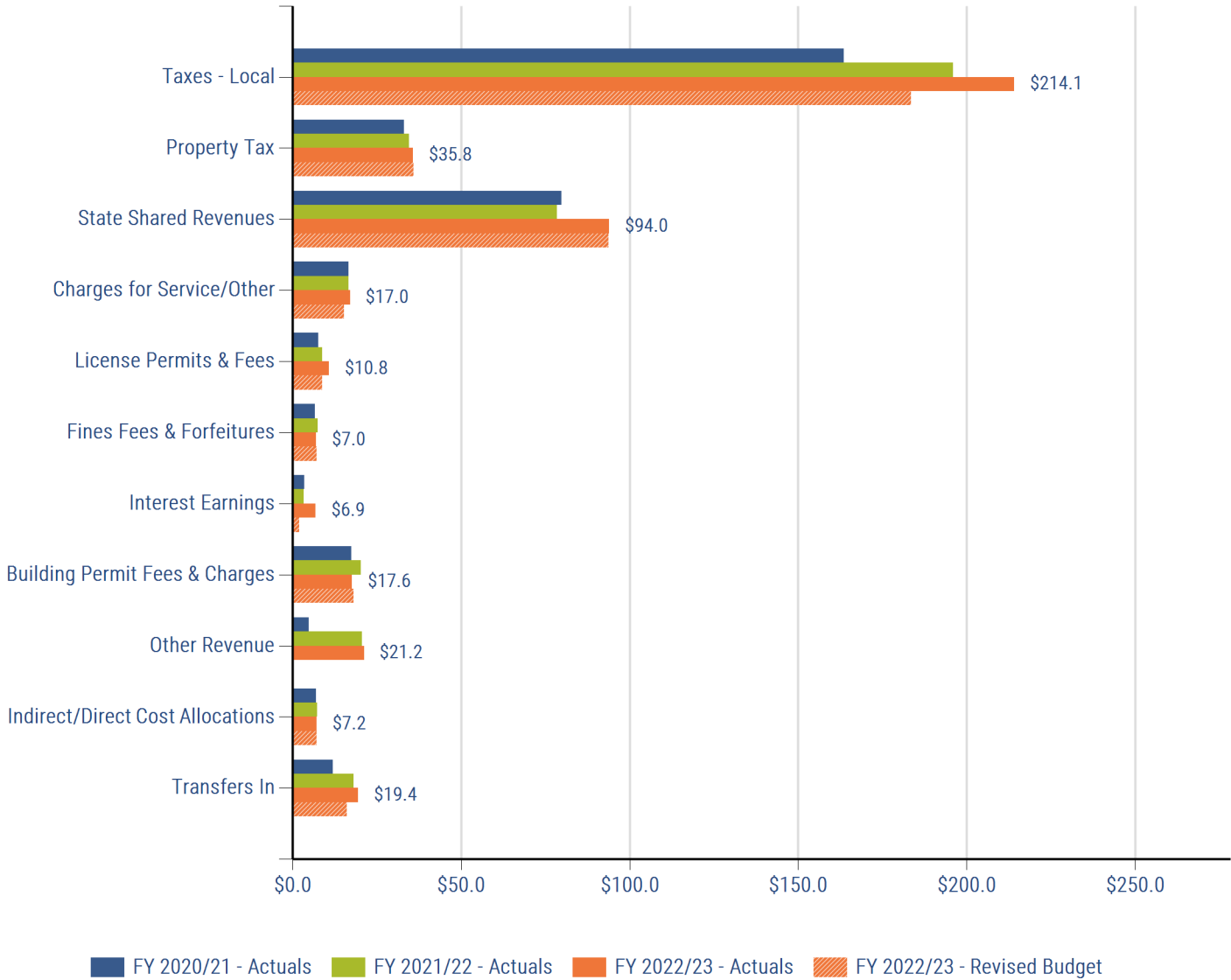


Monthly Financial Report

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

Report to the City Council
Prepared by the City Treasurer
January 23, 2024

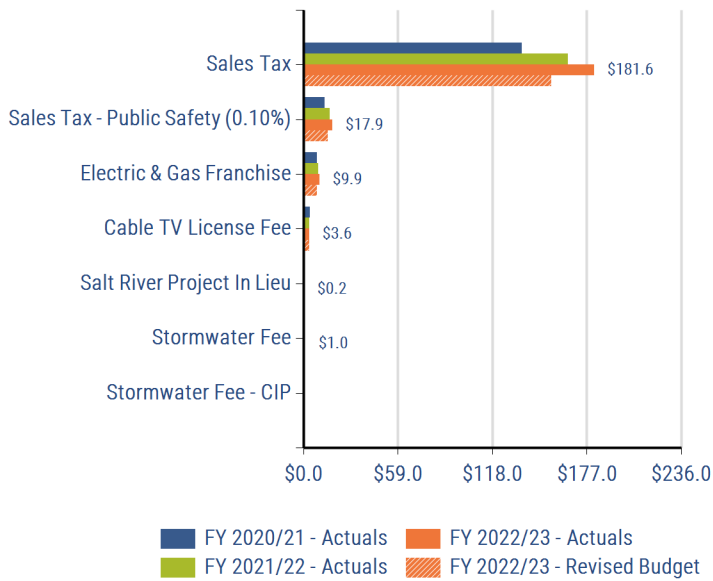
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$163.5	\$195.9	\$214.1	\$183.5	\$30.5	17%
Property Tax	33.1	34.6	35.8	35.9	(0.1)	0%
State Shared Revenues	79.7	78.5	94.0	93.8	0.2	0%
Charges for Service/Other	16.5	16.6	17.0	15.2	1.8	12%
License Permits & Fees	7.6	8.8	10.8	8.8	2.1	23%
Fines Fees & Forfeitures	6.6	7.5	7.0	7.2	(0.2)	(3%)
Interest Earnings	3.4	3.3	6.9	1.9	4.9	258%
Building Permit Fees & Charges	17.4	20.3	17.6	18.1	(0.5)	(3%)
Other Revenue	4.7	20.5	21.2	-	21.2	*nm
Indirect/Direct Cost Allocations	6.9	7.2	7.2	7.2	-	-
Transfers In	11.9	18.2	19.4	16.0	3.4	21%
Total Sources	\$351.5	\$411.3	\$450.9	\$387.7	\$63.2	16%

\$ in millions/rounding differences may occur in this report.
* nm indicates non-measurable in this report.

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

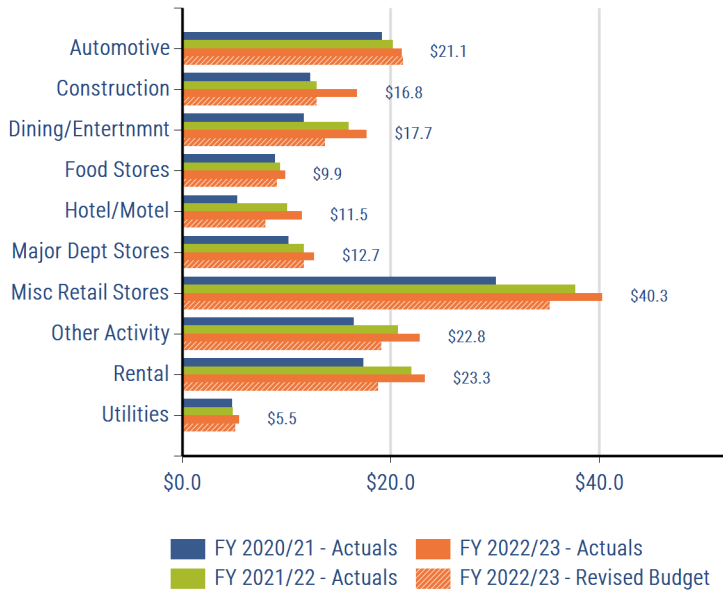


Actual to Revised Budget variance of \$30.5 million or 17%:
 The favorable variance is primarily due to Sales Tax and Electric & Gas Franchise. See detailed Sales Tax information on page 5. The favorable variance for Electric & Gas Franchise is due to higher-than-expected revenue generated from Southwest Gas and APS Franchise fees resulted from higher electric usage. The unfavorable variance in Cable TV license Fee is due to the decrease in the number of cable TV customers as a result of the growing demand for streaming services.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax	\$136.5	\$165.5	\$181.6	\$154.9	\$26.7	17%
Sales Tax - Public Safety (0.10%)	13.4	16.3	17.9	15.2	2.6	17%
Electric & Gas Franchise	8.3	9.1	9.9	8.5	1.4	17%
Cable TV License Fee	4.2	3.8	3.6	3.8	(0.2)	(5%)
Salt River Project In Lieu	0.2	0.2	0.2	0.2	-	-
Stormwater Fee	0.9	1.0	1.0	0.9	-	-
*Stormwater Fee - CIP	-	-	-	-	-	-
Taxes - Local Total	\$163.5	\$195.9	\$214.1	\$183.5	\$30.5	17%

* No actuals in this period/blank due to rounding.

Sales Tax (Fiscal Year to Date: June 2023)



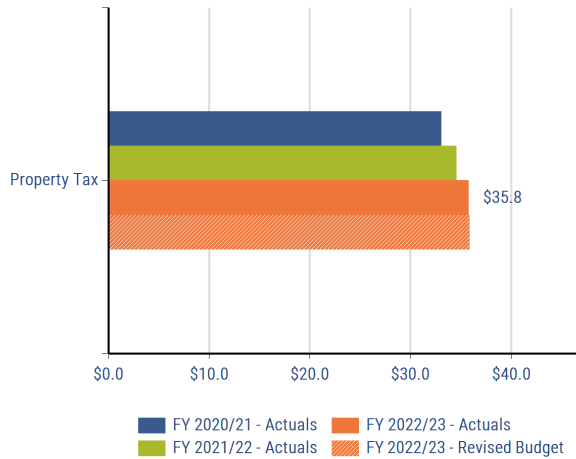
Actual to Revised Budget variance of \$26.7 million or 17%:

The favorable variance is due to: 1) Construction - increases from specialty contractors, new projects, and one-time audit payments for speculative sales; 2) Dining/Entertainment - restaurants doing better than anticipated and impact of inflation on prices; 3) Hotel/Motel - one-time audit payment, hotels doing better than anticipated primarily as a result of continued price increases on room rates, and also timing differences of when payments were received this year versus last year; 4) Major Dept Stores - impacts from inflation and better than anticipated sales; 5) Miscellaneous Retail Stores - increased new retailers, a retailer reporting an infrequent large taxable transaction, one-time audit payment, and impact from inflation; 6) Other Activity - one-time audit payment and some increases from manufacturers/wholesalers and software developers; and 7) Rental - one-time taxable speculative sales of apartment complexes and an increase in rental rates.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Automotive	\$19.2	\$20.2	\$21.1	\$21.2	(\$0.2)	(1%)
Construction	12.3	12.9	16.8	12.9	3.9	30%
Dining/Entertainment	11.7	16.0	17.7	13.7	4.0	29%
Food Stores	8.9	9.4	9.9	9.1	0.8	9%
Hotel/Motel	5.3	10.1	11.5	8.0	3.6	45%
Major Dept Stores	10.2	11.7	12.7	11.7	1.0	9%
Misc Retail Stores	30.1	37.7	40.3	35.3	5.0	14%
Other Activity	16.5	20.7	22.8	19.1	3.7	19%
Rental	17.4	22.0	23.3	18.8	4.5	24%
Utilities	4.8	4.9	5.5	5.1	0.3	7%
Sales Tax Total	\$136.5	\$165.5	\$181.6	\$154.9	\$26.7	17%

Property Tax (Fiscal Year to Date: June 2023)

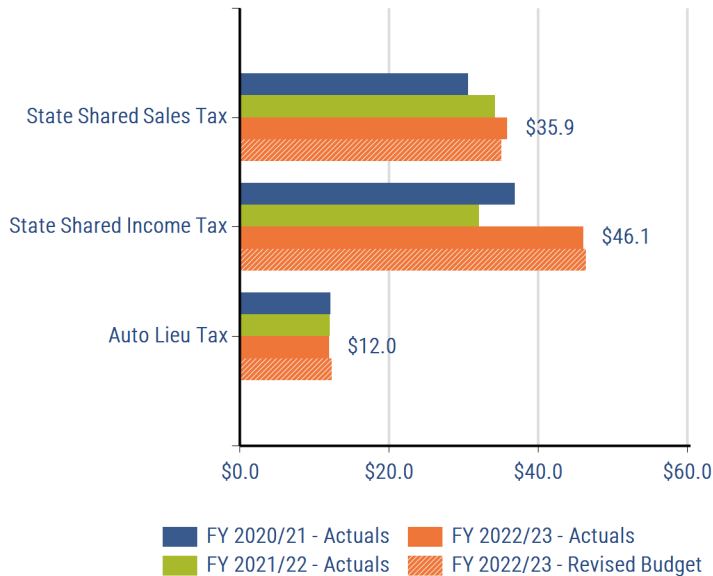
Actual to Revised Budget variance of (\$0.1) million or 0%:
Property Tax revenue is overall within budget.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Property Tax	\$33.1	\$34.6	\$35.8	\$35.9	(\$0.1)	0%
Property Tax Total	\$33.1	\$34.6	\$35.8	\$35.9	(\$0.1)	0%

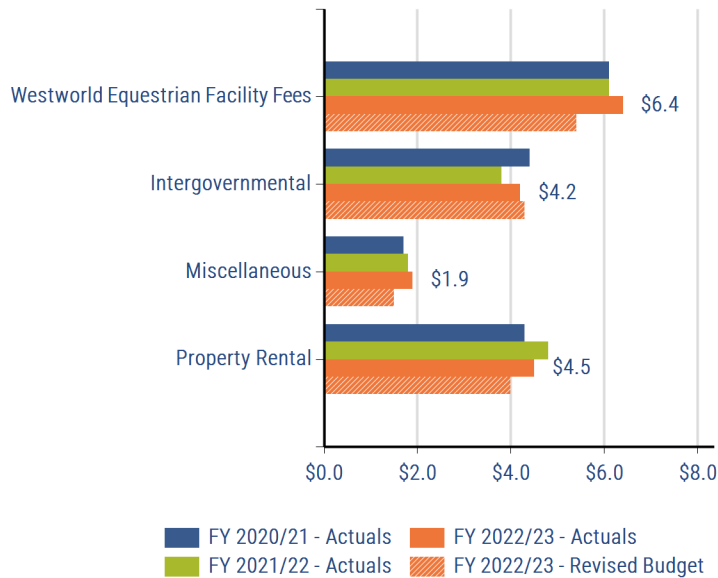
State Shared Revenues (Fiscal Year to Date: June 2023)

Actual to Revised Budget variance of \$0.2 million or 0%:
The favorable variance for State Shared Sales Tax is due higher-than-anticipated revenue collected by the state resulted from increased travel and services spending. The favorable variance is being offset by lower-than-anticipated State Shared Income Tax due to lower payments and higher refunds in individual income tax.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
State Shared Sales Tax	\$30.6	\$34.2	\$35.9	\$35.1	\$0.8	2%
State Shared Income Tax	36.9	32.1	46.1	46.4	(0.4)	(1%)
Auto Lieu Tax	12.2	12.1	12.0	12.3	(0.2)	(2%)
State Shared Revenues Total	\$79.7	\$78.5	\$94.0	\$93.8	\$0.2	0%

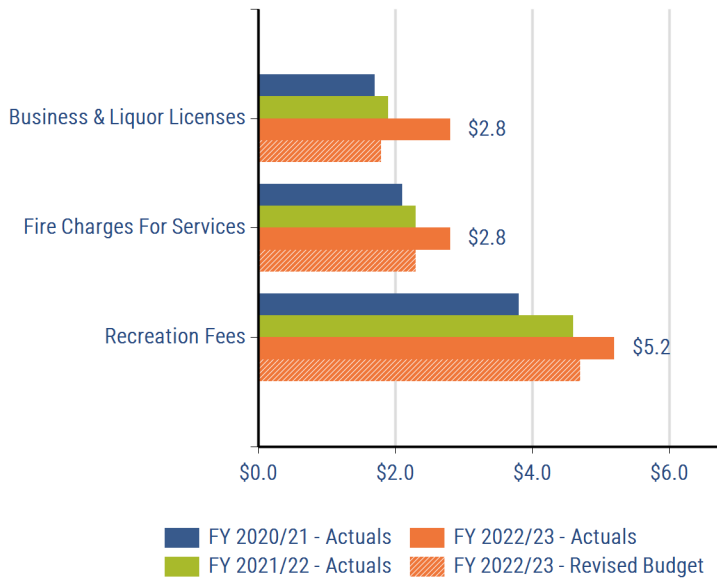
Charges for Service/Other (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of \$1.8 million or 12%:
 The favorable variance in Charges for Other Services is due to: 1) WestWorld Equestrian Facility Fees - higher than expected revenue from RV rentals and Feed/Bedding sales at WestWorld; 2) Miscellaneous - real estate late fees and event traffic control fees; 3) Property Rental - higher than expected revenue from the property rental agreements and leases.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Westworld Equestrian Facility Fees	\$6.1	\$6.1	\$6.4	\$5.4	\$1.0	19%
Intergovernmental	4.4	3.8	4.2	4.3	(0.1)	(3%)
Miscellaneous	1.7	1.8	1.9	1.5	0.4	26%
Property Rental	4.3	4.8	4.5	4.0	0.6	14%
Charges for Service/Other Total	\$16.5	\$16.6	\$17.0	\$15.2	\$1.8	12%

