

Monthly Financial Report

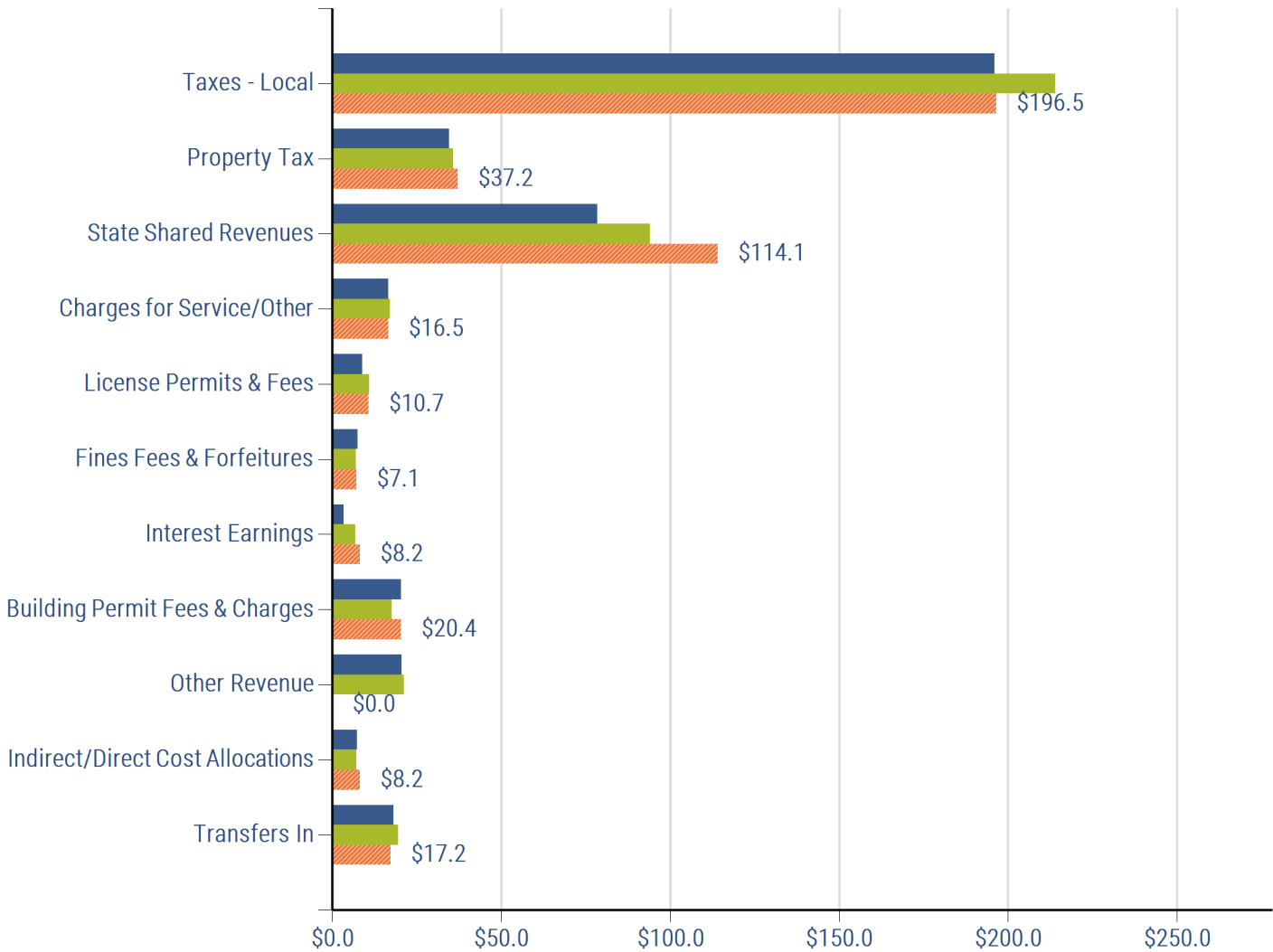
**Fiscal Year to Date as of
February 29, 2024**

