

# CITY COUNCIL REPORT



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Meeting Date: February 11, 2025  
Charter Provision: *Provide for the orderly government and administration of the affairs of the City*  
Objective: *Adopt Budgets*

## **ACTION**

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Accept the Fiscal Year 2023/24 Monthly Financial Report as of June 2024.

## **BACKGROUND**

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Each month the city publishes a financial summary of the city year-to-date for the General Fund. Quarterly, the summary also includes the Transportation Fund, Tourism Development Fund, Enterprise Funds, Fleet Management Fund, Risk Management Fund, Healthcare Self Insurance Fund and Statement of Operations for WestWorld.

The report focuses on the General Fund and includes a summary of revenues and expenditures by major categories, highlighting significant variances.

The FY 2023/24 budget was adopted June 13, 2023, by Ordinance No. 4602.

A monthly update comparing General Fund actual results for fiscal year-to-date through June 2024 versus prior years was sent in an email by the City Treasurer to the City Council on July 22, 2024.

## **ANALYSIS & ASSESSMENT**

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There are no proposed FY 2023/24 budget adjustments or use of contingency requested for the June 2024 Monthly Financial Report.

## **OPTIONS & STAFF RECOMMENDATION**

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Staff recommends the acceptance of the Fiscal Year 2023/24 Monthly Financial Report as of June 2024.

Action Taken Approved on Consent

**RESPONSIBLE DIVISION(S)**

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City Treasurer

**STAFF CONTACT(S)**

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Ana Lia Johnson, Acting Budget Director, (480) 312-7893, [anjohnson@scottsdaleaz.gov](mailto:anjohnson@scottsdaleaz.gov)

**APPROVED BY**

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Sonia Andrews, City Treasurer/CFO

(480) 312-2364, [sandrews@scottsdaleaz.gov](mailto:sandrews@scottsdaleaz.gov)



\_\_\_\_\_  
Date

**ATTACHMENTS**

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1. Monthly Financial Report Fiscal Year-to-Date as of June 2024.



# **Monthly Financial Report**

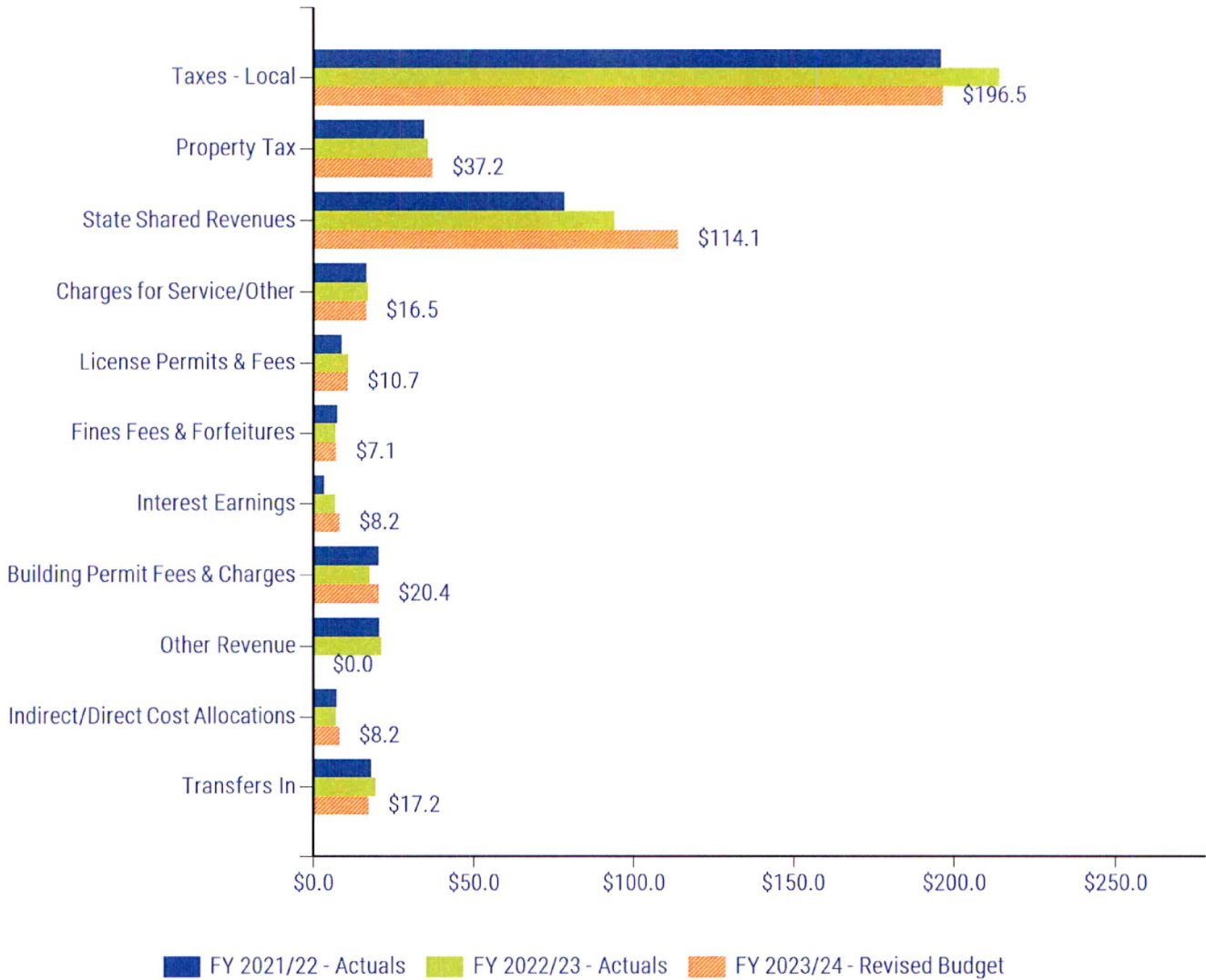
**Fiscal Year to Date as of  
June 30, 2024**

Report to the City Council  
Prepared by the City Treasurer  
February 11, 2025

# Sources

General Fund

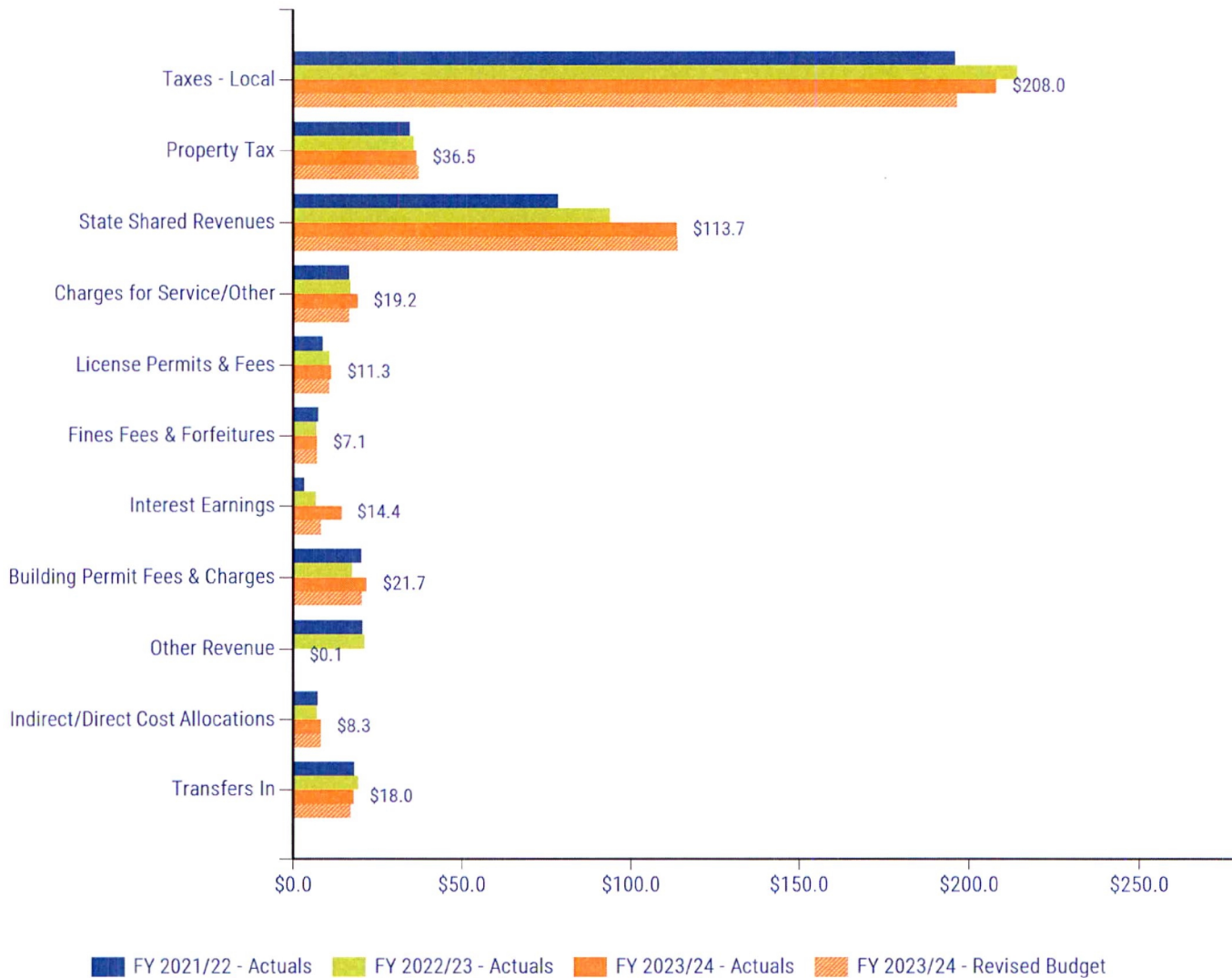
## Twelve Months: Fiscal Year



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Revised Budget
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: \$ in millions/rounding differences and blank lines may occur.

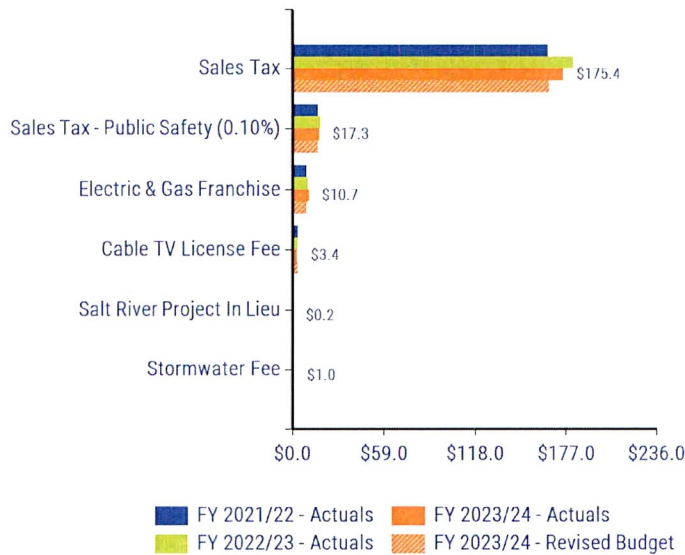
Sources (Fiscal Year to Date: June 2024)



	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	\$195.9	\$214.1	\$208.0	\$196.5	\$11.5	6%
Property Tax	34.6	35.8	36.5	37.2	( 0.6)	(2%)
State Shared Revenues	78.5	94.0	113.7	114.1	( 0.4)	0%
Charges for Service/Other	16.6	17.0	19.2	16.5	2.7	16%
License Permits & Fees	8.8	10.8	11.3	10.7	0.6	5%
Fines Fees & Forfeitures	7.5	7.0	7.1	7.1	-	-
Interest Earnings	3.3	6.9	14.4	8.2	6.2	75%
Building Permit Fees & Charges	20.3	17.6	21.7	20.4	1.3	7%
Other Revenue	20.5	21.2	0.1	-	0.1	-
Indirect/Direct Cost Allocations	7.2	7.2	8.3	8.2	0.1	1%
Transfers In	18.2	19.4	18.0	17.2	0.8	5%
<b>Total Sources</b>	<b>\$411.3</b>	<b>\$450.9</b>	<b>\$458.3</b>	<b>\$436.1</b>	<b>\$22.2</b>	<b>5%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

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

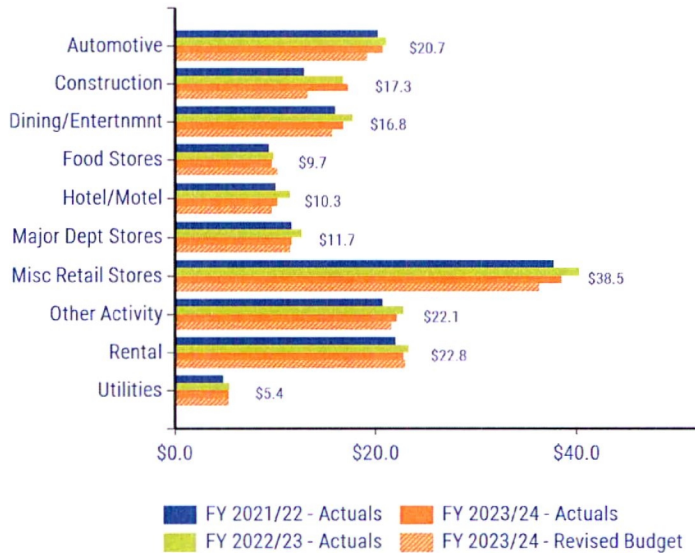


**Actual to Revised Budget variance of \$11.5 million or 6%:**  
 The favorable variance is primarily due to Sales Tax and Electric & Gas Franchise. See detail Sales Tax information on page 4. The favorable variance for Electric & Gas Franchise is due to higher than expected revenue generated from higher electric and gas 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	\$165.5	\$181.6	\$175.4	\$166.1	\$9.3	6%
Sales Tax - Public Safety (0.10%)	16.3	17.9	17.3	16.4	0.9	6%
Electric & Gas Franchise	9.1	9.9	10.7	9.1	1.6	18%
Cable TV License Fee	3.8	3.6	3.4	3.7	( 0.3)	(9%)
Salt River Project In Lieu	0.2	0.2	0.2	0.2	-	-
Stormwater Fee	1.0	1.0	1.0	1.0	-	-
<b>Taxes - Local Total</b>	<b>\$195.9</b>	<b>\$214.1</b>	<b>\$208.0</b>	<b>\$196.5</b>	<b>\$11.5</b>	<b>6%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Sales Tax (Fiscal Year to Date: June 2024)

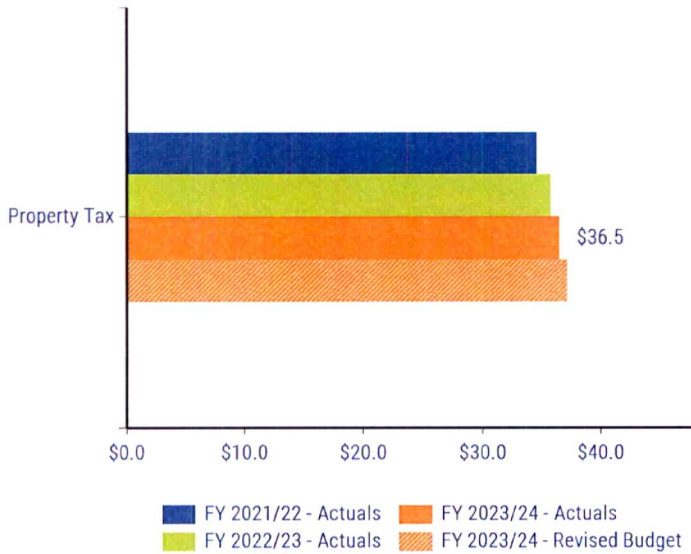


**Actual to Revised Budget variance of \$9.3 million or 6%:**  
 The favorable variance is primarily due to: 1) Automotive - a large one-time payment and auto dealers doing better than expected; 2) Construction - new projects and increased residential/commercial construction and one-time audit payments; 3) Dining/Entertainment - restaurants are doing better than anticipated; and 4) Misc. Retail Stores - retail stores doing better than expected and one-time audit payments. The unfavorable variance in Food Stores is due to changing consumer habits towards store brands based on economic concerns.

	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	\$20.2	\$21.1	\$20.7	\$19.2	\$1.5	8%
Construction	12.9	16.8	17.3	13.3	4.0	30%
Dining/Entertainment	16.0	17.7	16.8	15.7	1.1	7%
Food Stores	9.4	9.9	9.7	10.3	( 0.5)	(5%)
Hotel/Motel	10.1	11.5	10.3	9.7	0.6	6%
Major Dept Stores	11.7	12.7	11.7	11.6	0.1	1%
Misc Retail Stores	37.7	40.3	38.5	36.3	2.1	6%
Other Activity	20.7	22.8	22.1	21.6	0.5	3%
Rental	22.0	23.3	22.8	23.0	( 0.3)	(1%)
Utilities	4.9	5.5	5.4	5.4	0.1	1%
<b>Sales Tax Total</b>	<b>\$165.5</b>	<b>\$181.6</b>	<b>\$175.4</b>	<b>\$166.1</b>	<b>\$9.3</b>	<b>6%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Property Tax (Fiscal Year to Date: June 2024)



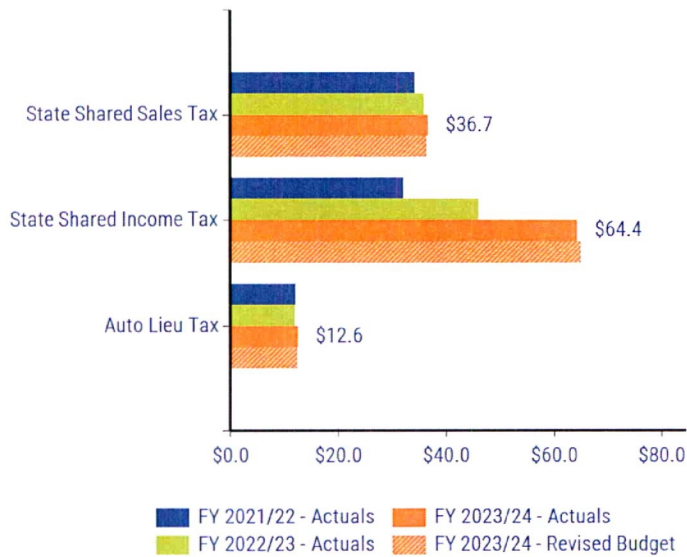
Actual to Revised Budget variance of (\$0.6) million or (2%):  
The unfavorable variance is due to the impact of the Qasimyar v. Maricopa County property tax judgement.

