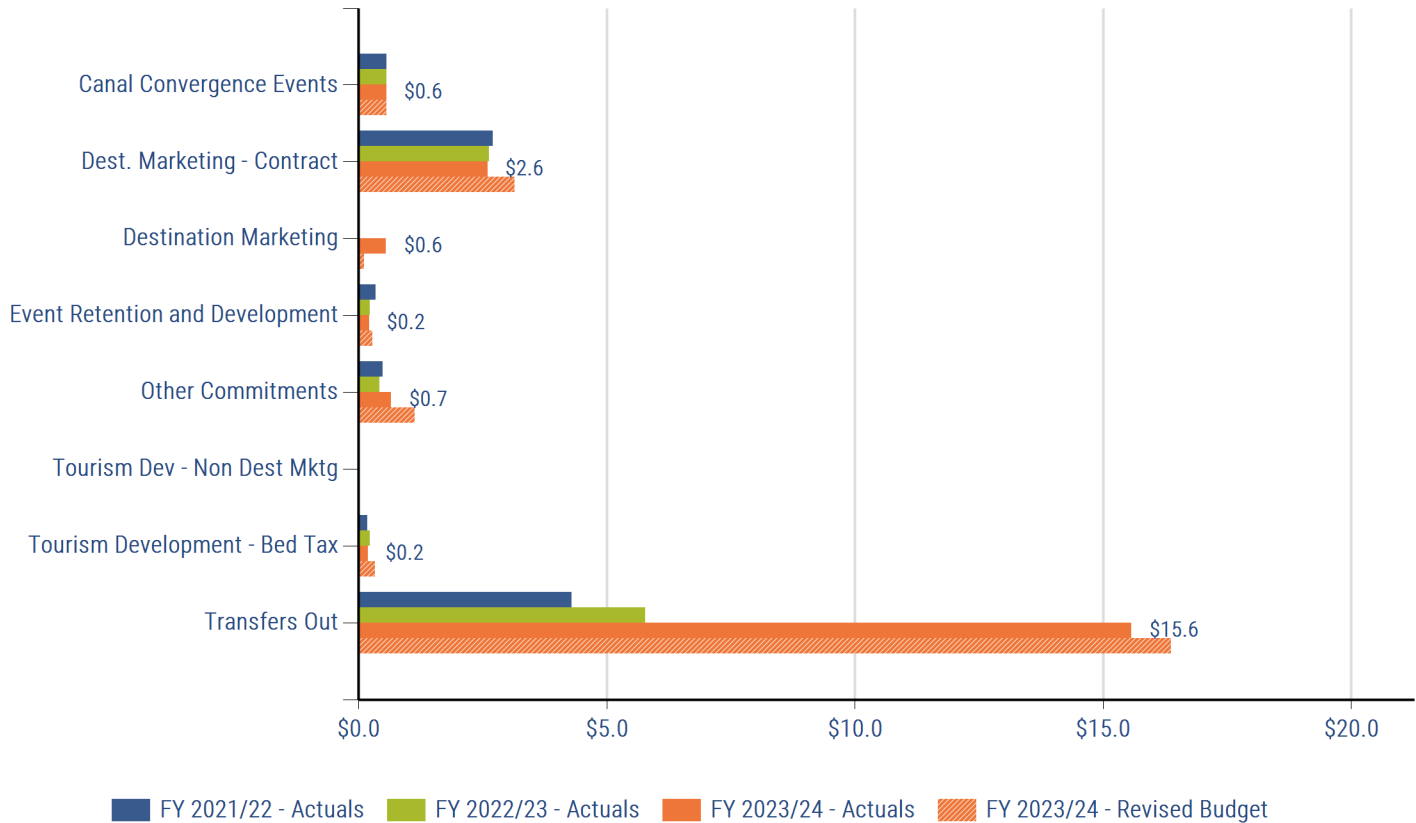


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Transient Occupancy Tax	\$4.6	\$4.7	\$4.9	\$4.2	\$0.7	18%
Property Rental	0.3	0.2	0.3	0.3	-	-
Interest Earnings	-	-	0.1	0.1	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$4.8</b>	<b>\$5.0</b>	<b>\$5.3</b>	<b>\$4.6</b>	<b>\$0.7</b>	<b>15%</b>

**Actual to Revised Budget variance of \$0.7 million or 15%:** The favorable variance in Transient Occupancy Tax is due to higher than anticipated collections driven by the tourism-related activity in the city.