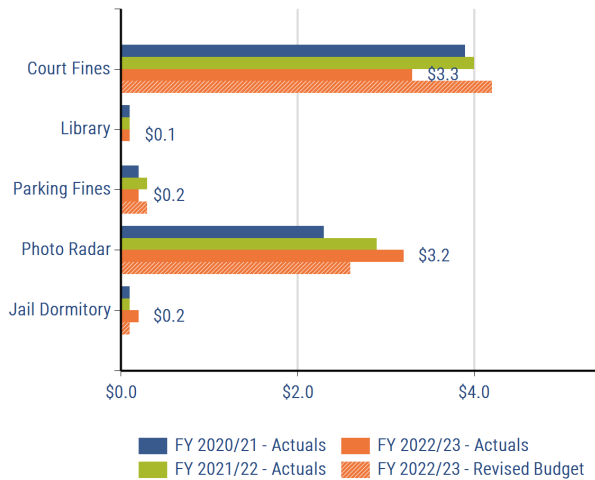
License Permits & Fees (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of \$2.1 million or 23%:
 The favorable variance in License Permits & Fees is primarily due to: 1) Business & Liquor Licenses - the implementation of a Short Term Rental program requiring property operators to maintain specific local licenses; 2) Fire Charges for Services - higher call volume and added fees for extended calls; and 3) Recreation Fees - higher than expected demand for city facility rentals and recreation activities.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Business & Liquor Licenses	\$1.7	\$1.9	\$2.8	\$1.8	\$1.0	57%
Fire Charges For Services	2.1	2.3	2.8	2.3	0.5	24%
Recreation Fees	3.8	4.6	5.2	4.7	0.5	10%
License Permits & Fees Total	\$7.6	\$8.8	\$10.8	\$8.8	\$2.1	23%

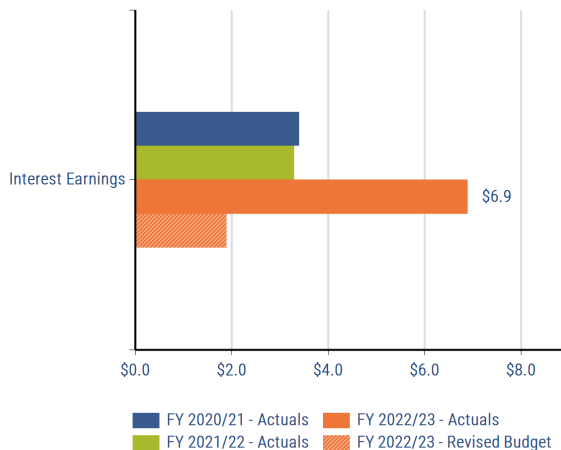
Fines Fees & Forfeitures (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of (\$0.2) million or (3%):
 The unfavorable variance for Fines, Fees, & Forfeitures is primarily due to: 1) Court Fines - lower number of civil traffic (non photo enforcement) case filings; and 2) Parking Fines - lower number of parking fines issued. The unfavorable variance is being partially offset by an increased number of photo radar citations and higher participation in the overnight jail program than anticipated.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget Percent
Court Fines	\$3.9	\$4.0	\$3.3	\$4.2	(\$0.8)	(20%)
Library	0.1	0.1	0.1	-	-	-
Parking Fines	0.2	0.3	0.2	0.3	(0.1)	(27%)
Photo Radar	2.3	2.9	3.2	2.6	0.6	22%
Jail Dormitory	0.1	0.1	0.2	0.1	0.1	71%
Fines Fees & Forfeitures Total	\$6.6	\$7.5	\$7.0	\$7.2	(\$0.2)	(3%)

Interest Earnings (Fiscal Year to Date: June 2023)

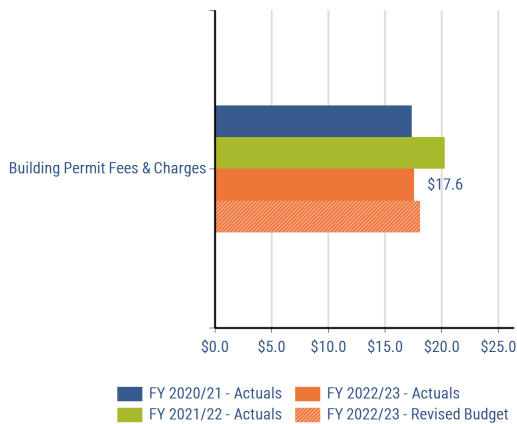


Actual to Revised Budget variance of \$4.9 million or 258%:
 The favorable variance in Interest Earnings is due to the rate of return being higher than expected.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget Percent
Interest Earnings	\$3.4	\$3.3	\$6.9	\$1.9	\$4.9	258%
Interest Earnings Total	\$3.4	\$3.3	\$6.9	\$1.9	\$4.9	258%

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

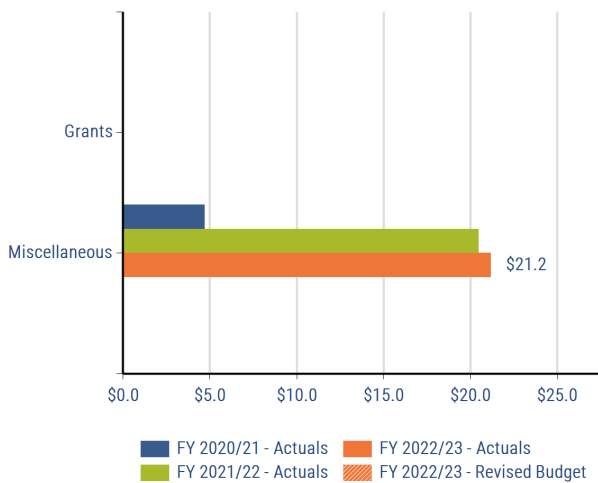
Actual to Revised Budget variance of (\$0.5) million or (3%):
The unfavorable variance for Building Permit Fees & Charges is due to less plan reviews than anticipated.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Building Permit Fees & Charges	\$17.4	\$20.3	\$17.6	\$18.1	(\$0.5)	(3%)
Building Permit Fees & Charges Total	\$17.4	\$20.3	\$17.6	\$18.1	(\$0.5)	(3%)

Other Revenue (Fiscal Year to Date: June 2023)

Actual to Revised Budget variance of \$21.2 million or nm:
The favorable variance in Miscellaneous is due to unrestricted proceeds from the sale of land near 94th Street and Bell Road.

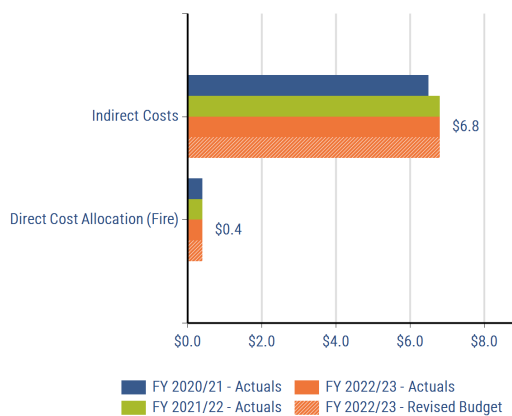


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
*Grants	\$ -	\$ -	\$ -	\$ -	\$ -	-
Miscellaneous	4.7	20.5	21.2	-	21.2	nm
Other Revenue Total	\$4.7	\$20.5	\$21.2	\$0.0	\$21.2	nm

* No actuals in this period/ blank due to rounding.

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

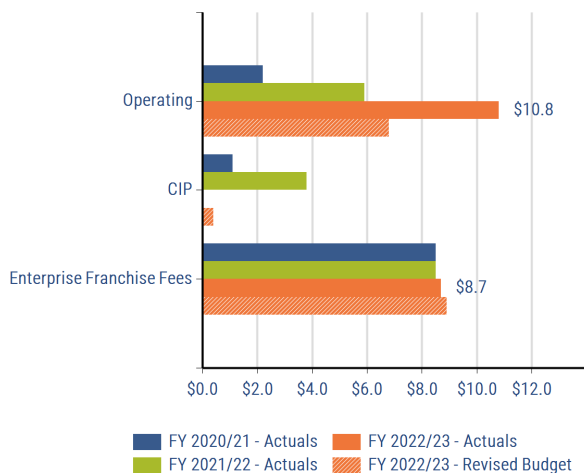
Actual to Revised Budget variance of \$0.0 million or 0%
Indirect/Direct Cost Allocations has no variance reported.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Indirect Costs	\$6.5	\$6.8	\$6.8	\$6.8	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
Indirect/Direct Cost Allocations Total	\$6.9	\$7.2	\$7.2	\$7.2	\$ -	-

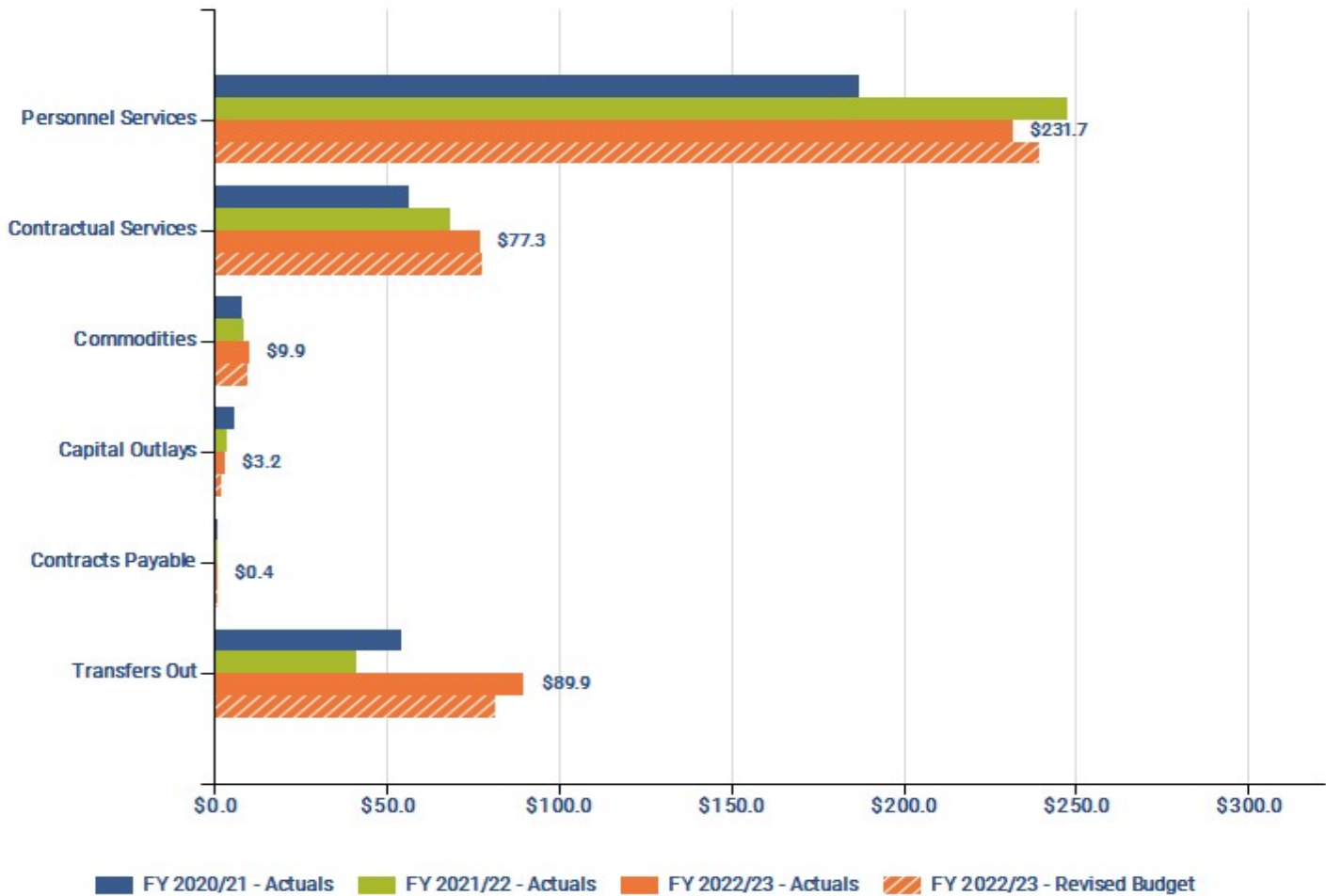
Transfers In (Fiscal Year to Date: June 2023)

Actual to Revised Budget variance of \$3.4 million or 21%:
Operating Transfers In is favorable due to the remaining AZ cares funding being transferred to the remaining Scottsdale AZ Cares projects. The unfavorable variance in CIP is due to the stormwater master plan no longer being recorded in the General Fund. The unfavorable variance for Enterprise Franchise Fees is due to lower-than-anticipated revenue from Water Service and Water Reclamation Charges being transferred from Water to the General Fund.



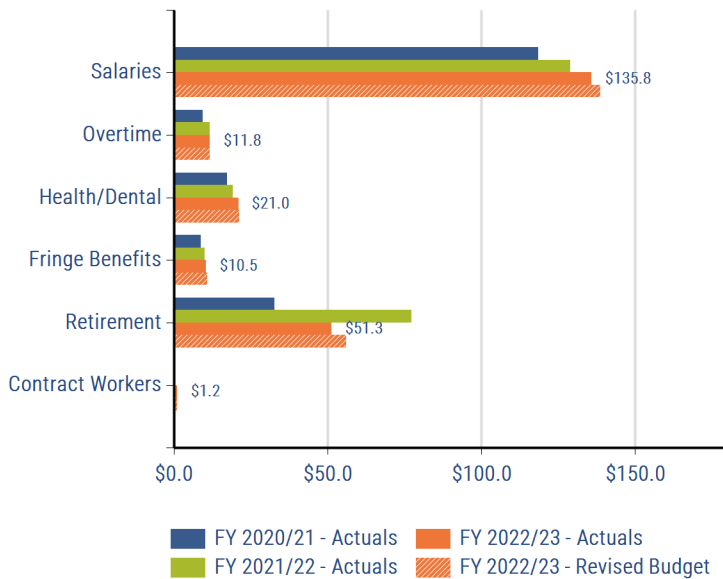
	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating	\$2.2	\$5.9	\$10.8	\$6.8	\$4.0	59%
CIP	1.1	3.8	-	0.4	(0.4)	(100%)
Enterprise Franchise Fees	8.5	8.5	8.7	8.9	(0.2)	(2%)
Transfers In Total	\$11.9	\$18.2	\$19.4	\$16.0	\$3.4	21%

Uses (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget	
					Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$187.3	\$247.9	\$231.7	\$239.4	\$7.7	3%
Contractual Services	56.6	68.4	77.3	77.8	0.5	1%
Commodities	7.8	8.7	9.9	9.7	(0.2)	(2%)
Capital Outlays	6.0	3.4	3.2	2.0	(1.1)	(55%)
Contracts Payable	0.4	0.4	0.4	0.4	-	-
Total Appropriated Uses	258.1	328.8	322.5	329.3	6.8	2%
Transfers Out	54.3	41.4	89.9	81.4	(8.5)	(10%)
Total Uses	\$312.5	\$370.2	\$412.3	\$410.8	(\$1.5)	(0%)

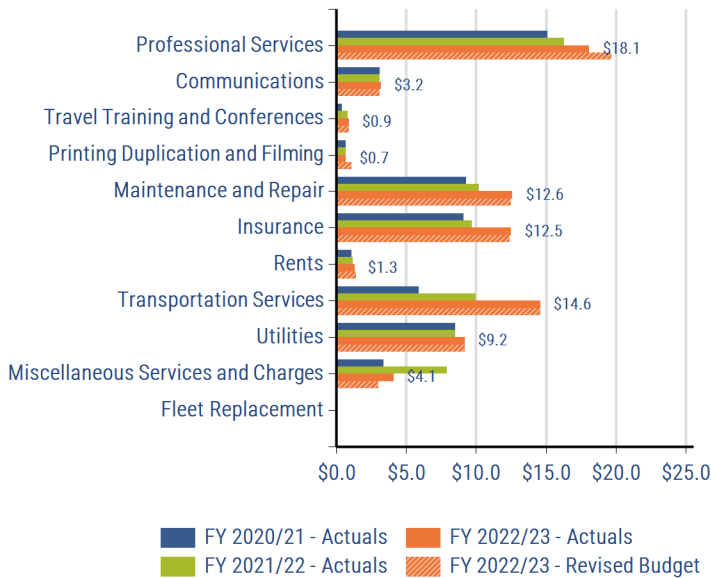
Personnel Services (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of \$7.7 million or 3%:
 The favorable variance is primarily due to Salaries and Retirement results in newer employees having a lower salary than the employees they replaced and also from vacancies caused by the current job market. Contract Workers is unfavorable due to recent retirees coming back to work with the city as a contract employee. This cost is being offset by savings achieved in their previous position. As of June 2023, Vacancy Savings totaled \$10.4 million, with \$3.4 million allocated for offsetting vacation payouts, medical leave payouts, and vacation trade payouts.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Salaries	\$118.6	\$129.0	\$135.8	\$138.7	\$2.8	2%
Overtime	9.4	11.8	11.8	11.7	(0.2)	(2%)
Health/Dental	17.4	19.3	21.0	21.2	0.3	1%
Fringe Benefits	8.9	10.0	10.5	10.9	0.3	3%
Retirement	32.8	77.3	51.3	56.0	4.7	8%
Contract Workers	0.3	0.4	1.2	1.0	(0.2)	(17%)
Personnel Services Total	\$187.3	\$247.9	\$231.7	\$239.4	\$7.7	3%

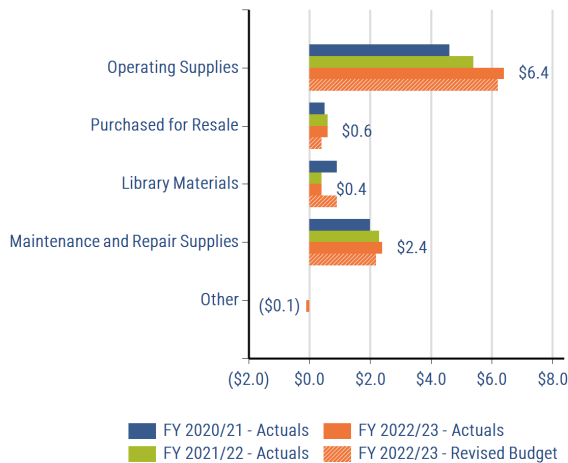
Contractual Services (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of \$0.5 million or 1%:
 Professional Services is favorable primarily due to delays in spending for large city projects. Miscellaneous Services and Charges is unfavorable due to responding to greater needs for housing grants, subsidies, and emergency assistance.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Professional Services	\$15.1	\$16.3	\$18.1	\$19.7	\$1.6	8%
Communications	3.1	3.1	3.2	3.1	(0.1)	(2%)
Travel Training and Conferences	0.4	0.8	0.9	0.9	-	-
Printing Duplication and Filming	0.7	0.7	0.7	1.1	0.4	34%
Maintenance and Repair	9.3	10.2	12.6	12.5	(0.2)	(1%)
Insurance	9.1	9.7	12.5	12.4	(0.1)	(1%)
Rents	1.1	1.2	1.3	1.4	0.1	7%
Transportation Services	5.9	10.0	14.6	14.6	-	-
Utilities	8.5	8.5	9.2	9.2	-	-
Miscellaneous Services and Charges	3.4	7.9	4.1	3.0	(1.1)	(38%)
Fleet Replacement	-	-	-	-	-	-
Contractual Services Total	\$56.6	\$68.4	\$77.3	\$77.8	\$0.5	1%