	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	\$34.6	\$35.8	\$36.5	\$37.2	(\$0.6)	(2%)
Property Tax Total	\$34.6	\$35.8	\$36.5	\$37.2	(\$0.6)	(2%)

Note: \$ in millions/rounding differences and blank lines may occur.



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

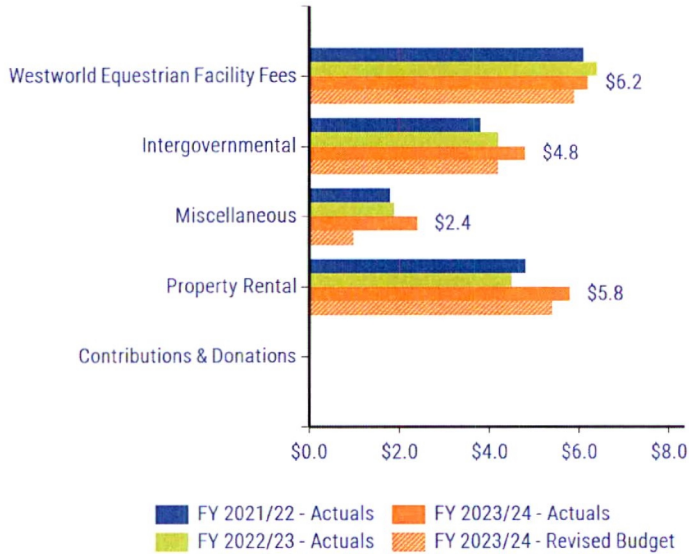


**Actual to Revised Budget variance of (\$0.4) million or 0%:**  
 The unfavorable variance in State Shared Income Tax is due to the actual payments being lower than budget, resulting from a slight revision of population count.

	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	\$34.2	\$35.9	\$36.7	\$36.5	\$0.1	0%
State Shared Income Tax	32.1	46.1	64.4	65.1	( 0.7)	(1%)
Auto Lieu Tax	12.1	12.0	12.6	12.4	0.1	1%
<b>State Shared Revenues Total</b>	<b>\$78.5</b>	<b>\$94.0</b>	<b>\$113.7</b>	<b>\$114.1</b>	<b>(\$0.4)</b>	<b>0%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

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

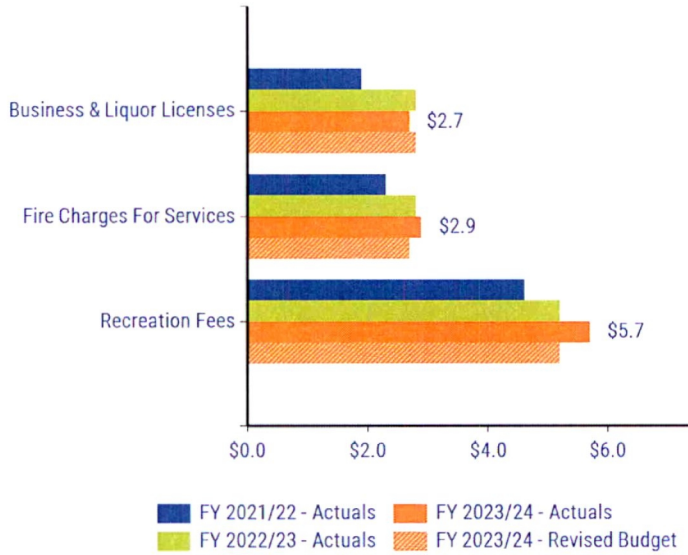


**Actual to Revised Budget variance of \$2.7 million or 16%:**  
 The favorable variance is due to 1) Intergovernmental - mostly from higher than budgeted fire insurance premium tax reimbursements; and 2) Miscellaneous - due to one-time recovery of expense related to ambulance services with Maricopa County and reimbursements for state deployment of firefighters.

	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	\$6.1	\$6.4	\$6.2	\$5.9	\$0.3	5%
Intergovernmental	3.8	4.2	4.8	4.2	0.7	16%
Miscellaneous	1.8	1.9	2.4	1.0	1.3	>100%
Property Rental	4.8	4.5	5.8	5.4	0.3	6%
Contributions & Donations	-	-	-	-	-	-
<b>Charges for Service/Other Total</b>	<b>\$16.6</b>	<b>\$17.0</b>	<b>\$19.2</b>	<b>\$16.5</b>	<b>\$2.7</b>	<b>16%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

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

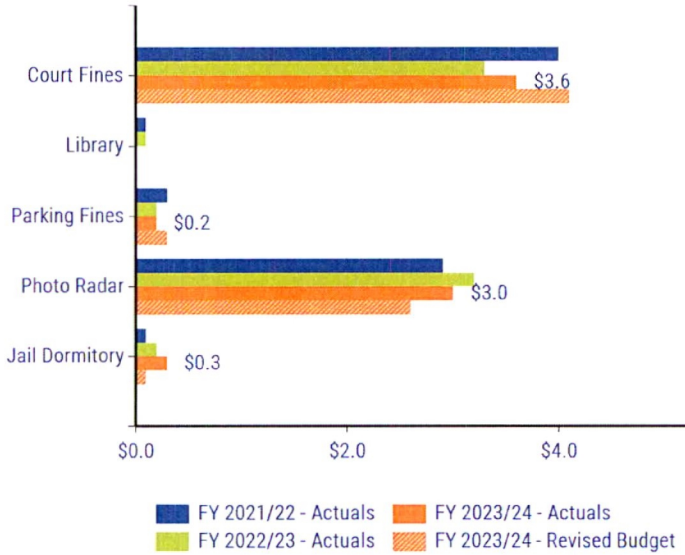


**Actual to Revised Budget variance of \$0.6 million or 5%:**  
 The favorable variance is due to: 1) Fire Charges for Services - higher than expected special events reimbursement for fire services; and 2) Recreation Fees - higher than expected activities in community facilities and enrollments in summer sessions.

	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	\$1.9	\$2.8	\$2.7	\$2.8	(\$0.1)	(4%)
Fire Charges For Services	2.3	2.8	2.9	2.7	0.2	6%
Recreation Fees	4.6	5.2	5.7	5.2	0.5	10%
<b>License Permits &amp; Fees Total</b>	<b>\$8.8</b>	<b>\$10.8</b>	<b>\$11.3</b>	<b>\$10.7</b>	<b>\$0.6</b>	<b>5%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

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



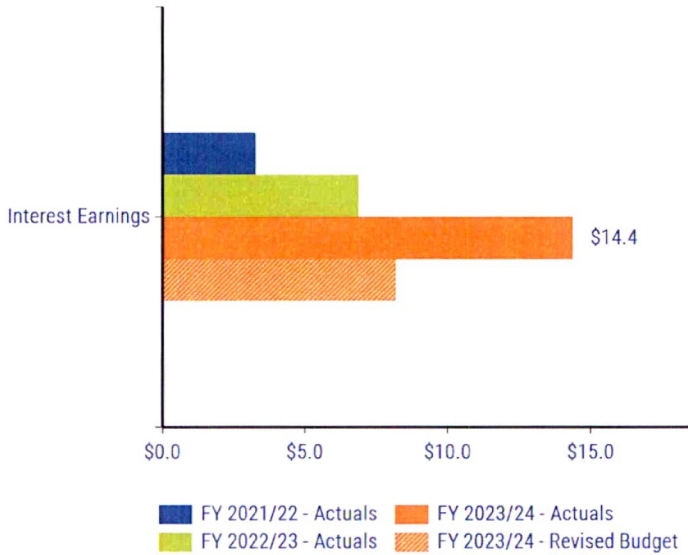
**Actual to Revised Budget variance of \$0.0 million or 0%:**  
 The unfavorable variance in Court Fines is due to a lower number of criminal filings. The favorable variance in Photo Radar is due to higher number of traffic photo enforcement, activity resulting from increase traffic during special event 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	\$4.0	\$3.3	\$3.6	\$4.1	(\$0.5)	(12%)
Library	0.1	0.1	-	-	-	-
Parking Fines	0.3	0.2	0.2	0.3	-	-
Photo Radar	2.9	3.2	3.0	2.6	0.3	13%
Jail Dormitory	0.1	0.2	0.3	0.1	0.2	>100%
<b>Fines Fees &amp; Forfeitures Total</b>	<b>\$7.5</b>	<b>\$7.0</b>	<b>\$7.1</b>	<b>\$7.1</b>	<b>\$ -</b>	<b>-</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Interest Earnings (Fiscal Year to Date: June 2024)

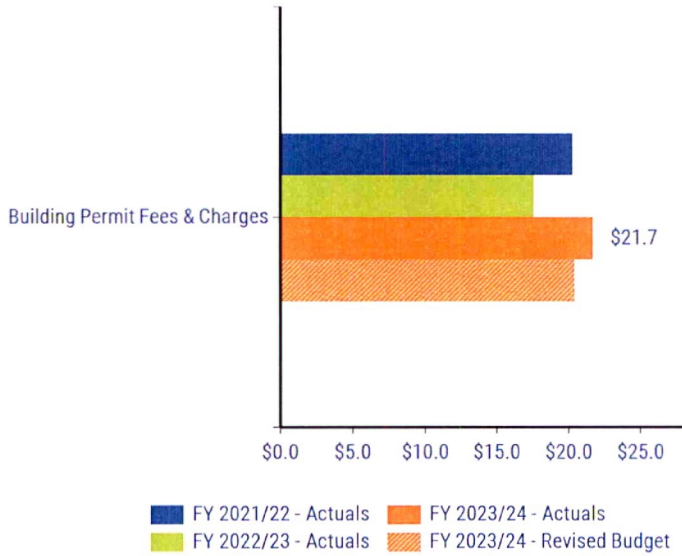
**Actual to Revised Budget variance of \$6.2 million or 75%:**  
 The favorable variance in Interest Earnings is due to higher than expected rate of return and invested amount.



	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	\$3.3	\$6.9	\$14.4	\$8.2	\$6.2	75%
Interest Earnings Total	\$3.3	\$6.9	\$14.4	\$8.2	\$6.2	75%

Note: \$ in millions/rounding differences and blank lines may occur.

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



**Actual to Revised Budget variance of \$1.3 million or 7%:**  
 The favorable variance is due to higher than expected encroachment and other development permit fees; the positive variance would be greater, but is partially offset by lower volume of building permits processed.

	<u>FY 2021/22</u> <u>Actuals</u>	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Revised Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u>	
					<u>Amount</u>	<u>Percent</u>
Building Permit Fees & Charges	\$20.3	\$17.6	\$21.7	\$20.4	\$1.3	7%
Building Permit Fees & Charges Total	\$20.3	\$17.6	\$21.7	\$20.4	\$1.3	7%

Note: \$ in millions/rounding differences and blank lines may occur.

Other Revenue (Fiscal Year to Date: June 2024)

Actual to Revised Budget variance of \$0.1 million or 0%:  
No significant variance.

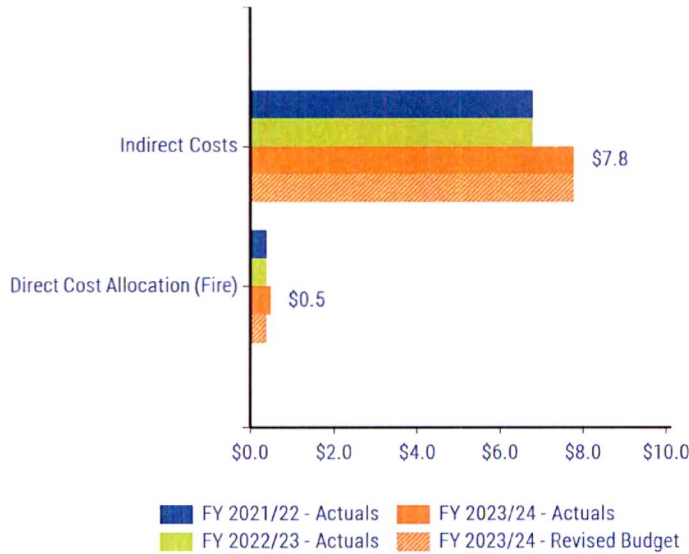


	<u>FY 2021/22</u> <u>Actuals</u>	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Revised</u> <u>Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	-
Miscellaneous	20.5	21.2	0.1	-	0.1	-
Other Revenue Total	<u>\$20.5</u>	<u>\$21.2</u>	<u>\$0.1</u>	<u>\$0.0</u>	<u>\$0.1</u>	<u>-</u>

Note: \$ in millions/rounding differences and blank lines may occur.

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

Actual to Revised Budget variance of \$0.1 million or 1%:  
Indirect/Direct Cost Allocations are within budget.

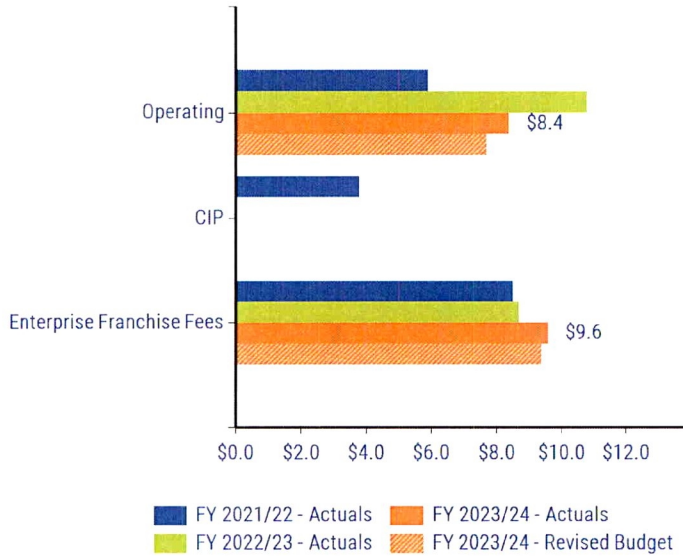


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Indirect Costs	\$6.8	\$6.8	\$7.8	\$7.8	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.5	0.4	0.1	23%
<b>Indirect/Direct Cost Allocations Total</b>	<b>\$7.2</b>	<b>\$7.2</b>	<b>\$8.3</b>	<b>\$8.2</b>	<b>\$0.1</b>	<b>1%</b>

Note: \$ in millions/rounding differences and blank lines may occur.



Transfers In (Fiscal Year to Date: June 2024)



**Actual to Revised Budget variance of \$0.8 million or 5%:**  
 The favorable variance is due to 1) higher than expected bed tax collections which 12% are transferred to the General Fund, per financial policy 10 and franchise permit reimbursement; and 2) higher than budget Enterprise Franchise Fees based on utility company revenues.

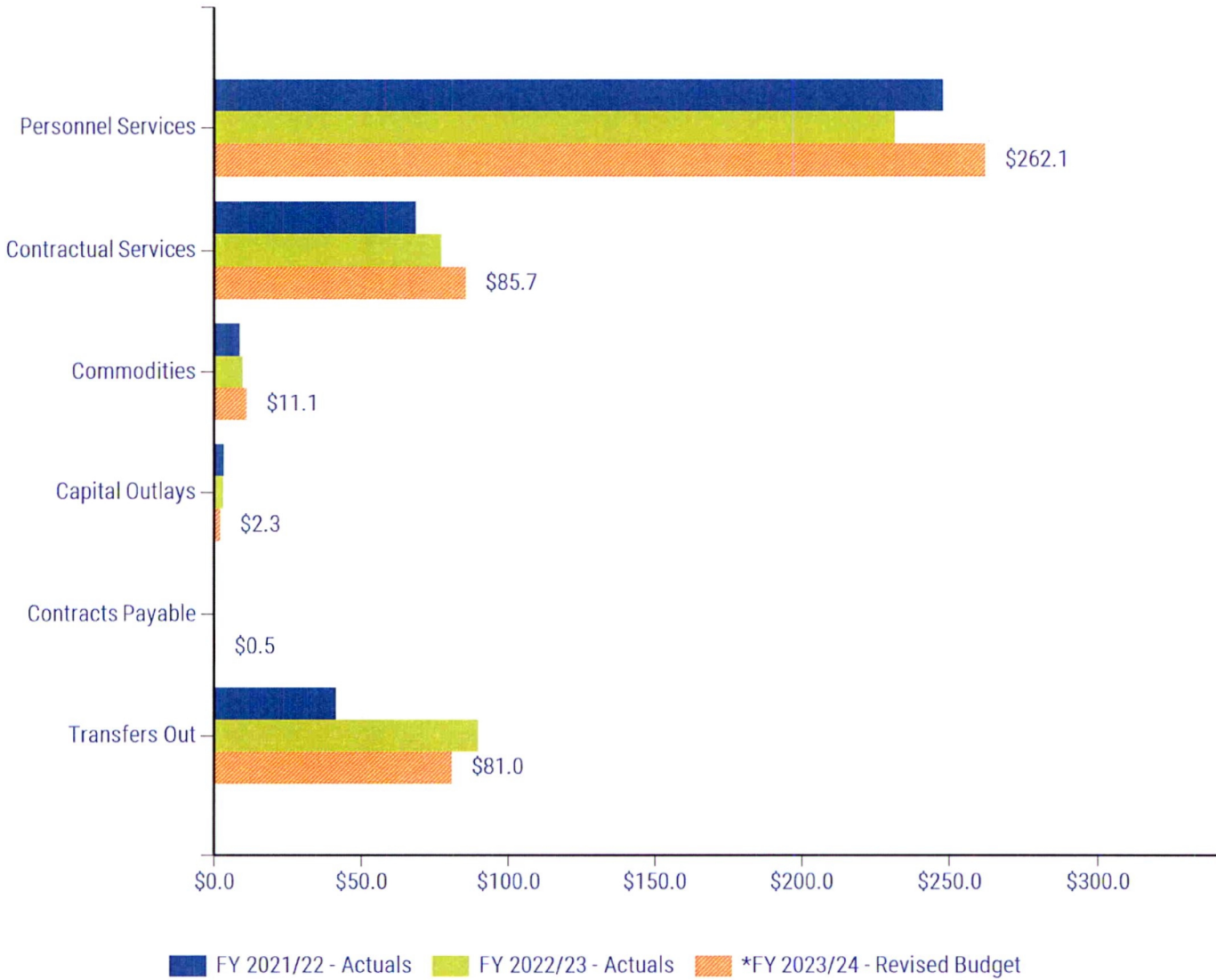
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Operating	\$5.9	\$10.8	\$8.4	\$7.7	\$0.6	8%
CIP	3.8	-	-	-	-	-
Enterprise Franchise Fees	8.5	8.7	9.6	9.4	0.2	2%
<b>Transfers In Total</b>	<b>\$18.2</b>	<b>\$19.4</b>	<b>\$18.0</b>	<b>\$17.2</b>	<b>\$0.8</b>	<b>5%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