\$ in millions/rounding differences may occur

Uses (Fiscal Year to Date: September 2023)



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Canal Convergence Events	\$0.6	\$0.6	\$0.6	\$0.6	\$ -	-
Dest. Marketing - Contract	2.7	2.6	2.6	3.1	0.5	17%
Destination Marketing	-	-	0.6	0.1	(0.4)	nm
Event Retention and Development	0.3	0.2	0.2	0.3	0.1	25%
Other Commitments	0.5	0.4	0.7	1.1	0.5	42%
Tourism Dev - Non Dest Mktg	-	-	-	-	-	-
Tourism Development - Bed Tax	0.2	0.2	0.2	0.3	0.1	44%
Transfers Out	4.3	5.8	15.6	16.4	0.8	5%
<b>Total Uses</b>	<b>\$8.6</b>	<b>\$9.9</b>	<b>\$20.3</b>	<b>\$21.9</b>	<b>\$1.6</b>	<b>7%</b>

**Actual to Revised Budget variance of \$1.6 million or 7%:** The favorable variance is due to 1) Other Commitments - timing of receiving invoices for supplies for Old Town Scottsdale; 2) Transfers out - timing differences only.

\$ in millions/rounding differences may occur



## Privilege (Sales) & Use Tax Collections For September 2023 (For Business Activity in August 2023)

Appendix 1 contains information regarding the “actual” revenue collections from the 1.0 percent Privilege and Use Tax reflected in the General Fund, 0.2 percent dedicated Transportation Privilege Tax, 0.1 percent additional dedicated to Transportation Privilege and Use Taxes, 0.2 percent dedicated Preserve Privilege and Use Taxes, 0.15 percent additional dedicated Preserve Privilege and Use Taxes, and 0.1 percent dedicated Public Safety Privilege and Use Taxes, including adjustments for related license revenues, late collections and audits. While the report includes the actual year-to-date tax collections for the funds previously noted, only the General Fund portion (1.0 percent) of the tax is unrestricted and available for general government purposes.

The fiscal year to date Privilege and Use Tax (1.0 percent General Purpose) collections increased 5 percent compared to the Budget, and decreased 2 percent compared to the same period a year ago.

