

Monthly Financial Report

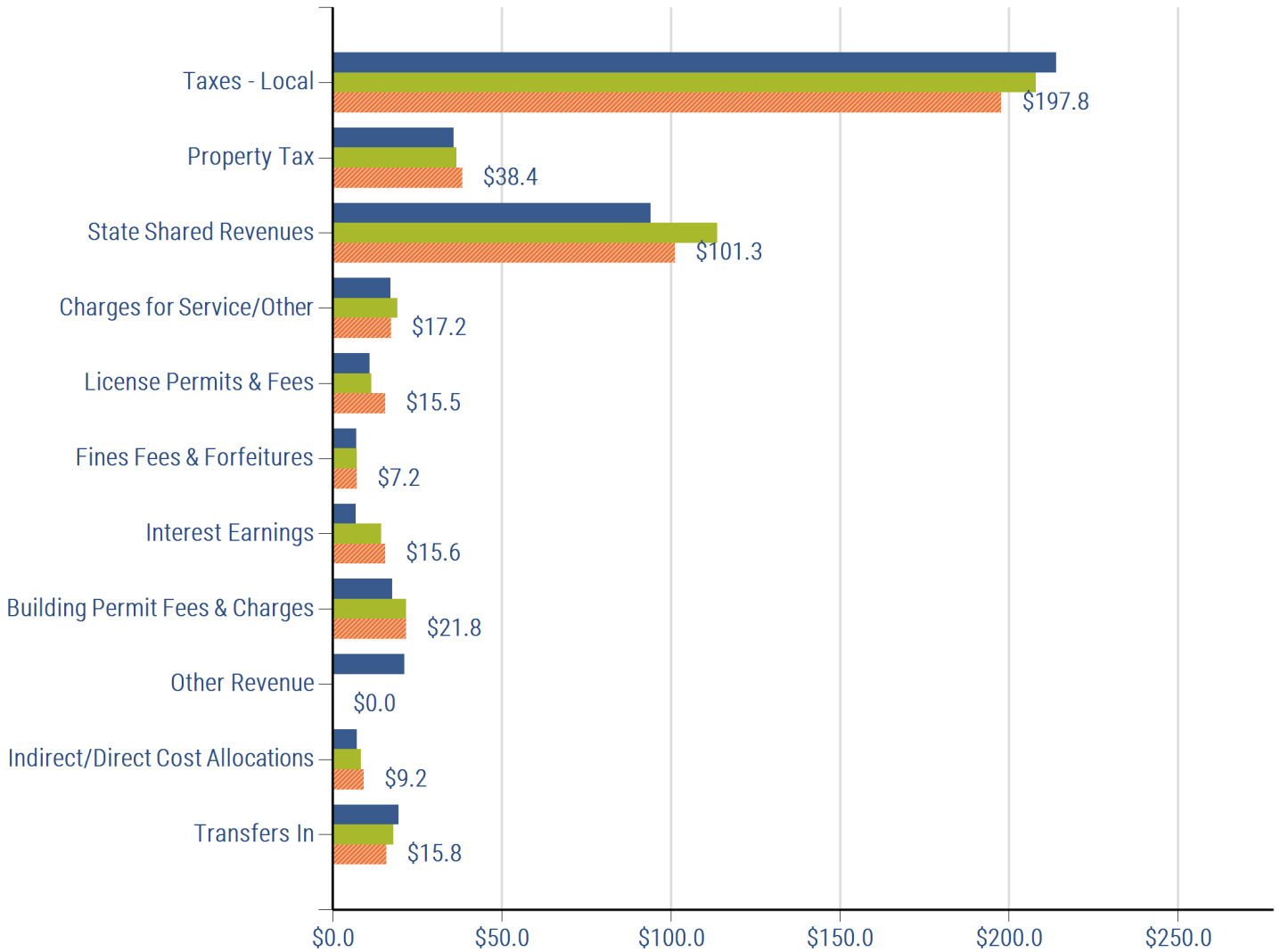
**Fiscal Year to Date as of
September 30, 2024**

Report to the City Council
Prepared by the City Treasurer
November 25, 2024

Sources

General Fund

Twelve Months: Fiscal Year

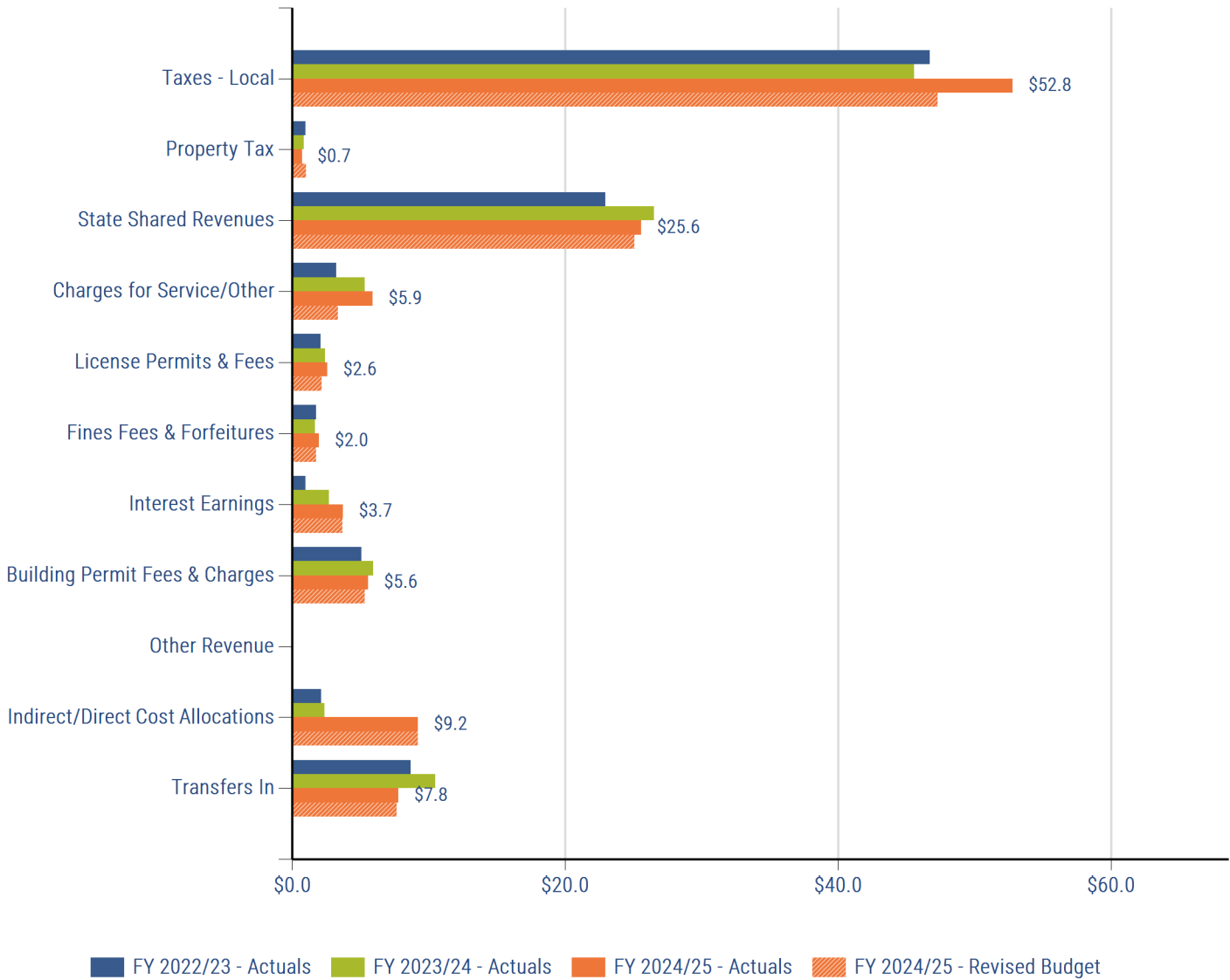


■ FY 2022/23 - Actuals
 ■ FY 2023/24 - Actuals
 ■ FY 2024/25 - Revised Budget

	FY 2022/23 <u>Actuals</u>	FY 2023/24 <u>Actuals</u>	FY 2024/25 <u>Revised Budget</u>
Taxes - Local	\$214.1	\$208.0	\$197.8
Property Tax	35.8	36.5	38.4
State Shared Revenues	94.0	113.7	101.3
Charges for Service/Other	17.0	19.2	17.2
License Permits & Fees	10.8	11.3	15.5
Fines Fees & Forfeitures	7.0	7.1	7.2
Interest Earnings	6.9	14.4	15.6
Building Permit Fees & Charges	17.6	21.7	21.8
Other Revenue	21.2	0.1	-
Indirect/Direct Cost Allocations	7.2	8.3	9.2
Transfers In	19.4	18.0	15.8
Total Sources	\$450.9	\$458.3	\$439.7