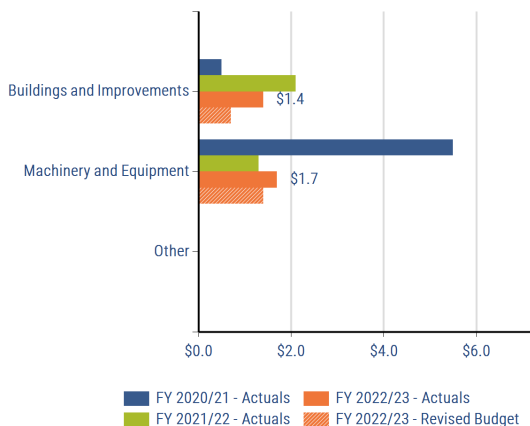
Commodities (Fiscal Year to Date: June 2023)



Actual to Revised Budget variance of (\$0.2) million or (2%):
The unfavorable variance is primarily due to Operating Supplies - the timing in purchasing ballistic vests for police officers based on needed.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Favorable / (Unfavorable) Percent
Operating Supplies	\$4.6	\$5.4	\$6.4	\$6.2	(\$0.3)	(4%)
Purchased for Resale	0.5	0.6	0.6	0.4	(0.2)	(45%)
Library Materials	0.9	0.4	0.4	0.9	0.5	53%
Maintenance and Repair Supplies	2.0	2.3	2.4	2.2	(0.2)	(9%)
Other	-	-	(0.1)	-	-	-
Commodities Total	\$7.8	\$8.7	\$9.9	\$9.7	(\$0.2)	(2%)

Capital Outlays (Fiscal Year to Date: June 2023)



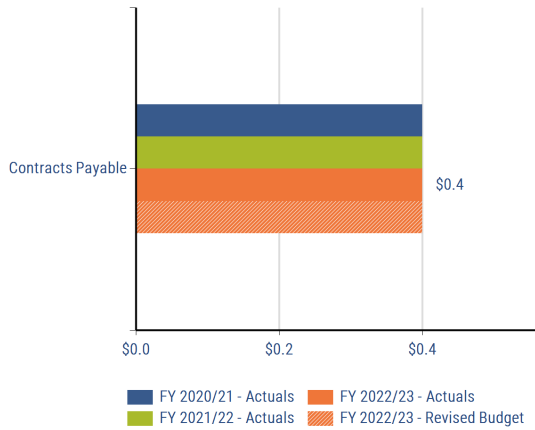
Actual to Revised Budget variance of (\$1.1) million or(55%):
Buildings and Improvements is unfavorable due to the remaining work of Scottsdale AZ Cares programs are being completed, and the unfavorable variance will be covered by the AZ Cares funding Transfers In Operating in Page 10.

	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Favorable / (Unfavorable) Percent
Buildings and Improvements	\$0.5	\$2.1	\$1.4	\$0.7	(\$0.8)	(114%)
Machinery and Equipment	5.5	1.3	1.7	1.4	(0.3)	(26%)
*Other	-	-	-	-	-	-
Capital Outlays Total	\$6.0	\$3.4	\$3.2	\$2.0	(\$1.1)	(55%)

* No actuals appear in this period/blank due to rounding.

Contracts Payable (Fiscal Year to Date: June 2023)

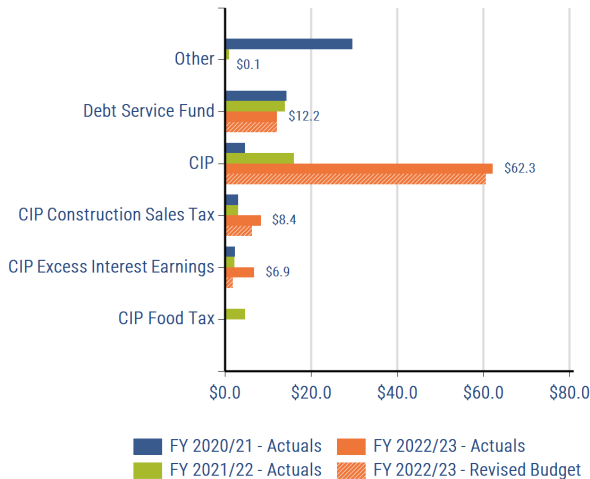
Actual to Revised Budget variance of \$0.0 million or 0%:
Contracts Payable has no variance reported.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Contracts Payable	\$0.4	\$0.4	\$0.4	\$0.4	\$ -	-
Contracts Payable Total	\$0.4	\$0.4	\$0.4	\$0.4	\$ -	-

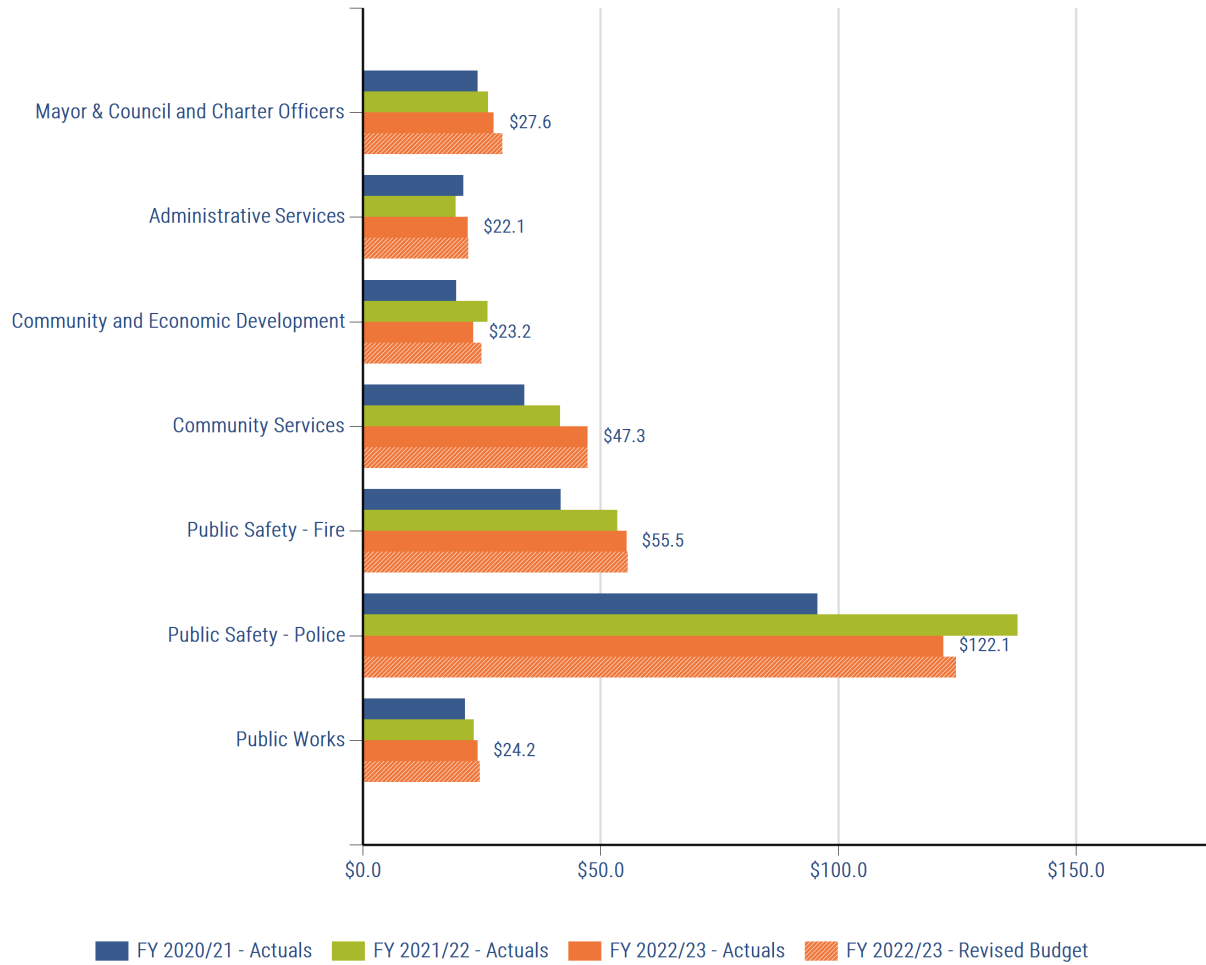
Transfers Out (Fiscal Year to Date: June 2023)

Actual to Revised Budget variance of (\$8.5) million or (10%):
The unfavorable variances in Transfers Out is primarily due to higher than expected revenue from construction sales tax and interest earnings. Per financial policy, 50% of the construction sales tax and 100% of the interest earnings are being transferred out to support Capital Improvement Plan projects.



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Other	\$29.7	\$1.1	\$0.1	\$0.1	\$0.1	55%
Debt Service Fund	14.4	14.0	12.2	12.2	-	-
CIP	4.8	16.1	62.3	60.7	(1.7)	(3%)
CIP Construction Sales Tax	3.1	3.2	8.4	6.4	(2.0)	(30%)
CIP Excess Interest Earnings	2.4	2.3	6.9	1.9	(4.9)	(258%)
CIP Food Tax	-	4.7	-	-	-	-
Transfers Out Total	\$54.3	\$41.4	\$89.9	\$81.4	(\$8.5)	(10%)

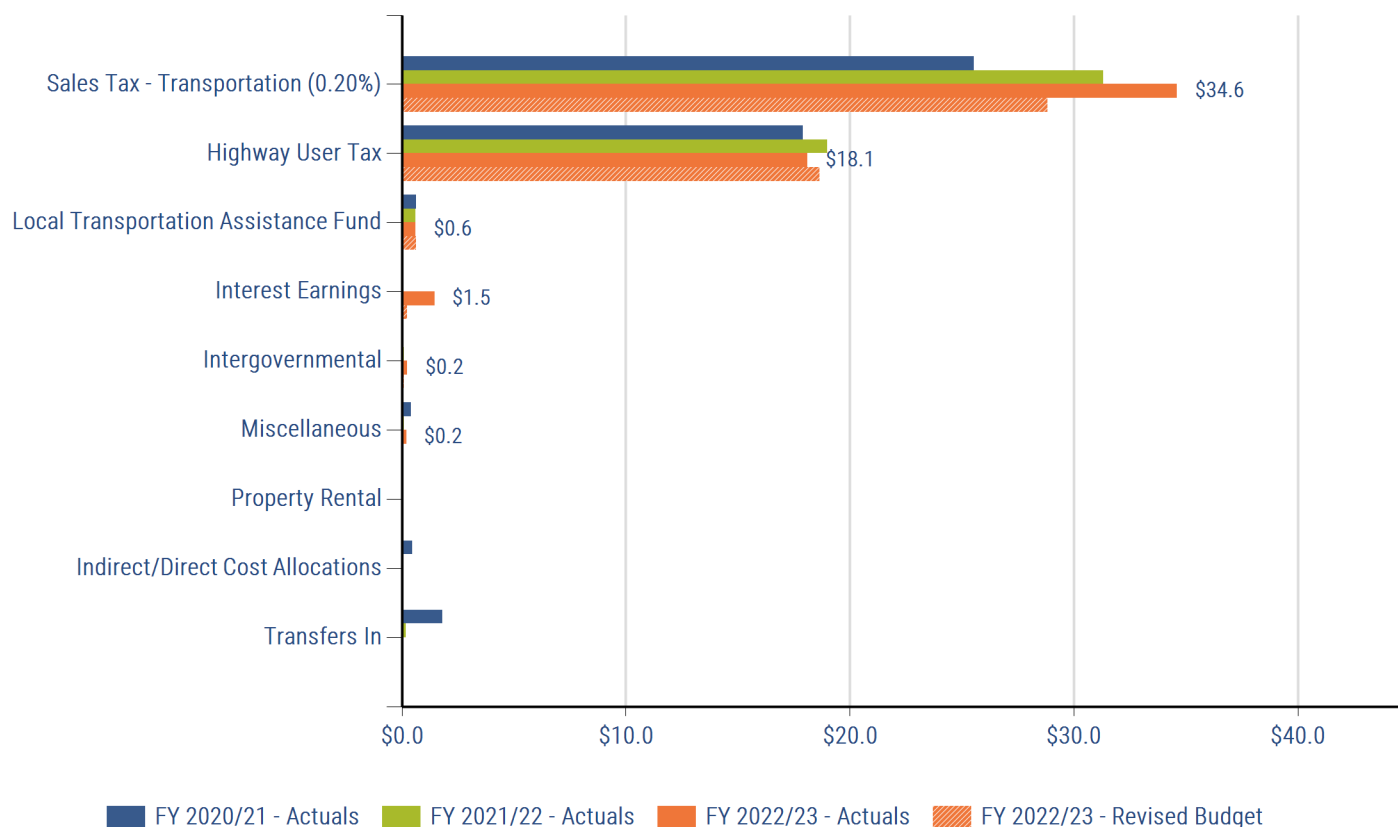
Division Expenditures (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$24.2	\$26.4	\$27.6	\$29.3	\$1.7	6%
Administrative Services	\$21.2	\$19.5	\$22.1	\$22.2	\$0.1	0%
Community and Economic Development	19.7	26.3	23.2	25.0	1.7	7%
Community Services	34.0	41.6	47.3	47.3	-	-
Public Safety - Fire	41.6	53.6	55.5	55.7	0.3	0%
Public Safety - Police	95.6	137.7	122.1	124.7	2.6	2%
Public Works	21.5	23.3	24.2	24.7	0.5	2%
Total	\$257.8	\$328.3	\$322.0	\$328.9	\$7.0	2%

Actual to Revised Budget variance of \$7.0 million or 2% : **Mayor & Council and Charter Officers** is favorable due to: 1) a delay in replacing the outdated Enterprise Resource Planning (ERP) system; 2) timing on citizen focused projects; and 3) vacancy savings and lower salary rates for newer employees than those they replaced. **Community and Economic Development** is favorable due to: 1) savings from contractual services 2) delays in spending in the development of a storm water master plan; 3) delays in painting city-owned building structures; and 4) the timing of Super-Bowl related expenses. **Public Safety - Police** is favorable due to newer employees coming in at a lower rate than those they replaced, as well as savings in overtime. **Public Works** is favorable due to: 1) a reduction in routine services and other assignments; and 2) moving projects to the CIP to properly capitalize the assets per Accounting standards.

Sources (Fiscal Year to Date: June 2023)

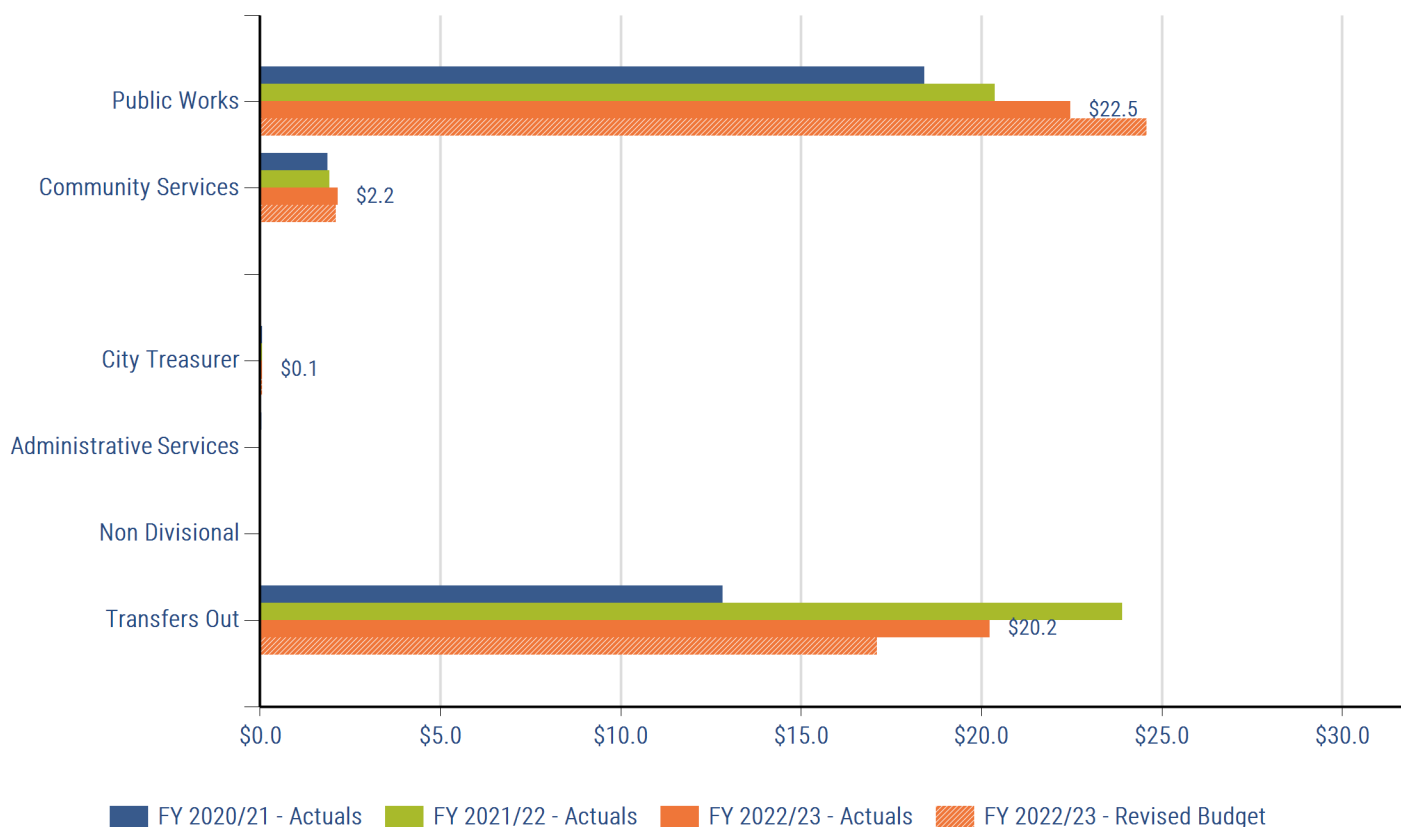


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax - Transportation (0.20%)	\$25.5	\$31.3	\$34.6	\$28.8	\$5.8	20%
Highway User Tax	17.9	19.0	18.1	18.6	(0.5)	(3%)
Local Transportation Assistance Fund	0.6	0.6	0.6	0.6	-	-
Interest Earnings	-	-	1.5	0.2	1.2	600%
Intergovernmental	0.1	0.1	0.2	0.1	0.2	200%
Miscellaneous	0.4	0.1	0.2	-	0.2	nm
*Property Rental	-	-	-	-	-	-
Indirect/Direct Cost Allocations	0.5	-	-	-	-	-
Transfers In	1.8	0.2	-	-	-	-
Total Sources	\$46.8	\$51.3	\$55.2	\$48.5	\$6.7	14%

Actual to Revised Budget variance of \$6.7 million or 14%: Sales Tax - Transportation (0.20%) is favorable due to Sales Tax, see page 5 for explanations by category. Highway User Tax is unfavorable due to state revenue being lower than anticipated. Interest earnings is favorable due to the rate of return being higher than expected.