### Privilege (Sales) & Use Tax by Category and Fund

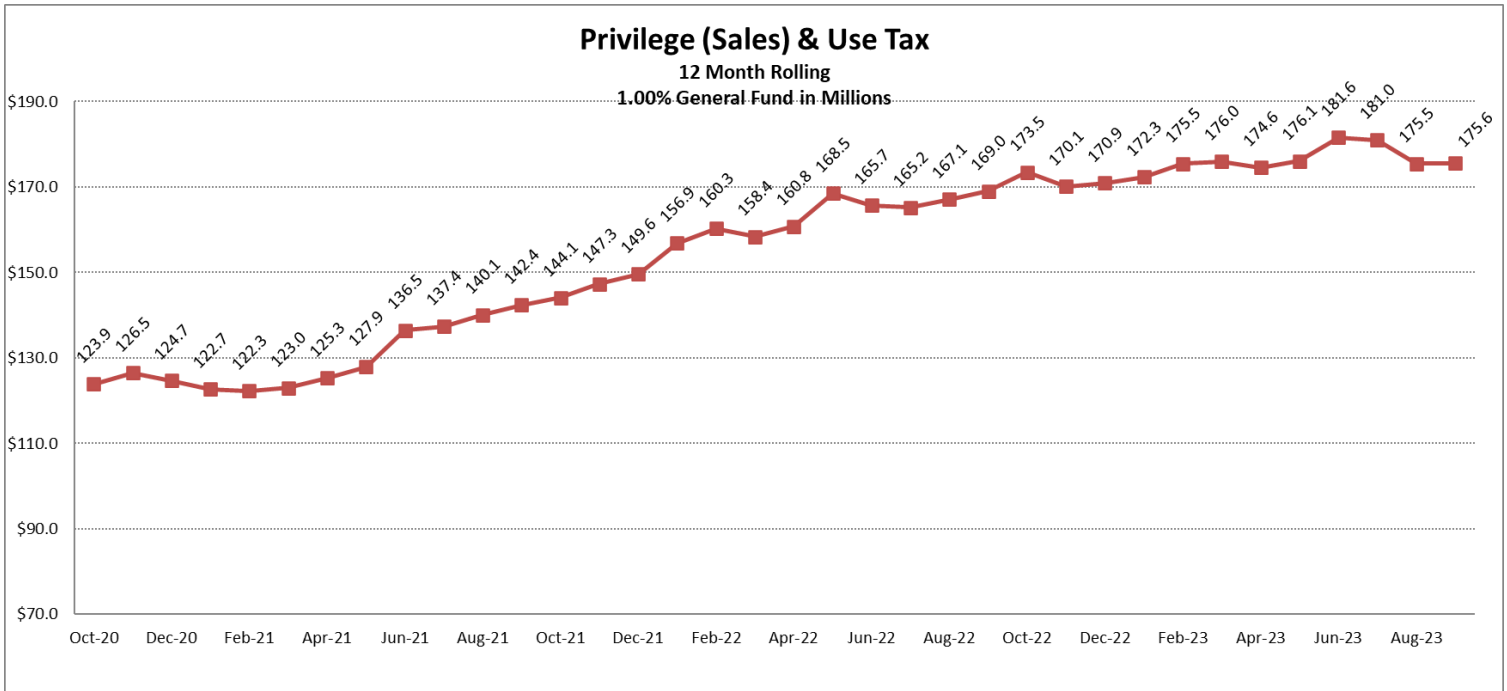
	Fiscal Year: Twelve Months				
	2021/22	2022/23	2023/24	2023/24	2023/24
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Automotive	\$19.2	n/a	\$21.2	\$21.2	\$0.0
Construction	12.3	n/a	12.9	12.9	0.0
Dining/ Entertainment	11.7	n/a	13.7	13.7	0.0
Food Stores	8.9	n/a	9.1	9.1	0.0
Hotel/Motel	5.3	n/a	8.0	8.0	0.0
Major Dept. Stores	10.2	n/a	11.7	11.7	0.0
Misc. Retail Stores	30.1	n/a	35.3	35.3	0.0
Other Activity	16.5	n/a	19.1	19.1	0.0
Rentals	17.4	n/a	18.8	18.8	0.0
Utilities	4.8	n/a	5.1	5.1	0.0
Subtotal	\$136.5	n/a	\$154.9	\$154.9	\$0.0
0.10% Public Safety	\$13.4	n/a	\$15.2	\$15.2	\$0.0
0.20% Transportation 1990	25.5	n/a	28.8	28.8	0.0
0.10% Transportation 2019	13.5	n/a	15.2	15.2	0.0
0.20% McDowell Preserve 1995	26.8	n/a	30.5	30.5	0.0
0.15% McDowell Preserve 2004	20.1	n/a	22.9	22.9	0.0
Total	\$235.7	n/a	\$267.6	\$267.6	\$0.0
% Change vs. Prior Year	11%	n/a	n/a	n/a	

Rounding differences may occur

### Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: September 2023						
	2021/22 Actual	2022/23 Actual	2023/24 Actual	2023/24 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
<b>1.00% General Purpose</b>						
Automotive	\$4.9	\$4.7	\$4.6	\$4.4	\$0.2	5%
Construction	3.5	3.7	4.7	3.4	1.3	36%
Dining/ Entertainment	3.3	3.6	3.6	3.4	0.1	4%
Food Stores	2.0	2.1	2.2	2.2	0.0	0%
Hotel/Motel	1.4	2.1	1.5	1.4	0.1	8%
Major Dept. Stores	2.9	3.1	2.7	2.9	(0.1)	-5%
Misc. Retail Stores	7.6	9.7	8.3	8.0	0.3	4%
Other Activity	4.1	5.0	4.8	4.9	(0.1)	-2%
Rentals	5.3	5.3	5.7	5.5	0.2	4%
Utilities	1.3	1.3	1.3	1.3	0.0	0%
Subtotal	<b>\$36.2</b>	<b>\$40.6</b>	<b>\$39.4</b>	<b>\$37.4</b>	<b>\$2.0</b>	<b>5%</b>
0.10% Public Safety	\$3.6	\$4.0	\$3.9	\$3.7	\$0.2	5%
0.20% Transportation 1990	6.8	7.7	7.7	7.0	0.7	10%
0.10% Transportation 2019	3.6	3.9	3.9	3.7	0.2	5%
0.20% McDowell Preserve 1995	7.1	8.0	7.8	7.4	0.4	5%
0.15% McDowell Preserve 2004	5.3	6.0	5.8	5.5	0.3	5%
Total	<b>\$62.6</b>	<b>\$70.2</b>	<b>\$68.6</b>	<b>\$64.8</b>	<b>\$3.8</b>	<b>6%</b>
% Change vs. Prior Year	29%	12%	-2%	-8%		
Top 20 Taxpayers	\$14.3	\$14.8	\$13.9			
% of Total	23%	21%	20%			
% Change vs. Prior Year	15%	3%	-6%			