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

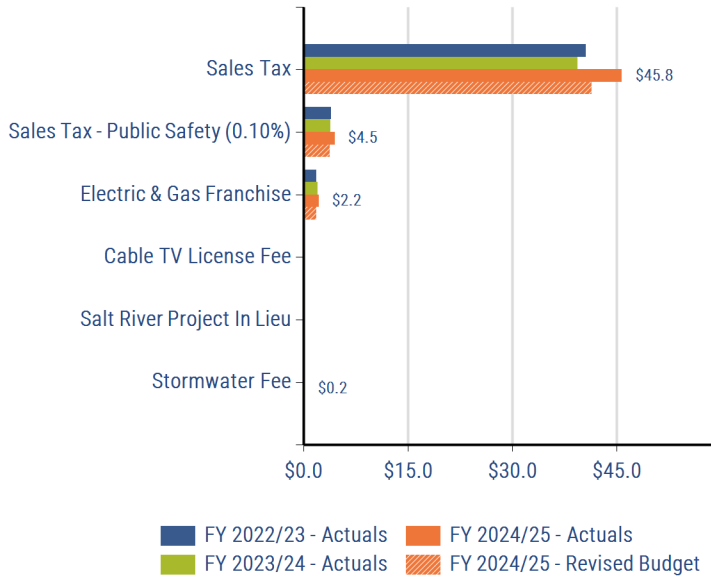
Sources (Fiscal Year to Date: September 2024)



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$46.7	\$45.6	\$52.8	\$47.3	\$5.5	12%
Property Tax	1.0	0.9	0.7	1.0	(0.3)	(30%)
State Shared Revenues	23.0	26.5	25.6	25.1	0.5	2%
Charges for Service/Other	3.2	5.3	5.9	3.3	2.6	77%
License Permits & Fees	2.1	2.4	2.6	2.2	0.4	20%
Fines Fees & Forfeitures	1.7	1.7	2.0	1.7	0.2	13%
Interest Earnings	1.0	2.7	3.7	3.7	0.1	2%
Building Permit Fees & Charges	5.1	5.9	5.6	5.3	0.3	5%
Other Revenue	-	-	-	-	-	-
Indirect/Direct Cost Allocations	2.1	2.4	9.2	9.2	-	-
Transfers In	8.7	10.5	7.8	7.7	0.1	2%
Total Sources	\$94.6	\$103.8	\$115.9	\$106.5	\$9.3	9%

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

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

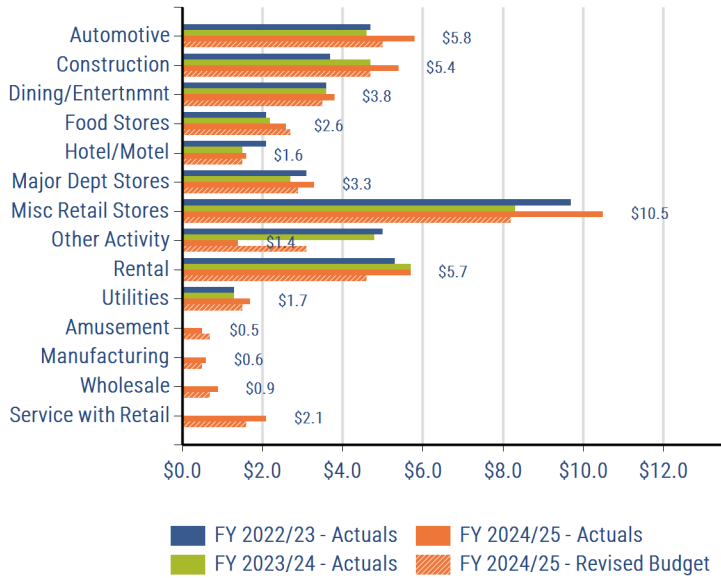


Actual to Revised Budget variance of \$5.5 million or 12%. The favorable variance is primarily due to Sales Tax. See detailed Sales Tax information on Page 5.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax	\$40.6	\$39.4	\$45.8	\$41.4	\$4.5	11%
Sales Tax - Public Safety (0.10%)	4.0	3.9	4.5	3.8	0.8	20%
Electric & Gas Franchise	1.9	2.0	2.2	1.9	0.2	13%
Cable TV License Fee	-	-	-	-	-	-
Salt River Project In Lieu	-	-	-	-	-	-
Stormwater Fee	0.2	0.2	0.2	0.2	-	-
Taxes - Local Total	\$46.7	\$45.6	\$52.8	\$47.3	\$5.5	12%

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

Sales Tax (Fiscal Year to Date: September 2024)



Actual to Revised Budget variance of \$4.5 million or 11%:
 The favorable variance is primarily due to : 1) Automotive - a large one-time audit payment, a new car dealership, and timing difference in reporting; 2) Construction - increase in residential/commercial construction, one-time audit payments, and timing difference in reporting; 3) Misc. Retail Stores - a large one-time audit payment and timing difference in reporting; and 4) Rental - timing differences in reporting. The negative variance in Other Activity is due to a correction made in September of taxes filed under this category instead of Service with Retail, Wholesale and Manufacturing.

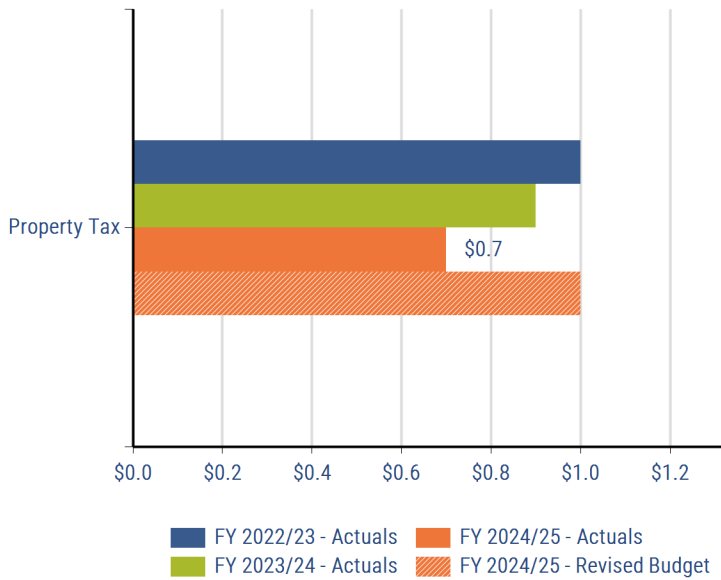
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Automotive	\$4.7	\$4.6	\$5.8	\$5.0	\$0.8	15%
Construction	3.7	4.7	5.4	4.7	0.7	15%
Dining/Entertainment	3.6	3.6	3.8	3.5	0.3	8%
Food Stores	2.1	2.2	2.6	2.7	(0.1)	(5%)
Hotel/Motel	2.1	1.5	1.6	1.5	0.1	4%
Major Dept Stores	3.1	2.7	3.3	2.9	0.4	12%
Misc Retail Stores	9.7	8.3	10.5	8.2	2.2	27%
Other Activity	5.0	4.8	1.4	3.1	(1.6)	(53%)
Rental	5.3	5.7	5.7	4.6	1.1	24%
Utilities	1.3	1.3	1.7	1.5	0.2	11%
*Amusement	-	-	0.5	0.7	(0.2)	(27%)
*Manufacturing	-	-	0.6	0.5	0.1	16%
*Wholesale	-	-	0.9	0.7	0.2	25%
*Service with Retail	-	-	2.1	1.6	0.5	28%
Sales Tax Total	\$40.6	\$39.4	\$45.8	\$41.4	\$4.5	11%

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

*New sales tax categories separated from Other Activity.