* No actuals appear in this period/blank due to rounding.

Uses (Fiscal Year to Date: June 2023)

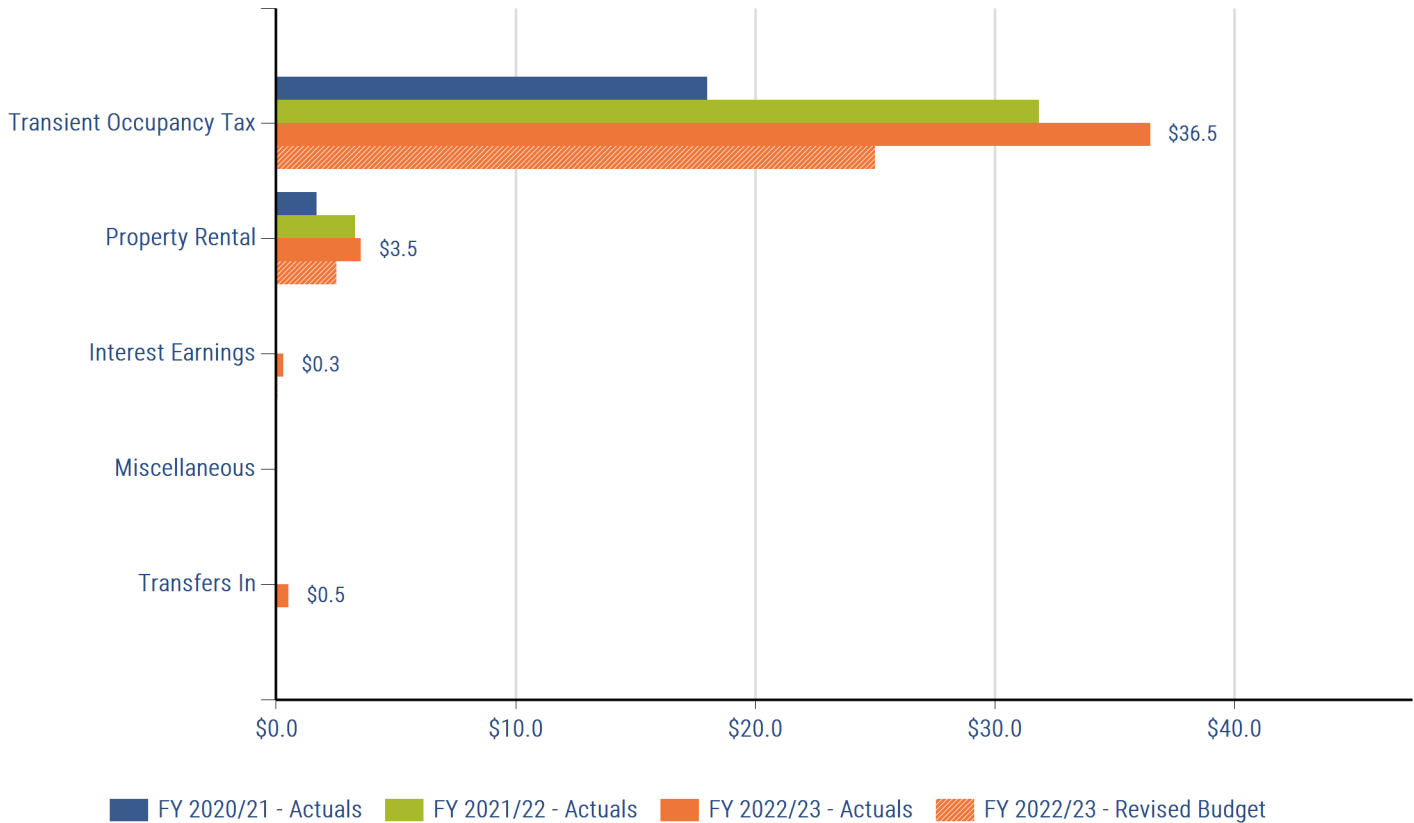


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Public Works	\$18.4	\$20.4	\$22.5	\$24.6	\$2.1	9%
Community Services	1.9	1.9	2.2	2.1	(0.1)	(3%)
City Treasurer	0.1	0.1	0.1	0.1	-	-
* Administrative Services	-	-	-	-	-	-
* Non Divisional	-	-	-	-	-	-
Transfers Out	12.8	23.9	20.2	17.1	(3.1)	(18%)
Total Uses	\$33.2	\$46.3	\$45.0	\$43.9	(\$1.1)	(2%)

Actual to Revised Budget variance of (\$1.1) million or (2%) The unfavorable variance for Transfers Out is due to timing of when the transfer to CIP occurred.

* No actuals appear in this period/blank due to rounding.

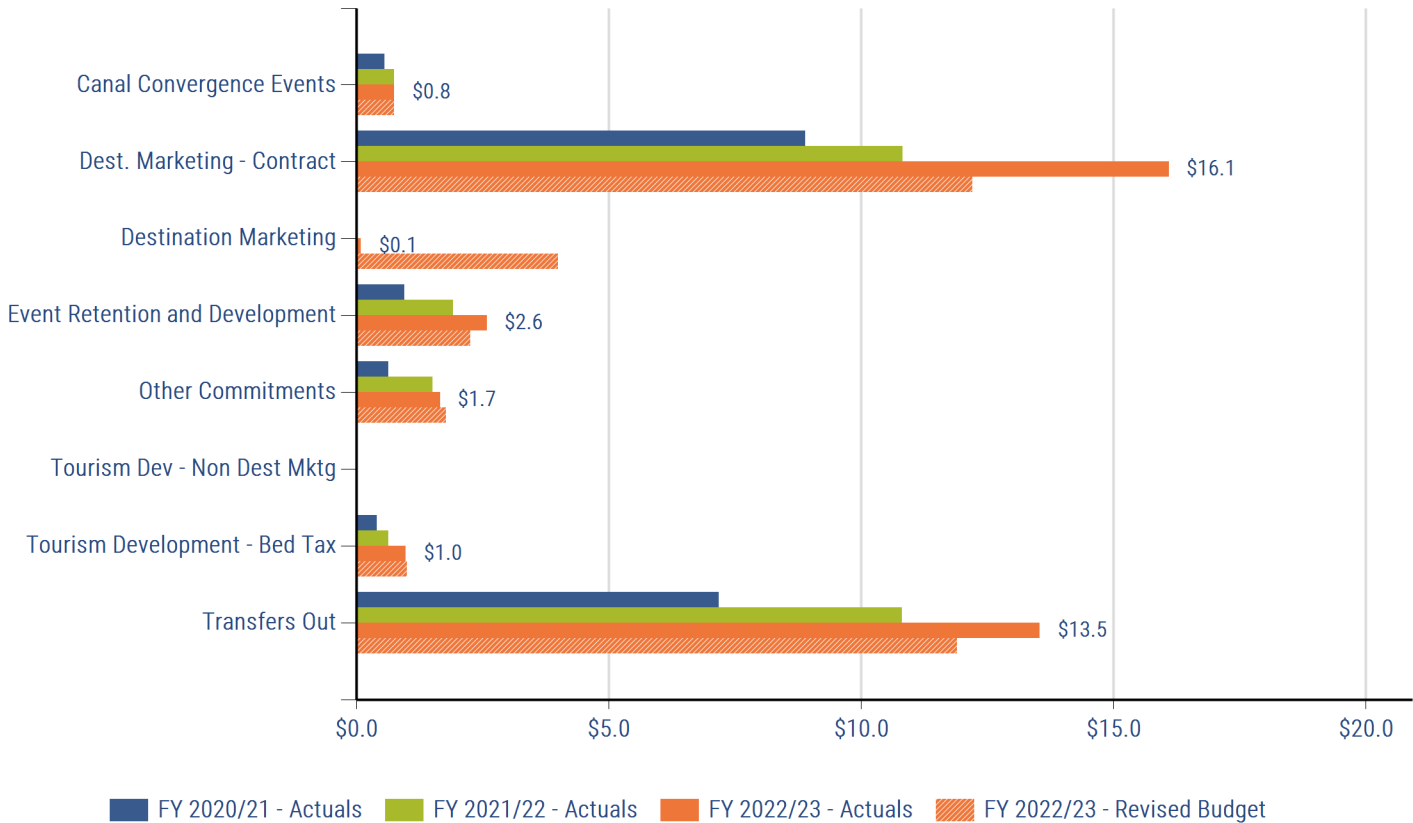
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Transient Occupancy Tax	\$18.0	\$31.9	\$36.5	\$25.0	\$11.5	46%
Property Rental	1.7	3.3	3.5	2.5	1.0	41%
Interest Earnings	-	-	0.3	0.1	0.3	300%
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	0.5	-	0.5	nm
Total Sources	\$19.8	\$35.2	\$40.9	\$27.6	\$13.3	48%

Actual to Revised Budget variance of \$13.3 million or 48%: The favorable variance for Transient Occupancy Tax is due to higher than anticipated collections driven by the continuously high touristic activity in the city. The favorable variance in Property Rental is due to the revenue collection being higher than anticipated.

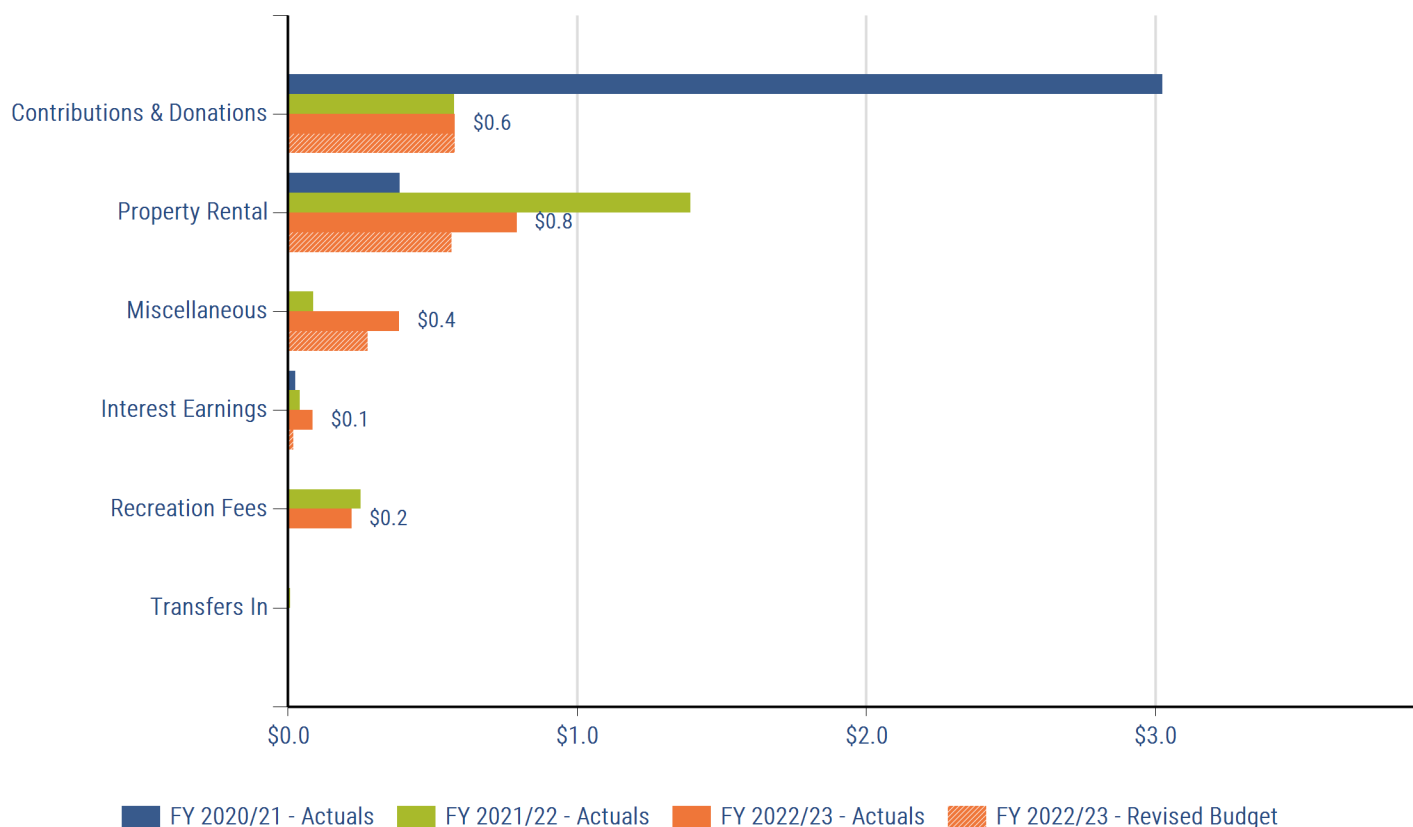
Uses (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Canal Convergence Events	\$0.6	\$0.8	\$0.8	\$0.8	\$ -	-
Dest. Marketing - Contract	8.9	10.8	16.1	12.2	(3.9)	(32%)
Destination Marketing	-	-	0.1	4.0	3.9	98%
Event Retention and Development	0.9	1.9	2.6	2.3	(0.3)	(15%)
Other Commitments	0.6	1.5	1.7	1.8	0.1	7%
Tourism Dev - Non Dest Mktg	-	-	-	-	-	-
Tourism Development - Bed Tax	0.4	0.6	1.0	1.0	-	-
Transfers Out	7.2	10.8	13.5	11.9	(1.6)	(14%)
Total Uses	\$18.6	\$26.4	\$35.7	\$33.9	(\$1.8)	(5%)

Actual to Revised Budget variance of (\$1.8) million or (5%): The unfavorable variance for Destination Marketing - Contract is due to a new payment structure being implemented for Experience Scottsdale. The favorable variance in Destination Marketing is due to expenses now being recorded in a new Experience Scottsdale center. The unfavorable variance for Event Development and Retention is due to higher than anticipated Old Town Scottsdale entertainment and event producer fee for June Days events. The favorable variance in Other Commitments is due to a delay in placing an order for planters for Civic Center Park. The unfavorable variance in Transfers Out is due to higher than expected bed tax collection.

Sources (Fiscal Year to Date: June 2023)

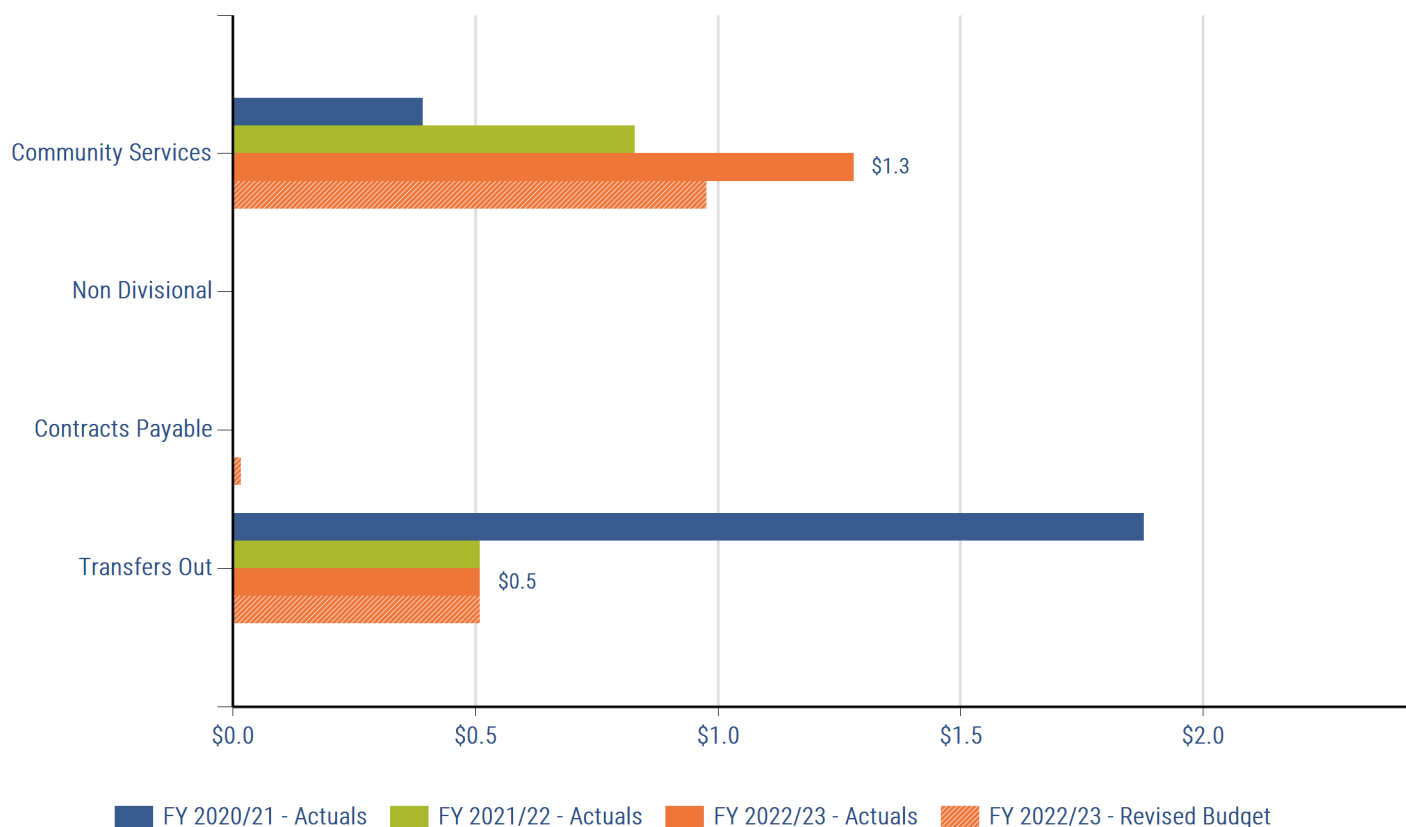


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Contributions & Donations	\$3.0	\$0.6	\$0.6	\$0.6	\$ -	-
Property Rental	0.4	1.4	0.8	0.6	0.2	40%
Miscellaneous	-	0.1	0.4	0.3	0.1	39%
Interest Earnings	-	-	0.1	-	0.1	nm
Recreation Fees	-	0.3	0.2	-	0.2	nm
*Transfers In	-	-	-	-	-	-
Total Sources	\$3.4	\$2.4	\$2.1	\$1.4	\$0.6	43%

Actual to Revised Budget variance of \$0.6 million or 43%: The favorable variance for Property Rental is due to more events usage fees than expected. The favorable variance for Recreation Fees is due to higher revenue from facility fees.