Rounding differences may occur.



### **Automotive Sales Taxes**

The automotive category includes automobile dealers, motorcycle dealers, automotive repair shops, tire shops, car washes, and car leasing companies.

**Actual to Revised Budget variance of \$0.2 million or 5%:** This is due in part to timing differences of when taxpayers reported last year versus this year.

### **Construction Sales Taxes**

The construction tax is collected on all construction activity; commercial and residential; new and re-model. It also includes landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, electrical, framing, drywall, infrastructure, masonry, finish carpentry, etc.

**Actual to Revised Budget variance of \$1.3 million or 36%:** This is due in part to increases from some new projects, increased residential/commercial construction, and one-time audit payments.

### **Dining/Entertainment Sales Taxes**

The restaurant category includes restaurants, bars, cafeterias, mobile food vendors, and caterers.

**Actual to Revised Budget variance of \$0.1 million or 4%:** This is due in part to restaurants doing better than anticipated and inflation.

### **Food Stores Sales Taxes**

This category includes grocery stores, candy stores, meat markets and convenience stores.

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

### **Hotel/Motel Sales Taxes**

This category includes lodging space rental on a short-term basis and other activities provided at the hotel/motel.

**Actual to Revised Budget variance of \$0.1 million or 8%:** This is due in part to timing differences of when taxpayers reported last year versus this year and new hotel opening almost a year ago.

### **Major Department Stores Sales Taxes**

This category includes large department stores, warehouse clubs, supercenters, and discount department stores.

**Actual to Revised Budget variance of (\$0.1) million or (5%):** This is due in part to timing differences of when taxpayers reported last year versus this year and decreases in sales.

### **Miscellaneous Retail Stores Sales Taxes**

This category includes small clothing stores, art galleries, luggage stores, home furnishing stores, jewelry stores, drug stores, hobby stores, household appliance stores, sporting goods stores, florists, computer stores, hardware stores, online shopping, and pet supply stores.

**Actual to Revised Budget variance of \$0.3 million or 4%:** This is due in part to retail stores doing better than anticipated and inflation.

**Other Activity Sales Taxes**

This category includes movie theatres, golf courses, gyms, bowling centers, amusement arcades, interior designers, publishers, banks, doctors, lawyers, accountants, beauty salons, barber shops, personal goods repair shops, photographers, advertising, wholesalers, and manufacturers. This also includes license fees, penalties, and interest.

**Actual to Revised Budget variance of (\$0.1) million or (2%):** This is due in part to timing differences of when taxpayers reported last year versus this year and a decrease in sales.

**Rental Sales Taxes**

The rental category includes rentals of commercial and residential real property and personal property rentals, (such as rentals of formal wear, DVD's, home health equipment, recreational goods, electronics, appliances, etc.)

**Actual to Revised Budget variance of \$0.2 million or 4%:** This is due in part to a one-time taxable speculative sale of an apartment complex.

**Utilities Sales Taxes**

This category includes businesses that provide telecommunication (landlines and cellular), electricity, gas, or water services.