Property Tax (Fiscal Year to Date: September 2024)

Actual to Revised Budget variance of (\$0.3) million or (30%): The unfavorable variance in property tax is due to the impact of the Qasimyar property tax judgement.

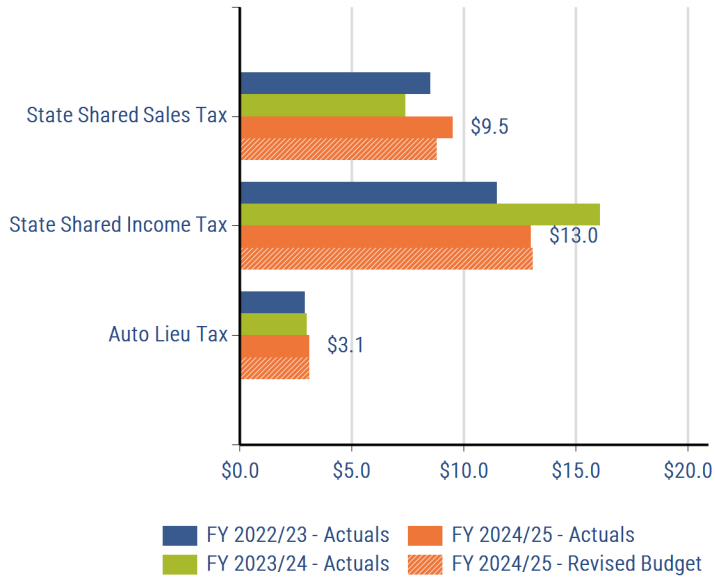


	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Revised</u> <u>Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
Property Tax	\$1.0	\$0.9	\$0.7	\$1.0	(\$0.3)	(30%)
Property Tax Total	\$1.0	\$0.9	\$0.7	\$1.0	(\$0.3)	(30%)

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

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

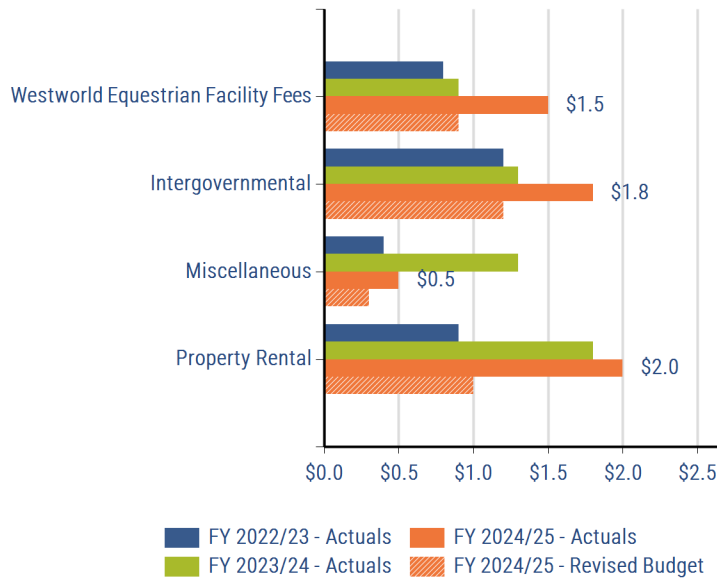
Actual to Revised Budget variance of \$0.5 million or 2%:
The favorable variance in State Shared Sales Tax is due to budget timing.



	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Revised</u> <u>Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
State Shared Sales Tax	\$8.5	\$7.4	\$9.5	\$8.8	\$0.7	7%
State Shared Income Tax	11.5	16.1	13.0	13.1	(0.1)	(1%)
Auto Lieu Tax	2.9	3.0	3.1	3.1	-	-
State Shared Revenues Total	\$23.0	\$26.5	\$25.6	\$25.1	\$0.5	2%

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

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

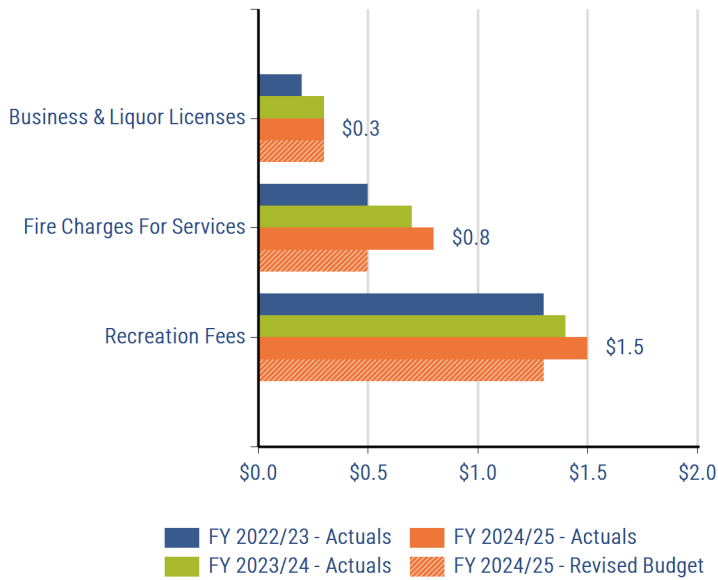


Actual to Revised Budget variance of \$2.6 million or 77%:
 The favorable variance is due to 1) WestWorld Equestrian Facility Fees - timing difference in receiving payments for facility rentals and labor fees; 2) Intergovernmental - timing difference in receiving payment for insurance premium tax in Public Safety - Fire division and for School Resource Officer program in Public Safety - Police division; and 3) Property Rental - timing difference in receiving payment for city owned facilities.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
WestWorld Equestrian Facility Fees	\$0.8	\$0.9	\$1.5	\$0.9	\$0.6	67%
Intergovernmental	1.2	1.3	1.8	1.2	0.6	56%
Miscellaneous	0.4	1.3	0.5	0.3	0.3	>100%
Property Rental	0.9	1.8	2.0	1.0	1.0	>100%
Charges for Service/Other Total	\$3.2	\$5.3	\$5.9	\$3.3	\$2.6	77%

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

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

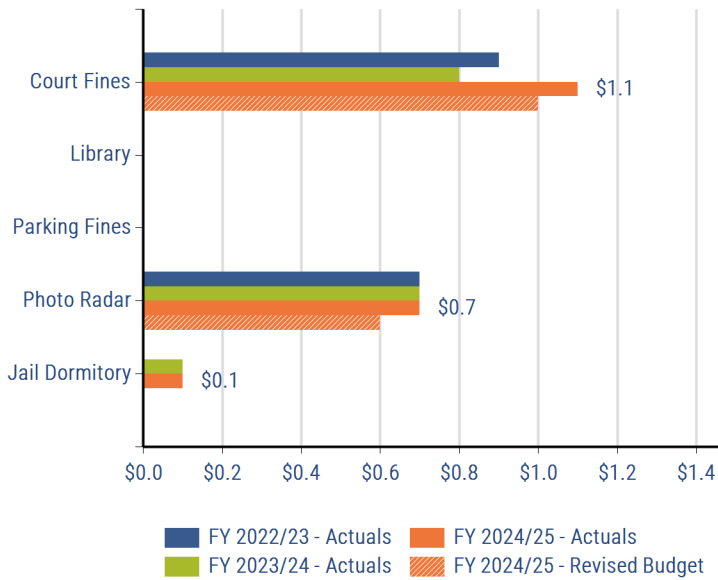


Actual to Revised Budget variance of \$0.4 million or 20%:
 The favorable variance is due to 1) Fire Charges For Services - timing in receiving payments from Maricopa County ambulance service contract; and 2) Recreation Fees - higher than expected enrollments in summer sessions.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Business & Liquor Licenses	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Fire Charges For Services	0.5	0.7	0.8	0.5	0.2	48%
Recreation Fees	1.3	1.4	1.5	1.3	0.2	15%
License Permits & Fees Total	\$2.1	\$2.4	\$2.6	\$2.2	\$0.4	20%