* No actuals appear in this period/blank due to rounding.

Uses (Fiscal Year to Date: June 2023)

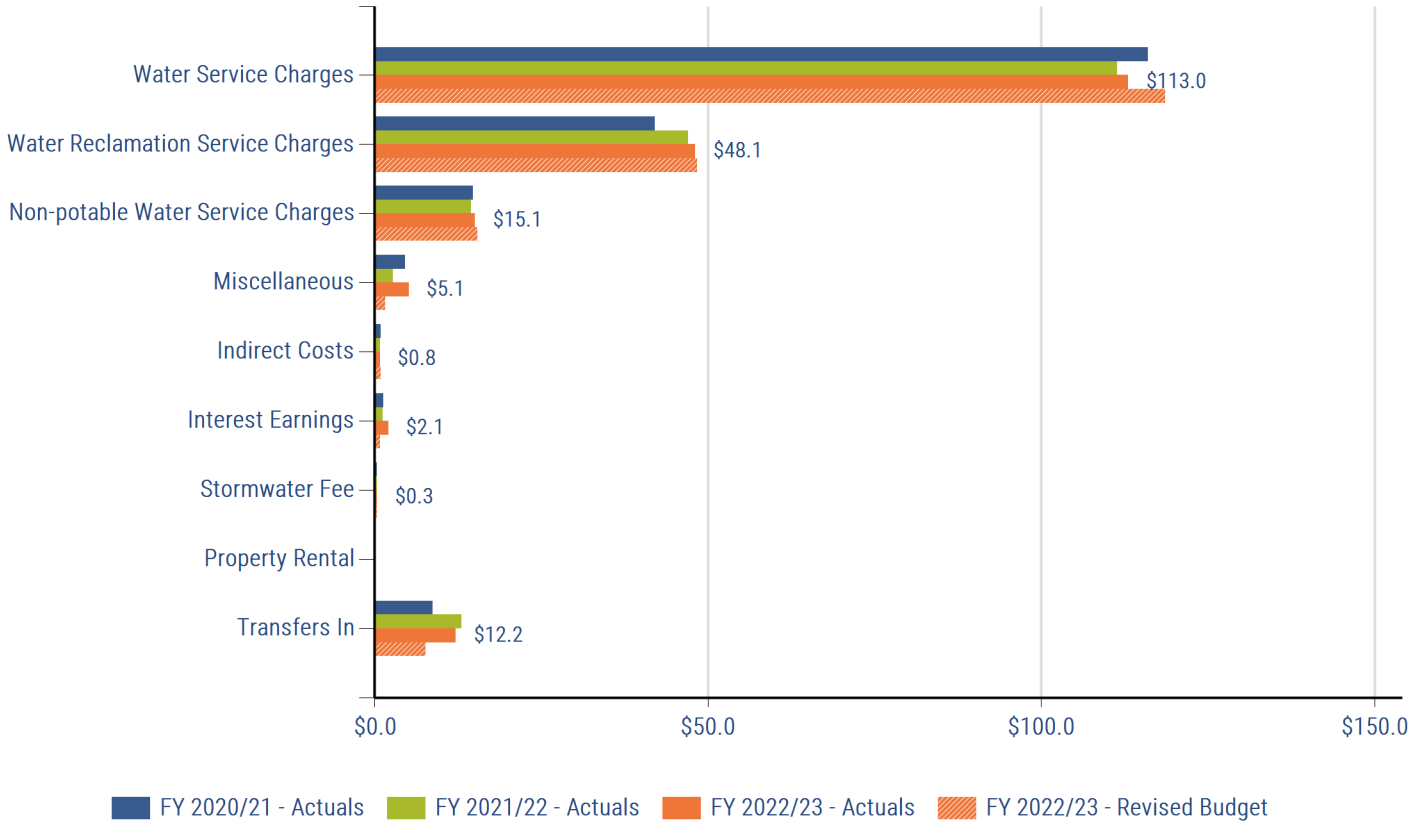


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Community Services	\$0.4	\$0.8	\$1.3	\$1.0	(\$0.3)	(31%)
*Non Divisional	-	-	-	-	-	-
*Contracts Payable	-	-	-	-	-	-
Transfers Out	1.9	0.5	0.5	0.5	-	-
Total Uses	\$2.3	\$1.3	\$1.8	\$1.5	(\$0.3)	(19%)

Actual to Revised Budget variance of (\$0.3) million or (19%): The unfavorable variance for Community Services is due to higher charges for custodial services than expected.

* No actuals appear in this period/blank due to rounding.

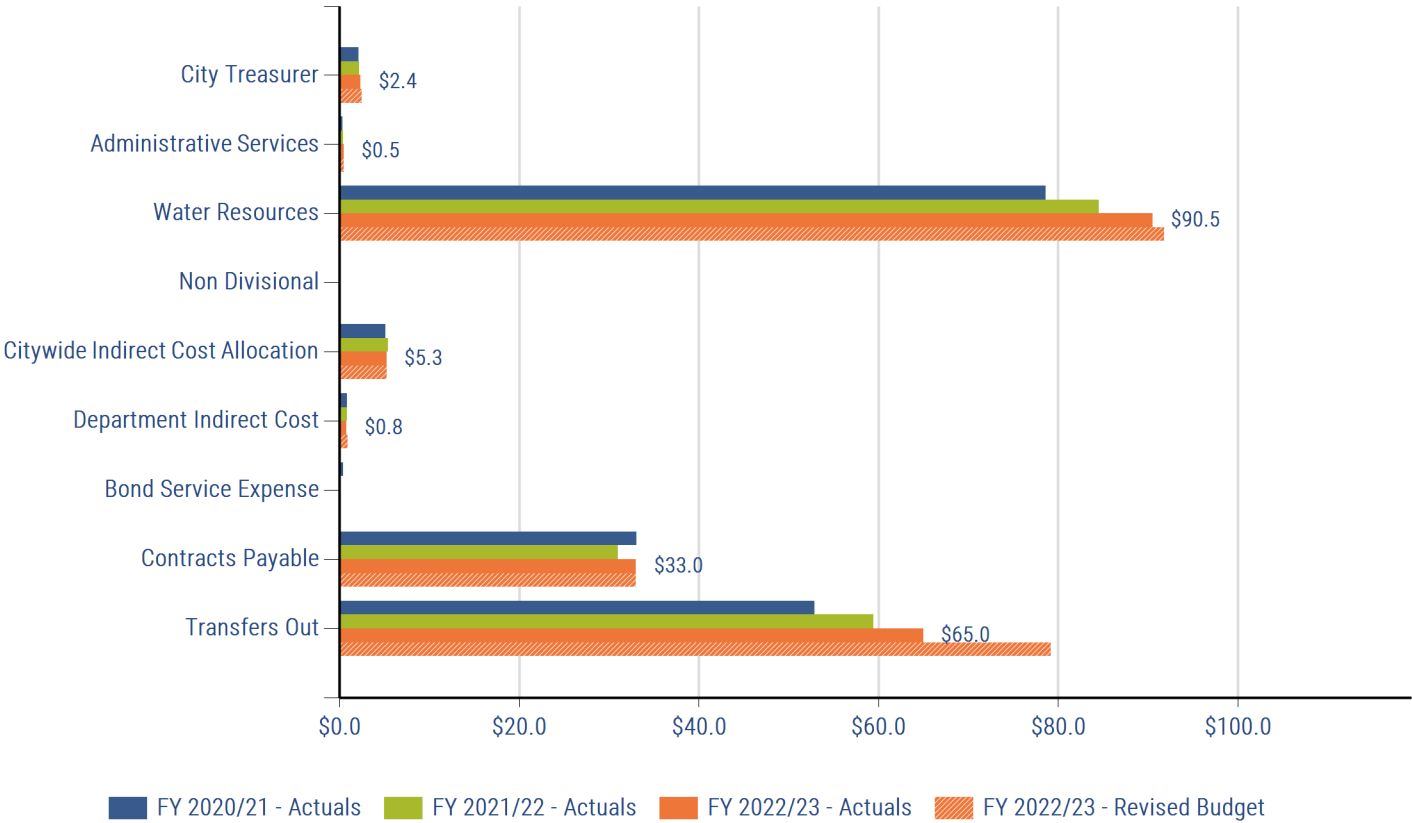
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Water Service Charges	\$116.0	\$111.4	\$113.0	\$118.6	(\$5.6)	(5%)
Water Reclamation Service Charges	42.0	47.0	48.1	48.3	(0.2)	0%
Non-potable Water Service Charges	14.7	14.5	15.1	15.4	(0.3)	(2%)
Miscellaneous	4.6	2.7	5.1	1.6	3.5	219%
Indirect Costs	0.9	0.9	0.8	0.9	(0.1)	(13%)
Interest Earnings	1.3	1.2	2.1	0.8	1.3	163%
Stormwater Fee	0.3	0.3	0.3	0.3	-	-
Property Rental	-	-	-	-	-	-
Transfers In	8.7	13.0	12.2	7.7	4.5	58%
Total Sources	\$188.6	\$190.9	\$196.7	\$193.6	\$3.1	2%

Actual to Revised Budget variance of \$3.1 million or 2%: Water Service Charges and Non-potable Water Service Charges are unfavorable primarily due to less demand resulting from more rainfall compared to historical trends. Miscellaneous is favorable primarily due to revenue received from the Central Arizona Project and the Arizona Department of Water Resources for reducing usage from Lake Mead due to the drought. It is also due to less-than-expected sewer treatment charges from the Sub-Regional Operating Group (SROG). Interest Earnings is favorable due to the rate of return being higher than expected.

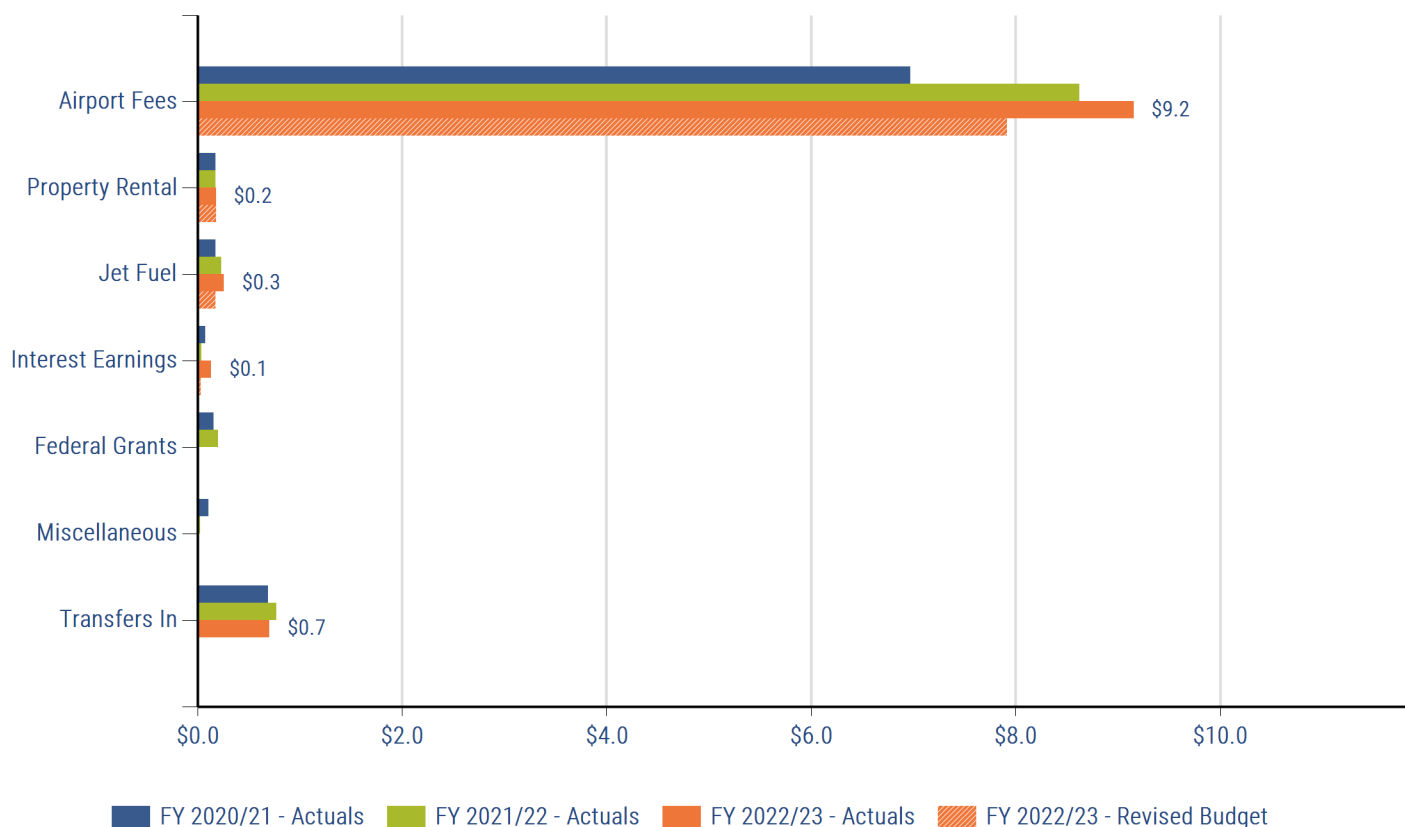
Uses (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
City Treasurer	\$2.1	\$2.2	\$2.4	\$2.5	\$0.1	5%
Administrative Services	0.4	0.4	0.5	0.5	-	-
Water Resources	78.6	84.5	90.5	91.8	1.3	1%
Non Divisional	-	-	-	-	-	-
Citywide Indirect Cost Allocation	5.1	5.4	5.3	5.3	-	-
Department Indirect Cost	0.9	0.9	0.8	0.9	0.1	13%
Bond Service Expense	0.4	-	-	-	-	-
Contracts Payable	33.0	31.0	33.0	33.0	-	-
Transfers Out	52.9	59.4	65.0	79.2	14.2	18%
Total Uses	\$173.4	\$183.8	\$197.4	\$213.1	\$15.7	7%

Actual to Revised Budget variance of \$15.7 million or 7%: The favorable variance is primarily due to less than anticipated funding transfers out to the CIP. The CIP Transfers Out budget varies according to the CIP projects being built each year. Water Resources is favorable due to a decrease in production in the CAP Water Treatment Plant and lower than expected sewer treatment charges from Sub-Regional Operating Group (SROG). It is also due to high turnover with replacement employees coming in at a lower rate, lower than expected overtime expenses, and savings from operational improvements.