# Uses

## General Fund

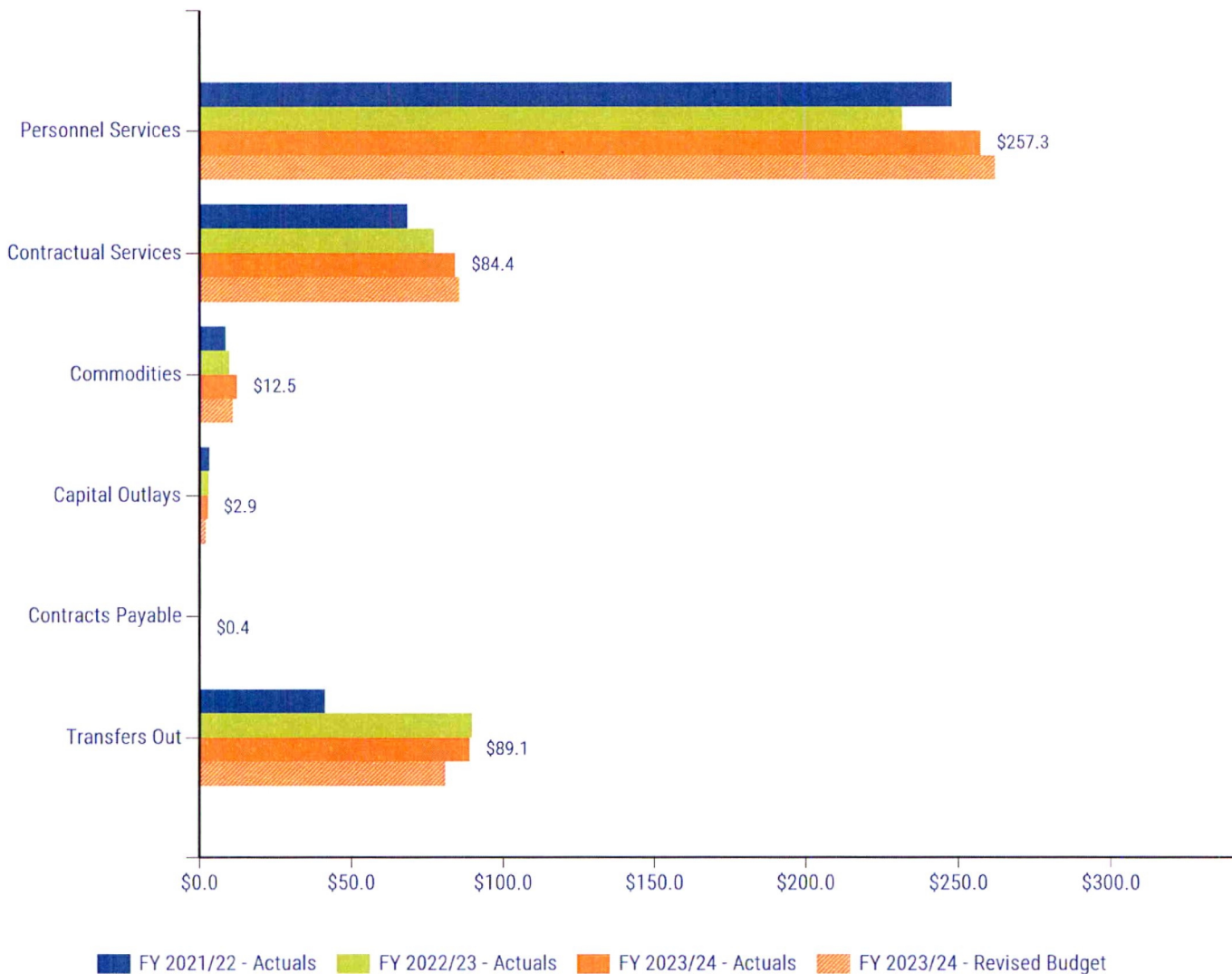
### Twelve Months: Fiscal Year



	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Revised Budget
Personnel Services	\$247.9	\$231.7	\$262.1
Contractual Services	68.4	77.3	85.7
Commodities	8.7	9.9	11.1
Capital Outlays	3.4	3.2	2.3
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>\$442.7</b>

Note: \$ in millions/rounding differences and blank lines may occur.

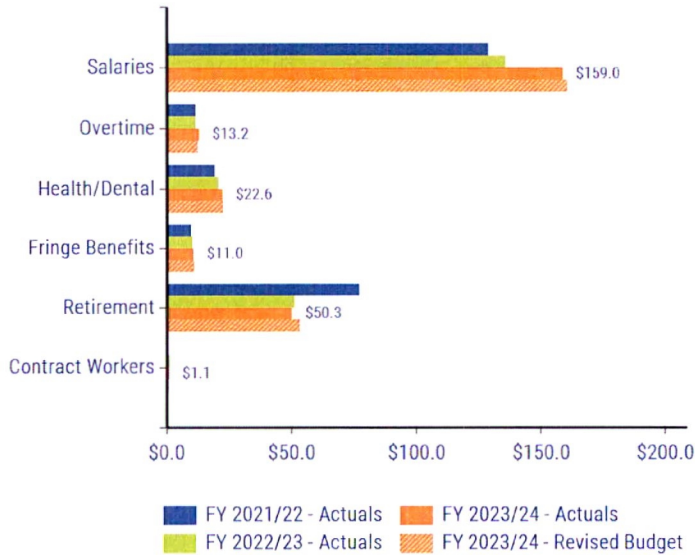
Uses (Fiscal Year to Date: June 2024)



	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	\$247.9	\$231.7	\$257.3	\$262.1	\$4.8	2%
Contractual Services	68.4	77.3	84.4	85.7	1.3	2%
Commodities	8.7	9.9	12.5	11.1	( 1.4)	(13%)
Capital Outlays	3.4	3.2	2.9	2.3	( 0.6)	(27%)
Contracts Payable	0.4	0.4	0.4	0.5	-	-
Transfers Out	41.4	89.9	89.1	81.0	( 8.1)	(10%)
<b>Total Uses</b>	<b>\$370.2</b>	<b>\$412.3</b>	<b>\$446.7</b>	<b>\$442.7</b>	<b>(\$4.0)</b>	<b>(1%)</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Personnel Services (Fiscal Year to Date: June 2024)

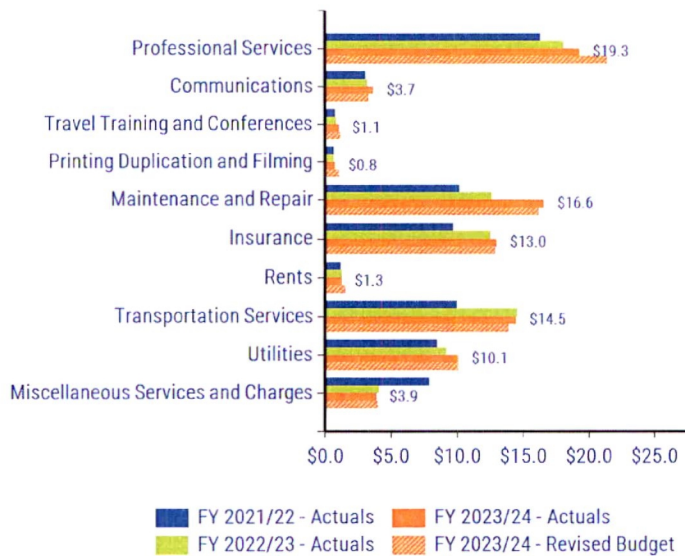


**Actual to Revised Budget variance of \$4.8 million or 2%:**  
 The favorable variance is due to: 1) Salaries - vacancy savings and new staff hired at a lower rate than the employee who they replaced in Charter officers and Public Safety divisions; and 2) Retirement - new public safety staff hired in a different retirement tier, resulting in less retirement contributions. The unfavorable variance in Overtime is due to the increased number of public safety personnel on worker's compensation from injuries, resulting in the need for additional overtime to cover for their absences.

	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	\$129.0	\$135.8	\$159.0	\$160.8	\$1.7	1%
Overtime	11.8	11.8	13.2	12.7	( 0.5)	(4%)
Health/Dental	19.3	21.0	22.6	22.7	0.1	0%
Fringe Benefits	10.0	10.5	11.0	11.3	0.3	2%
Retirement	77.3	51.3	50.3	53.6	3.4	6%
Contract Workers	0.4	1.2	1.1	0.9	( 0.2)	(20%)
<b>Personnel Services Total</b>	<b>\$247.9</b>	<b>\$231.7</b>	<b>\$257.3</b>	<b>\$262.1</b>	<b>\$4.8</b>	<b>2%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Contractual Services (Fiscal Year to Date: June 2024)



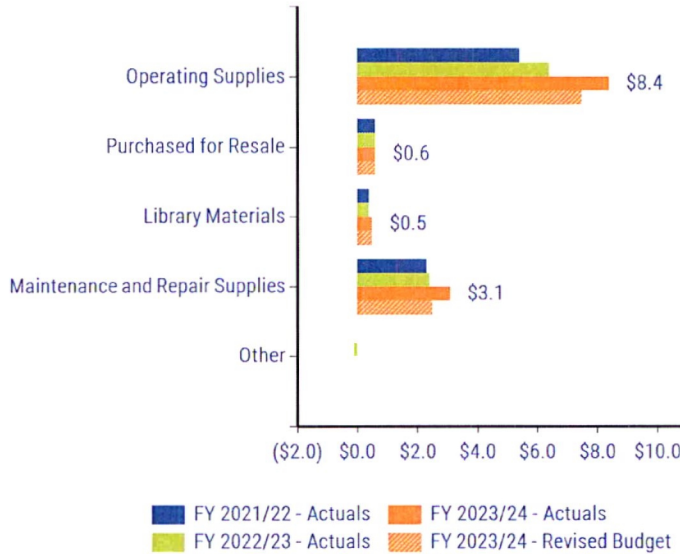
Actual to Revised Budget variance of \$1.3 million or 2%:

The favorable variance is primarily due to Professional Services - expense timing related to contracts for various city initiatives such as a development permit rates study, lower than expected expense in security and jail services, and budget appropriation to develop a Shade and Tree Plan that was expensed in the CIP instead. The favorable variance would be greater, but is offset by 1) Communications - reimbursed expense for radio network infrastructure updates, and 2) Transportation Services - higher than expected volume of vehicle repairs.

	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	\$16.3	\$18.1	\$19.3	\$21.4	\$2.2	10%
Communications	3.1	3.2	3.7	3.3	( 0.4)	(12%)
Travel Training and Conferences	0.8	0.9	1.1	1.2	0.1	7%
Printing Duplication and Filming	0.7	0.7	0.8	1.1	0.3	24%
Maintenance and Repair	10.2	12.6	16.6	16.2	( 0.4)	(2%)
Insurance	9.7	12.5	13.0	12.9	( 0.1)	(1%)
Rents	1.2	1.3	1.3	1.6	0.3	20%
Transportation Services	10.0	14.6	14.5	13.9	( 0.7)	(5%)
Utilities	8.5	9.2	10.1	10.1	-	-
Miscellaneous Services and Charges	7.9	4.1	3.9	4.0	-	-
<b>Contractual Services Total</b>	<b>\$68.4</b>	<b>\$77.3</b>	<b>\$84.4</b>	<b>\$85.7</b>	<b>\$1.3</b>	<b>2%</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Commodities (Fiscal Year to Date: June 2024)

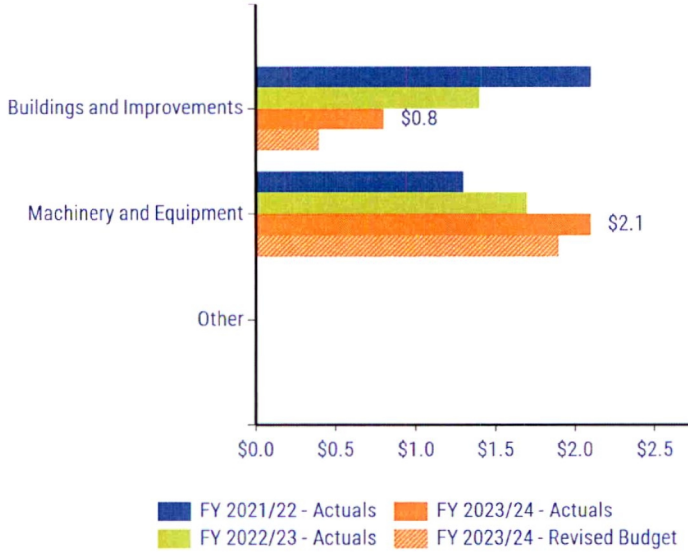


**Actual to Revised Budget variance of (\$1.4) million or (13%):** The unfavorable variance is due to 1) Operating Supplies - operating equipment needing to be replaced earlier than expected, and 2) Maintenance and Repair Supplies - purchase startup equipment for ambulance services.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating Supplies	\$5.4	\$6.4	\$8.4	\$7.5	(\$0.9)	(12%)
Purchased for Resale	0.6	0.6	0.6	0.6	-	-
Library Materials	0.4	0.4	0.5	0.5	-	-
Maintenance and Repair Supplies	2.3	2.4	3.1	2.5	( 0.6)	(23%)
Other	-	( 0.1)	-	-	-	-
<b>Commodities Total</b>	<b>\$8.7</b>	<b>\$9.9</b>	<b>\$12.5</b>	<b>\$11.1</b>	<b>(\$1.4)</b>	<b>(13%)</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Capital Outlays (Fiscal Year to Date: June 2024)



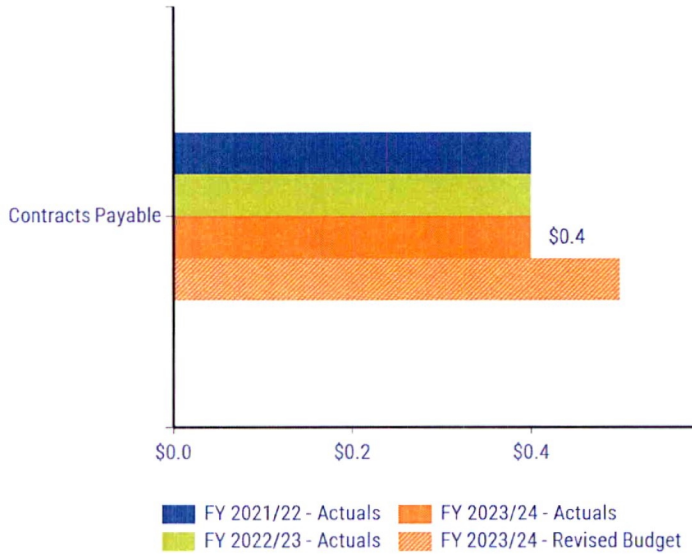
**Actual to Revised Budget variance of (\$0.6) million or (27%):** The unfavorable variance is due to 1) Buildings and Improvements - unanticipated building improvement cost to accommodate training staff and 2) Machinery and Equipment - moving a fire truck from Aviation division to Fire division.

	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	\$2.1	\$1.4	\$0.8	\$0.4	(\$0.4)	>(100%)
Machinery and Equipment	1.3	1.7	2.1	1.9	( 0.2)	(11%)
Other	-	-	-	-	-	-
<b>Capital Outlays Total</b>	<b>\$3.4</b>	<b>\$3.2</b>	<b>\$2.9</b>	<b>\$2.3</b>	<b>(\$0.6)</b>	<b>(27%)</b>

Note: \$ in millions/rounding differences and blank lines may occur.

Contracts Payable (Fiscal Year to Date: June 2024)

Actual to Revised Budget variance of \$0.0 million or 3%:  
Contracts Payable is within budget.

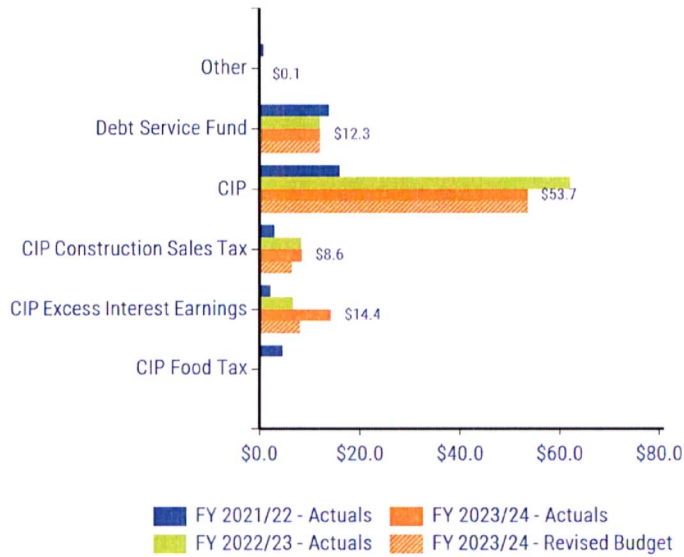


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Contracts Payable	\$0.4	\$0.4	\$0.4	\$0.5	\$ -	-
Contracts Payable Total	\$0.4	\$0.4	\$0.4	\$0.5	\$ -	-

Note: \$ in millions/rounding differences and blank lines may occur.