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

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



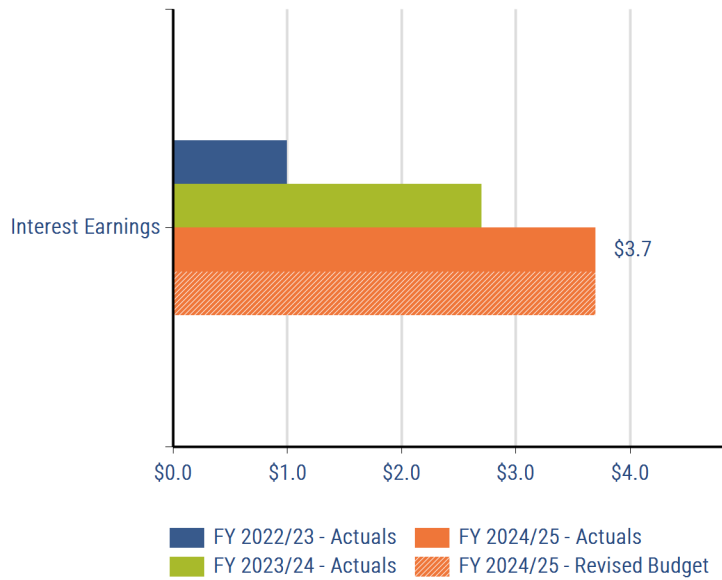
Actual to Revised Budget variance of \$0.2 million or 13%: The favorable variance is due to 1) Count fines - higher number of court filings; and 2) Photo Radar - increased filings for photo enforcement.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Court Fines	\$0.9	\$0.8	\$1.1	\$1.0	\$0.1	8%
Library	-	-	-	-	-	-
Parking Fines	-	-	-	-	-	-
Photo Radar	0.7	0.7	0.7	0.6	0.1	16%
Jail Dormitory	-	0.1	0.1	-	-	-
Fines Fees & Forfeitures Total	\$1.7	\$1.7	\$2.0	\$1.7	\$0.2	13%

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

Interest Earnings (Fiscal Year to Date: September 2024)

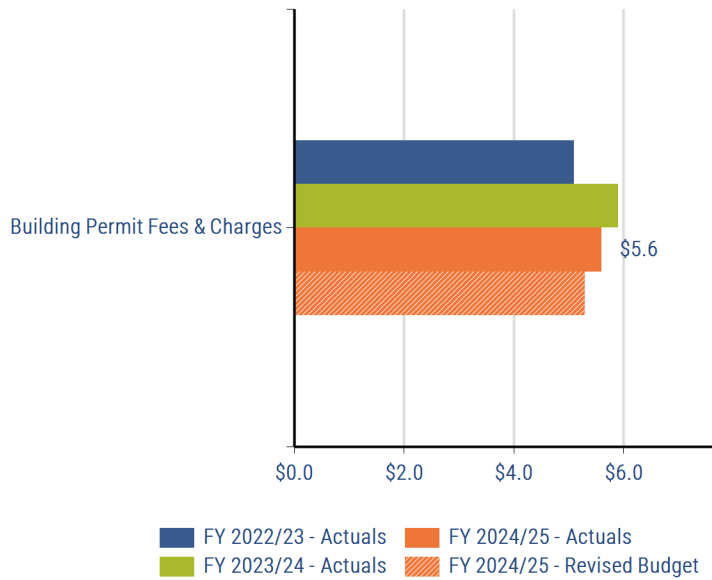
Actual to Revised Budget variance of \$0.1 million or 2%:
The favorable variance in Interest Earnings is due to the invested amount being slightly higher than budgeted.



	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Revised Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
Interest Earnings	\$1.0	\$2.7	\$3.7	\$3.7	\$0.1	2%
Interest Earnings Total	\$1.0	\$2.7	\$3.7	\$3.7	\$0.1	2%

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

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



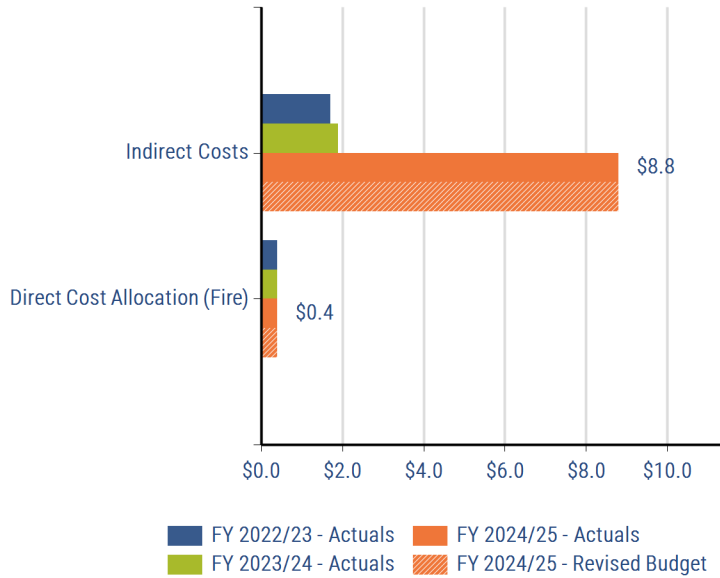
Actual to Revised Budget variance of \$0.3 million or 5%:
 The favorable variance in Building Permit Fees & Charges is due to higher than expected revenues from encroachment permits and plan review fees. The favorable variance would be greater but is being offset by the budget spread for special event fees in Public Safety - Police division.

	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Revised Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
Building Permit Fees & Charges	\$5.1	\$5.9	\$5.6	\$5.3	\$0.3	5%
Building Permit Fees & Charges Total	\$5.1	\$5.9	\$5.6	\$5.3	\$0.3	5%

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

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

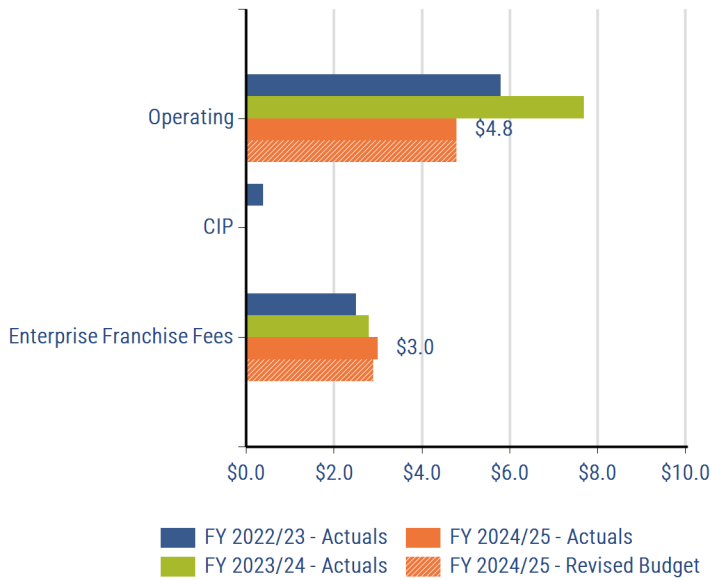
Actual to Revised Budget variance of \$0.0 million or 0%:
Indirect/Direct Cost Allocations are aligned with budget.