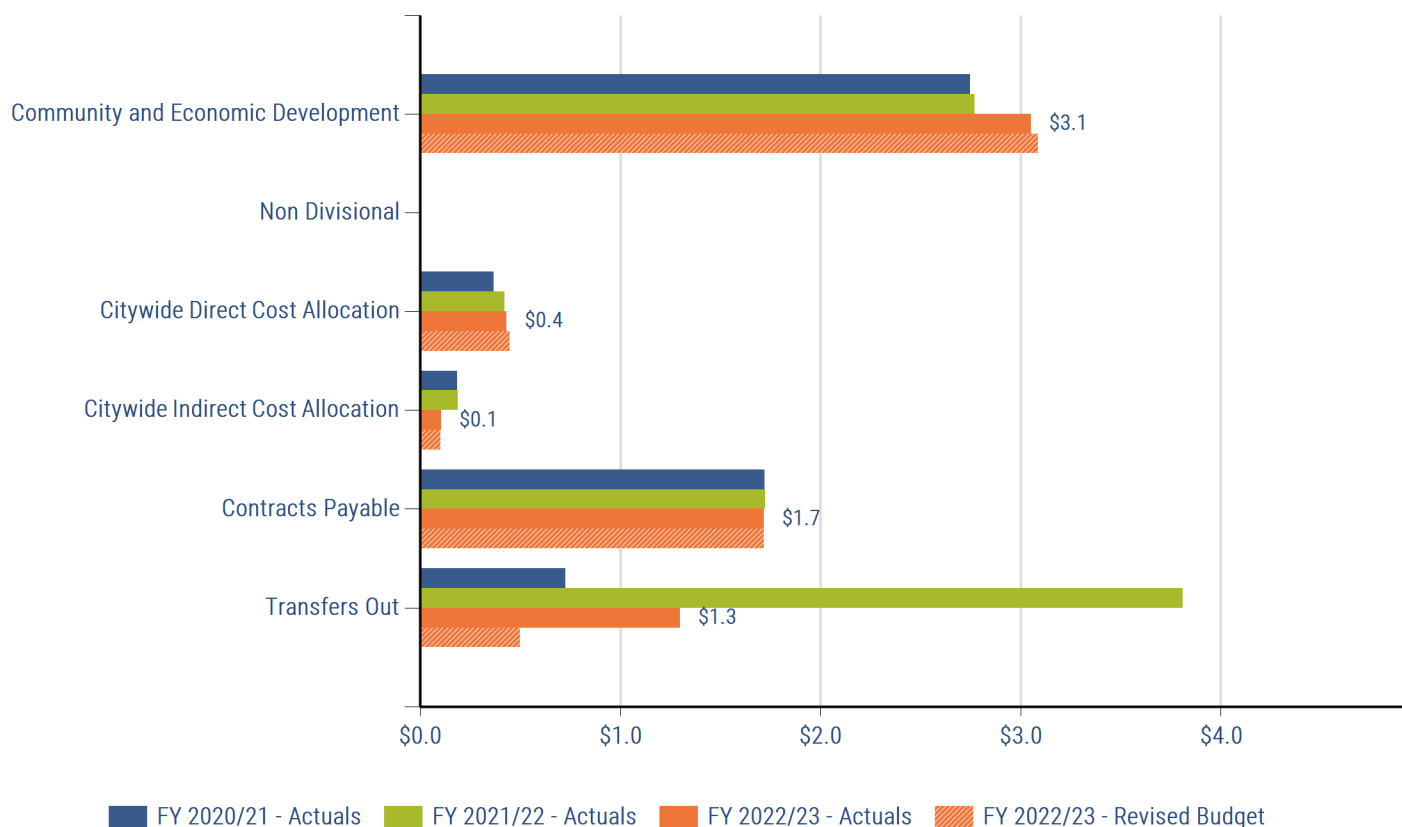
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Airport Fees	\$7.0	\$8.6	\$9.2	\$7.9	\$1.2	16%
Property Rental	0.2	0.2	0.2	0.2	-	-
Jet Fuel	0.2	0.2	0.3	0.2	0.1	45%
Interest Earnings	0.1	-	0.1	-	0.1	nm
Federal Grants	0.2	0.2	-	-	-	-
Miscellaneous	0.1	-	-	-	-	-
Transfers In	0.7	0.8	0.7	-	0.7	nm
Total Sources	\$8.4	\$10.1	\$10.4	\$8.3	\$2.1	26%

Actual to Revised Budget variance of \$2.1 million or 26%: Airport Fees is favorable due to lease increases and more activity than anticipated. Jet Fuel is favorable due to increases in jet fuel prices. Transfers In is favorable due to transfer from Debt Service Municipal Property Corporation bonds.

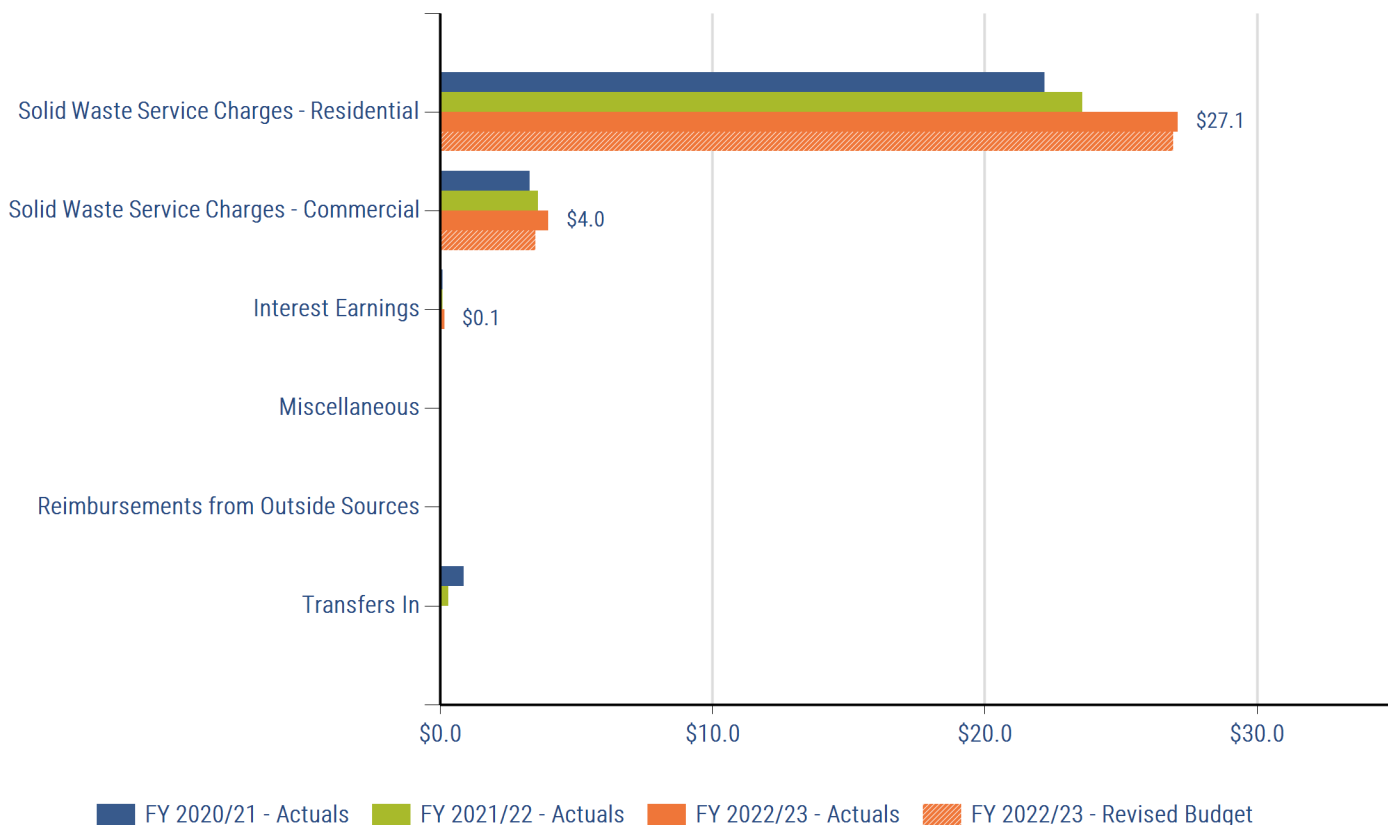
Uses (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Community and Economic Development	\$2.7	\$2.8	\$3.1	\$3.1	\$ -	-
Non Divisional	-	-	-	-	-	-
Citywide Direct Cost Allocation	0.4	0.4	0.4	0.4	-	-
Citywide Indirect Cost Allocation	0.2	0.2	0.1	0.1	-	-
Contracts Payable	1.7	1.7	1.7	1.7	-	-
Transfers Out	0.7	3.8	1.3	0.5	(0.8)	(160%)
Total Uses	\$5.8	\$8.9	\$6.6	\$5.9	(\$0.8)	(13%)

Actual to Revised Budget variance of (\$0.8) million or (13%): Transfers Out is unfavorable due to more funding being transfer out to CIP than anticipated.

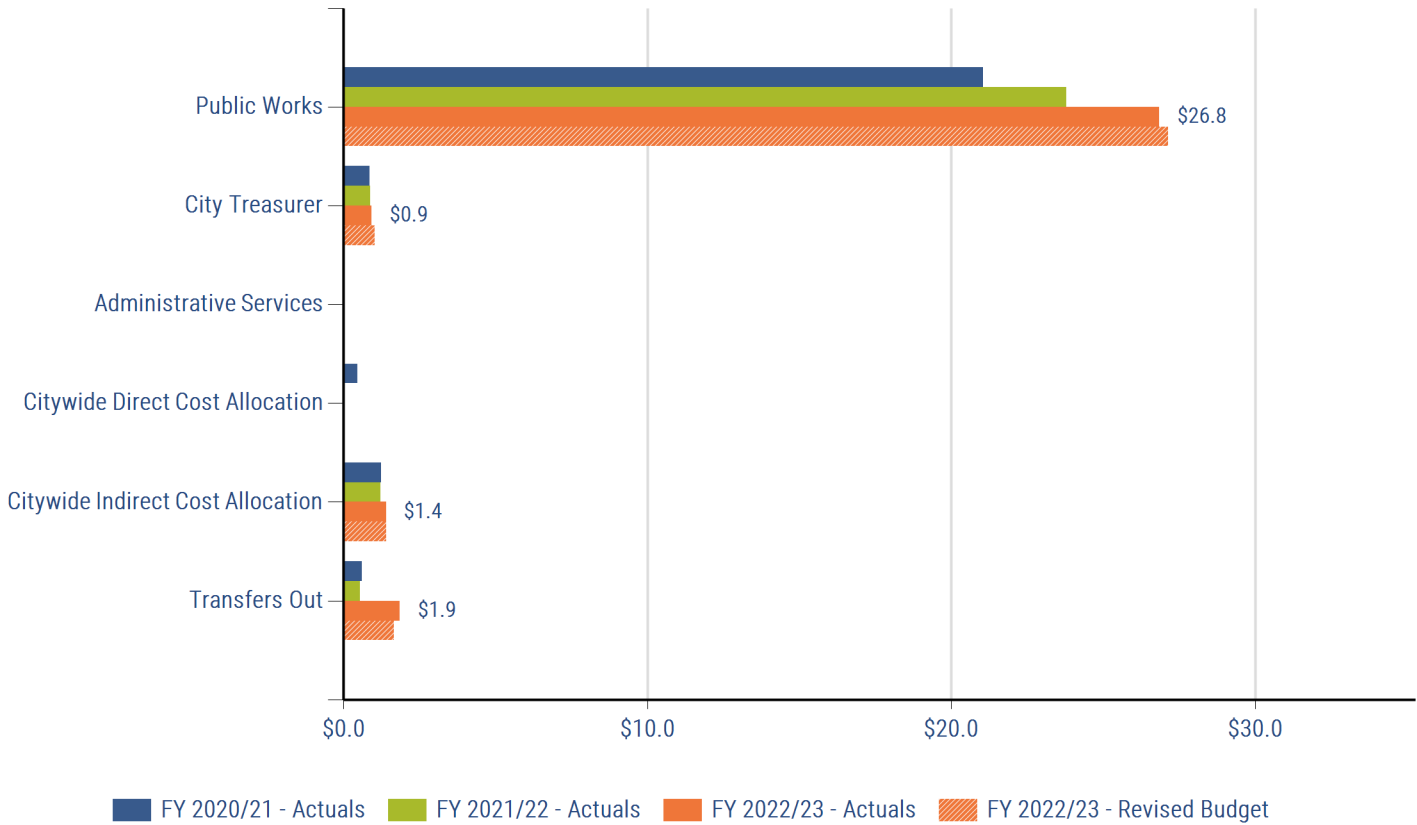
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Solid Waste Service Charges - Residential	\$22.2	\$23.6	\$27.1	\$26.9	\$0.2	1%
Solid Waste Service Charges - Commercial	3.3	3.6	4.0	3.5	0.5	14%
Interest Earnings	0.1	0.1	0.1	0.1	0.1	100%
Miscellaneous	-	-	-	-	-	-
Reimbursements from Outside Sources	-	-	-	-	-	-
Transfers In	0.9	0.3	-	-	-	-
Total Sources	\$26.5	\$27.6	\$31.2	\$30.5	\$0.8	3%

Actual to Revised Budget variance of \$0.8 million or 3%: The favorable variance in Solid Waste Service Charges - Commercial is due to increased demand for roll-off services during summer months because of storms, annual landscape maintenance, and increased business activity.

Uses (Fiscal Year to Date: June 2023)

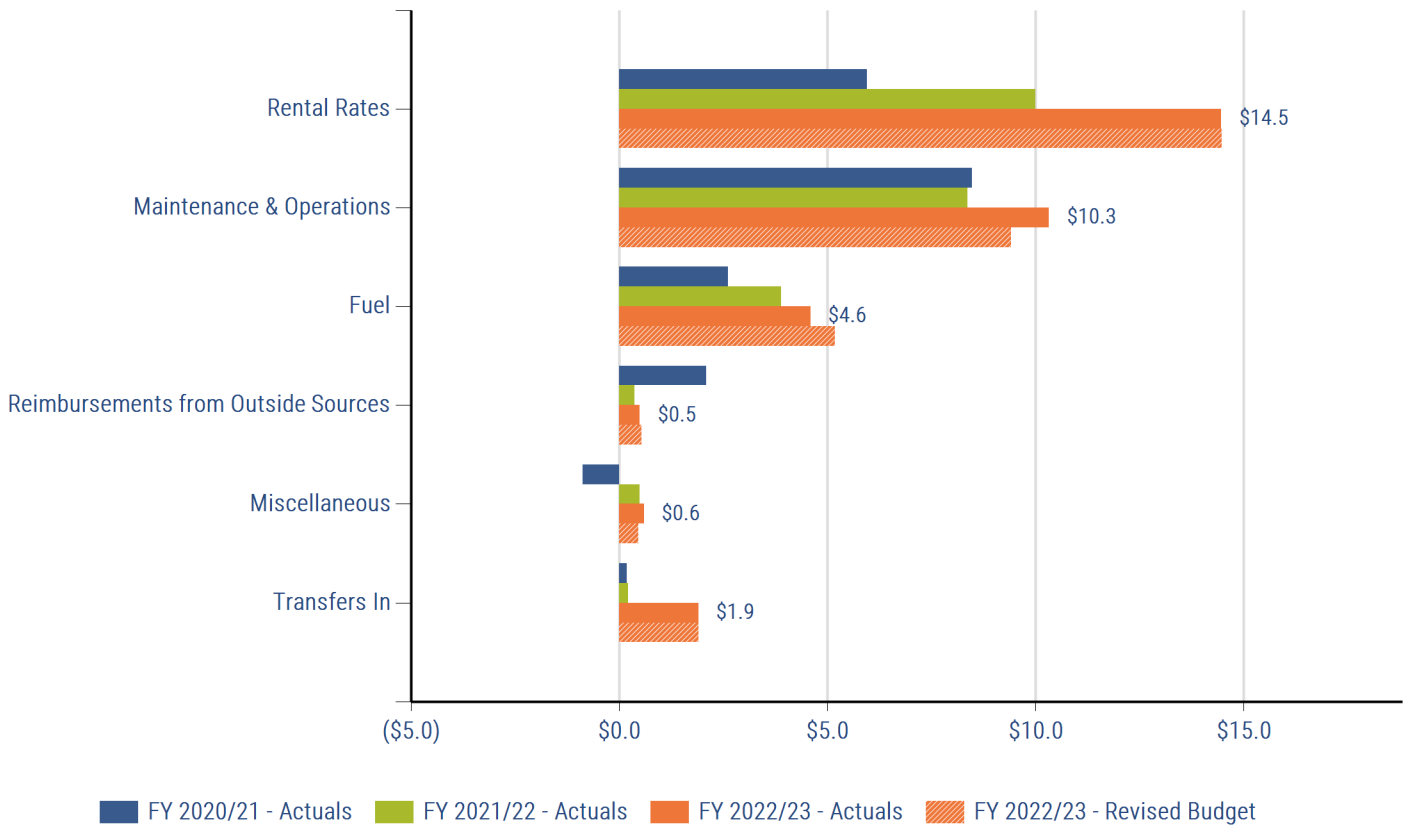


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Public Works	\$21.1	\$23.8	\$26.8	\$27.1	\$0.3	1%
City Treasurer	0.9	0.9	0.9	1.0	0.1	10%
*Administrative Services	-	-	-	-	-	-
Citywide Direct Cost Allocation	0.5	-	-	-	-	-
Citywide Indirect Cost Allocation	1.2	1.2	1.4	1.4	-	-
Transfers Out	0.6	0.6	1.9	1.7	(0.2)	(12%)
Total Uses	\$24.2	\$26.5	\$31.0	\$31.2	\$0.2	1%

Actual to Revised Budget variance of \$0.2 million or 1%: The favorable variance is primarily due to Public Works - a temporary saving from recycling processing fee.

* No actuals in this period/blank due to rounding.

Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Rental Rates	\$6.0	\$10.0	\$14.5	\$14.5	\$ -	-
Maintenance & Operations	8.5	8.4	10.3	9.4	0.9	10%
Fuel	2.6	3.9	4.6	5.2	(0.6)	(11%)
Reimbursements from Outside Sources	2.1	0.4	0.5	0.5	-	-
Miscellaneous	(0.9)	0.5	0.6	0.5	0.1	31%
Transfers In	0.2	0.2	1.9	1.9	-	-
Total Sources	\$18.4	\$23.3	\$32.4	\$32.0	\$0.4	1%

Actual to Revised Budget variance of \$0.4 million or 1%: The favorable variance for Maintenance & Operations is due to higher than anticipated revenue from equipment maintenance charges. The unfavorable variance for Fuel is due to lower than anticipated revenue from fleet fuel fees. The favorable variance in Miscellaneous is due to accrued auction proceeds.