Transfers Out (Fiscal Year to Date: June 2024)

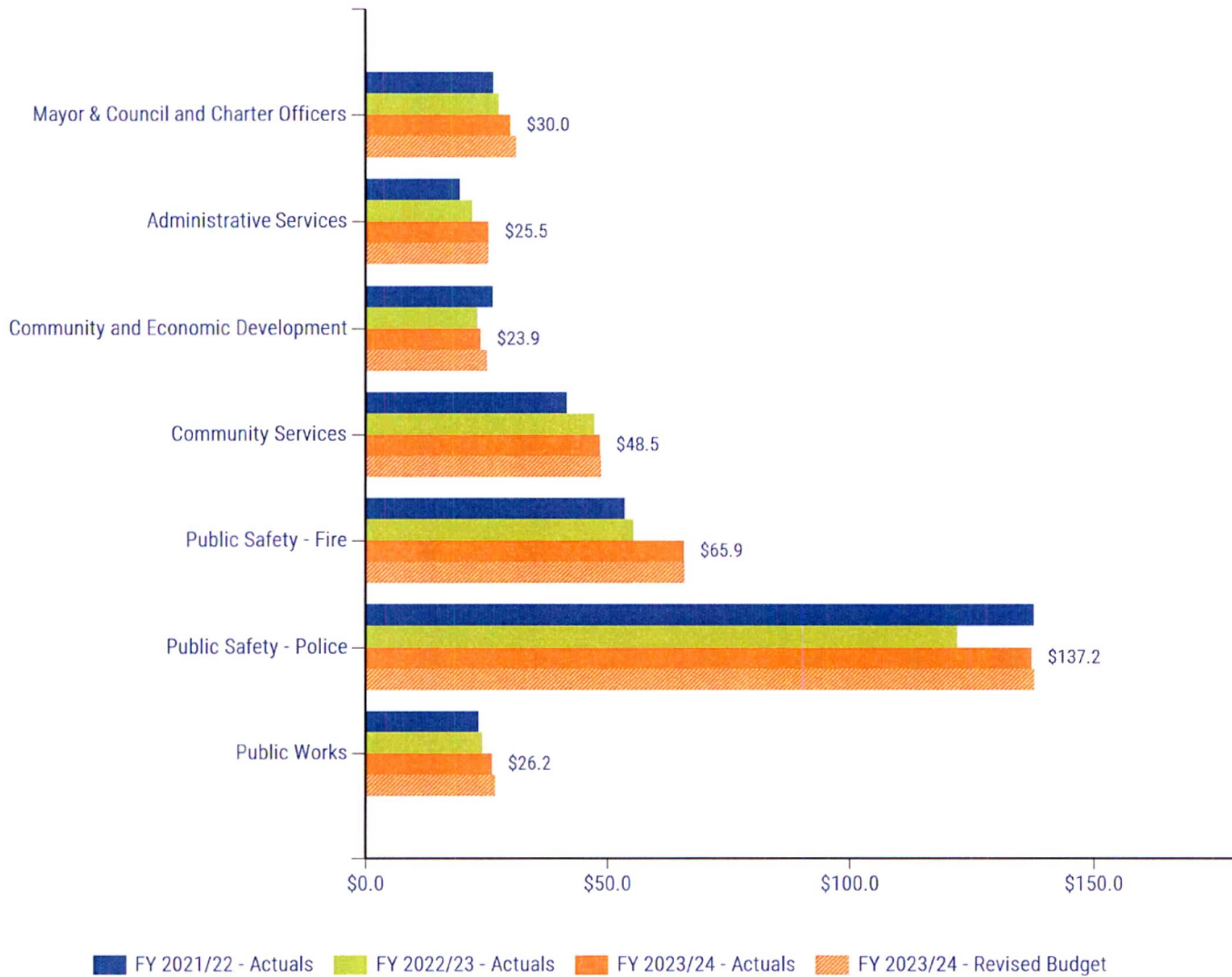


**Actual to Revised Budget variance of (\$8.1) million or (10%):** Transfers Out are the authorized movement of cash to other funds/or capitals projects. The unfavorable variance is due to sales tax revenue and interest earnings being higher than expected.

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Other	\$1.1	\$0.1	\$0.1	\$0.2	\$0.1	53%
Debt Service Fund	14.0	12.2	12.3	12.3	-	-
CIP	16.1	62.3	53.7	53.7	-	-
CIP Construction Sales Tax	3.2	8.4	8.6	6.6	( 2.0)	(30%)
CIP Excess Interest Earnings	2.3	6.9	14.4	8.2	( 6.2)	(75%)
CIP Food Tax	4.7	-	-	-	-	-
<b>Transfers Out Total</b>	<b>\$41.4</b>	<b>\$89.9</b>	<b>\$89.1</b>	<b>\$81.0</b>	<b>(\$8.1)</b>	<b>(10%)</b>

Note: \$ in millions/rounding differences and blank lines may occur.

**Division Expenditures (Fiscal Year to Date: June 2024)**

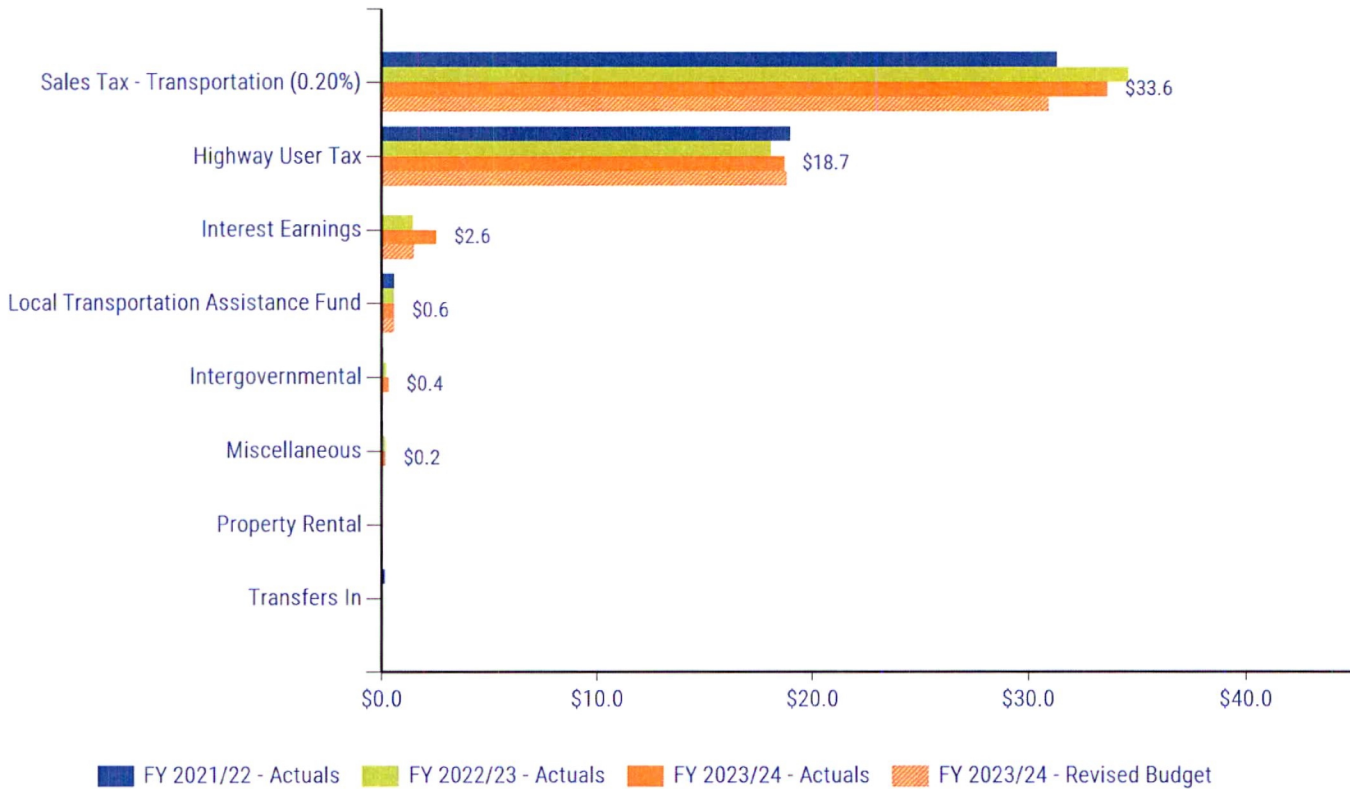


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$26.4	\$27.6	\$30.0	\$31.2	\$1.1	4%
Administrative Services	19.5	22.1	25.5	25.5	-	-
Community and Economic Development	26.3	23.2	23.9	25.2	1.4	5%
Community Services	41.6	47.4	48.5	48.7	0.2	0%
Public Safety - Fire	53.6	55.5	65.9	65.9	0.1	0%
Public Safety - Police	137.7	122.1	137.2	137.8	0.6	0%
Public Works	23.3	24.2	26.2	26.9	0.7	3%
<b>Total</b>	<b>\$328.3</b>	<b>\$322.0</b>	<b>\$357.1</b>	<b>\$361.2</b>	<b>\$4.1</b>	<b>1%</b>

**Actual to Revised Budget variance of \$4.1 million or 1%.**

Note: \$ in millions/rounding differences and blank lines may occur.

**Sources (Fiscal Year to Date: June 2024)**

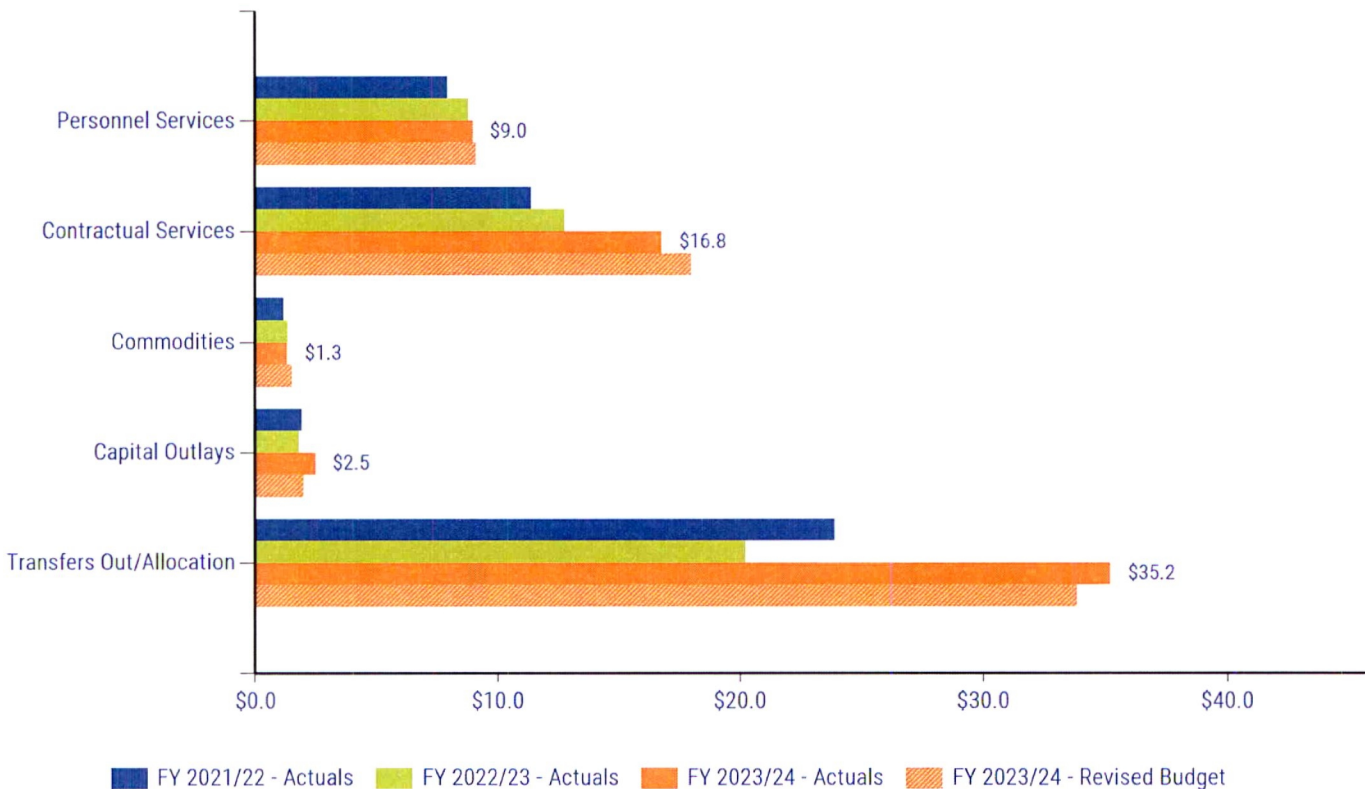


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax - Transportation (0.20%)	\$31.3	\$34.6	\$33.6	\$30.9	\$2.7	9%
Highway User Tax	19.0	18.1	18.7	18.8	( 0.1)	(1%)
Interest Earnings	-	1.5	2.6	1.5	1.0	68%
Local Transportation Assistance Fund	0.6	0.6	0.6	0.6	-	-
Intergovernmental	0.1	0.2	0.4	0.1	0.3	>100%
Miscellaneous	0.1	0.2	0.2	-	0.2	>100%
Property Rental	-	-	-	-	-	-
Transfers In	0.2	-	-	-	-	-
<b>Total Sources</b>	<b>\$51.3</b>	<b>\$55.2</b>	<b>\$56.1</b>	<b>\$52.0</b>	<b>\$4.1</b>	<b>8%</b>

**Actual to Revised Budget variance of \$4.1 million or 8%:** The favorable variance is primarily due to 1) Sales tax - Transportation (0.20%) being favorable due to Sales Tax collections, see page 5 for explanations by category; and 2) Interest Earnings - rate of return and invested amount are higher than expected.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)

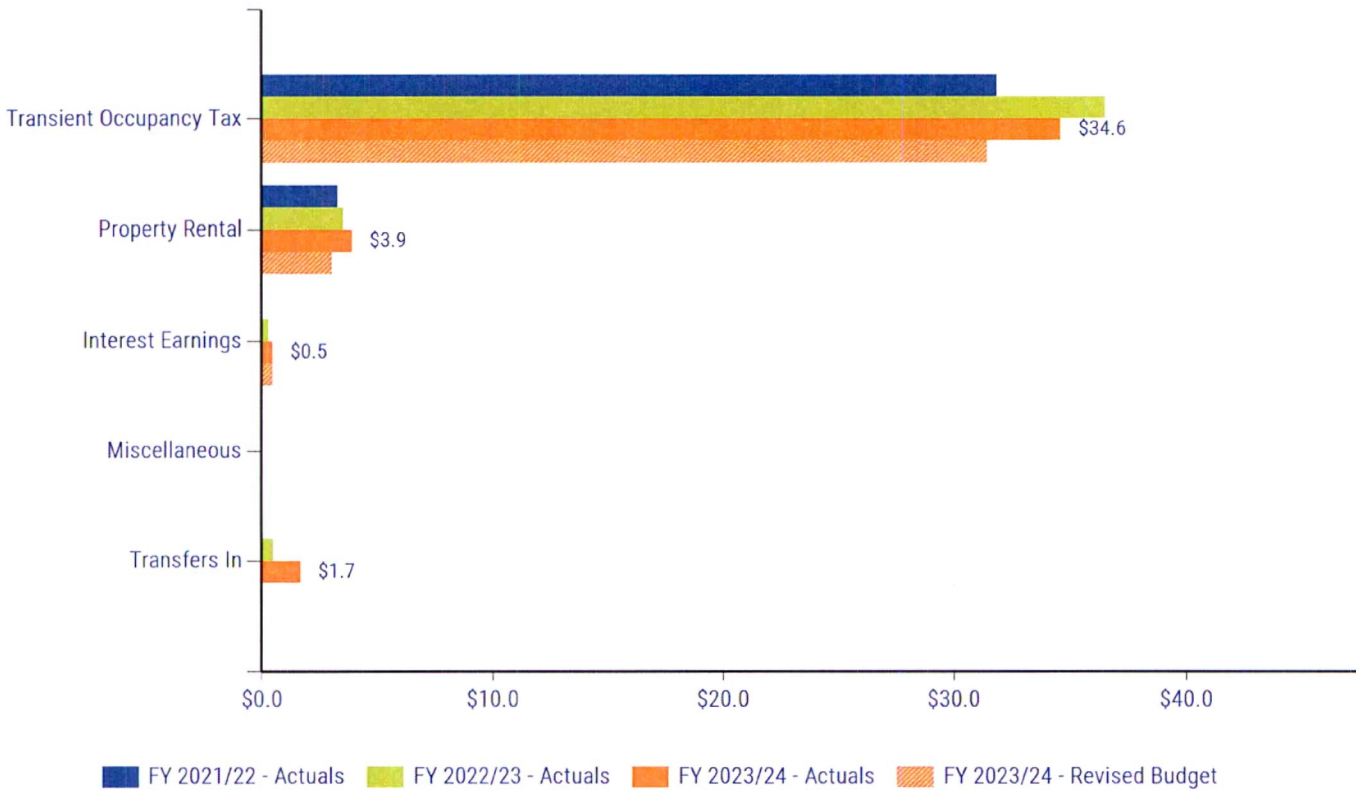


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$7.9	\$8.8	\$9.0	\$9.1	\$0.1	2%
Contractual Services	11.4	12.7	16.8	18.0	1.2	7%
Commodities	1.2	1.4	1.3	1.5	0.2	13%
Capital Outlays	1.9	1.8	2.5	2.0	( 0.5)	(23%)
Transfers Out/Allocation	23.9	20.2	35.2	33.8	( 1.4)	(4%)
<b>Total Uses</b>	<b>\$46.3</b>	<b>\$45.0</b>	<b>\$64.8</b>	<b>\$64.5</b>	<b>(\$0.3)</b>	<b>0%</b>

**Actual to Revised Budget variance of (\$0.3) million or 0%:** The unfavorable variance is due to 1) Capital Outlays - purchase of Right of Way from Arizona State Land; and 2) Transfers Out/Allocation - higher than expected sales tax revenue. The unfavorable variance would be greater but is being offset by Contractual Services - decision to delay reactivating weekend trolley service. Discussions continue to be held and potential ridership analyzed.