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Indirect Costs	\$1.7	\$1.9	\$8.8	\$8.8	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
Indirect/Direct Cost Allocations Total	\$2.1	\$2.4	\$9.2	\$9.2	\$ -	-

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

Transfers In (Fiscal Year to Date: September 2024)

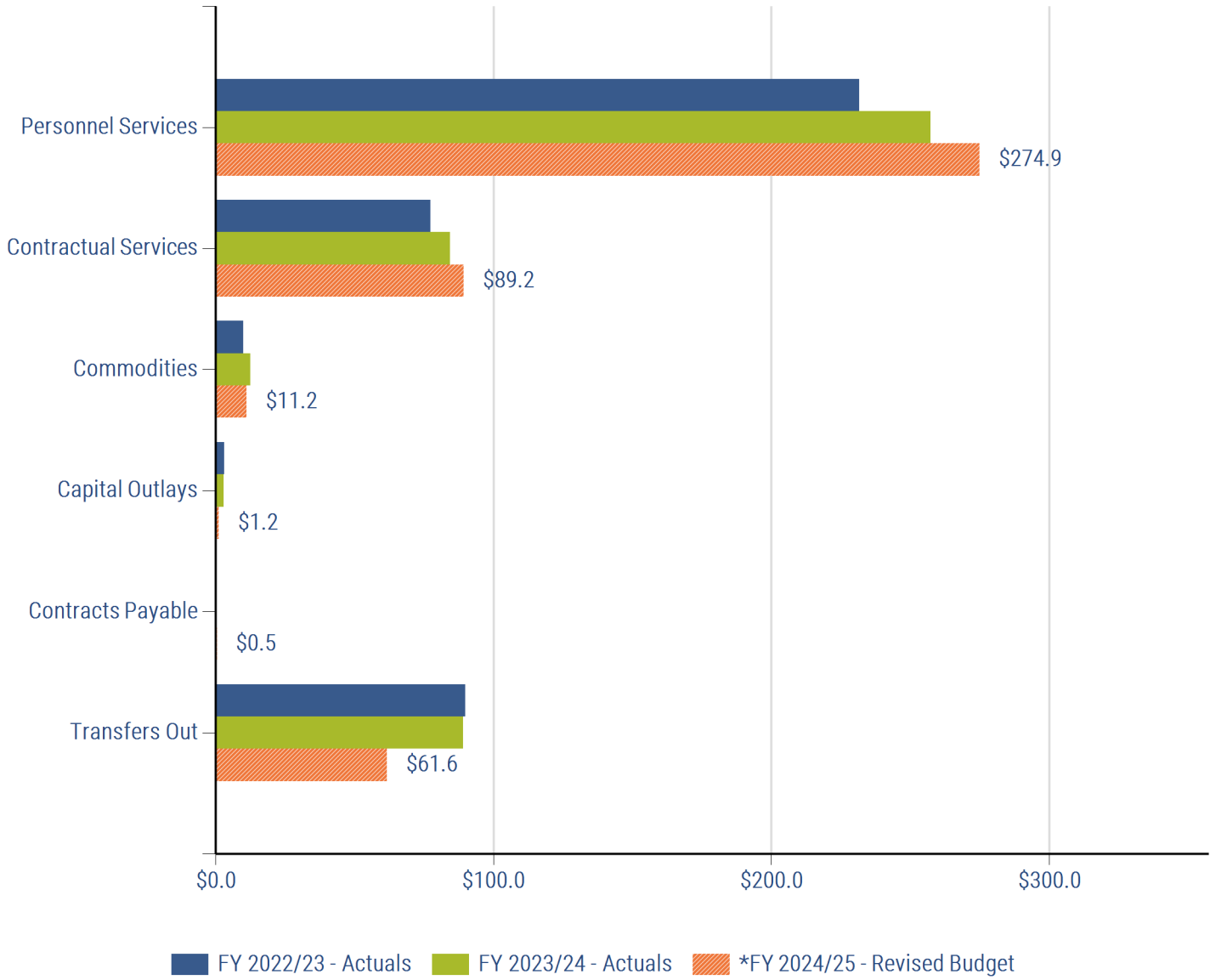


Actual to Revised Budget variance of \$0.1 million or 2%: Transfers In is the authorized movement of cash or other resources from other funds to support General Fund. The favorable variance is due to higher than expected Enterprise Franchise Fees from higher water usage.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating	\$5.8	\$7.7	\$4.8	\$4.8	\$ -	-
CIP	0.4	-	-	-	-	-
Enterprise Franchise Fees	2.5	2.8	3.0	2.9	0.1	4%
Transfers In Total	\$8.7	\$10.5	\$7.8	\$7.7	\$0.1	2%

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

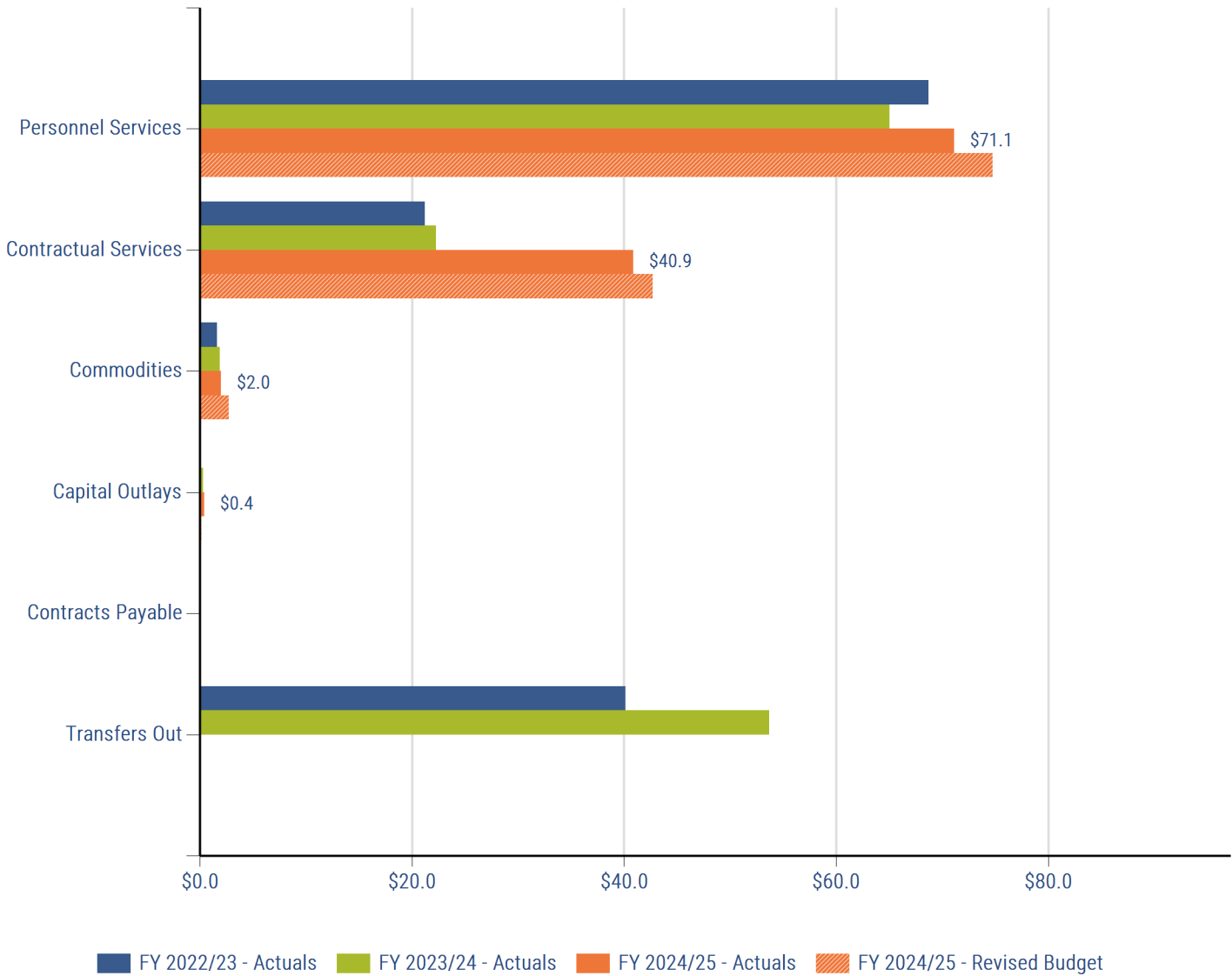
Twelve Months: Fiscal Year



	FY 2022/23 <u>Actuals</u>	FY 2023/24 <u>Actuals</u>	FY 2024/25 <u>Revised Budget</u>
Personnel Services	\$231.7	\$257.3	\$274.9
Contractual Services	77.3	84.4	89.2
Commodities	9.9	12.5	11.2
Capital Outlays	3.2	2.9	1.2
Contracts Payable	0.4	0.4	0.5
Transfers Out	89.9	89.1	61.6
Total Uses	\$412.3	\$446.7	\$438.5