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

**City of Scottsdale  
WestWorld**

Twelve Months: Fiscal Year

	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Adopted Budget	2023/24 Approved Budget	2023/24 Forecast Budget
<b>Operating Revenue</b>							
Rental Facilities	\$2,261,538	\$3,601,497	\$3,675,360	\$3,781,955	\$3,517,170	\$3,517,170	\$3,517,170
RV Rental	365,834	496,017	544,481	672,101	577,784	577,784	577,784
Feed/Bedding Sales	524,759	919,338	898,455	931,865	909,952	909,952	909,952
Labor Fees	377,019	473,148	543,222	560,580	480,868	480,868	480,868
Concession Fees	362,494	2,942	2,780	1,349	2,000	2,000	2,000
Parking	78,846	177,065	987,581	1,133,051	1,223,354	1,223,354	1,223,354
Other Income	169,289	132,338	302,018	198,564	150,000	150,000	150,000
Equidome Project Use Fee	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Operating Transfer In	100,000	100,000	121,734	100,000	350,000	350,000	350,000
<b>Operating Revenue</b>	<b>\$4,599,778</b>	<b>\$6,262,345</b>	<b>\$7,435,631</b>	<b>\$7,739,465</b>	<b>\$7,571,128</b>	<b>\$7,571,128</b>	<b>\$7,571,128</b>
<b>Operating Expenses</b>							
<b>Personnel Services</b>							
Wages/Salaries/Benefits	\$2,024,104	\$1,903,738	\$2,262,683	\$2,293,413	\$3,165,129	\$3,030,636	\$3,030,636
Overtime	52,024	43,649	55,758	126,018	67,400	70,144	70,144
<b>Contractual Services</b>							
Contractual Workers	115,819	157,624	290,978	349,006	404,254	404,254	404,254
Telephone	41,817	13,169	12,514	16,246	14,476	14,476	14,476
Utilities	1,103,652	1,208,499	1,319,139	1,525,760	-	189,401	189,401
Maintenance & Equipment Rental & Fleet	742,575	551,765	741,930	967,613	531,260	771,856	771,856
License and Permits	250,941	220,259	133,340	6,000	365	365	365
Property, Liability & Workers' Comp	77,449	110,087	145,776	221,880	191,861	191,861	191,861
Advertising/Marketing Contract	340,907	194,981	234,459	235,496	163,390	163,390	163,390
Other	285,712	211,735	389,423	667,652	730,802	730,802	730,802
<b>Commodities and Capital Outlays</b>							
Agriculture & Horticulture & Other Supply	78,949	122,494	81,132	213,693	215,500	215,500	215,500
Maintenance & Repairs Supply, Equipment	117,840	138,694	104,716	228,122	199,075	199,075	199,075
Inventory Purchased for Resale	321,449	488,953	633,988	622,282	625,000	625,000	625,000
Construction - Other	26,314	11,679	35,648	625,049	376,035	376,035	376,035
Other Expenses	32,657	34,270	29,468	16,213	42,820	42,820	42,820
<b>BOR Admin</b>							
BOR Admin/WestWorld	179,586	188,565	197,993	207,893	218,287	218,287	218,287
<b>Allocated Expenses</b>							
COS Indirect Costs	398,702	371,073	384,276	422,524	473,626	473,626	473,626
<b>Operating Transfer Out</b>							
Operating Transfer Out	-	-	21,734	-	-	-	-
<b>Operating Expenses</b>	<b>\$6,190,497</b>	<b>\$5,971,234</b>	<b>\$7,074,955</b>	<b>\$8,744,860</b>	<b>\$7,419,280</b>	<b>\$7,717,528</b>	<b>\$7,717,528</b>
<b>Operating Income</b>	<b>(\$1,590,720)</b>	<b>\$291,111</b>	<b>\$360,676</b>	<b>(\$1,005,395)</b>	<b>\$151,848</b>	<b>(\$146,400)</b>	<b>(\$146,400)</b>
<b>Debt Service (Less contributions)</b>							
Debt Service - (52 & 17 acres)	\$2,317,059	\$2,238,918	\$2,570,986	\$2,211,196	\$2,240,154	\$2,240,154	\$2,240,154
Debt Service - TNEC (\$41.935M)	2,046,314	1,255,864	1,999,476	1,380,230	1,283,136	1,283,136	1,283,136
Debt Service - TNEC Tourism Funded	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Bed Tax Contributions - TNEC	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,671,176)	(1,671,176)	(1,671,176)
<b>Net Debt Service</b>	<b>\$4,363,373</b>	<b>\$3,494,782</b>	<b>\$4,570,462</b>	<b>\$3,591,426</b>	<b>\$3,052,114</b>	<b>\$3,052,114</b>	<b>\$3,052,114</b>
<b>Operating Income After Debt Service</b>	<b>(\$5,954,093)</b>	<b>(\$3,203,671)</b>	<b>(\$4,209,786)</b>	<b>(\$4,596,821)</b>	<b>(\$2,900,266)</b>	<b>(\$3,198,514)</b>	<b>(\$3,198,514)</b>