\$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: June 2024)

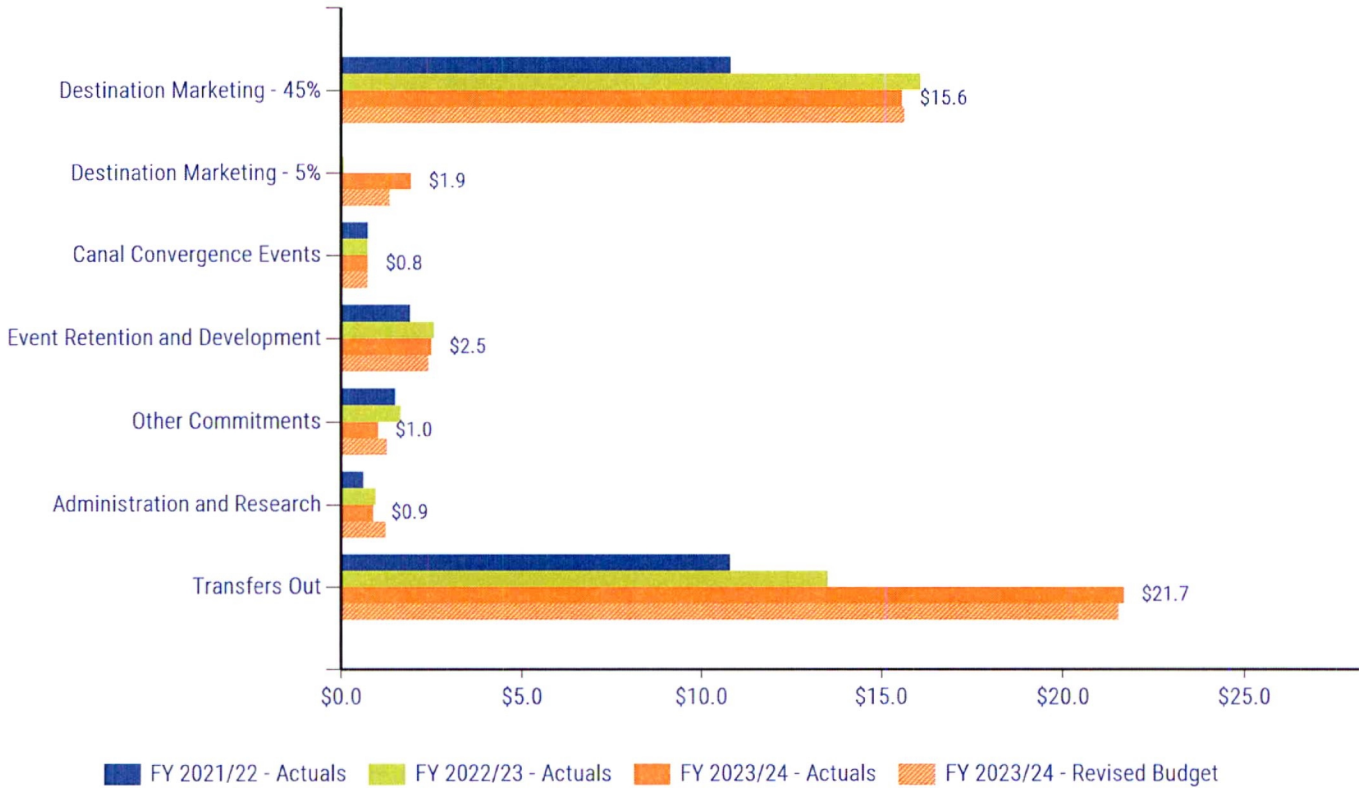


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Transient Occupancy Tax	\$31.9	\$36.5	\$34.6	\$31.4	\$3.1	10%
Property Rental	3.3	3.5	3.9	3.1	0.9	28%
Interest Earnings	-	0.3	0.5	0.5	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	0.5	1.7	-	1.7	-
<b>Total Sources</b>	<b>\$35.2</b>	<b>\$40.9</b>	<b>\$40.7</b>	<b>\$35.0</b>	<b>\$5.7</b>	<b>16%</b>

**Actual to Revised Budget variance of \$5.7 million or 16%:** The favorable variance is primarily due to 1) Transient Occupancy Tax - higher than anticipated collections driven by hotel rates; and 2) Property Rental - higher than anticipated revenue from a contract lease.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)

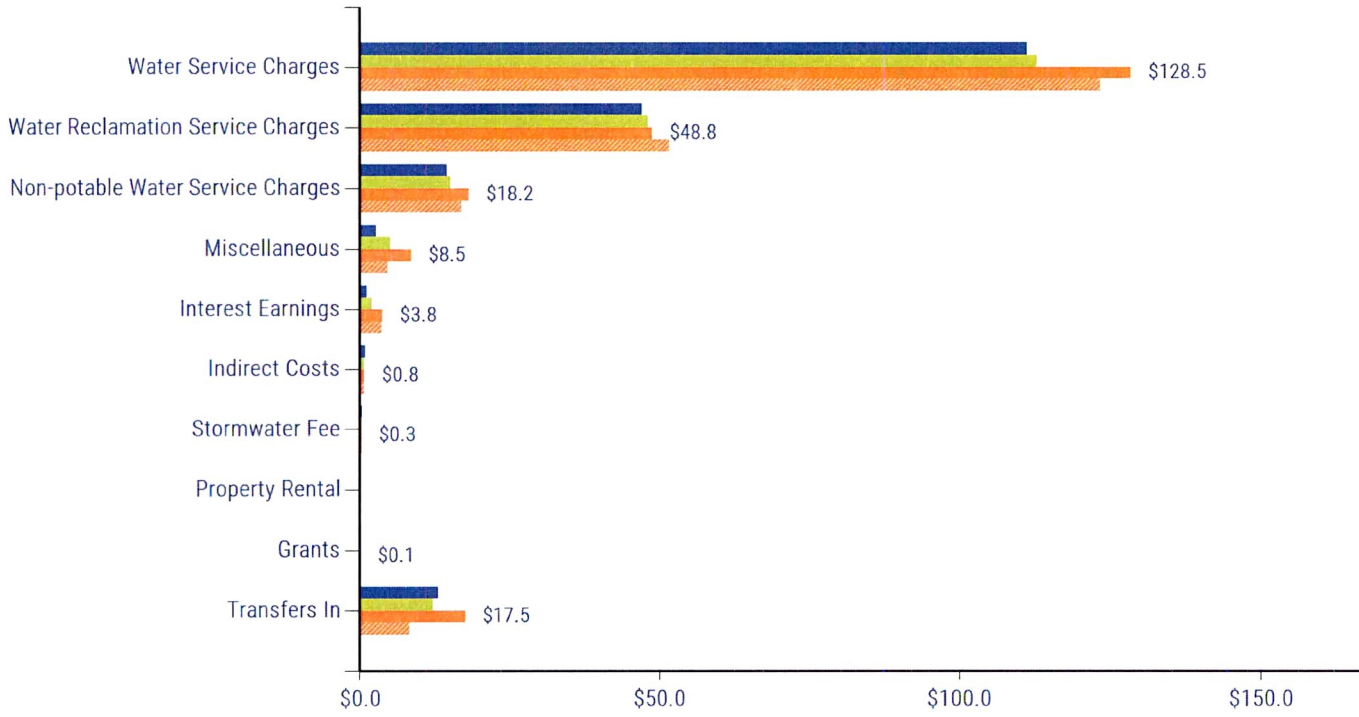


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Destination Marketing - 45%	\$10.8	\$16.1	\$15.6	\$15.7	\$0.1	0%
Destination Marketing - 5%	-	0.1	1.9	1.4	(0.6)	(42%)
Canal Convergence Events	0.8	0.8	0.8	0.8	-	-
Event Retention and Development	1.9	2.6	2.5	2.4	(0.1)	(3%)
Other Commitments	1.5	1.7	1.0	1.3	0.2	19%
Administration and Research	0.6	1.0	0.9	1.2	0.3	27%
Transfers Out	10.8	13.5	21.7	21.6	(0.1)	(1%)
<b>Total Uses</b>	<b>\$26.4</b>	<b>\$35.7</b>	<b>\$44.4</b>	<b>\$44.3</b>	<b>(\$0.1)</b>	<b>0%</b>

**Actual to Revised Budget variance of (\$0.1) million or 0%:** The unfavorable net variance is due to higher than anticipated bed tax collection which allocated for destination marketing per Financial Policy No.10.

\$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: June 2024)



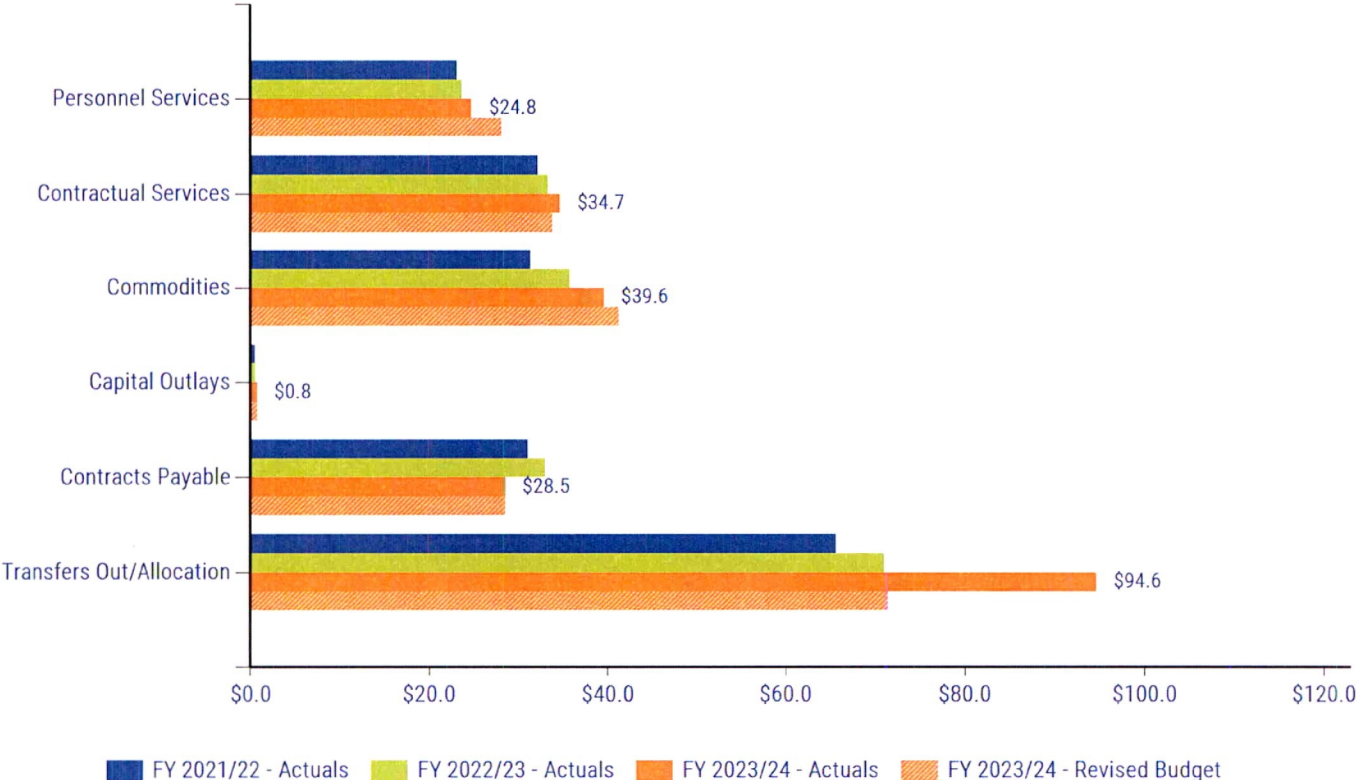
Legend: FY 2021/22 - Actuals (dark blue), FY 2022/23 - Actuals (light green), FY 2023/24 - Actuals (orange), FY 2023/24 - Revised Budget (hatched orange)

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Water Service Charges	\$111.4	\$113.0	\$128.5	\$123.4	\$5.1	4%
Water Reclamation Service Charges	47.0	48.1	48.8	51.6	( 2.8)	(6%)
Non-potable Water Service Charges	14.5	15.1	18.2	16.9	1.3	7%
Miscellaneous	2.7	5.1	8.5	4.6	3.9	84%
Interest Earnings	1.2	2.1	3.8	3.6	0.1	4%
Indirect Costs	0.9	0.8	0.8	0.8	-	-
Stormwater Fee	0.3	0.3	0.3	0.3	-	-
Property Rental	-	-	-	-	-	-
Grants	-	-	0.1	-	0.1	-
Transfers In	13.0	12.2	17.5	8.3	9.2	>100%
<b>Total Sources</b>	<b>\$190.9</b>	<b>\$196.7</b>	<b>\$226.6</b>	<b>\$209.7</b>	<b>\$16.9</b>	<b>8%</b>

**Actual to Revised Budget variance of \$16.9 million or 8%:** The favorable variance is due to 1) Water Service Charges and Non-potable Water Service Charges - water usage 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 (ADWR) for reducing usage from Lake Mead; 3) Transfers In, which is higher than the budget due to the timing of Transfers In for debt services. The favorable variance is partially offset by lower than expected Water Reclamation Services Charges.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)



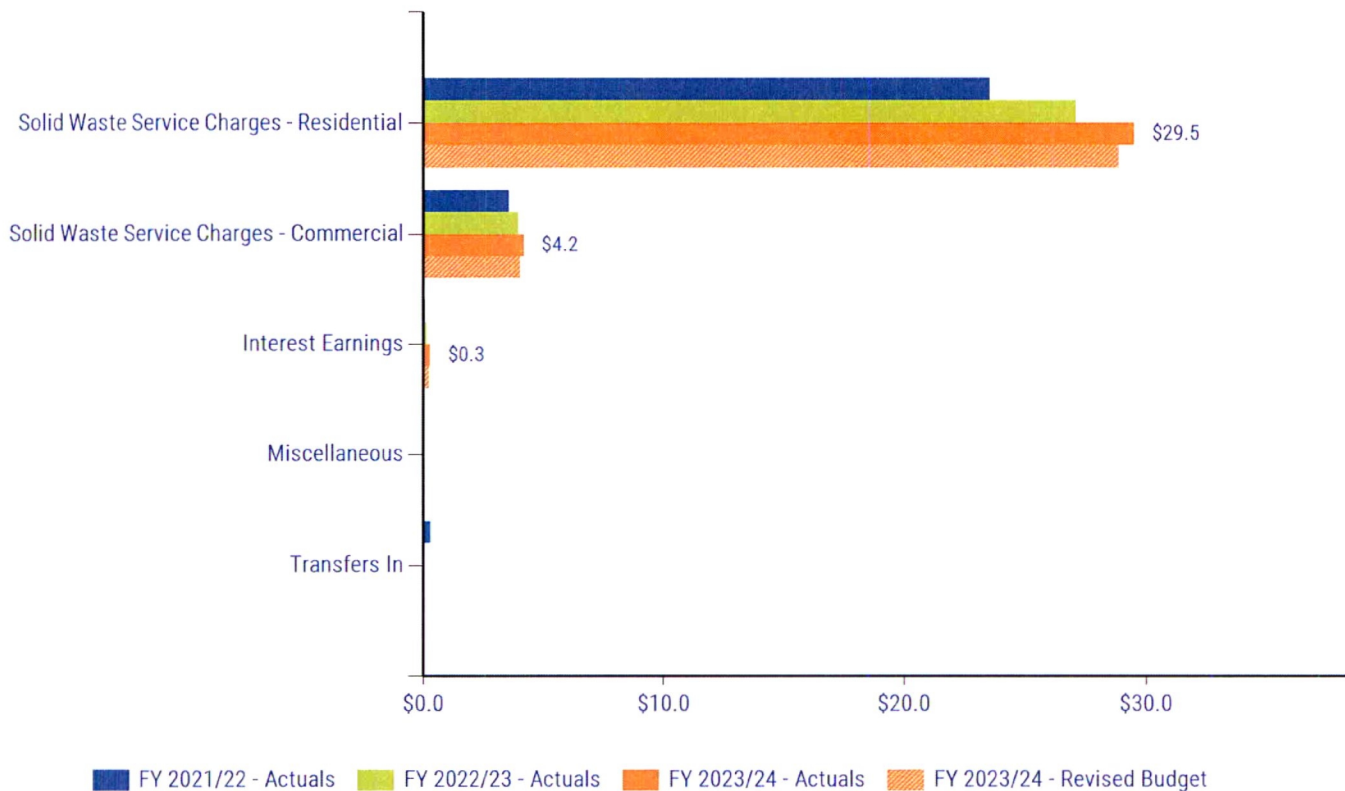
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$23.1	\$23.7	\$24.8	\$28.2	\$3.4	12%
Contractual Services	32.1	33.3	34.7	33.9	( 0.8)	(2%)
Commodities	31.3	35.8	39.6	41.3	1.7	4%
Capital Outlays	0.5	0.6	0.8	0.8	-	-
Contracts Payable	31.0	33.0	28.5	28.5	-	-
Transfers Out/Allocation	65.6	71.0	94.6	71.5	( 23.2)	(32%)
<b>Total Uses</b>	<b>\$183.8</b>	<b>\$197.4</b>	<b>\$223.0</b>	<b>\$204.2</b>	<b>(\$18.9)</b>	<b>(9%)</b>

**Actual to Revised Budget variance of (\$18.9) million or (9%):** The unfavorable variance for Water Resources is mainly due to larger than expected transfers out for Advanced Water Treatment expenses. The variance is partially offset by 1) Personnel Services - replaced employees being hired at a lower rate than the previous employees and lower than expected overtime; and 2) Commodities - lower than expected chemical costs.

\$ in millions/rounding differences and blank lines may occur.