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

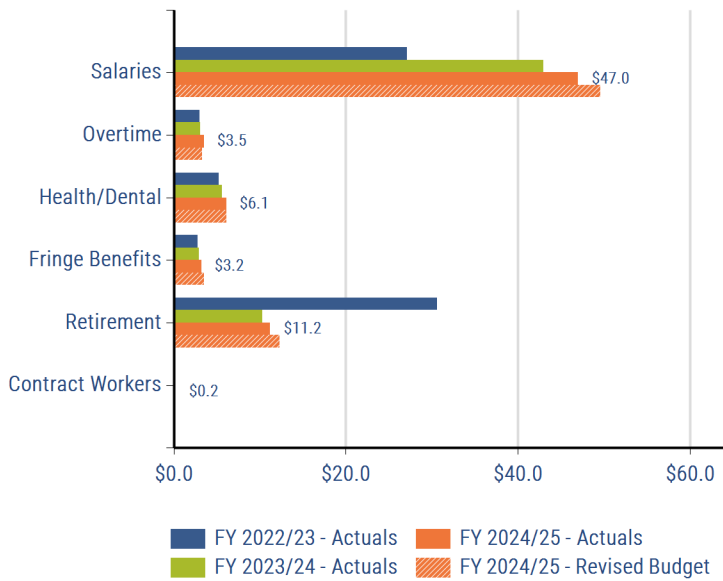
Uses (Fiscal Year to Date: September 2024)



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Personnel Services	\$68.7	\$65.0	\$71.1	\$74.8	\$3.6	5%
Contractual Services	21.3	22.3	40.9	42.7	1.8	4%
Commodities	1.6	1.9	2.0	2.7	0.7	27%
Capital Outlays	0.1	0.3	0.4	0.1	(0.3)	>(100%)
Contracts Payable	-	-	-	-	-	-
Transfers Out	40.1	53.7	-	-	-	-
Total Uses	\$131.8	\$143.2	\$114.4	\$120.4	\$5.9	5%

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

Personnel Services (Fiscal Year to Date: September 2024)

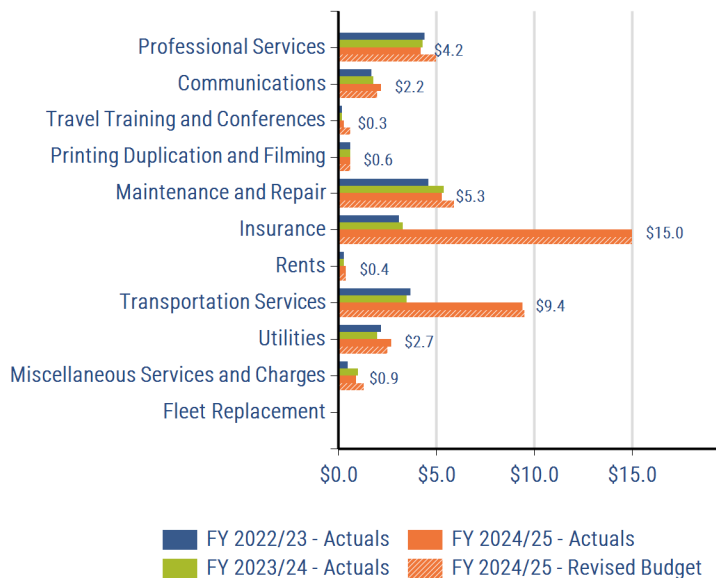


Actual to Revised Budget variance of \$3.6 million or 5%:
 The favorable variance is due to: 1) Salaries - vacancy savings and new staff hired at a lower rate than the employee who retired or left; and 2) Retirement - new Public Safety staff being hired at a different tier than the employees who retired or left, which resulted in lower retirement contributions. The unfavorable variance in Overtime is due to higher than expected staffing needs and significant events in Public Safety - Police division.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Salaries	\$27.1	\$43.0	\$47.0	\$49.6	\$2.6	5%
Overtime	3.0	3.1	3.5	3.3	(0.3)	(8%)
Health/Dental	5.2	5.6	6.1	6.1	-	-
Fringe Benefits	2.8	2.9	3.2	3.5	0.2	7%
Retirement	30.6	10.3	11.2	12.3	1.2	10%
Contract Workers	0.1	0.2	0.2	0.1	(0.1)	>(100%)
Personnel Services Total	\$68.7	\$65.0	\$71.1	\$74.8	\$3.6	5%

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

Contractual Services (Fiscal Year to Date: September 2024)

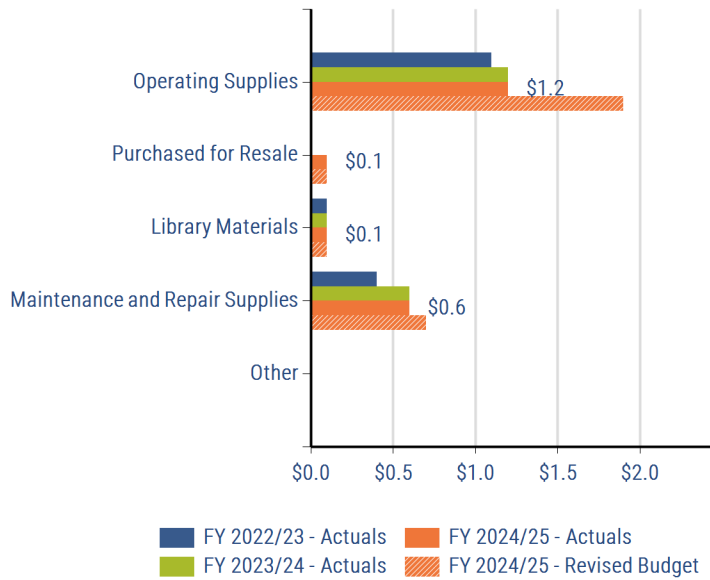


Actual to Revised Budget variance of \$1.8 million or 4%:
 The favorable variance is due to 1) Professional Services - timing of expenses for city-wide software contracts and consultant services; 2) Maintenance and Repair - timing of invoices for software license renewals, the favorable variance would be greater but is being offset by higher than expected volume of repairs and mowing services required in city-owned facilities; and 3) Miscellaneous Services and Charges - timing of invoices for dispatch services contract in Public Safety -Fire division. The significant year over year increase in Insurance and Transportation Services is due to the change in methodology of internal services charges now recorded at the beginning of the fiscal year instead of as monthly payments.