Report to the City Council
Prepared by the City Treasurer
April 16, 2024

Sources

General Fund

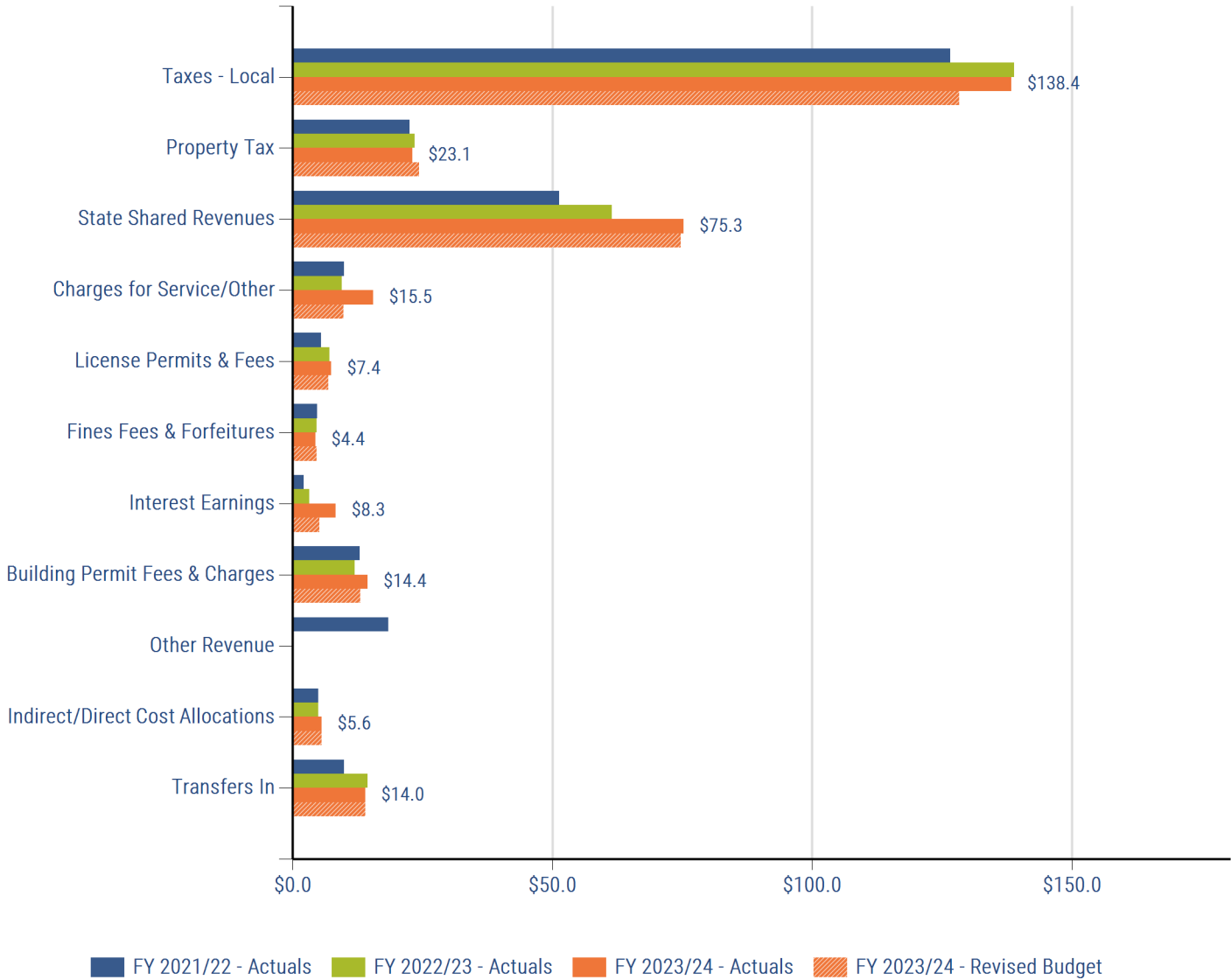
Twelve Months: Fiscal Year



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

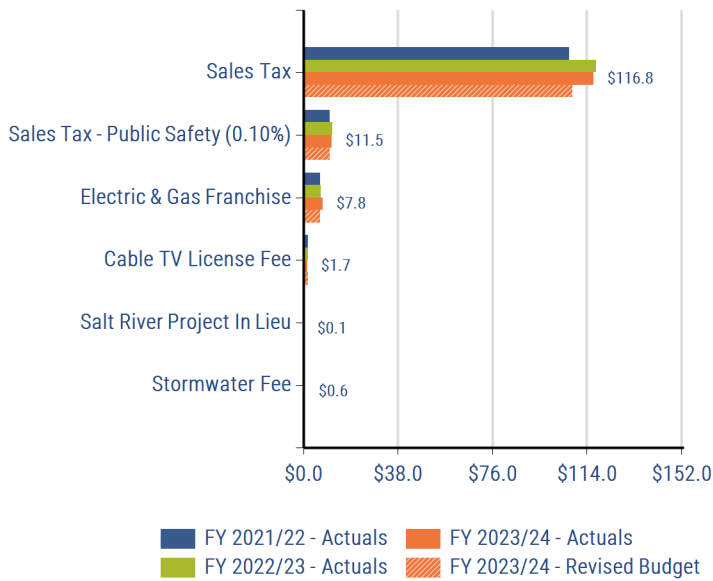
	FY 2021/22 <u>Actuals</u>	FY 2022/23 <u>Actuals</u>	FY 2023/24 <u>Revised Budget</u>
Taxes - Local	\$195.9	\$214.1	\$196.5
Property Tax	34.6	35.8	37.2
State Shared Revenues	78.5	94.0	114.1
Charges for Service/Other	16.6	17.0	16.5
License Permits & Fees	8.8	10.8	10.7
Fines Fees & Forfeitures	7.5	7.0	7.1
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
Total Sources	\$411.3	\$450.9	\$436.1

Sources (Fiscal Year to Date: February 2024)



	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	\$126.6	\$138.9	\$138.4	\$128.3	\$10.1	8%
Property Tax	22.5	23.5	23.1	24.3	(1.3)	(5%)
State Shared Revenues	51.4	61.5	75.3	74.7	0.5	1%
Charges for Service/Other	9.9	9.5	15.5	9.7	5.7	59%
License Permits & Fees	5.5	7.1	7.4	6.9	0.5	7%
Fines Fees & Forfeitures	4.7	4.6	4.4	4.7	(0.2)	(5%)
Interest Earnings	2.1	3.2	8.3	5.2	3.2	61%
Building Permit Fees & Charges	13.0	11.9	14.4	13.0	1.4	11%
Other Revenue	18.5	-	-	-	-	-
Indirect/Direct Cost Allocations	5.0	5.0	5.6	5.6	-	-
Transfers In	9.9	14.4	14.0	14.0	0.1	0%
Total Sources	\$269.1	\$279.5	\$306.5	\$286.5	\$20.0	7%

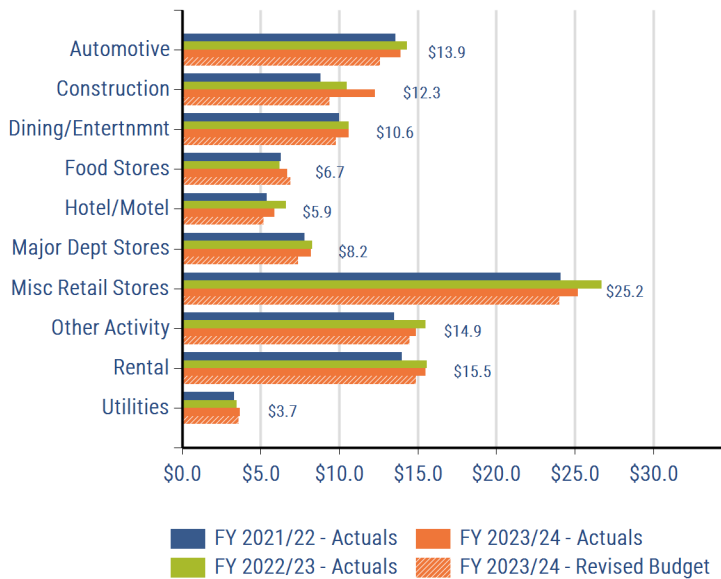
Taxes - Local (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$10.1 million or 8%:
 The favorable variance is primarily due to Sales Tax and Electric & Gas Franchise. See detail Sales Tax information on page 5. The favorable variance for Electric & Gas Franchise due to higher than expected revenue generated from APS Franchise fees resulting from higher electric 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	\$106.9	\$117.7	\$116.8	\$108.3	\$8.4	8%
Sales Tax - Public Safety (0.10%)	10.5	11.6	11.5	10.6	0.8	8%
Electric & Gas Franchise	6.7	7.1	7.8	6.8	1.0	14%
Cable TV License Fee	1.9	1.8	1.7	1.8	(0.1)	(8%)
Salt River Project In Lieu	0.1	0.1	0.1	0.1	-	-
Stormwater Fee	0.6	0.6	0.6	0.6	-	-
Taxes - Local Total	\$126.6	\$138.9	\$138.4	\$128.3	\$10.1	8%