Sources (Fiscal Year to Date: June 2024)

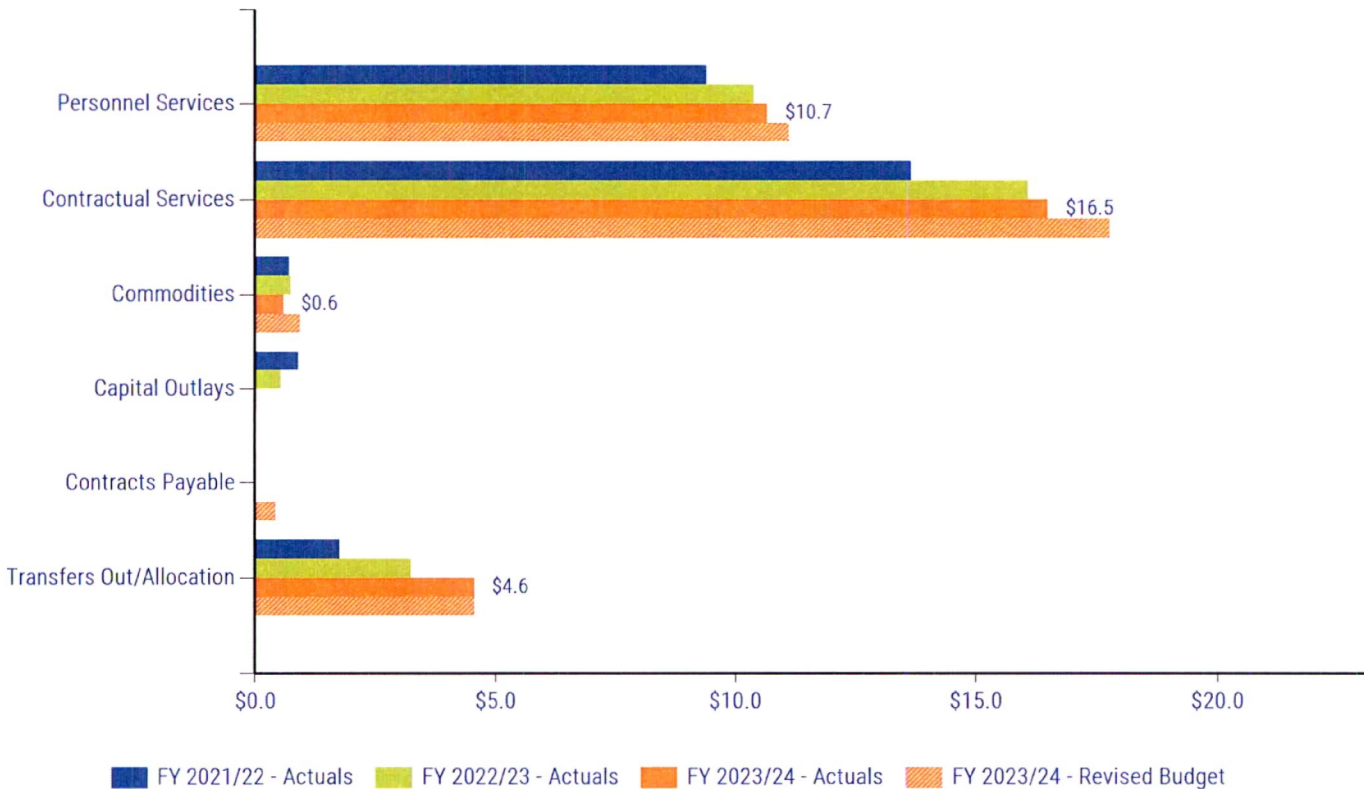


	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Solid Waste Service Charges - Residential	\$23.6	\$27.1	\$29.5	\$28.9	\$0.7	2%
Solid Waste Service Charges - Commercial	3.6	4.0	4.2	4.0	0.2	4%
Interest Earnings	0.1	0.1	0.3	0.3	0.1	21%
Miscellaneous	-	-	-	-	-	-
Transfers In	0.3	-	-	-	-	-
<b>Total Sources</b>	<b>\$27.6</b>	<b>\$31.2</b>	<b>\$34.0</b>	<b>\$33.2</b>	<b>\$0.9</b>	<b>3%</b>

**Actual to Revised Budget variance of \$0.9 million or 3%:** The favorable variance is primarily due to Solid Waste Service Charges – Residential having higher usage than expected.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)

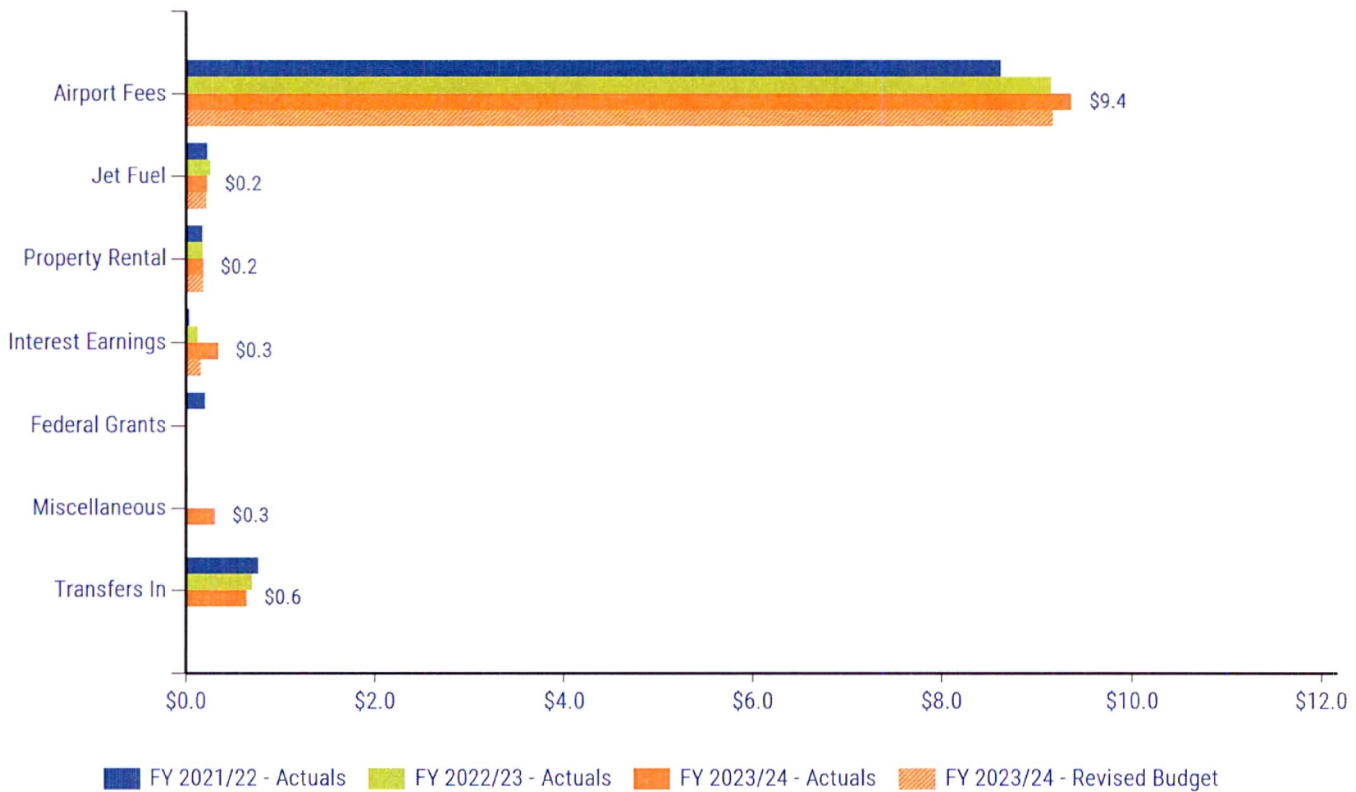


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$9.4	\$10.4	\$10.7	\$11.1	\$0.4	4%
Contractual Services	13.7	16.1	16.5	17.8	1.3	7%
Commodities	0.7	0.8	0.6	0.9	0.3	36%
Capital Outlays	0.9	0.5	-	-	-	-
Contracts Payable	-	-	-	0.4	0.4	100%
Transfers Out/Allocation	1.8	3.3	4.6	4.6	-	-
<b>Total Uses</b>	<b>\$26.5</b>	<b>\$31.0</b>	<b>\$32.4</b>	<b>\$34.8</b>	<b>\$2.5</b>	<b>7%</b>

**Actual to Revised Budget variance of \$2.5 million or 7%:** The favorable variance is primarily due to Contractual Services - the landfill was temporarily shutdown due to fires and the unpredictable recycle processing market resulted in lower than expected expenses.

\$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: June 2024)

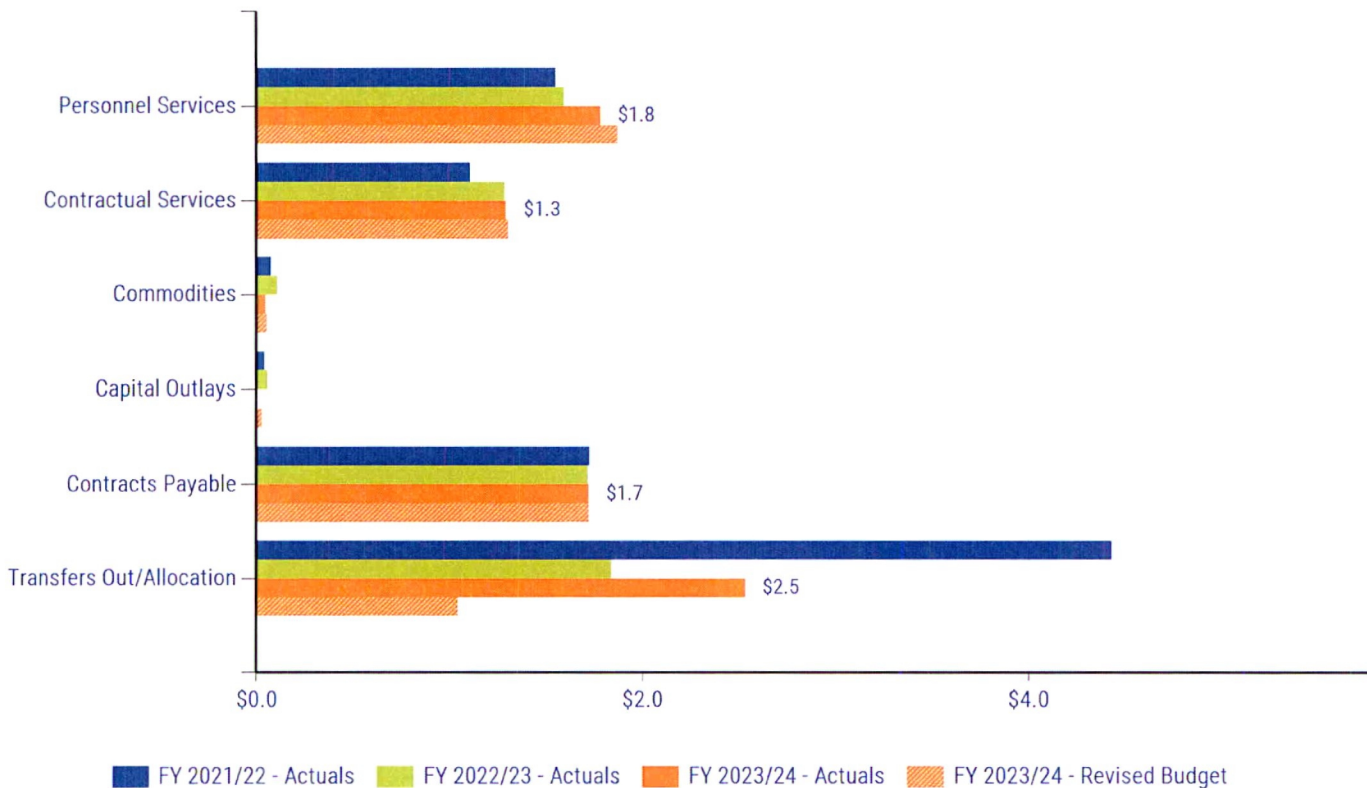


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Airport Fees	\$8.6	\$9.2	\$9.4	\$9.2	\$0.2	2%
Jet Fuel	0.2	0.3	0.2	0.2	-	-
Property Rental	0.2	0.2	0.2	0.2	-	-
Interest Earnings	-	0.1	0.3	0.2	0.2	>100%
Federal Grants	0.2	-	-	-	-	-
Miscellaneous	-	-	0.3	-	0.3	-
Transfers In	0.8	0.7	0.6	-	0.6	-
<b>Total Sources</b>	<b>\$10.1</b>	<b>\$10.4</b>	<b>\$11.1</b>	<b>\$9.7</b>	<b>\$1.3</b>	<b>14%</b>

**Actual to Revised Budget variance of \$1.3 million or 14%:** The favorable variance is due to 1) Airport Fees - higher than expected collection from tenant rents and Aeronautical Business Permits; and 2) Interest Earnings - the rate of return is higher than expected.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)

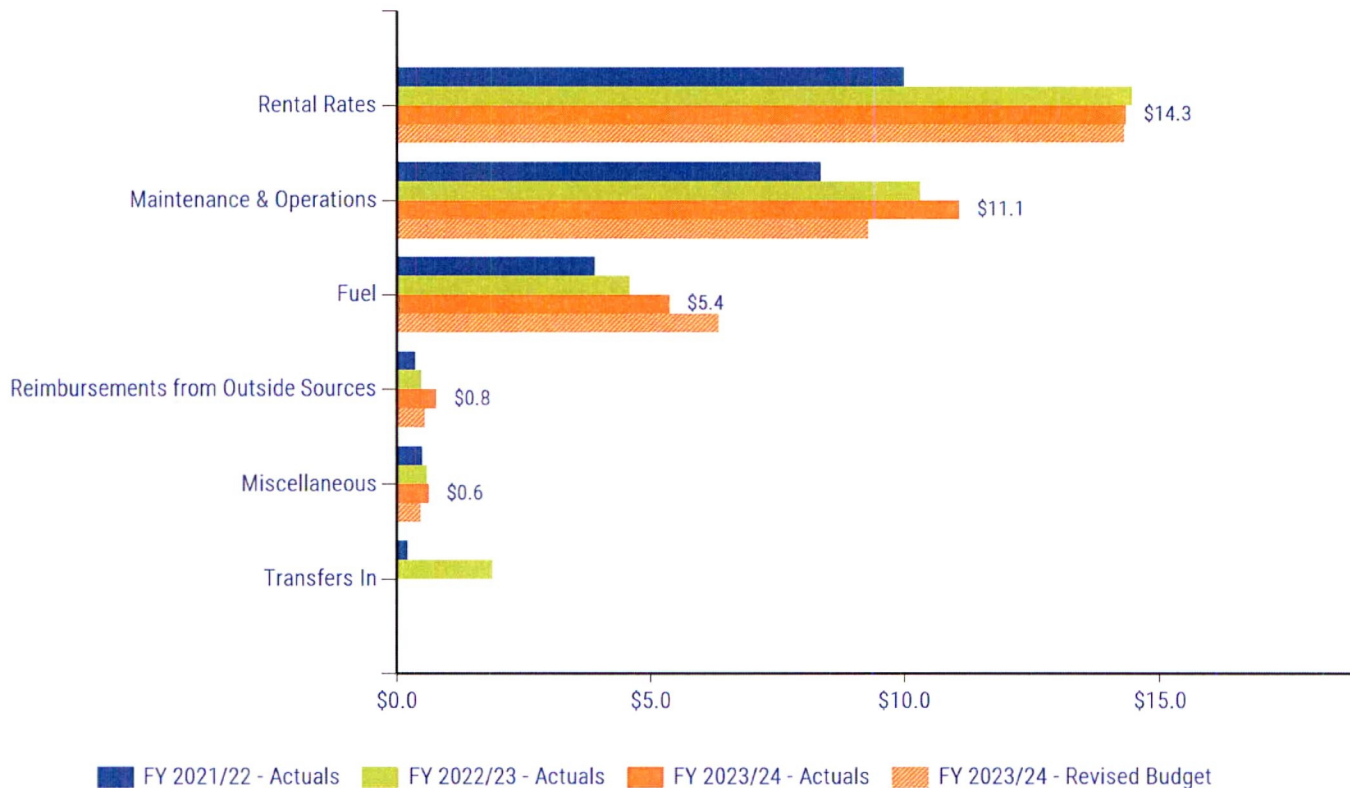


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$1.5	\$1.6	\$1.8	\$1.9	\$0.1	5%
Contractual Services	1.1	1.3	1.3	1.3	-	-
Commodities	0.1	0.1	-	0.1	-	-
Capital Outlays	-	0.1	-	-	-	-
Contracts Payable	1.7	1.7	1.7	1.7	-	-
Transfers Out/Allocation	4.4	1.8	2.5	1.0	( 1.5)	>(100%)
<b>Total Uses</b>	<b>\$8.9</b>	<b>\$6.6</b>	<b>\$7.4</b>	<b>\$6.0</b>	<b>(\$1.3)</b>	<b>(22%)</b>

**Actual to Revised Budget variance of (\$1.3) million or (22%):** The unfavorable variance is due to Transfers Out - a Council approved transfer to support a Capital Improvement Plan project not included in the budget development cycle and a transfer to fulfill a budgeted debt payment.