**City of Scottsdale**  
**WestWorld**  
**Statement of Operations for September 2023 / 3 Months YTD**

	FY 2019/20 YTD Actual	FY 2020/21 YTD Actual	FY 2021/22 YTD Actual	FY 2022/23 YTD Actual	FY 2023/24 YTD Actual	FY 2023/24 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable)	
							Amount	Percent
<b>Operating Revenue</b>								
Rental Facilities	\$507,681	\$704,305	\$644,519	\$569,361	\$646,976	\$620,106	\$26,870	4%
RV Rental	28,335	13,170	48,015	57,663	48,513	30,964	17,549	57%
Feed/Bedding Sales	82,041	188,250	79,086	72,411	110,609	82,000	28,609	35%
Labor Fees	22,756	41,660	42,287	70,347	51,429	46,960	4,469	10%
Concession Fees	(20,898)	(1,378)	22	65	995	498	497	100%
Parking	33,240	-	12,585	38,838	30,610	92,676	(62,066)	(67%)
Other Income	24,559	22,670	134,057	26,954	30,928	6,505	24,423	nm
Equidome Project Use Fee	-	-	-	-	-	-	-	-
Operating Transfer In	100,000	100,000	121,734	100,000	350,000	350,000	-	-
<b>Operating Revenue</b>	<b>\$777,714</b>	<b>\$1,068,676</b>	<b>\$1,082,303</b>	<b>\$935,638</b>	<b>\$1,270,061</b>	<b>\$1,229,709</b>	<b>\$40,352</b>	<b>3%</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$470,443	\$449,856	\$499,539	\$522,938	\$728,190	\$760,583	\$32,393	4%
Overtime	13,651	2,162	1,851	13,122	11,738	10,000	(1,738)	(17%)
<b>Contractual Services</b>								
Contractual Workers	4,007	3,885	22,708	32,758	33,972	27,972	(6,000)	(21%)
Telephone	25,084	16,197	13,750	11,957	11,560	12,289	729	6%
Utilities	206,090	279,640	131,640	258,687	189,402	189,401	(1)	(0%)
Maintenance & Equipment Rental & Fleet	145,028	87,423	151,843	183,093	146,144	143,971	(2,173)	(2%)
License and Permits	156,283	218,334	40	-	-	60	60	100%
Property, Liability & Workers' Comp	18,987	27,522	36,444	55,221	47,964	47,964	-	-
Advertising/Marketing Contract	120,224	40,996	121,959	114,911	47,040	50,890	3,850	8%
Other	32,496	16,600	18,407	73,834	21,078	59,529	38,451	65%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	18,994	14,381	8,817	14,172	26,639	25,782	(857)	(3%)
Maintenance & Repairs Supply, Equipment	49,334	40,234	6,791	42,136	12,345	35,686	23,341	65%
Inventory Purchased for Resale	45,019	70,315	75,590	47,219	33,950	30,457	(3,493)	(11%)
Construction - Other	2,220	-	307	400	-	281,035	281,035	100%
Other Expenses	3,358	6,537	2,446	2,872	18,718	2,437	(16,281)	nm
<b>BOR Admin</b>								
BOR Admin/WestWorld	-	-	-	-	-	-	-	-
<b>Allocated Expenses</b>								
COS Indirect Costs	99,675	92,766	96,069	105,630	118,405	118,405	-	-
<b>Operating Transfer Out</b>								
Operating Transfer Out	-	-	21,734	-	-	-	-	-
<b>Operating Expenses</b>	<b>\$1,410,894</b>	<b>\$1,366,847</b>	<b>\$1,209,934</b>	<b>\$1,478,949</b>	<b>\$1,447,147</b>	<b>\$1,796,461</b>	<b>\$349,314</b>	<b>19%</b>
<b>Operating Income</b>	<b>(\$633,180)</b>	<b>(\$298,170)</b>	<b>(\$127,631)</b>	<b>(\$543,311)</b>	<b>(\$177,085)</b>	<b>(\$566,752)</b>	<b>\$389,667</b>	<b>nm</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service - TNEC (\$41.935M)	-	-	-	-	-	-	-	-
Debt Service - TNEC Tourism Funded	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
<b>Net Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Operating Income After Debt Service</b>	<b>(\$633,180)</b>	<b>(\$298,170)</b>	<b>(\$127,631)</b>	<b>(\$543,311)</b>	<b>(\$177,085)</b>	<b>(\$566,752)</b>	<b>\$389,667</b>	<b>nm</b>





To ensure legal compliance and financial management for the various restricted revenues and expenditures, the city's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. Fund accounting segregates functions and activities into separate self-balancing funds that are created and maintained for specific purposes.