Sales Tax (Fiscal Year to Date: February 2024)

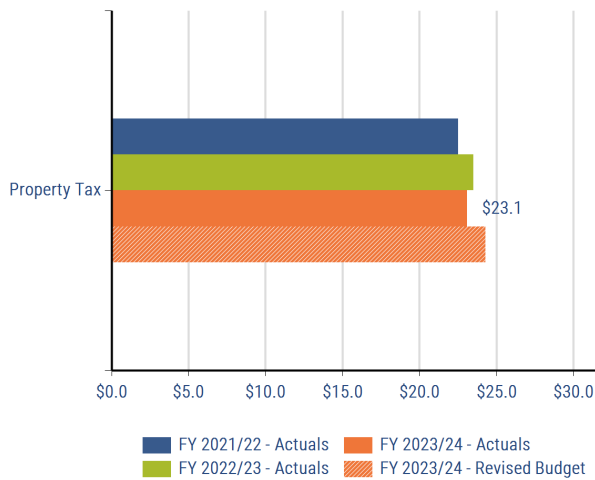


Actual to Revised Budget variance of \$8.4 million or 8%:

The favorable variance is primarily due to: 1) Automotive - a large one-time payment and auto dealers are doing better than expected; 2) Construction - one-time audit payments and new projects and increased residential/commercial construction; 3) Dining/Entertainment - restaurants are doing better than anticipated and inflation; and 4) Misc. Retail Stores - retail stores doing better than expected, one-time audit payments and inflation.

	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	\$13.6	\$14.3	\$13.9	\$12.6	\$1.3	10%
Construction	8.8	10.5	12.3	9.4	2.9	31%
Dining/Entertainment	10.0	10.6	10.6	9.8	0.8	8%
Food Stores	6.3	6.2	6.7	6.9	(0.1)	(2%)
Hotel/Motel	5.4	6.6	5.9	5.2	0.7	14%
Major Dept Stores	7.8	8.3	8.2	7.4	0.7	10%
Misc Retail Stores	24.1	26.7	25.2	24.0	1.2	5%
Other Activity	13.5	15.5	14.9	14.5	0.3	2%
Rental	14.0	15.6	15.5	14.9	0.5	4%
Utilities	3.3	3.5	3.7	3.6	0.1	2%
Sales Tax Total	\$106.9	\$117.7	\$116.8	\$108.3	\$8.4	8%

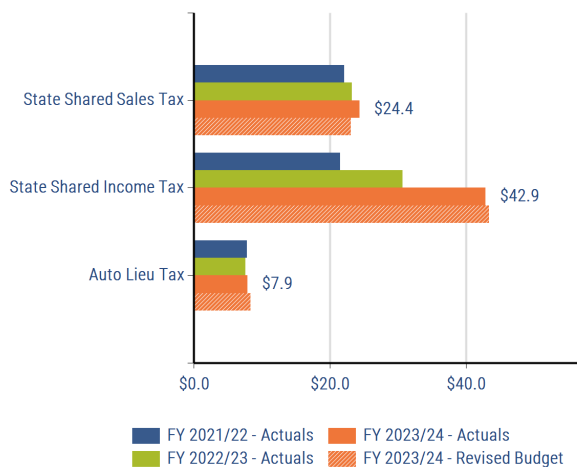
Property Tax (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of (\$1.3) million or (5%):
The unfavorable variance is due to distribution timing. The budget is based on the county's average three-year collection period 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	\$22.5	\$23.5	\$23.1	\$24.3	(\$1.3)	(5%)
Property Tax Total	\$22.5	\$23.5	\$23.1	\$24.3	(\$1.3)	(5%)

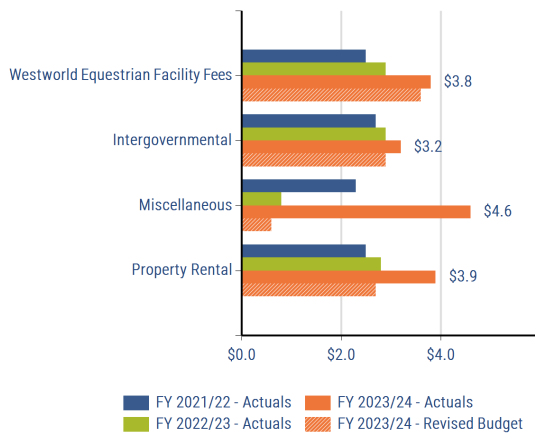
State Shared Revenues (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$0.5 million or 1%:
The favorable variance is due to State Shared Sales Tax - higher collection from strong contracting activity according to Joint Legislative Budget Committee. The unfavorable variance in State Shared Income Tax and Auto Lieu Tax - the actual payments being lower than budgeted, resulting from revised population counts.

	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	\$22.1	\$23.2	\$24.4	\$23.1	\$1.4	6%
State Shared Income Tax	21.5	30.7	42.9	43.4	(0.5)	(1%)
Auto Lieu Tax	7.8	7.6	7.9	8.3	(0.4)	(4%)
State Shared Revenues Total	\$51.4	\$61.5	\$75.3	\$74.7	\$0.5	1%

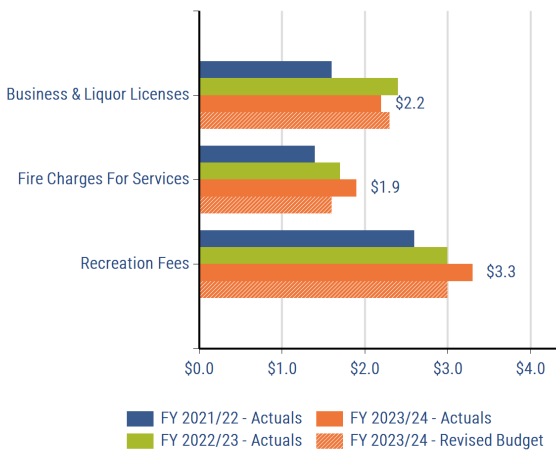
Charges for Service/Other (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$5.7 million or 59%:
 The favorable variance is due to: 1) Miscellaneous - one-time development fee and higher than expected revenue from Public Safety - Fire service; and 2) Property Rental - timing of receiving payments from contract leases.