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Professional Services	\$4.4	\$4.3	\$4.2	\$5.0	\$0.8	15%
Communications	1.7	1.8	2.2	2.0	(0.2)	(11%)
Travel Training and Conferences	0.2	0.2	0.3	0.6	0.3	53%
Printing Duplication and Filming	0.6	0.6	0.6	0.6	-	-
Maintenance and Repair	4.6	5.4	5.3	5.9	0.6	11%
Insurance	3.1	3.3	15.0	15.0	-	-
Rents	0.3	0.3	0.4	0.4	-	-
Transportation Services	3.7	3.5	9.4	9.5	0.1	1%
Utilities	2.2	2.0	2.7	2.5	(0.2)	(6%)
Miscellaneous Services and Charges	0.5	1.0	0.9	1.3	0.4	29%
Fleet Replacement	-	-	-	-	-	-
Contractual Services Total	\$21.3	\$22.3	\$40.9	\$42.7	\$1.8	4%

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

Commodities (Fiscal Year to Date: September 2024)

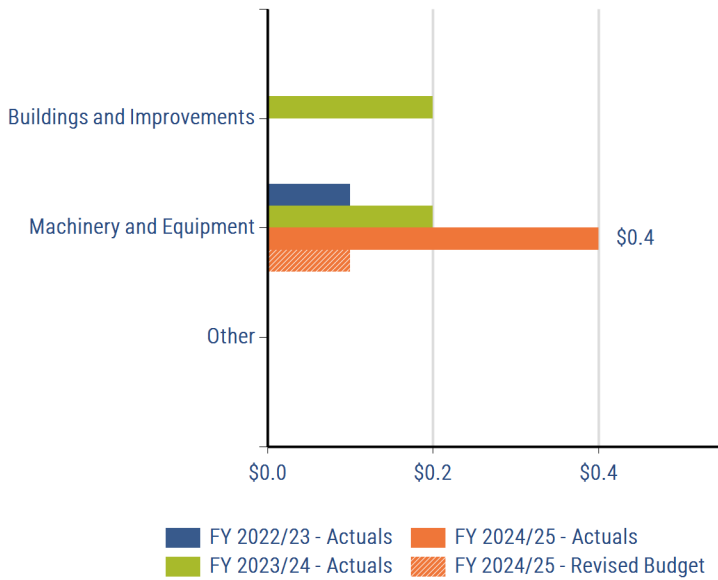


Actual to Revised Budget variance of \$0.7 million or 27%:
 The favorable variance is due to Operating Supplies - timing differences in purchasing personal protective equipment and emergency medical supplies in Public Safety - Fire Division.

	<u>FY 2022/23 Actuals</u>	<u>FY 2023/24 Actuals</u>	<u>FY 2024/25 Actuals</u>	<u>FY 2024/25 Revised Budget</u>	<u>Actual vs. Budget Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Operating Supplies	\$1.1	\$1.2	\$1.2	\$1.9	\$0.7	38%
Purchased for Resale	-	-	0.1	0.1	-	-
Library Materials	0.1	0.1	0.1	0.1	-	-
Maintenance and Repair Supplies	0.4	0.6	0.6	0.7	-	-
Other	-	-	-	-	-	-
Commodities Total	\$1.6	\$1.9	\$2.0	\$2.7	\$0.7	27%

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

Capital Outlays (Fiscal Year to Date: September 2024)



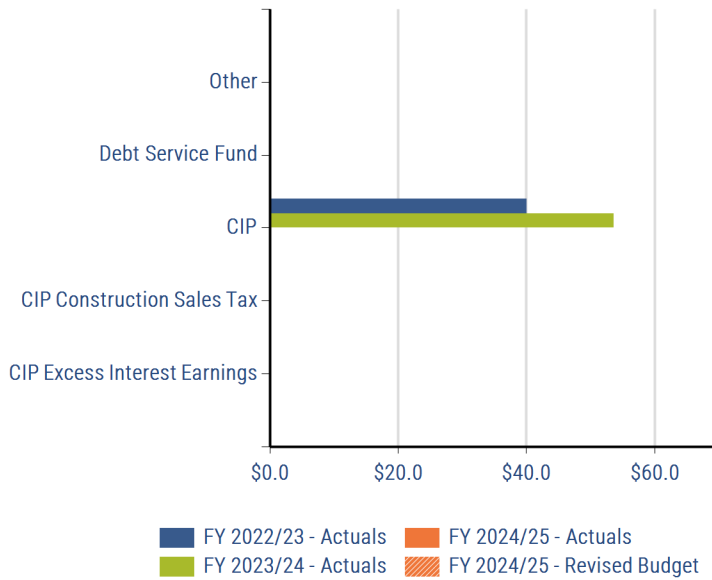
Actual to Revised Budget variance of (\$0.3) million or > (100%): The unfavorable variance is due to Machinery and Equipment - timing of receiving vehicles for Code Enforcement officers that approved by Council in FY 2023/24.

	<u>FY 2022/23</u> <u>Actuals</u>	<u>FY 2023/24</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Actuals</u>	<u>FY 2024/25</u> <u>Revised Budget</u>	<u>Actual vs. Budget</u> <u>Favorable / (Unfavorable)</u> <u>Amount</u>	<u>Percent</u>
Buildings and Improvements	\$ -	\$0.2	\$ -	\$ -	\$ -	-
Machinery and Equipment	0.1	0.2	0.4	0.1	(0.3)	>(100%)
Other	-	-	-	-	-	-
Capital Outlays Total	\$0.1	\$0.3	\$0.4	\$0.1	(\$0.3)	>(100%)

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

Transfers Out (Fiscal Year to Date: September 2024)

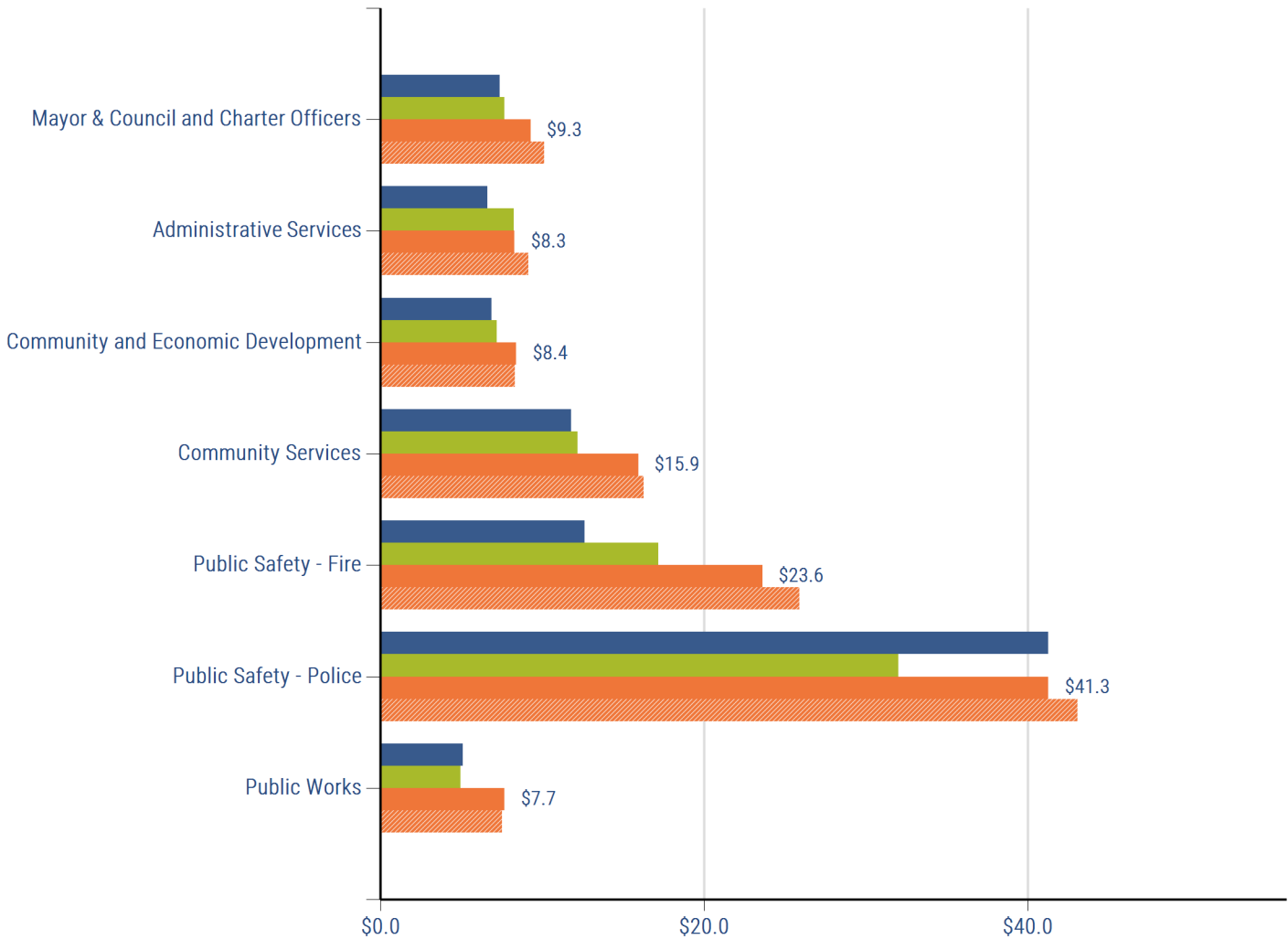
Actual to Revised Budget variance of \$0.0 million or 0%:
Transfers Out are the authorized movement of cash to other funds and/or capital projects. Transfers Out are aligned with budget.