A **fund** is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The city, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The General Fund is the city's chief operating fund and is used to account for all financial resources, except those that are legally required to be accounted for in another fund.

### GENERAL FUND SOURCES

**Taxes - Local** - Encompasses a series of local taxes. The largest component of this source includes a 1.10 percent sales tax, of which 0.10 percent is dedicated to public safety. The remaining 1.0 percent of the sales tax is available to fund basic municipal services such as police, fire, libraries, and parks. Sales tax receipts received in the current month are based on prior month activity. This general-purpose sales tax is the city's single largest revenue source. The sales tax category results can be found earlier in the report. Other revenue sources that make up this category include electric and gas franchise fees and cable TV license fees, which are revenues from utility and cable providers for their permitted use of the city's rights-of-way; a stormwater quality charge, which is a fee to help pay a portion of the city's stormwater management program and the Salt River Project (SRP) in lieu tax.

**Property Taxes** - Property taxes are comprised only of the "Primary" property taxes levied on the assessed value of all property within the city to help pay for basic operations of the city. Secondary property taxes are not included in the General Fund as they must be used solely for General Obligation bond debt service payments. Increases in revenue from year to year reflect new property additions to the tax roll and Council actions to increase total revenue as legally allowed.

**State Shared Revenues** - These revenues are derived from state shared sales taxes, income taxes, and vehicle license taxes (auto lieu). On a per capita basis, state sales taxes generated in Scottsdale tend to be higher than most other cities/towns due to higher wealth, consumer spending habits, and larger amounts of visitor/tourist spending. As directed by statute, the State distributes the shared portion of State sales taxes back to local governments based on population, not by the amount of sales taxes collected within the local jurisdiction.

**Charges for Services/Other** - Charges for Services include miscellaneous charges that do not fall into any other category such as property rentals, cell tower leases and stadium usage fees.

**License Permits & Fees** - These charges include those for fees and licenses associated with specific services and programs offered by the city.

**Fines Fees & Forfeitures** - These are charges penalizing individuals for violating a law or policy of the city or paying for services and facilities designed to support this punishment, such as the Court, Library and Public Safety - Police.

**Interest Earnings** - Revenues generated through the use of various investment vehicles on General Fund cash balances throughout the year.

**Building Permit Fees & Charges** - These charges include the licensing of business activity and the associated fees relating to the licensure and regulation of specific activities.

**Indirect/Direct Cost Allocations** - Indirect cost allocations charged to the Enterprise Funds for specific central administrative functions which benefit the Enterprise operations (e.g. Information Technology, Payroll and Human Resources). Direct cost allocations represent Aviation Fund charges for the direct cost of fire service at the airport performed by General Fund personnel.

**Transfers In** - Transfers in reflects funds received from the Enterprise Funds (Franchise Fees), Special Programs Fund (30 Day Tow) and Tourism Development Fund (comply with financial policy #21A).



### GENERAL FUND USES

**Personnel Services** includes the salaries and wages plus the city's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance. It is reduced by vacancy savings, but increased for medical and vacation leave accrual payouts that are made at the time of separation from the city. Personnel Services also include pay-for-performance and compensation adjustments.

**Contractual Services** includes expenditures for services performed by firms, individuals, or other city divisions.

**Commodities** includes supplies, repair and replacement parts, small tools, and maintenance and repairs.

**Capital Outlays** includes the purchase of land, the purchase or construction of buildings, structures, and facilities, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increases the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as capital outlay the expenditure must meet all of the following requirements: (1) have an estimated useful life of more than two years; (2) have a unit cost higher than \$10,000; and (3) be betterment or improvement.

**Contracts Payable & COPs** includes contractual obligations related to development agreements (funded by sales tax rebates) which vary based on the actual sales tax collections and certificates of participation which are a funding mechanism similar to bonds utilized for the purchase of capital items.