	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	\$2.5	\$2.9	\$3.8	\$3.6	\$0.2	5%
Intergovernmental	2.7	2.9	3.2	2.9	0.3	11%
Miscellaneous	2.3	0.8	4.6	0.6	4.0	>100%
Property Rental	2.5	2.8	3.9	2.7	1.3	47%
Charges for Service/Other Total	\$9.9	\$9.5	\$15.5	\$9.7	\$5.7	59%

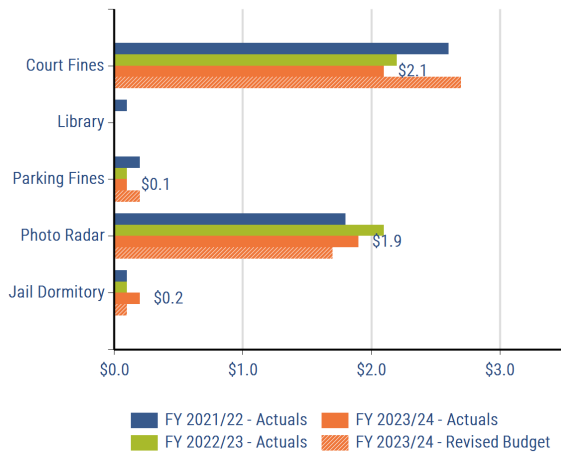
License Permits & Fees (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$0.5 million or 7%:
 The favorable variance is due to: 1) Fire Charges for Services - higher than expected call volume for Ambulance services; and 2) Recreation Fees - higher than expected activities in community facilities and enrollments in summer sessions. The favorable variance would be greater but being offset by the unfavorable variance in Business & Liquor Licenses - less short-term rental licenses being renewed than expected.

	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	\$1.6	\$2.4	\$2.2	\$2.3	(\$0.1)	(6%)
Fire Charges For Services	1.4	1.7	1.9	1.6	0.3	19%
Recreation Fees	2.6	3.0	3.3	3.0	0.3	11%
License Permits & Fees Total	\$5.5	\$7.1	\$7.4	\$6.9	\$0.5	7%

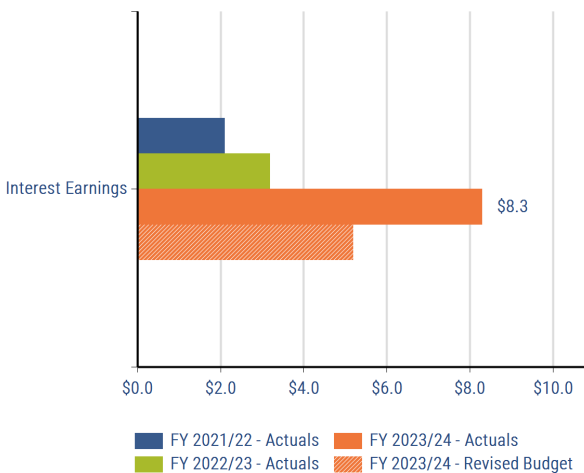
Fines Fees & Forfeitures (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of (\$0.2) million or (5%):
 The unfavorable variance in Court Fines is due to lower number of criminal fillings. The favorable variance in Photo Radar is due to increased number of traffic photo enforcement, resulting from special event season.

	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	\$2.6	\$2.2	\$2.1	\$2.7	(\$0.5)	(20%)
Library	0.1	-	-	-	-	-
Parking Fines	0.2	0.1	0.1	0.2	-	-
Photo Radar	1.8	2.1	1.9	1.7	0.2	11%
Jail Dormitory	0.1	0.1	0.2	0.1	0.1	>100%
Fines Fees & Forfeitures Total	\$4.7	\$4.6	\$4.4	\$4.7	(\$0.2)	(5%)

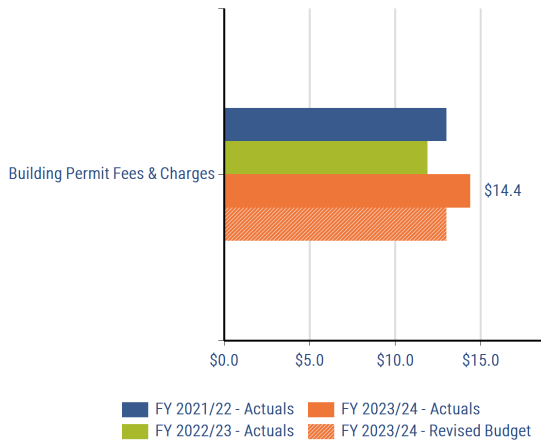
Interest Earnings (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$3.2 million or 61%:
 The favorable variance in Interest Earnings is due to higher than expected rate of return.

	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	\$2.1	\$3.2	\$8.3	\$5.2	\$3.2	61%
Interest Earnings Total	\$2.1	\$3.2	\$8.3	\$5.2	\$3.2	61%

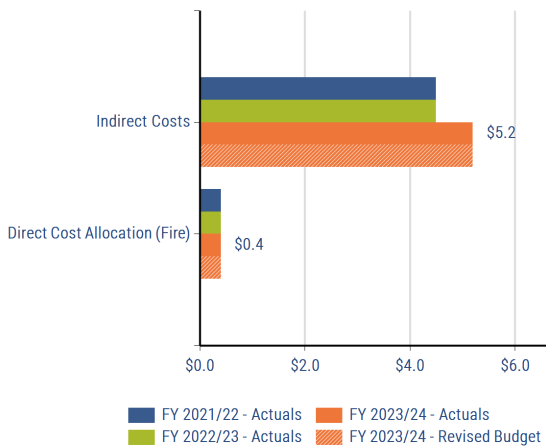
Building Permit Fees & Charges (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$1.4 million or 11%:
 The favorable variance is due to a one-time development contribution, higher than expected encroachment and plan review fees result in increased general development activities. The variance would be greater but being offset by the timing to receive special event fees for police services.

	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	\$13.0	\$11.9	\$14.4	\$13.0	\$1.4	11%
Building Permit Fees & Charges Total	\$13.0	\$11.9	\$14.4	\$13.0	\$1.4	11%