Uses (Fiscal Year to Date: June 2023)

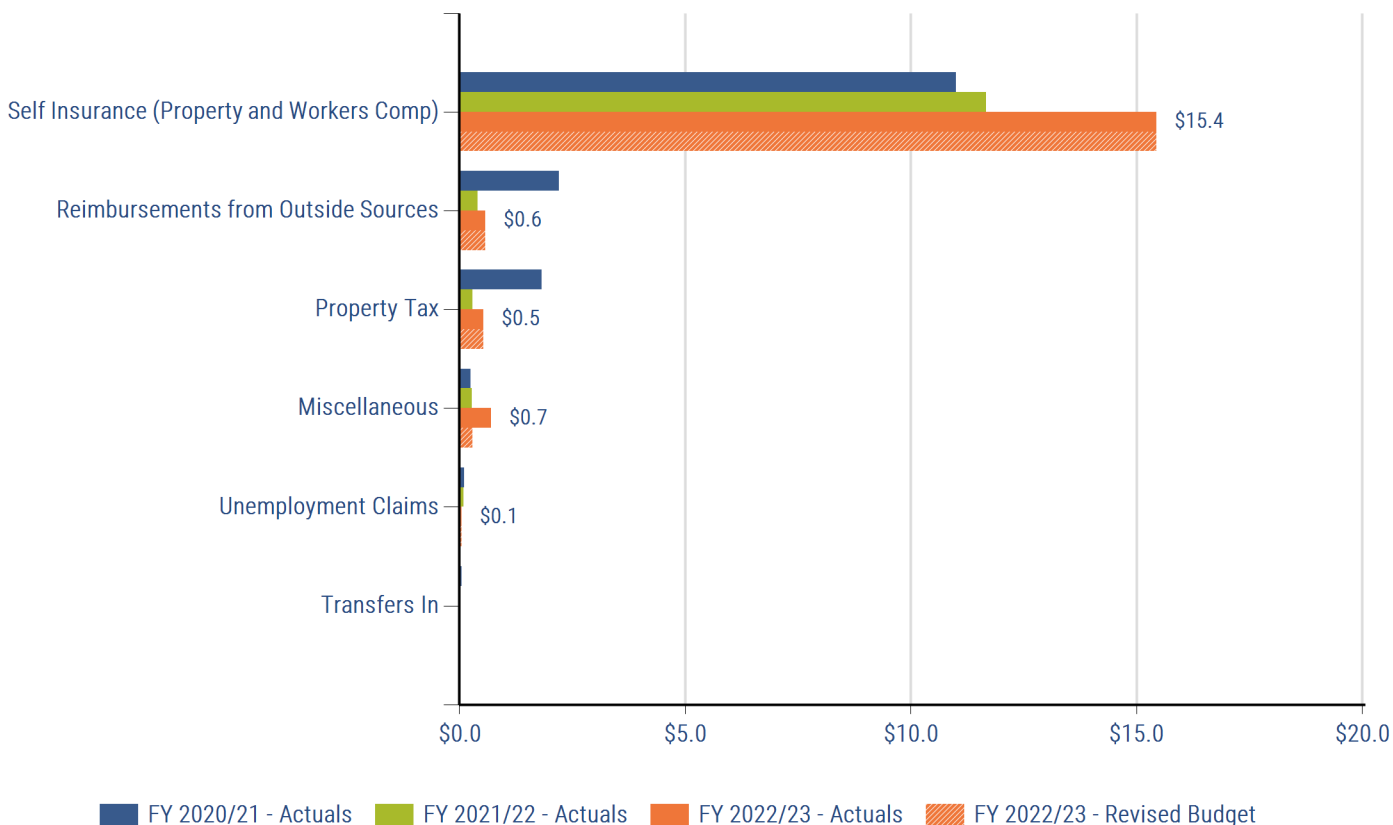


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Fleet Management Administration	\$0.5	\$0.6	\$0.8	\$0.7	\$ -	-
*Fleet Management Fund	-	-	-	-	-	-
Fleet Management Operations	8.6	8.6	9.5	8.9	(0.5)	(6%)
Fleet Management Parts Supply	0.8	0.7	0.7	0.7	-	-
Fuel	2.4	3.8	4.5	5.1	0.7	13%
Motorpool	-	0.1	0.1	0.1	-	-
Vehicle Acquisitions	4.3	9.6	6.1	6.1	0.1	1%
Transfers Out	0.8	3.4	9.6	1.8	(7.8)	(433%)
Total Uses	\$17.5	\$26.7	\$31.1	\$23.6	(\$7.6)	(32%)

Actual to Revised Budget variance of (\$7.6) million or (32%): The unfavorable variance in Fleet Management Operations is due to increased costs for maintenance and repair. The favorable variance in Vehicle Acquisitions is due to delays in purchasing new motor vehicle deliveries which occurred earlier this fiscal year. The favorable variance would have been greater but is being partially offset by the timing of transfers out to the CIP and due to an unbudgeted transfer that was approved by City Council at the October 25th City Council meeting to fund the North Corporation Yard CIP project (Resolution No. 12620).

*No actual appear in this period/blank due to rounding.

Sources (Fiscal Year to Date: June 2023)

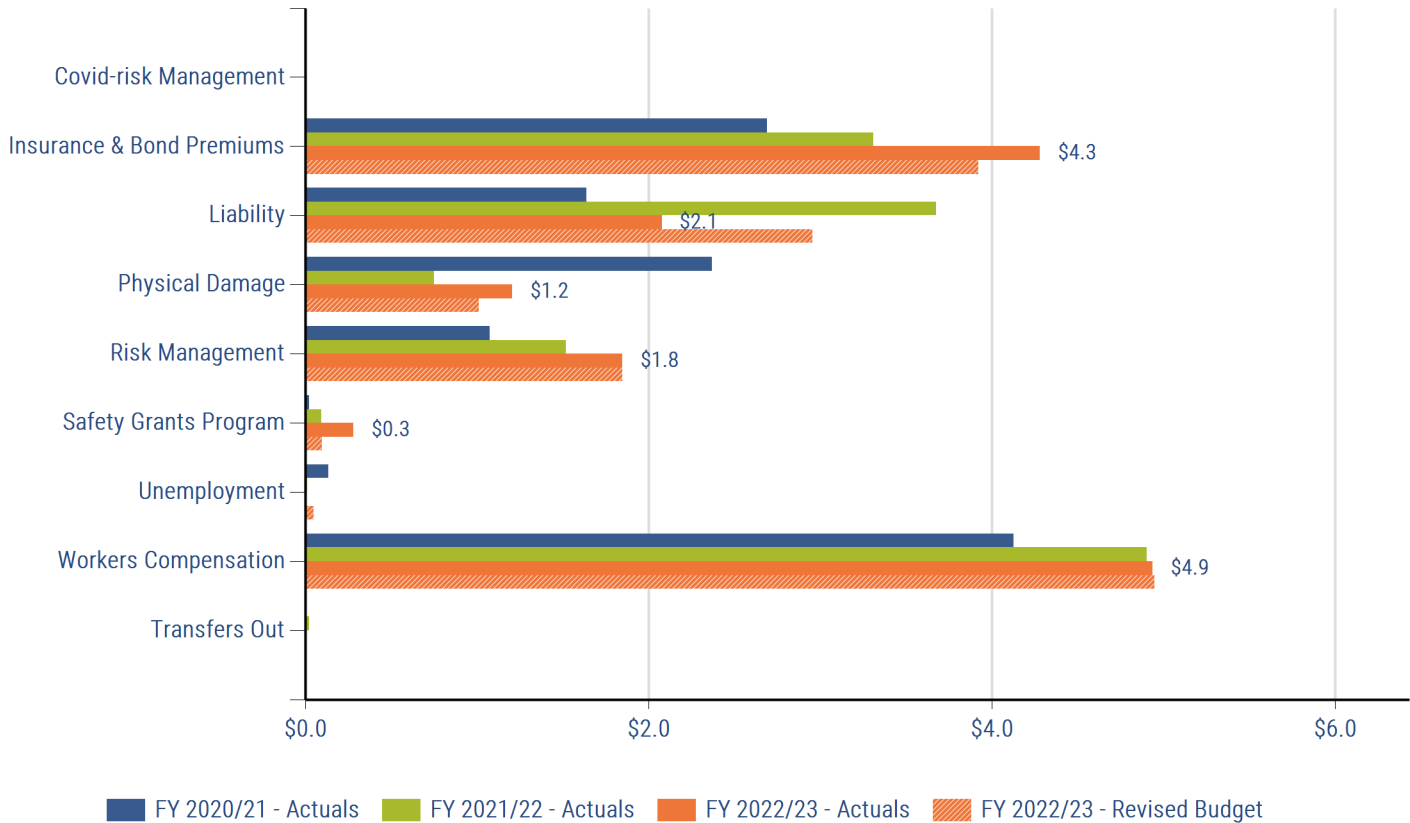


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Self Insurance (Property and Workers Comp)	\$11.0	\$11.7	\$15.4	\$15.4	\$ -	-
Reimbursements from Outside Sources	2.2	0.4	0.6	0.6	-	-
Property Tax	1.8	0.3	0.5	0.5	-	-
Miscellaneous	0.3	0.3	0.7	0.3	0.4	133%
Unemployment Claims	0.1	0.1	0.1	-	-	-
*Transfers In	-	-	-	-	-	-
Total Sources	\$15.4	\$12.8	\$17.3	\$16.9	\$0.4	3%

Actual to Revised Budget variance of \$0.4 million or 3%: The favorable variance in Miscellaneous revenue is due to a one-time worker compensation payment from a third party.

* No actuals appear in this period/blank due to rounding.

Uses (Fiscal Year to Date: June 2023)

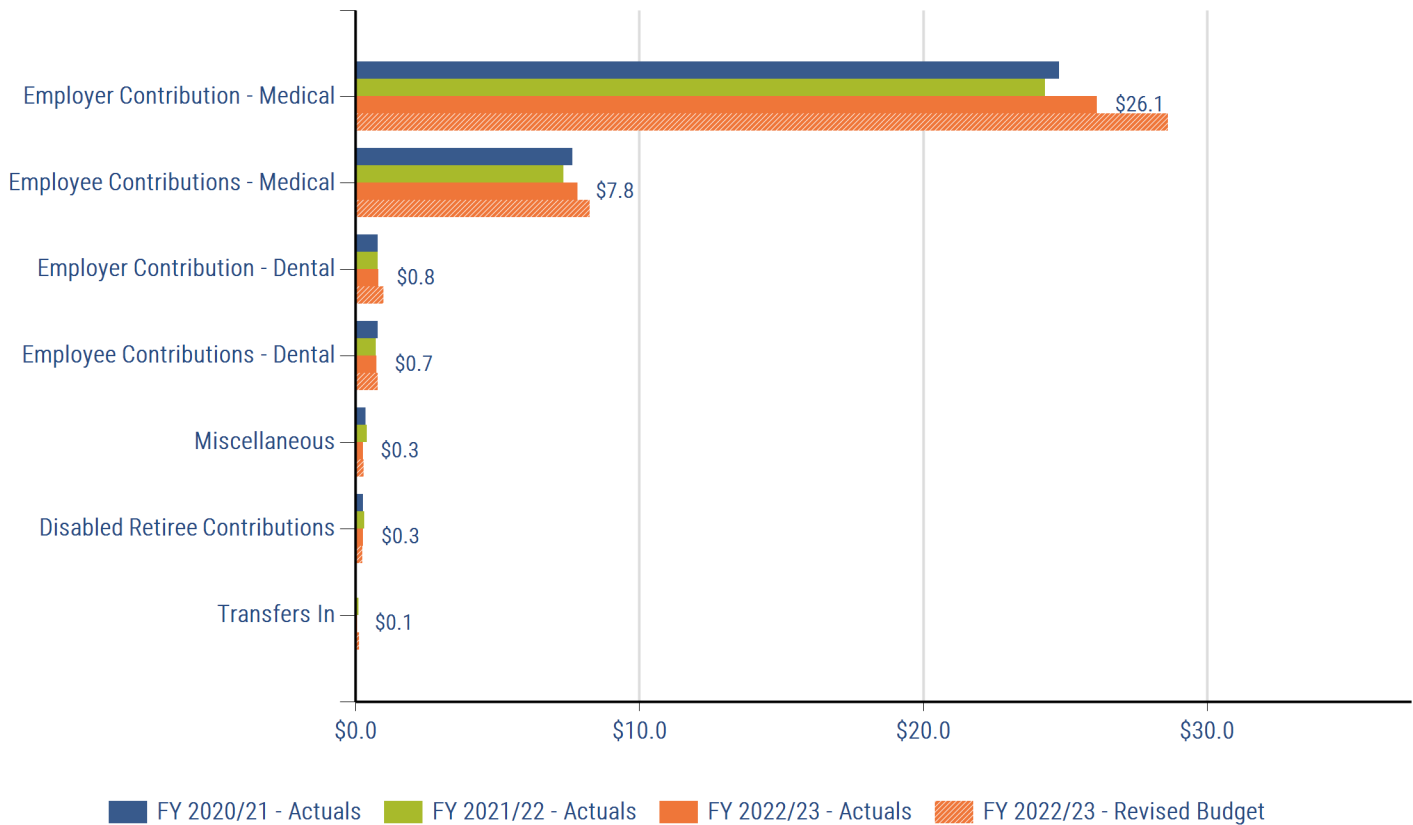


	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
*Covid-risk Management	\$ -	\$ -	\$ -	\$ -	\$ -	-
Insurance & Bond Premiums	2.7	3.3	4.3	3.9	(0.4)	(9%)
Liability	1.6	3.7	2.1	3.0	0.9	30%
Physical Damage	2.4	0.8	1.2	1.0	(0.2)	(20%)
Risk Management	1.1	1.5	1.8	1.8	-	-
Safety Grants Program	-	0.1	0.3	0.1	(0.2)	(200%)
Unemployment	0.1	-	-	-	-	-
Workers Compensation	4.1	4.9	4.9	4.9	-	-
*Transfers Out	-	-	-	-	-	-
Total Uses	\$12.1	\$14.3	\$14.6	\$14.8	\$0.2	1%

Actual to Revised Budget variance of \$0.2 million or 1%: The favorable variance in Liability is primarily due to the timing of claim invoices. The unfavorable variance in Physical Damage is due to higher-than-expected claims due to heavy storms during monsoon season causing flooding damages. The unfavorable variance in Insurance & Bond Premiums is due to higher-than-expected insurance premiums as a result of government liability payments and lawsuits.

*No actuals appear in this period/blank due to rounding.

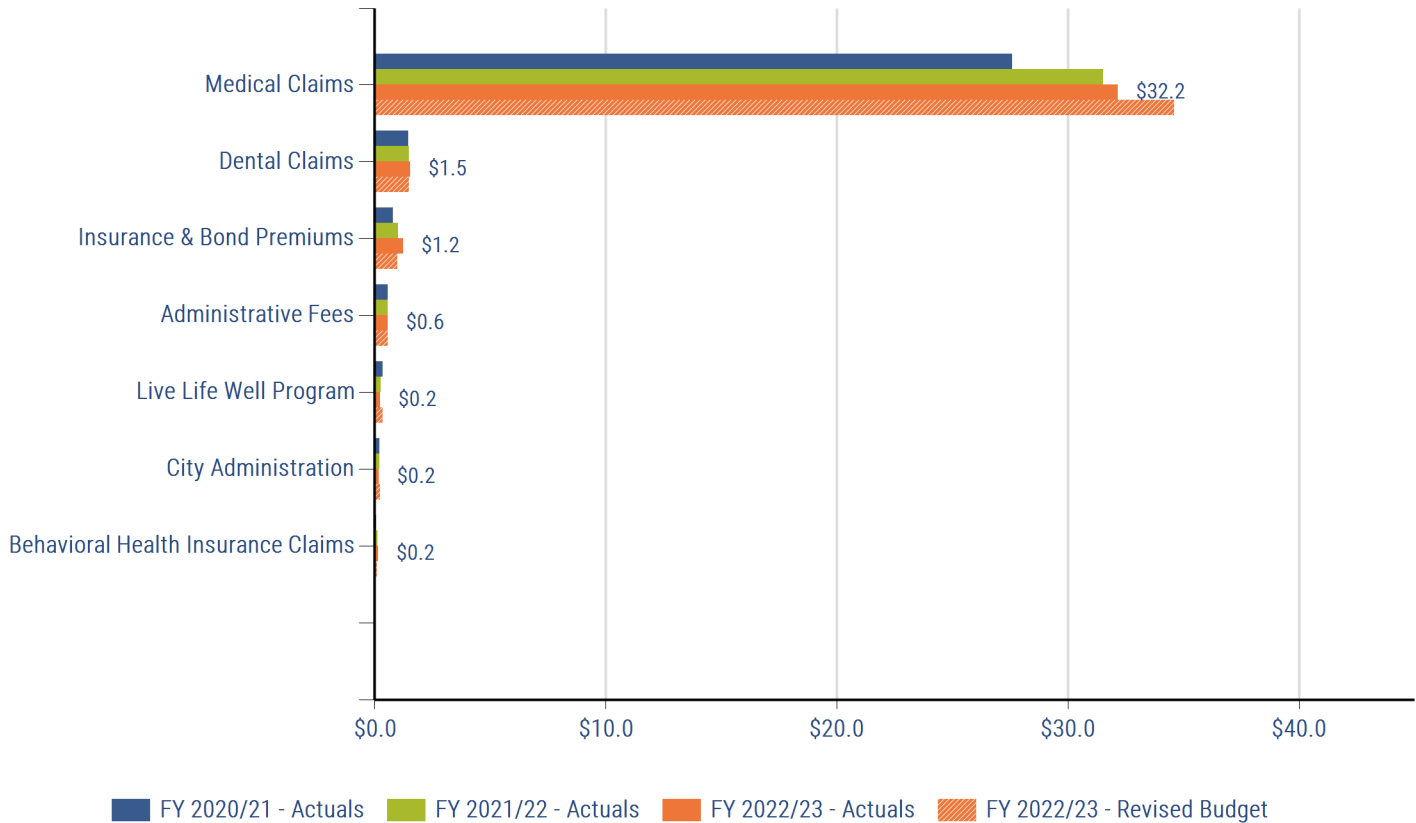
Sources (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Employer Contribution - Medical	\$24.8	\$24.3	\$26.1	\$28.6	(\$2.5)	(9%)
Employee Contributions - Medical	7.7	7.3	7.8	8.2	(0.4)	(5%)
Employer Contribution - Dental	0.8	0.8	0.8	1.0	(0.2)	(18%)
Employee Contributions - Dental	0.8	0.7	0.7	0.8	-	-
Miscellaneous	0.3	0.4	0.3	0.3	-	-
Disabled Retiree Contributions	0.3	0.3	0.3	0.3	-	-
Transfers In	-	0.1	0.1	0.1	(0.1)	(60%)
Total Sources	\$34.7	\$34.0	\$36.1	\$39.3	(\$3.2)	(8%)

Actual to Revised Budget variance of (\$3.2) million or (8%): The unfavorable variance in Employer Contribution - Medical, Employee Contributions - Medical, and Employer Contributions - Dental is due to employee turnover and plan selection, which occurs after the budget has been prepared.