**Transfers Out** represents the authorized transfer of cash to other funds and/or capital projects.

### OTHER FUNDS

**Transportation Fund** is considered a Special Revenue Fund, which is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Transportation Fund receives and expends the city's allocation of the Arizona Highway User Revenue Tax (HURF) as well as other transportation related revenues. The amount of HURF available to each city is allocated based on population. These monies must be used for street construction, reconstruction, maintenance, or transit. The State of Arizona requires the city to establish and maintain an accounting for Highway User Revenue Funds. The fund also accounts for the 1989 voter approved Transportation Privilege (Sales) Tax of 0.20 percent which is dedicated to funding transportation improvements and operations. Fifty percent of the Sales Tax - Transportation (0.20%) is transferred to the Capital Improvement Plan (CIP) for transportation related capital improvement projects, while 100 percent of the Sales Tax - Transportation (0.10%) is collected and reported in the CIP.

**Tourism Development Fund** is a Special Revenue Fund to account for the sources and uses related to tourism. Revenues consist of transient lodging tax (bed tax) and lease rental earnings from the Fairmont Scottsdale Princess Resort. Bed Tax is the largest portion of this fund and is derived from lodging room charges for stays of 29 days or less in hotels or short-term rentals.

**Enterprise Funds** are used to account for operations, which are financed and operated similarly to private businesses, where the intent is that the service is self-sufficient, with all costs including debt service supported predominantly by user charges. The city maintains three Enterprise Funds to account for Water & Water Reclamation, Aviation, and Solid Waste activities.

#### Water & Water Reclamation Funds

This fund accounts for the transactions related to the city's water and water reclamation business activities, including operating revenue, expenditures and debt service payments.

- Water Service Charges are monthly water billings which consist of a base charge according to meter size and a variable charge for the amount of water consumed.
- Water Reclamation Service Charges are monthly charges based on the volume and strength of the sewage discharge.
- Non-Potable Water Fees include the sale of surface water, reverse osmosis and effluent treated to irrigation standards. These different water types are delivered to 22 Reclaimed Water Distribution System golf courses, 3 Irrigation Water Distribution System golf courses, the Gainey Ranch Golf Club, the WestWorld golf course and the Inlet/Silverado golf course.
- Miscellaneous Revenue includes rental income, miscellaneous reimbursements and other minor fees.



### **Aviation Fund**

This fund accounts for the transactions related to the city's aviation business activity at the Scottsdale Airport.

- Aviation Fees are charges for a variety of services provided to airport customers including Landing Fees, Airport/Airpark Fuel Fees, Transient Parking Fees, Fixed Tenant Rents, Percentage Fees for Aeronautical Business Permits, Custom Fees and miscellaneous other charges.
- Privilege and Use Tax-Jet Fuel are charges earned from jet fuel sales by Fixed Based Operators in accordance with the Scottsdale Revised Code, Article IV, Section 422.

### **Solid Waste Fund**

This fund accounts for the transactions related to the city's solid waste and recycling business activities.

- Solid Waste Fees include residential charges which are a flat fee per month and commercial charges which are based on the size of the container and the number of pickups per month. Additionally Solid Waste Rates include roll-off charges, uncontained service charges, recycling program charges, and household hazardous waste collection charges.

**Internal Service Funds** are used to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the city. The report includes three Internal Service Funds to account for Fleet, Risk, and Benefits activities.

### **Fleet Management Fund**

This fund is used to account for the expenditures associated with purchasing and maintaining the city's vehicles. Replacement and operation of vehicles are charged to the city departments as internal operating costs to each program based on the quantity and type of vehicle used. The department charges become revenue to the Fleet Management Fund.

### **Risk Management Fund**

This fund is used to account for the city's self-insurance, safety and risk management functions. Revenue to this fund is derived from internal charges to division programs and is captured as internal rates. Payments for unemployment, workers' compensation, and property and liability claims are made from this fund.

### **Healthcare Self Insurance Fund**

This fund is used to account for the city's self-insured medical and dental benefits. Revenue to this fund is derived from premiums collected through charges to divisions, which consists of both city and employee components. Revenue is also collected through pharmacy rebates and stop loss insurance recoveries. This fund provides payment of actual healthcare expenses (medical, prescription and dental claims) as well as claims administration and other benefit plan expenses.