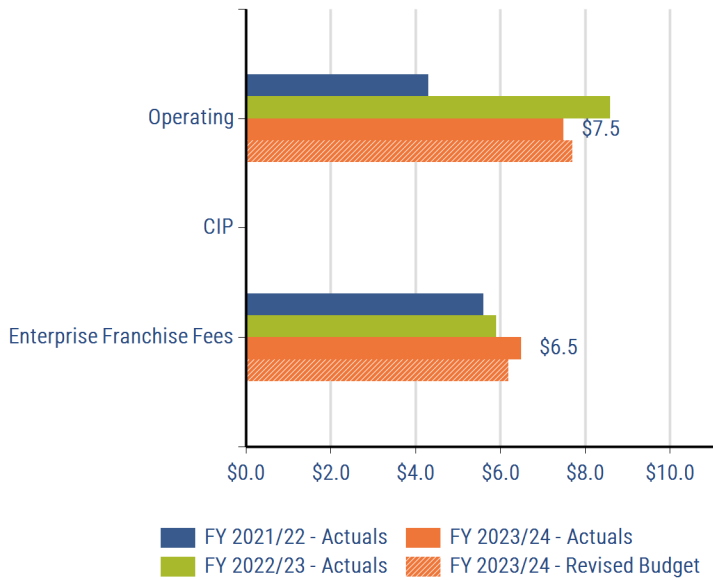
Indirect/Direct Cost Allocations (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$0.0 million or 0%:
 Indirect/Direct Cost Allocations 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
Indirect Costs	\$4.5	\$4.5	\$5.2	\$5.2	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
Indirect/Direct Cost Allocations Total	\$5.0	\$5.0	\$5.6	\$5.6	\$ -	-

Transfers In (Fiscal Year to Date: February 2024)



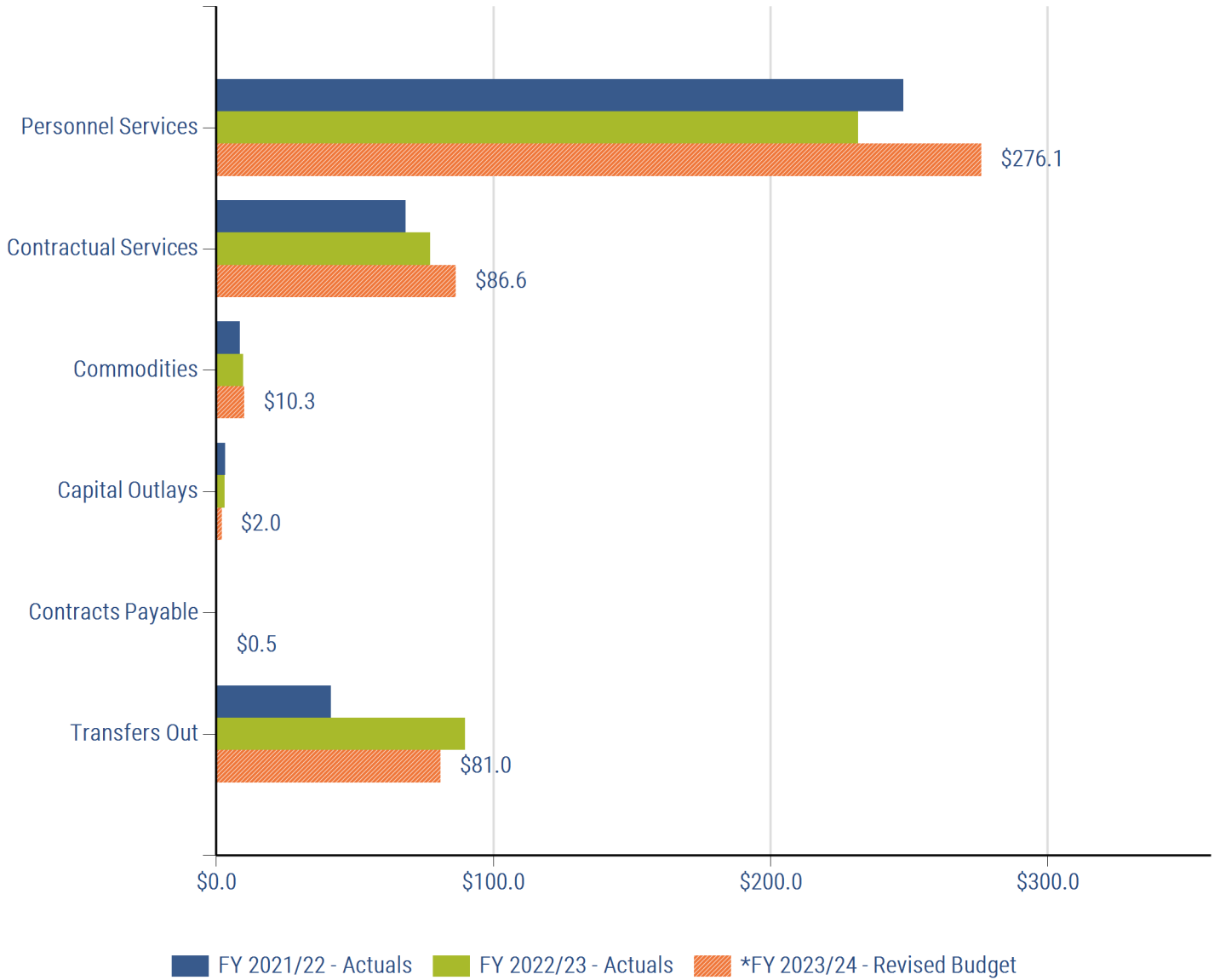
Actual to Revised Budget variance of \$0.1 million or 0%:
The favorable variance in Enterprise Franchise Fee is due to higher revenue collected.

	<u>FY 2021/22 Actuals</u>	<u>FY 2022/23 Actuals</u>	<u>FY 2023/24 Actuals</u>	<u>FY 2023/24 Revised Budget</u>	<u>Actual vs. Budget Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Operating	\$4.3	\$8.6	\$7.5	\$7.7	(\$0.2)	(3%)
CIP	-	-	-	-	-	-
Enterprise Franchise Fees	5.6	5.9	6.5	6.2	0.3	4%
Transfers In Total	\$9.9	\$14.4	\$14.0	\$14.0	\$0.1	0%