Uses (Fiscal Year to Date: June 2023)



	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Medical Claims	\$27.6	\$31.5	\$32.2	\$34.6	\$2.4	7%
Dental Claims	1.4	1.5	1.5	1.5	(0.1)	(4%)
Insurance & Bond Premiums	0.8	1.0	1.2	1.0	(0.3)	(27%)
Administrative Fees	0.6	0.6	0.6	0.6	-	-
Live Life Well Program	0.3	0.3	0.2	0.3	0.1	27%
City Administration	0.2	0.2	0.2	0.2	-	-
Behavioral Health Insurance Claims	0.1	0.1	0.2	0.1	(0.1)	(76%)
Total Uses	\$31.0	\$35.2	\$36.1	\$38.3	\$2.2	6%

Actual to Revised Budget variance of \$2.2 million or 6%: The favorable variance in Medical Claims is due to timing and the difficulty in predicting claims. The unfavorable variance in Insurance & Bond Premiums is due to higher monthly premiums than anticipated, and from rate increases that occur in September. The favorable variance in Live Life Well Program is due to the program being underutilized. The unfavorable variance in Behavioral Health Insurance Claims is due to higher claims costs than anticipated.



Privilege (Sales) & Use Tax Collections For June 2023 (For Business Activity in May 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 14 percent compared to the Budget, and increased 7 percent compared to the same period a year ago.

Privilege (Sales) & Use Tax by Category and Fund

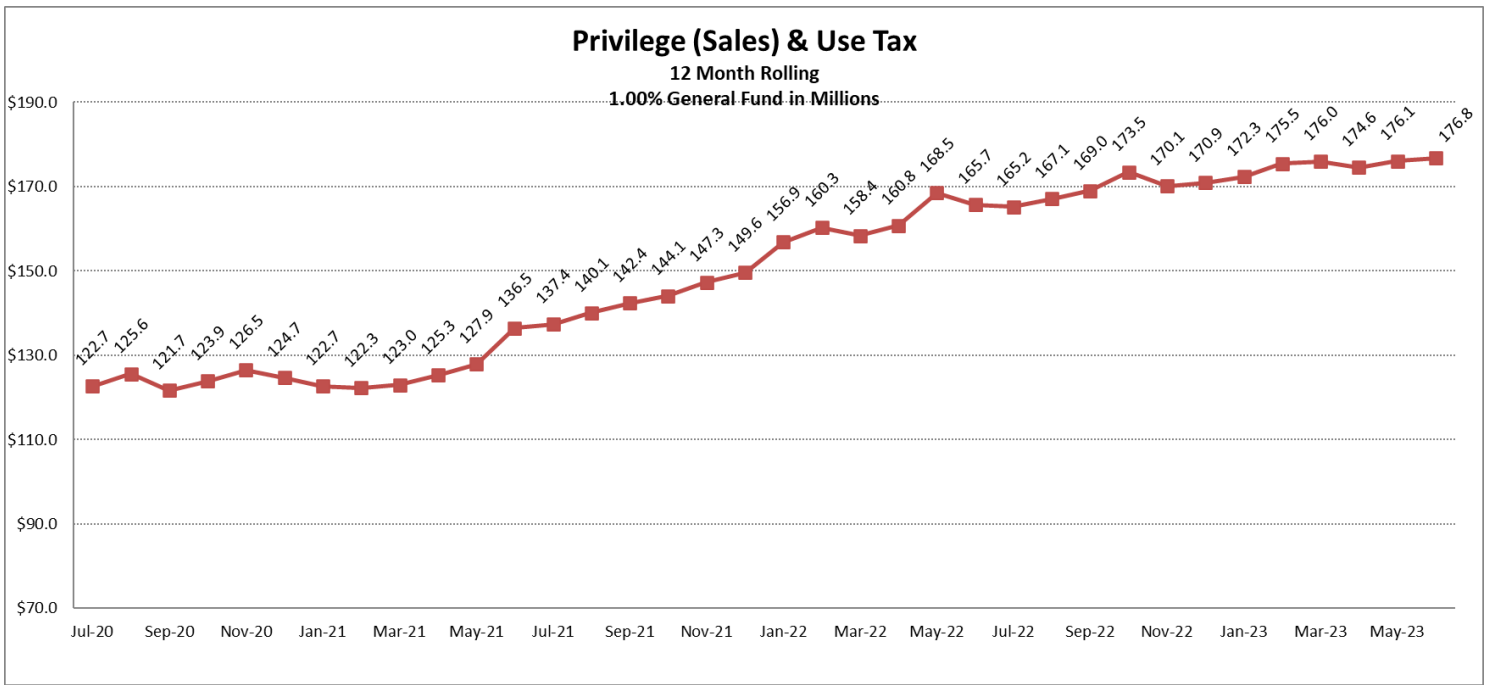
	Fiscal Year: Twelve Months				
	2020/21 <u>Actual</u>	2021/22 <u>Actual</u>	2022/23 Adopted <u>Budget</u>	2022/23 Revised <u>Budget</u>	2022/23 Approved <u>Adjustments</u>
1.00% General Purpose					
Automotive	\$17.6	\$19.2	\$19.2	\$19.2	\$0.0
Construction	10.6	12.3	12.0	12.0	0.0
Dining/ Entertainment	10.3	11.7	10.3	10.3	0.0
Food Stores	8.5	8.9	9.2	9.2	0.0
Hotel/Motel	5.9	5.3	6.1	6.1	0.0
Major Dept. Stores	9.5	10.2	9.6	9.6	0.0
Misc. Retail Stores	24.5	30.1	27.6	27.6	0.0
Other Activity	13.4	16.5	14.6	14.6	0.0
Rentals	17.9	17.4	17.9	17.9	0.0
Utilities	4.7	4.8	4.8	4.8	0.0
Subtotal	<u>\$122.9</u>	<u>\$136.5</u>	<u>\$131.3</u>	<u>\$131.3</u>	<u>\$0.0</u>
0.10% Public Safety	\$12.1	13.4	\$12.9	\$12.9	\$0.0
0.20% Transportation 1990	23.1	25.5	24.6	24.6	0.0
0.10% Transportation 2019	11.9	13.5	12.9	12.9	0.0
0.20% McDowell Preserve 1995	24.2	26.8	25.8	25.8	0.0
0.15% McDowell Preserve 2004	18.1	20.1	19.4	19.4	0.0
Total	<u>\$212.4</u>	<u>\$235.7</u>	<u>\$226.9</u>	<u>\$226.9</u>	<u>\$0.0</u>
% Change vs. Prior Year	4%	11%	-4%	-4%	

Rounding differences may occur

Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: June 2023						
	2020/21 Actual	2021/22 Actual	2022/23 Actual	2022/23 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
1.00% General Purpose						
Automotive	\$19.2	\$20.2	\$20.8	\$21.2	(\$0.4)	-2%
Construction	12.3	12.9	15.9	12.9	3.0	23%
Dining/ Entertainment	11.7	16.0	17.1	13.7	3.5	25%
Food Stores	8.9	9.4	9.4	9.1	0.3	3%
Hotel/Motel	5.3	10.1	11.3	8.0	3.3	41%
Major Dept. Stores	10.2	11.7	12.2	11.7	0.5	4%
Misc. Retail Stores	30.1	37.7	39.7	35.3	4.4	12%
Other Activity	16.5	20.7	22.6	19.1	3.5	18%
Rentals	17.4	22.2	22.6	18.8	3.9	21%
Utilities	4.8	4.9	5.3	5.1	0.1	2%
Subtotal	\$136.5	\$165.7	\$176.8	\$154.9	\$21.9	14%
0.10% Public Safety	\$13.4	\$16.3	\$17.4	\$15.2	\$2.2	14%
0.20% Transportation 1990	25.5	31.3	33.7	28.8	4.8	17%
0.10% Transportation 2019	13.5	16.2	17.3	15.2	2.0	13%
0.20% McDowell Preserve 1995	26.8	32.6	34.8	30.5	4.3	14%
0.15% McDowell Preserve 2004	20.1	24.4	26.1	22.9	3.2	14%
Total	\$235.7	\$286.5	\$306.0	\$267.6	\$38.5	14%
% Change vs. Prior Year	11%	22%	7%	-7%		
Top 20 Taxpayers	\$52.0	\$57.0	\$58.2			
% of Total	22%	20%	19%			
% Change vs. Prior Year	12%	10%	2%			

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 (\$0.4) million or (2%): The variance is due in part to decreased sales from motor vehicle dealers.

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 \$3.0 million or 23%: This is due in part to increases from specialty contractors, some new projects, and some 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 \$3.5 million or 25%: 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 \$0.3 million or 3%: This is due in part to inflation and better than anticipated sales.

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 \$3.3 million or 41%: This is due in part to a one-time audit payment and increases in revenue.

Major Department Stores Sales Taxes

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

Actual to Revised Budget variance of \$0.5 million or 4%: This is due in part to inflation and better than anticipated 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 \$4.4 million or 12%: This is due in part to some new retailers, a retailer reporting an infrequent large taxable transaction, a couple of one-time audit payments, 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 \$3.5 million or 18%: The variance is due in part to a one-time audit payment and some increases from manufacturers/wholesalers and software developers.

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 \$3.9 million or 21%: This is due in part to a few one-time taxable speculative sales of apartment complexes and an increase in rental rates.

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 2%: This is due in part to utilities doing better than anticipated.

**City of Scottsdale
WestWorld**

Twelve Months: Fiscal Year

	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Adopted Budget	2022/23 Approved Budget	2022/23 Forecast Budget
Operating Revenue							
Rental Facilities	\$2,329,364	\$2,261,538	\$3,601,497	\$3,675,360	\$3,454,610	\$3,454,610	\$3,454,610
RV Rental	375,447	365,834	496,017	544,481	430,072	430,072	430,072
Feed/Bedding Sales	557,581	524,759	919,338	898,455	700,000	700,000	850,000
Labor Fees	394,745	377,019	473,148	543,222	402,800	402,800	402,800
Concession Fees	717,558	362,494	2,942	2,780	2,000	2,000	2,000
Parking	90,583	78,846	177,065	987,581	200,000	200,000	1,000,000
Other Income	134,511	169,289	132,338	302,018	124,500	124,500	124,500
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	100,000	121,734	100,000	100,000	100,000
Operating Revenue	\$5,059,788	\$4,599,778	\$6,262,345	\$7,435,631	\$5,773,982	\$5,773,982	\$6,723,982
Operating Expenses							
Personnel Services							
Wages/Salaries/Benefits	\$2,005,230	\$2,024,104	\$1,903,738	\$2,262,683	\$3,011,692	\$2,925,771	\$2,561,441
Overtime	33,067	52,024	43,649	55,758	51,738	55,460	55,460
Contractual Services							
Contractual Workers	133,369	115,819	157,624	290,978	318,696	318,696	318,696
Telephone	36,989	41,817	13,169	12,514	14,476	14,476	14,476
Utilities	1,271,518	1,103,652	1,208,499	1,319,139	-	1,524,990	1,476,028
Maintenance & Equipment Rental & Fleet	719,019	742,575	551,765	741,930	292,775	844,875	716,471
License and Permits	142,826	250,941	220,259	133,340	365	365	365
Property, Liability & Workers' Comp	73,984	77,449	110,087	145,776	220,880	220,880	220,880
Advertising/Marketing Contract	365,148	340,907	194,981	234,459	260,000	260,000	260,000
Other	261,188	285,712	211,735	389,423	335,590	595,590	535,590
Commodities and Capital Outlays							
Agriculture & Horticulture & Other Supply	163,735	78,949	122,494	81,132	115,500	115,500	190,500
Maintenance & Repairs Supply, Equipment	144,340	117,840	138,694	104,716	127,065	127,065	127,065
Inventory Purchased for Resale	326,497	321,449	488,953	633,988	425,000	425,000	575,000
Construction - Other	20,483	26,314	11,679	35,648	514,840	477,695	514,840
Other Expenses	36,372	32,657	34,270	29,468	45,620	45,620	45,620
BOR Admin							
BOR Admin/WestWorld	171,034	179,586	188,565	197,993	207,893	207,893	207,893
Allocated Expenses							
COS Indirect Costs	378,803	398,702	371,073	384,276	422,524	422,524	422,524
Operating Transfer Out							
Operating Transfer Out	-	-	-	21,734	-	-	-
Operating Expenses	\$6,283,602	\$6,190,497	\$5,971,234	\$7,074,955	\$6,364,654	\$8,582,400	\$8,242,849
Operating Income	(\$1,223,814)	(\$1,590,720)	\$291,111	\$360,676	(\$590,672)	(\$2,808,418)	(\$1,518,867)
Debt Service (Less contributions)							
Debt Service - (52 & 17 acres)	\$2,334,637	\$2,317,059	\$2,238,918	\$2,570,986	\$2,280,700	\$2,280,700	\$2,280,700
Debt Service - TNEC (\$41.935M)	1,461,375	2,046,314	1,255,864	1,999,476	1,380,230	1,380,230	1,380,230
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)	(1,200,000)	(1,200,000)	(1,200,000)
Net Debt Service	\$3,796,012	\$4,363,373	\$3,494,782	\$4,570,462	\$3,660,930	\$3,660,930	\$3,660,930
Operating Income After Debt Service	(\$5,019,826)	(\$5,954,093)	(\$3,203,671)	(\$4,209,786)	(\$4,251,602)	(\$6,469,348)	(\$5,179,797)

City of Scottsdale
WestWorld
Statement of Operations for June 2023 / 12 Months YTD

	FY 2018/19 YTD Actual	FY 2019/20 YTD Actual	FY 2020/21 YTD Actual	FY 2021/22 YTD Actual	FY 2022/23 YTD Actual	FY 2022/23 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount Percent	
Operating Revenue								
Rental Facilities	\$2,329,364	\$2,261,538	\$3,601,497	\$3,675,360	\$3,781,955	\$3,454,610	\$327,345	9%
RV Rental	375,447	365,834	496,017	544,481	672,101	430,072	242,029	56%
Feed/Bedding Sales	557,581	524,759	919,338	898,455	931,865	700,000	231,865	33%
Labor Fees	394,745	377,019	473,148	543,222	560,580	402,800	157,780	39%
Concession Fees	717,558	362,494	2,942	2,780	1,349	2,000	(651)	(33%)
Parking	90,583	78,846	177,065	987,581	1,133,051	200,000	933,051	466%
Other Income	134,511	169,289	132,338	302,018	198,564	124,500	74,064	59%
Equidome Project Use Fee	360,000	360,000	360,000	360,000	360,000	360,000	-	-
Operating Transfer In	100,000	100,000	100,000	121,734	100,000	100,000	-	-
Operating Revenue	\$5,059,788	\$4,599,778	\$6,262,345	\$7,435,631	\$7,739,465	\$5,773,982	\$1,965,483	34%
Operating Expenses								
Personnel Services								
Wages/Salaries/Benefits	\$2,005,230	\$2,024,104	\$1,903,738	\$2,262,683	\$2,293,413	\$2,925,771	\$632,358	22%
Overtime	33,067	52,024	43,649	55,758	126,018	55,460	(70,558)	(127%)
Contractual Services								
Contractual Workers	133,369	115,819	157,624	290,978	349,006	318,696	(30,310)	(10%)
Telephone	36,989	41,817	13,169	12,514	16,246	14,476	(1,770)	(12%)
Utilities	1,271,518	1,103,652	1,208,499	1,319,139	1,525,760	1,524,990	(770)	(0%)
Maintenance & Equipment Rental & Fleet	719,019	742,575	551,765	741,930	967,613	844,875	(122,738)	(15%)
License and Permits	142,826	250,941	220,259	133,340	6,000	365	(5,635)	(154%)
Property, Liability & Workers' Comp	73,984	77,449	110,087	145,776	221,880	220,880	(1,000)	(0%)
Advertising/Marketing Contract	365,148	340,907	194,981	234,459	235,496	260,000	24,504	9%
Other	261,188	285,712	211,735	389,423	667,652	595,590	(72,062)	(12%)
Commodities and Capital Outlays								
Agriculture & Horticulture & Other Supply	163,735	78,949	122,494	81,132	213,693	115,500	(98,193)	(85%)
Maintenance & Repairs Supply, Equipment	144,340	117,840	138,694	104,716	228,122	127,065	(101,057)	(80%)
Inventory Purchased for Resale	326,497	321,449	488,953	633,988	622,282	425,000	(197,282)	(46%)
Construction - Other	20,483	26,314	11,679	35,648	625,049	477,695	(147,354)	(31%)
Other Expenses	36,372	32,657	34,270	29,468	16,213	45,620	29,407	64%
BOR Admin								
BOR Admin/WestWorld	171,034	179,586	188,565	197,993	207,893	207,893	0	0%
Allocated Expenses								
COS Indirect Costs	378,803	398,702	371,073	384,276	422,524	422,524	-	-
Operating Transfer Out								
Operating Transfer Out	-	-	-	21,734	-	-	-	-
Operating Expenses	\$6,283,602	\$6,190,497	\$5,971,234	\$7,074,955	\$8,744,860	\$8,582,400	(\$162,460)	(2%)
Operating Income	(\$1,223,814)	(\$1,590,720)	\$291,111	\$360,676	(\$1,005,395)	(\$2,808,418)	\$1,803,023	64%
Debt Service (Less contributions)								
Debt Service - (52 & 17 acres)	\$2,334,637	\$2,317,059	\$2,238,918	\$2,570,986	\$2,211,196	\$2,280,700	\$69,504	3%
Debt Service - TNEC (\$41.935M)	1,461,375	2,046,314	1,255,864	1,999,476	1,380,230	1,380,230	-	-
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)	-	-
Net Debt Service	\$3,796,012	\$4,363,373	\$3,494,782	\$4,570,462	\$3,591,426	\$3,660,930	\$69,504	2%
Operating Income After Debt Service	(\$5,019,826)	(\$5,954,093)	(\$3,203,671)	(\$4,209,786)	(\$4,596,821)	(\$6,469,348)	\$1,872,527	29%



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 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 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, 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 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.