\$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: June 2024)

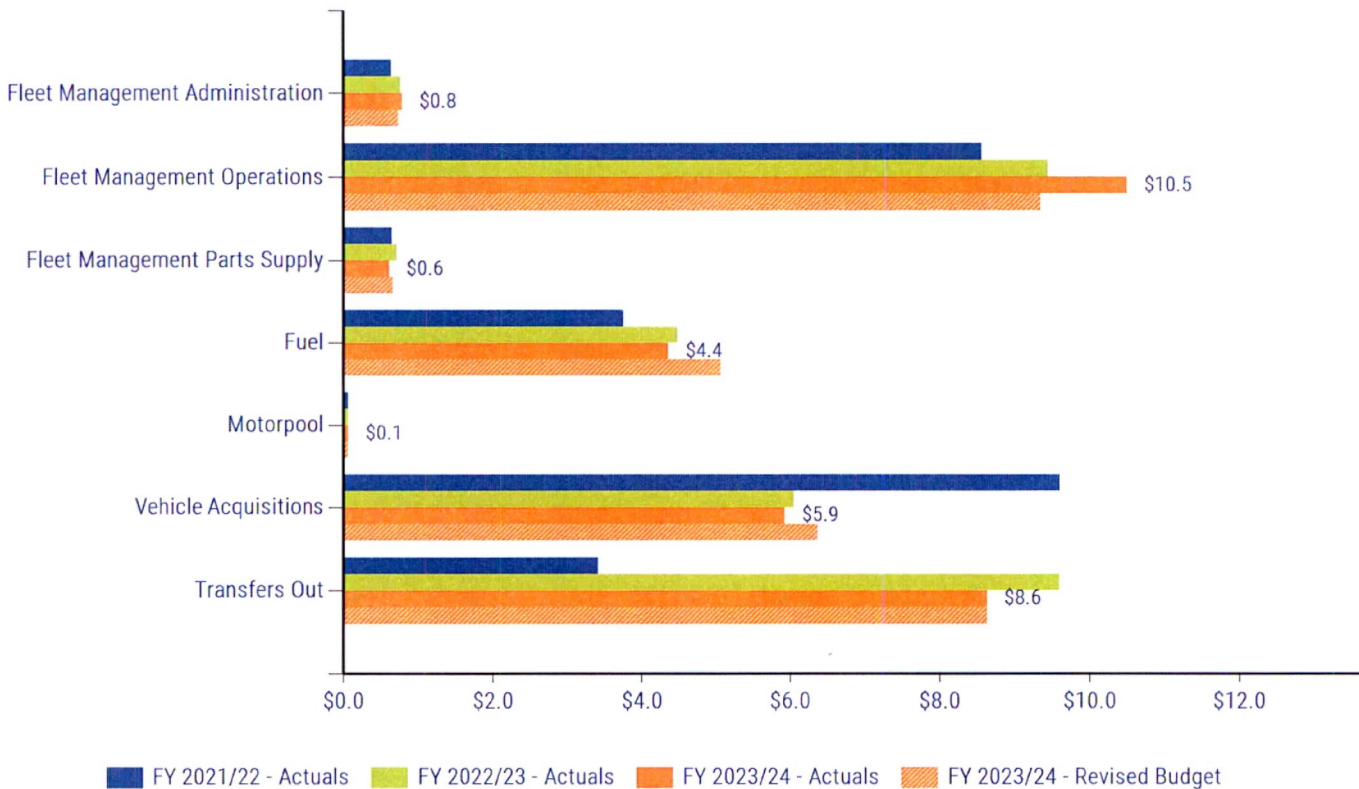


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Rental Rates	\$10.0	\$14.5	\$14.3	\$14.3	\$ -	-
Maintenance & Operations	8.4	10.3	11.1	9.3	1.8	19%
Fuel	3.9	4.6	5.4	6.4	( 1.0)	(15%)
Reimbursements from Outside Sources	0.4	0.5	0.8	0.6	0.2	40%
Miscellaneous	0.5	0.6	0.6	0.5	0.2	36%
Transfers In	0.2	1.9	-	-	-	-
<b>Total Sources</b>	<b>\$23.3</b>	<b>\$32.4</b>	<b>\$32.2</b>	<b>\$31.0</b>	<b>\$1.2</b>	<b>4%</b>

**Actual to Revised Budget variance of \$1.2 million or 4%:** The favorable variance is primarily due to Maintenance & Operations – repairs on older vehicles and was offset by Fuel – lower than anticipated fuel prices resulting in less revenues.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)

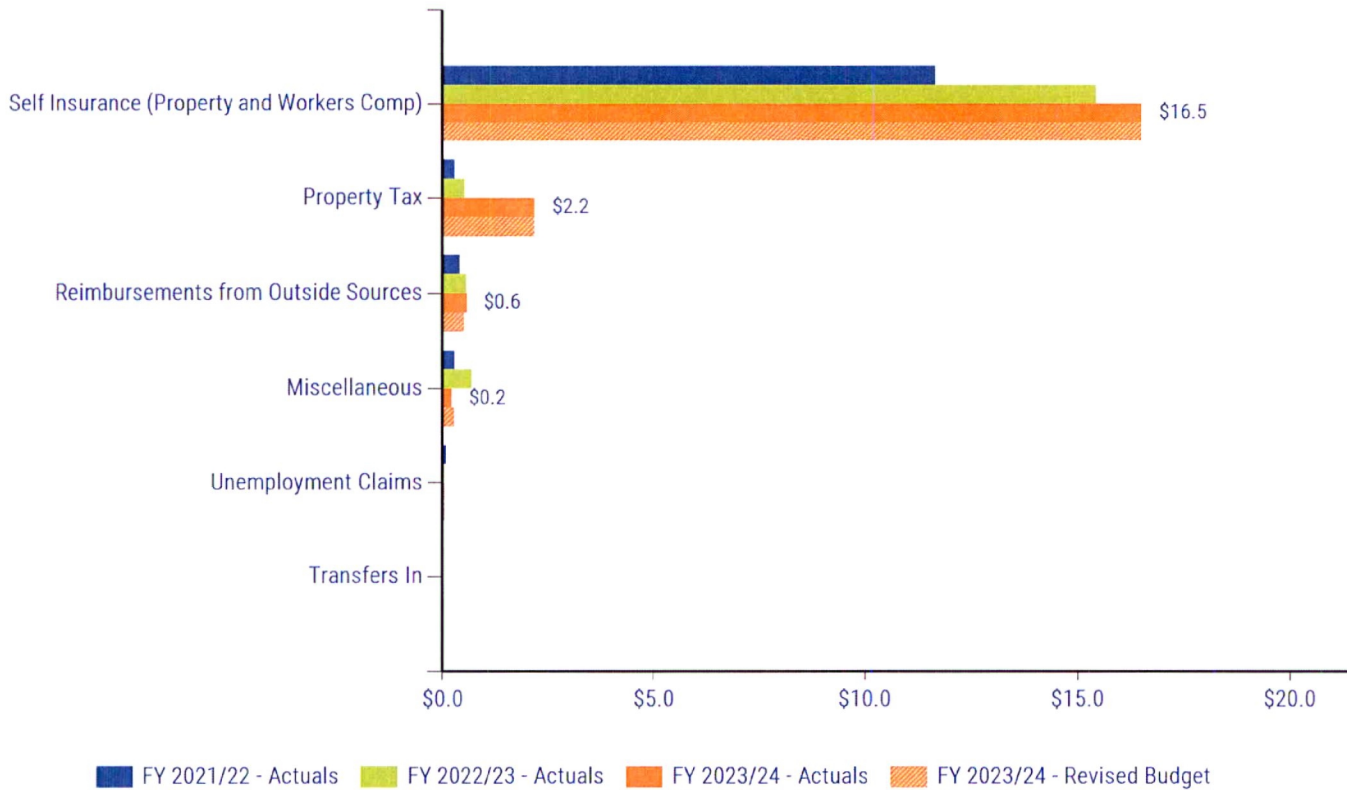


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Fleet Management Administration	\$0.6	\$0.8	\$0.8	\$0.7	\$ -	-
Fleet Management Operations	8.6	9.5	10.5	9.4	( 1.1)	(12%)
Fleet Management Parts Supply	0.7	0.7	0.6	0.7	0.1	8%
Fuel	3.8	4.5	4.4	5.1	0.7	14%
Motorpool	0.1	0.1	0.1	0.1	-	-
Vehicle Acquisitions	9.6	6.1	5.9	6.4	0.4	7%
Transfers Out	3.4	9.6	8.6	8.6	-	-
<b>Total Uses</b>	<b>\$26.7</b>	<b>\$31.1</b>	<b>\$30.9</b>	<b>\$30.9</b>	<b>\$ -</b>	<b>-</b>

**Actual to Revised Budget variance of \$0.0 million or 0%:** The favorable variance is due to 1) Fuel - lower fuel costs than anticipated; and 2) Vehicle Acquisitions - long lead times on machinery/equipment acquisitions. The unfavorable variance in Fleet Management Operations is due to ordering additional parts to repair older vehicles while replacements are on order and fire apparatus repairs.

\$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: June 2024)

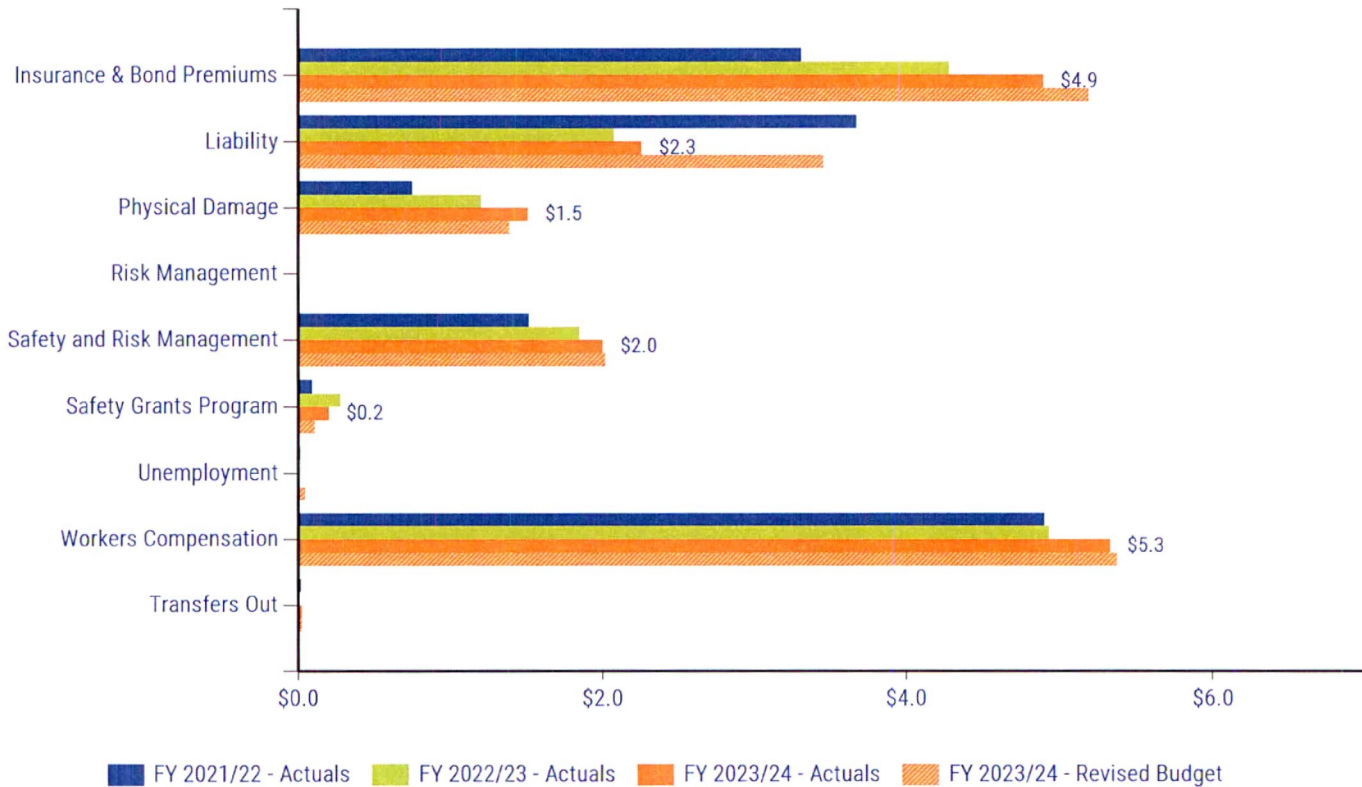


	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Self Insurance (Property and Workers Comp)	\$11.7	\$15.4	\$16.5	\$16.5	\$ -	-
Property Tax	0.3	0.5	2.2	2.2	-	-
Reimbursements from Outside Sources	0.4	0.6	0.6	0.5	0.1	12%
Miscellaneous	0.3	0.7	0.2	0.3	(0.1)	(21%)
Unemployment Claims	0.1	0.1	-	0.1	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$12.8</b>	<b>\$17.3</b>	<b>\$19.6</b>	<b>\$19.6</b>	<b>\$ -</b>	<b>-</b>

Actual to Revised Budget variance of \$0.0 million or 0%: Risk Sources are within budget.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 2024)



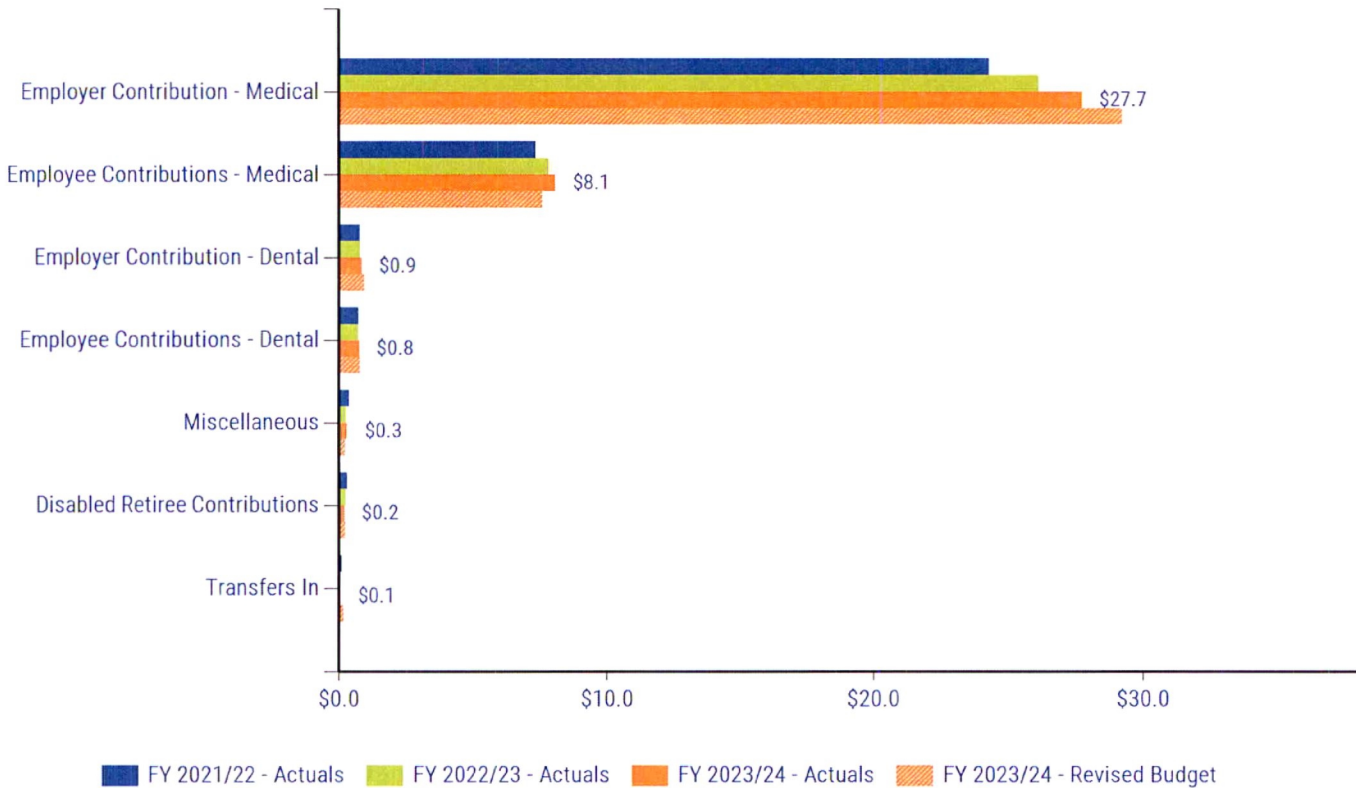
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Insurance & Bond Premiums	\$3.3	\$4.3	\$4.9	\$5.2	\$0.3	6%
Liability	3.7	2.1	2.3	3.5	1.2	35%
Physical Damage	0.8	1.2	1.5	1.4	(0.1)	(9%)
Risk Management	-	-	-	-	-	-
Safety and Risk Management	1.5	1.8	2.0	2.0	-	-
Safety Grants Program	0.1	0.3	0.2	0.1	(0.1)	(80%)
Unemployment	-	-	-	-	-	-
Workers Compensation	4.9	4.9	5.3	5.4	-	-
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$14.3</b>	<b>\$14.6</b>	<b>\$16.3</b>	<b>\$17.6</b>	<b>\$1.4</b>	<b>8%</b>

**Actual to Revised Budget variance of \$1.4 million or 8%:** The favorable variance is largely due to 1) Insurance & Bond Premiums - lower than expected insurance premium increases; and 2) Liability - fewer instances of general liability claims and property damage.

\$ in millions/rounding differences and blank lines may occur.