Uses

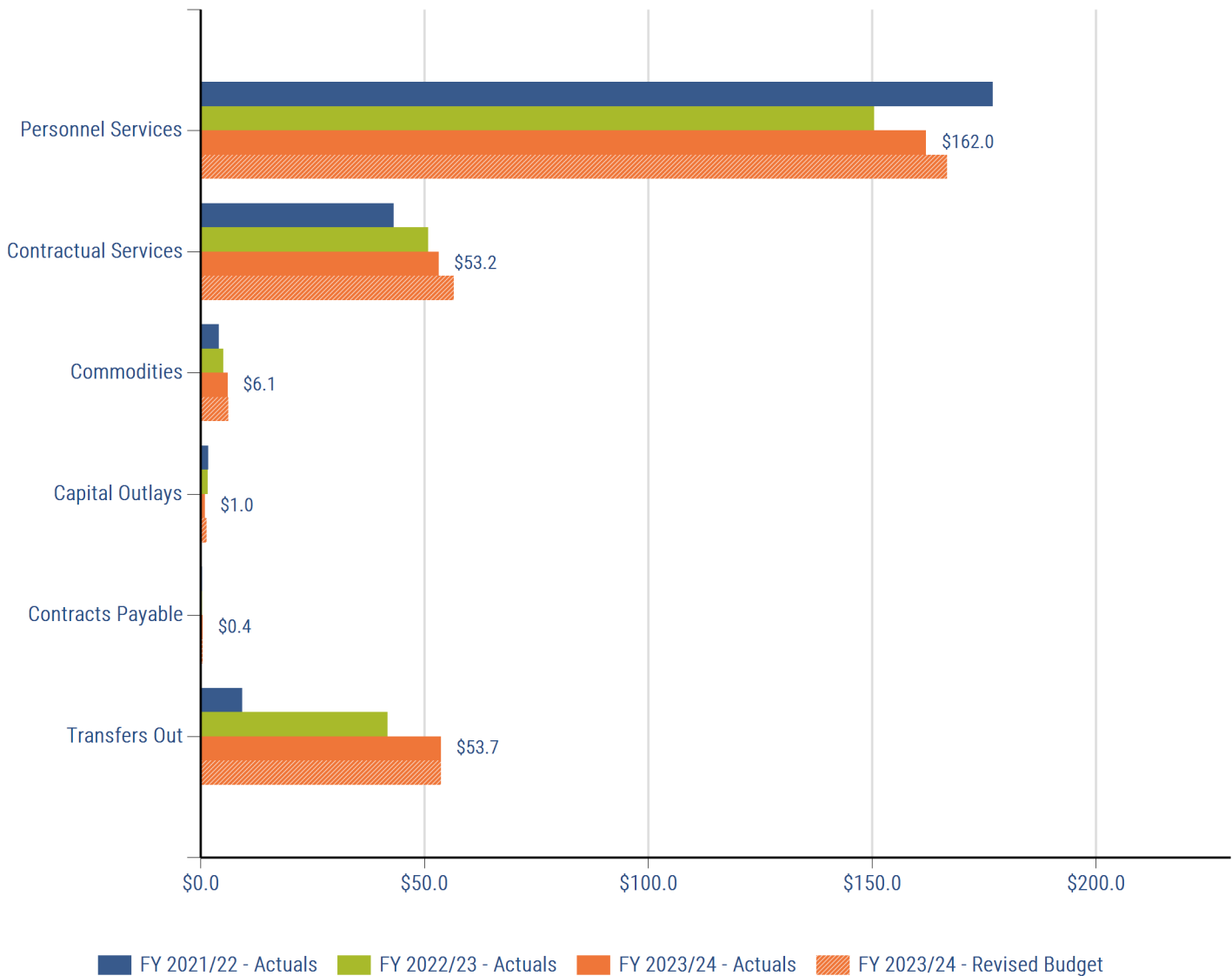
General Fund

Twelve Months: Fiscal Year



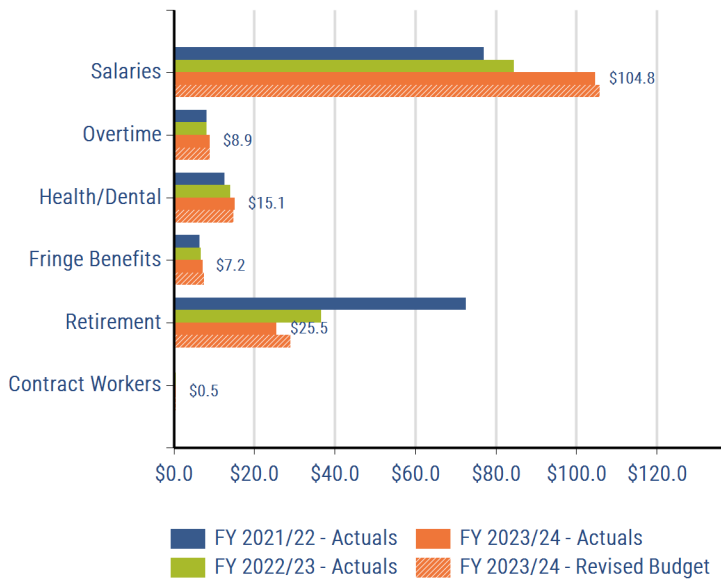
	FY 2021/22 <u>Actuals</u>	FY 2022/23 <u>Actuals</u>	*FY 2023/24 <u>Revised Budget</u>
Personnel Services	\$247.9	\$231.7	\$276.1
Contractual Services	68.4	77.3	86.6
Commodities	8.7	9.9	10.3
Capital Outlays	3.4	3.2	2.0
Contracts Payable	0.4	0.4	0.5
Transfers Out	41.4	89.9	81.0
Total Uses	\$370.2	\$412.3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

Uses (Fiscal Year to Date: February 2024)



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$177.0	\$150.5	\$162.0	\$166.8	\$4.8	3%
Contractual Services	43.2	50.8	53.2	56.6	3.4	6%
Commodities	4.1	5.1	6.1	6.3	0.2	3%
Capital Outlays	1.7	1.6	1.0	1.3	0.4	28%
Contracts Payable	0.4	0.4	0.4	0.5	-	-
Transfers Out	9.3	41.8	53.7	53.7	-	-
Total Uses	\$235.6	\$250.3	\$276.3	\$285.1	\$8.8	3%

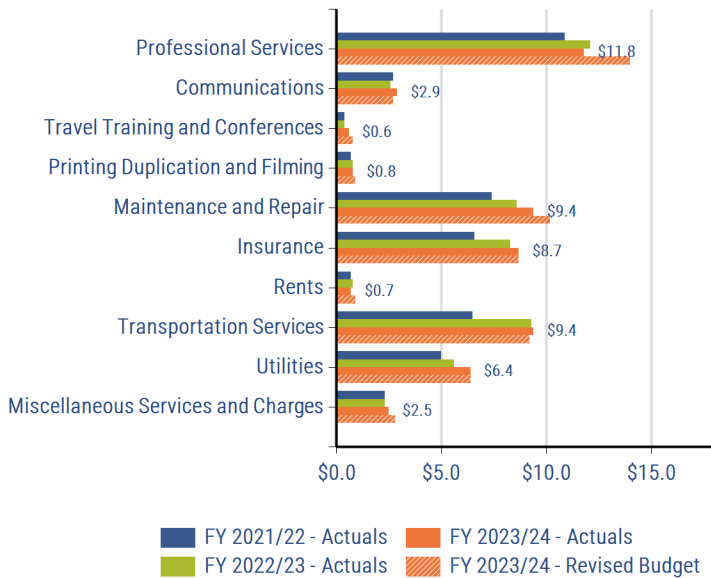
Personnel Services (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$4.8 million or 3%:
 The favorable variance is due to: 1) Salaries - vacancy savings and new staff hired at a lower rate than the employee who retired or left; and 2) Retirement - new public safety staff hired at a lower ranking and have less retirement contributions. The unfavorable variance in Health/Dental is due to timing of budget allocation for post employment medical expenses, the variance will be cleared in the future.

	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	\$77.1	\$84.5	\$104.8	\$105.9	\$1.2	1%
Overtime	8.2	8.1	8.9	9.0	-	-
Health/Dental	12.6	14.0	15.1	14.8	(0.3)	(2%)
Fringe Benefits	6.4	6.8	7.2	7.5	0.3	4%
Retirement	72.6	36.6	25.5	29.0	3.5	12%
Contract Workers	0.1	0.6	0.5	0.6	0.1	14%
Personnel Services Total	\$177.0	\$150.5	\$162.0	\$166.8	\$4.8	3%

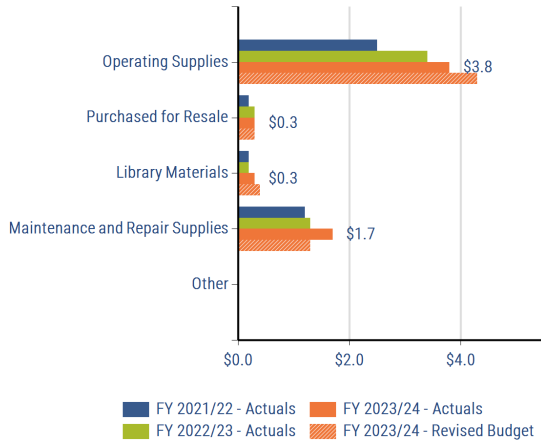
Contractual Services (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$3.4 million or 6%:
 The favorable variance is primarily from: 1) Professional Services - timing in receiving invoice for contract services in Public Safety - Police, and timing difference for consultant payments for city initiatives; 2) Maintenance and Repair - timing of payment for ERP software licenses and savings from the e-citation software; and 3) Miscellaneous Services and Charges - timing in public education outreach program implementation and timing in expense for Human Services program.

	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	\$10.9	\$12.1	\$11.8	\$14.0	\$2.2	16%
Communications	2.7	2.6	2.9	2.7	(0.2)	(6%)
Travel Training and Conferences	0.4	0.4	0.6	0.8	0.2	21%
Printing Duplication and Filming	0.7	0.8	0.8	0.9	0.1	14%
Maintenance and Repair	7.4	8.6	9.4	10.2	0.8	8%
Insurance	6.6	8.3	8.7	8.7	-	-
Rents	0.7	0.8	0.7	0.9	0.2	26%
Transportation Services	6.5	9.3	9.4	9.2	(0.1)	(2%)
Utilities	5.0	5.6	6.4	6.4	-	-
Miscellaneous Services and Charges	2.3	2.3	2.5	2.8	0.3	9%
Contractual Services Total	\$43.2	\$50.8	\$53.2	\$56.6	\$3.4	6%

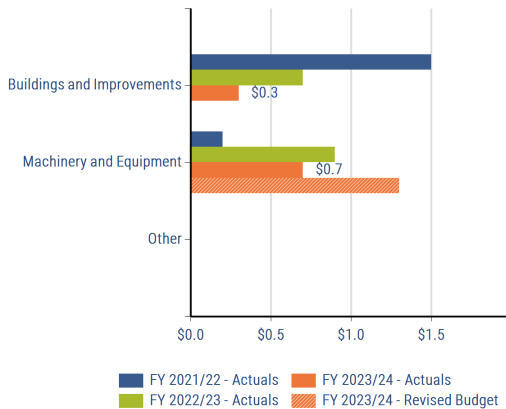
Commodities (Fiscal Year to Date: February 2024)



Actual to Revised Budget variance of \$0.2 million or 3%:
 The favorable variance in operation supplies is due to timing difference of when supplies would be needed. The unfavorable variance in Maintenance and Repair Supplies is due to increased demand for installation of additional bottle fillers citywide and higher than expected replacement need for city-owned facilities.

	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	\$2.5	\$3.4	\$3.8	\$4.3	\$0.5	11%
Purchased for Resale	0.2	0.3	0.3	0.3	-	-
Library Materials	0.2	0.2	0.3	0.4	0.1	26%
Maintenance and Repair Supplies	1.2	1.3	1.7	1.3	(0.4)	(28%)
Other	-	-	-	-	-	-
Commodities Total	\$4.1	\$5.1	\$6.1	\$6.3	\$0.2	3%

Capital Outlays (Fiscal Year to Date: February 2024)

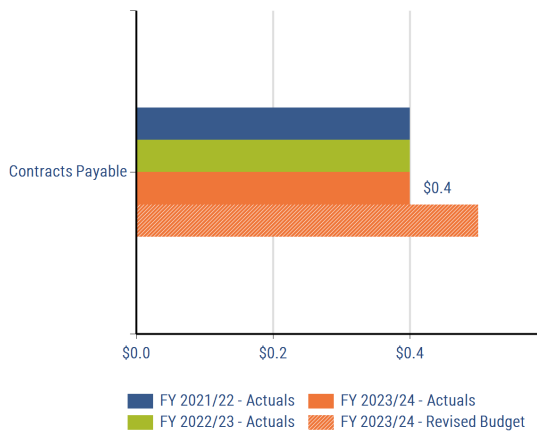


Actual to Revised Budget variance of \$0.4 million or 28%:
 The positive variance is due to Machinery and Equipment - delay in receiving motor vehicles for code enforcement inspectors and police officers, the variance most likely will carry through the fiscal year. The unfavorable variance in Buildings and Improvements is due to the unanticipated building improvements cost to accommodate training staff.

	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	\$1.5	\$0.7	\$0.3	\$ -	(\$0.3)	-
Machinery and Equipment	0.2	0.9	0.7	1.3	0.7	50%
Other	-	-	-	-	-	-
Capital Outlays Total	\$1.7	\$1.6	\$1.0	\$1.3	\$0.4	28%

Contracts Payable (Fiscal Year to Date: February 2024)

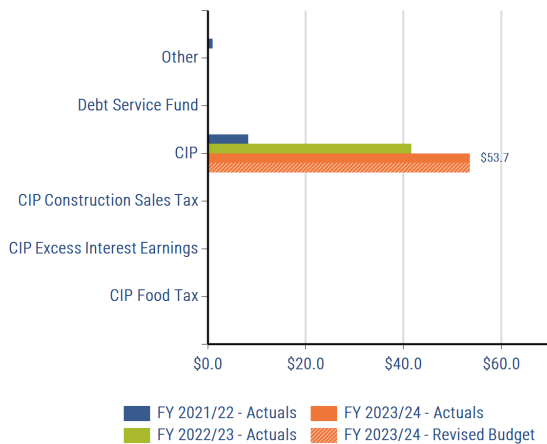
Actual to Revised Budget variance of \$0.0 million or 0%:
Contracts Payable is within budget.