Sources (Fiscal Year to Date: June 2024)

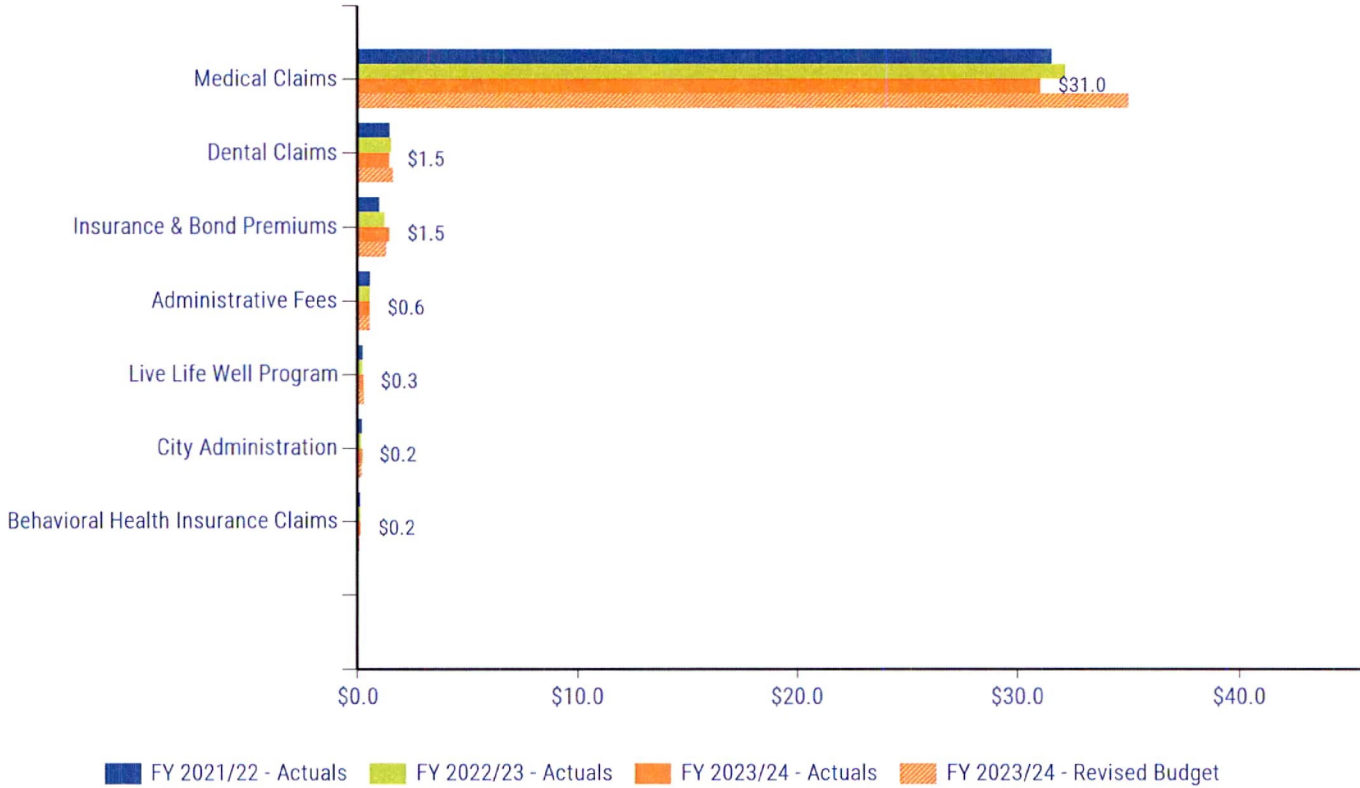


	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Employer Contribution - Medical	\$24.3	\$26.1	\$27.7	\$29.2	(\$1.5)	(5%)
Employee Contributions - Medical	7.3	7.8	8.1	7.6	0.5	6%
Employer Contribution - Dental	0.8	0.8	0.9	1.0	( 0.1)	(10%)
Employee Contributions - Dental	0.7	0.7	0.8	0.8	-	-
Miscellaneous	0.4	0.3	0.3	0.3	0.1	30%
Disabled Retiree Contributions	0.3	0.3	0.2	0.2	-	-
Transfers In	0.1	0.1	0.1	0.2	( 0.1)	(60%)
<b>Total Sources</b>	<b>\$34.0</b>	<b>\$36.1</b>	<b>\$38.1</b>	<b>\$39.2</b>	<b>(\$1.2)</b>	<b>(3%)</b>

**Actual to Revised Budget variance of (\$1.2) million or (3%):** The unfavorable variance is primarily due to Employer Contribution - Medical - the insurance premium increase is lower than expected. The favorable variance in Employee Contribution - Medical is due to plan selection difference, which occurs after the budget has been prepared.

\$ in millions/rounding differences and blank lines may occur.

Uses (Fiscal Year to Date: June 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
Medical Claims	\$31.5	\$32.2	\$31.0	\$35.0	\$4.0	11%
Dental Claims	1.5	1.5	1.5	1.7	0.2	11%
Insurance & Bond Premiums	1.0	1.2	1.5	1.3	(0.2)	(11%)
Administrative Fees	0.6	0.6	0.6	0.6	-	-
Live Life Well Program	0.3	0.2	0.3	0.3	0.1	15%
City Administration	0.2	0.2	0.2	0.2	-	-
Behavioral Health Insurance Claims	0.1	0.2	0.2	0.1	(0.1)	(88%)
<b>Total Uses</b>	<b>\$35.2</b>	<b>\$36.1</b>	<b>\$35.3</b>	<b>\$39.2</b>	<b>\$4.0</b>	<b>10%</b>

**Actual to Revised Budget variance of \$4.0 million or 10%:** The favorable variance in Medical Claims is due to lower than expected claim expenses and the difficulty in predicting claims.

\$ in millions/rounding differences and blank lines may occur.

**City of Scottsdale  
WestWorld  
Statement of Operations for June 2024**

	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24	Actual vs. Budget	
	Actual	Actual	Actual	Actual	Actual	Approved Budget	Favorable / (Unfavorable)	
							Amount	Percent
<b>Operating Revenue</b>								
Rental Facilities	\$2,261,538	\$3,601,497	\$3,675,360	\$3,781,955	\$3,834,129	\$3,517,170	\$316,959	9%
RV Rental	365,834	496,017	544,481	672,101	513,000	577,784	(64,784)	(11%)
Feed/Bedding Sales	524,759	919,338	898,455	931,865	965,820	909,952	55,868	6%
Labor Fees	377,019	473,148	543,222	560,580	449,295	480,868	(31,573)	(7%)
Concession Fees	362,494	2,942	2,780	1,349	3,524	2,000	1,524	76%
Parking	78,846	177,065	987,581	1,133,051	1,430,933	1,223,354	207,579	17%
Other Income	169,289	132,338	302,018	198,564	129,034	150,000	(20,966)	(14%)
Bed Tax Contribution - Marketing <sup>11</sup>	-	-	-	-	180,119	-	180,119	-
Equidome Project Use Fee	360,000	360,000	360,000	360,000	360,000	360,000	-	-
Operating Transfer In <sup>11</sup>	100,000	100,000	121,734	100,000	250,000	350,000	(100,000)	(29%)
<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>\$8,115,853</b>	<b>\$7,571,128</b>	<b>\$544,726</b>	<b>7%</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$2,024,104	\$1,903,738	\$2,262,683	\$2,293,413	\$2,630,783	\$2,828,359	\$197,576	7%
Overtime	52,024	43,649	55,758	126,018	114,282	70,144	(44,138)	(63%)
<b>Contractual Services</b>								
Contractual Workers	115,819	157,624	290,978	349,006	420,805	404,254	(16,551)	(4%)
Telephone	41,817	13,169	12,514	16,246	18,375	14,476	(3,899)	(27%)
Utilities	1,103,652	1,208,499	1,319,139	1,525,760	1,601,279	1,601,280	1	0%
Maintenance & Equipment Rental & Fleet	742,575	551,765	741,930	967,613	810,456	940,482	130,026	14%
License and Permits	250,941	220,259	133,340	6,000	1,202	365	(837)	>(100%)
Property, Liability & Workers' Comp	77,449	110,087	145,776	221,880	192,906	191,861	(1,045)	(1%)
Advertising/Marketing Contract <sup>11</sup>	340,907	194,981	234,459	235,496	271,079	163,390	(107,689)	(66%)
Other	285,712	211,735	389,423	667,652	442,887	730,802	287,915	39%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	78,949	122,494	81,132	213,693	272,440	215,500	(56,940)	(26%)
Maintenance & Repairs Supply, Equipment	117,840	138,694	104,716	228,122	222,542	199,075	(23,467)	(12%)
Inventory Purchased for Resale	321,449	488,953	633,988	622,282	625,440	625,000	(440)	0%
Construction - Other	26,314	11,679	35,648	1,819	2,851	-	(2,851)	-
Other Expenses	32,657	34,270	29,468	16,213	98,116	42,820	(55,296)	>(100%)
<b>BOR Admin</b>								
BOR Admin/WestWorld	179,586	188,565	197,993	207,893	218,287	218,287	-	-
<b>Allocated Expenses</b>								
COS Indirect Costs	398,702	371,073	384,276	422,524	473,628	473,628	-	-
<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>\$8,121,630</b>	<b>\$8,417,358</b>	<b>\$8,719,723</b>	<b>\$302,365</b>	<b>3%</b>
<b>Operating Income Before Debt Service and One-Time Expenses</b>	<b>(\$1,590,720)</b>	<b>\$291,111</b>	<b>\$360,676</b>	<b>(\$382,165)</b>	<b>(\$301,505)</b>	<b>(\$1,148,595)</b>	<b>\$847,090</b>	<b>74%</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$2,317,059	\$2,238,918	\$2,570,986	\$2,211,196	\$2,306,975	\$2,240,154	(\$66,821)	(3%)
Debt Service - TNEC (\$41.935M)	2,046,314	1,255,864	1,999,476	1,380,230	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	-	-
Bed Tax Contributions - TNEC	-1,200,000	-1,200,000	-1,200,000	-1,200,000	(1,200,000)	(1,200,000)	-	-
<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>\$3,590,111</b>	<b>\$3,523,290</b>	<b>(\$66,821)</b>	<b>(2%)</b>
<b>One-Time Expenses</b>								
One-time repairs (barns, roof, message board, truck)	-	-	-	\$623,230	\$309,787	\$376,035	\$66,248	18%
<b>One-Time Expenses</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$623,230</b>	<b>\$309,787</b>	<b>\$376,035</b>	<b>\$66,248</b>	<b>18%</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>(\$4,201,403)</b>	<b>(\$5,047,920)</b>	<b>\$846,517</b>	<b>17%</b>

<sup>11</sup> Beginning in FY 2023/24, the contribution for marketing efforts is spent within the Tourism Development Fund instead of being transferred to the General Fund.



## Privilege (Sales) & Use Tax Collections For June 2024

(For Business Activity in June 2024)

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 6 percent compared to the Budget, and decreased 3 percent compared to the same period a year ago.

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

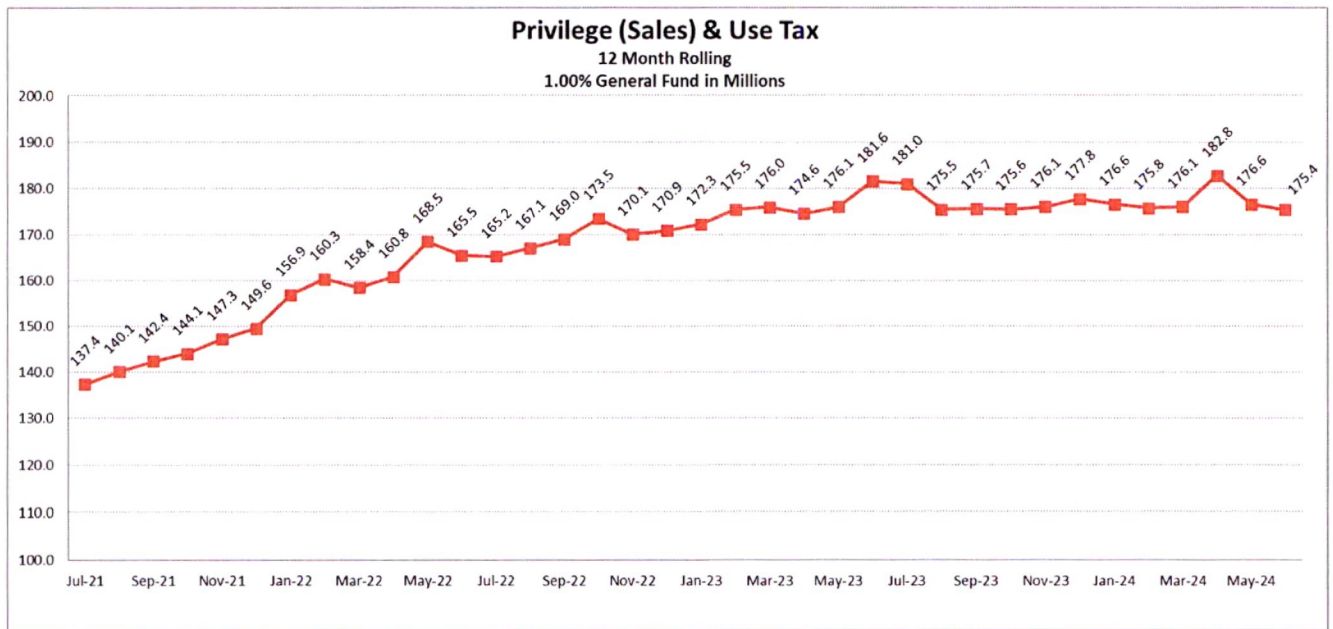
	Fiscal Year: Twelve Months				
	2021/22 <u>Actual</u>	2022/23 <u>Actual</u>	2023/24 Adopted <u>Budget</u>	2023/24 Revised <u>Budget</u>	2023/24 Approved <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Automotive	\$21.1	\$20.7	\$19.7	\$19.7	\$0.0
Construction	16.8	17.3	17.3	17.3	0.0
Dining/ Entertainment	17.7	9.7	16.0	16.0	0.0
Food Stores	9.9	9.7	10.5	10.5	0.0
Hotel/Motel	11.5	10.3	10.7	10.7	0.0
Major Dept. Stores	12.7	11.7	12.1	12.1	0.0
Misc. Retail Stores	40.3	38.5	35.7	35.7	0.0
Other Activity	22.8	22.1	5.5	5.5	0.0
Rentals	23.3	22.8	18.6	18.6	0.0
Utilities	5.5	5.4	5.5	5.5	0.0
<b>Subtotal</b>	<b>\$181.6</b>	<b>\$175.4</b>	<b>\$167.3</b>	<b>\$167.3</b>	<b>\$0.0</b>
0.10% Public Safety	\$17.9	17.3	\$16.4	\$16.4	\$0.0
0.20% Transportation 1990	34.6	33.6	31.7	31.7	0.0
0.10% Transportation 2019	17.8	17.3	16.3	16.3	0.0
0.20% McDowell Preserve 1995	35.7	34.5	32.8	32.8	0.0
0.15% McDowell Preserve 2004	26.8	25.9	24.6	24.6	0.0
<b>Total</b>	<b>\$314.3</b>	<b>\$304.0</b>	<b>\$289.1</b>	<b>\$289.1</b>	<b>\$0.0</b>
<b>% Change vs. Prior Year</b>	<b>10%</b>	<b>-3%</b>	<b>-5%</b>	<b>-5%</b>	

Rounding differences may occur

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

Fiscal Year-to-Date: June 2024						
	2021/22	2022/23	2023/24	2023/24	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Favorable/(Unfavorable)	Percent
<b>1.00% General Purpose</b>						
Automotive	\$20.2	\$21.1	\$20.7	\$19.2	\$1.5	8%
Construction	12.9	16.8	17.3	13.3	4.0	30%
Dining/ Entertainment	16.0	17.7	16.8	15.7	1.1	7%
Food Stores	9.4	9.9	9.7	10.3	(0.5)	-5%
Hotel/Motel	10.1	11.5	10.3	9.7	0.6	6%
Major Dept. Stores	11.7	12.7	11.7	11.6	0.1	1%
Misc. Retail Stores	37.7	40.3	38.5	36.3	2.1	6%
Other Activity	20.7	22.8	22.1	21.6	0.5	3%
Rentals	22.0	23.3	22.8	23.0	(0.3)	-1%
Utilities	4.9	5.5	5.4	5.4	0.1	1%
Subtotal	\$165.5	\$181.6	\$175.4	\$166.1	\$9.3	6%
0.10% Public Safety	\$16.3	\$17.9	\$17.3	\$16.4	\$0.9	6%
0.20% Transportation 1990	31.3	34.6	33.6	30.9	2.7	9%
0.10% Transportation 2019	16.2	17.8	17.3	16.4	0.9	6%
0.20% McDowell Preserve 1995	32.6	35.7	34.5	32.7	1.8	6%
0.15% McDowell Preserve 2004	24.4	26.8	25.9	24.5	1.4	6%
Total	\$286.4	\$314.3	\$304.0	\$287.0	\$17.0	6%
% Change vs. Prior Year	21%	10%	-3%	-9%		
Top 20 Taxpayers	\$57.0	\$58.2	\$60.3			
% of Total	20%	19%	20%			
% Change vs. Prior Year	10%	2%	4%			

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 \$1.5 million or 8%:** This is due in part to a large one-time audit payment and auto dealers doing better than anticipated.

### **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 \$4.0 million or 30%:** This is due in part to increases from 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 \$1.1 million or 7%:** This is due in part to restaurants doing better than anticipated.

### **Food Stores Sales Taxes**

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

**Actual to Revised Budget variance of (\$0.5) million or (5%):** This is due in part to timing differences of when taxpayers reported last year versus this year and changing consumer habits towards store brands based on economic concerns.

### **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 \$0.6 million or 6%:** This is due in part to some increases from hotels, payments for delinquent tax periods and a new hotel opening.

### **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 1%:** This is due in part to timing differences of when taxpayers reported last year versus this year.

### **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 \$2.1 million or 6%:** This is due in part to retail stores doing better than anticipated and one-time audit payments.

**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 \$0.5 million or 3%:** This is due in part to recreation/entertainment businesses in this category doing better than anticipated and a couple of one-time audit payments.

**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 (\$0.3) million or (1%):** This is due in part to timing differences of when taxpayers reported last year versus this year.

**Utilities Sales Taxes**

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

**Actual to Revised Budget variance of \$0.1 million or 1%:** This is due in part to utilities doing better than anticipated.



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 investing activities of city funds throughout the year.

**Building Permit Fees & Charges** - These charges include the licensing of business activity and the associated fees relating to the license 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 represents movements between funds as approved through the budget process.





### 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** includes payments required contractually for leases, other contractual obligations, 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, and maintenance. 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 four Internal Service Funds to account for Fleet, Risk, Benefits and PC placement 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.

### **PC Replacement Fund**

This fund is used to account for the expenditures associated with purchasing the city's computers, monitors, and printers. The replacement of computers, monitors, and printers (hardware) is charged to the city divisions as an internal operating cost based on the quantity and type of hardware used. The divisions' charges become revenue to the PC replacement Fund.