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Contracts Payable	\$0.4	\$0.4	\$0.4	\$0.5	\$ -	-
Contracts Payable Total	\$0.4	\$0.4	\$0.4	\$0.5	\$ -	-

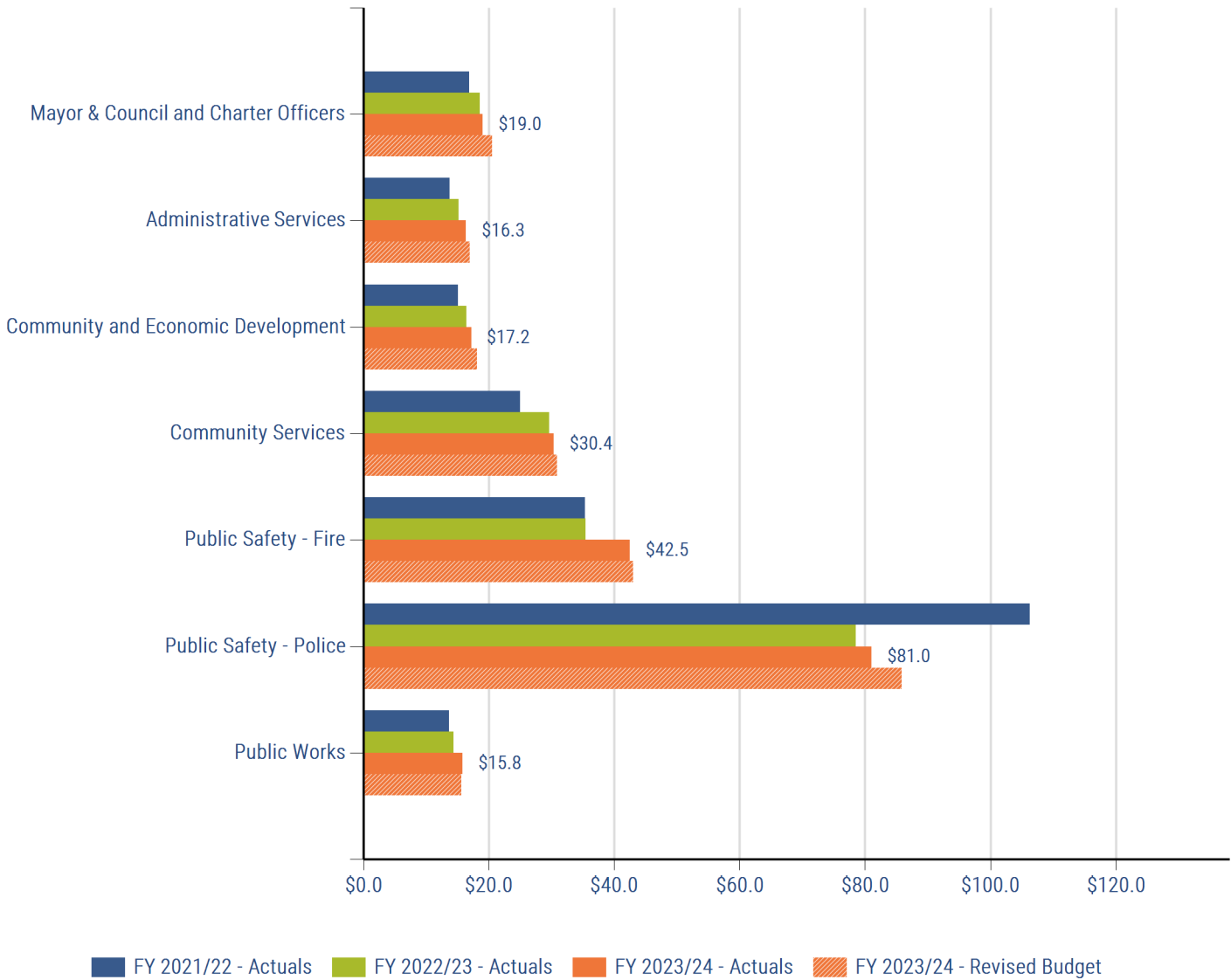
Transfers Out (Fiscal Year to Date: February 2024)

Actual to Revised Budget variance of \$0.0 million or 0%:
Transfers Out is 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
Other	\$1.0	\$ -	\$ -	\$ -	\$ -	-
Debt Service Fund	-	-	-	-	-	-
CIP	8.3	41.7	53.7	53.7	-	-
CIP Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
CIP Food Tax	-	-	-	-	-	-
Transfers Out Total	\$9.3	\$41.8	\$53.7	\$53.7	\$ -	-

Division Expenditures (Fiscal Year to Date: February 2024)



	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	\$16.8	\$18.6	\$19.0	\$20.6	\$1.6	8%
Administrative Services	13.8	15.2	16.3	16.9	0.6	4%
Community and Economic Development	15.1	16.4	17.2	18.1	0.9	5%
Community Services	25.0	29.6	30.4	30.9	0.5	2%
Public Safety - Fire	35.3	35.4	42.5	43.0	0.6	1%
Public Safety - Police	106.3	78.6	81.0	85.8	4.8	6%
Public Works	13.7	14.4	15.8	15.7	(0.1)	(1%)
Total	\$226.0	\$208.1	\$222.2	\$231.0	\$8.7	4%

Actual to Revised Budget variance of \$8.7 million or 4%:

Mayor & Council and Charter Officers - vacancy savings in City Attorney Division, timing of payment for the ERP project, and the timing of the public education outreach platform implementation.

Administrative Services - timing of payment for contract workers to implement ADA transition plan and for consultants services of other city initiatives.

Community and Economic Development - timing of payment for consultants to conduct study services and delay in receiving motor vehicles for code enforcement inspectors.

Community Services - timing in expenses to purchase library materials and other operating supplies based on need.

Public Safety - Fire - salary saving due to new staff hired at a lower rate than their predecessors and timing in purchasing operating supplies based on need.

Public Safety - Police - salary saving due to new staff hired at a lower rate than their predecessors and lower retirement contributions, timing in receiving invoices for contract services, and delay in receiving motor vehicles for police officers.