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Other	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service Fund	-	-	-	-	-	-
CIP	40.1	53.7	-	-	-	-
CIP Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
Transfers Out Total	\$40.1	\$53.7	\$0.0	\$0.0	\$ -	-

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

Division Expenditures (Fiscal Year to Date: September 2024)



■ FY 2022/23 - Actuals
 ■ FY 2023/24 - Actuals
 ■ FY 2024/25 - Actuals
 ■ FY 2024/25 - Revised Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Mayor & Council and Charter Officers	\$7.4	\$7.7	\$9.3	\$10.1	\$0.8	8%
Administrative Services	6.6	8.3	8.3	9.2	0.9	10%
Community and Economic Development	6.9	7.2	8.4	8.3	(0.1)	(1%)
Community Services	11.8	12.2	15.9	16.3	0.4	2%
Public Safety - Fire	12.6	17.2	23.6	25.9	2.3	9%
Public Safety - Police	41.3	32.0	41.3	43.1	1.8	4%
Public Works	5.1	5.0	7.7	7.5	(0.1)	(2%)
Total	\$91.7	\$89.5	\$114.4	\$120.4	\$5.9	5%

Actual to Revised Budget variance of \$5.9 million or 5%:

Mayor & Council and Charter Officers - the favorable variance is due to 1) vacancy savings; and 2) timing of invoices for the public education outreach program.

Administrative Services - the favorable variance is due to 1) vacancy savings; 2) timing of invoices for software licenses renewal; and 3) timing differences in expense in professional services.

Community and Economic Development - the unfavorable variance is due to timing of receiving motor vehicles for code enforcement officers. The unfavorable variance would be greater but is being offset by vacancy savings.

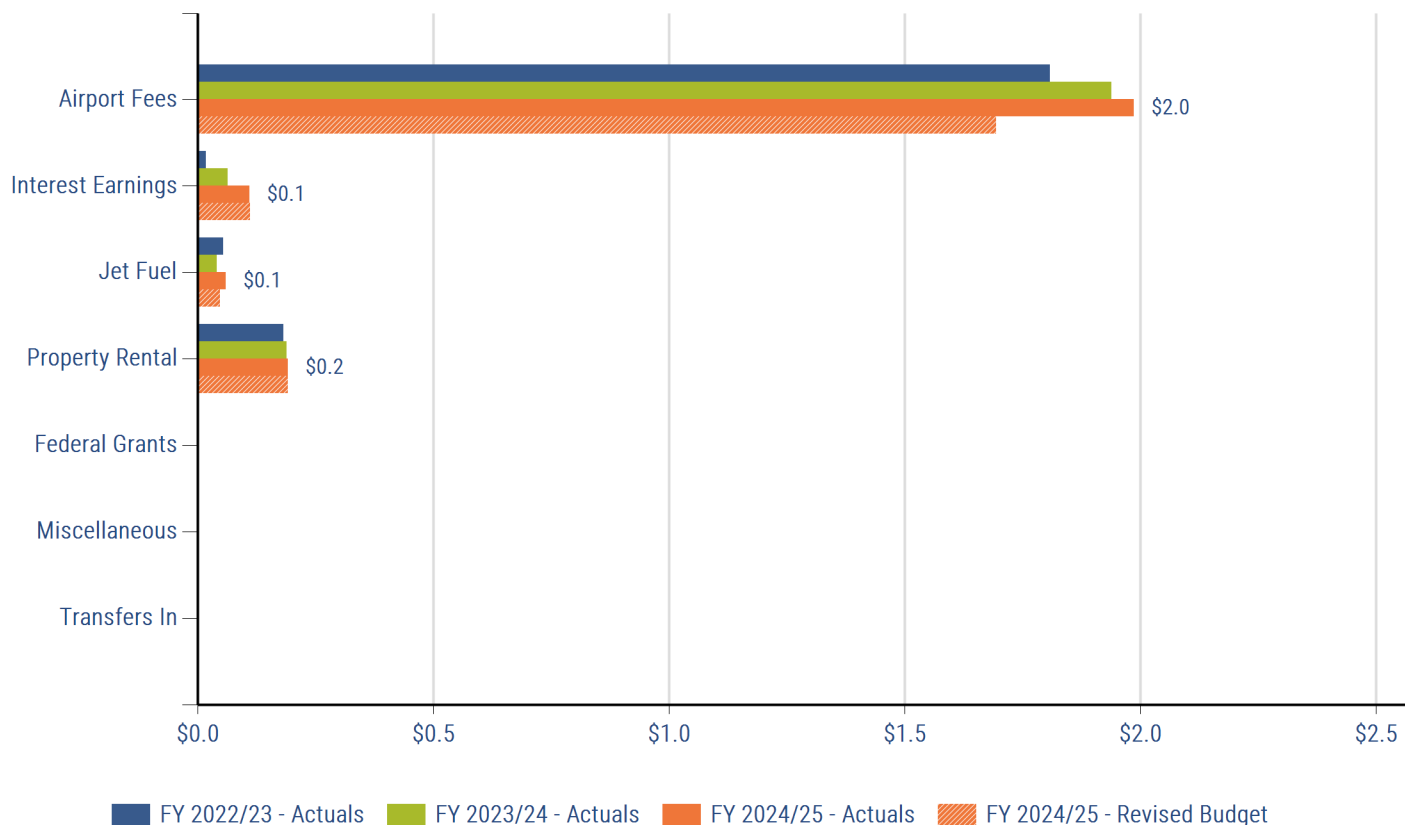
Community Services - the favorable variance is due to vacancy savings. The variance would be greater but is being offset by the unexpected maintenance in storm damage and irrigation repair, and timing difference in landscape contracts.

Public Safety - Fire - the favorable variance is due to 1) timing differences in receiving invoices for academy recruit, dispatch contract and software licenses renewal; 2) timing differences in purchasing emergency medical supplies and other operational tools based on need; and 3) timing in purchasing equipment for vehicles.

Public Safety - Police - the favorable variance is due to 1) vacancy savings and salary savings from new staff being hired at a lower rate than the employee who retired or left, and less retirement contribution as a result; and 2) timing of invoices for software licensing renewal, photo enforcement and jail services contracts. The variance would be greater but is being offset by overtime expense due to higher than expected staffing needs and significant events.

Public Works - the unfavorable variance is due to 1) higher than expected water usage, 2) higher than expected volume of automatic gates and doors repair and pump station back flow replacement in city facilities, and some projects completed sooner than budgeted. The variance would be greater but is being offset by vacancy savings.

Sources (Fiscal Year to Date: September 2024)

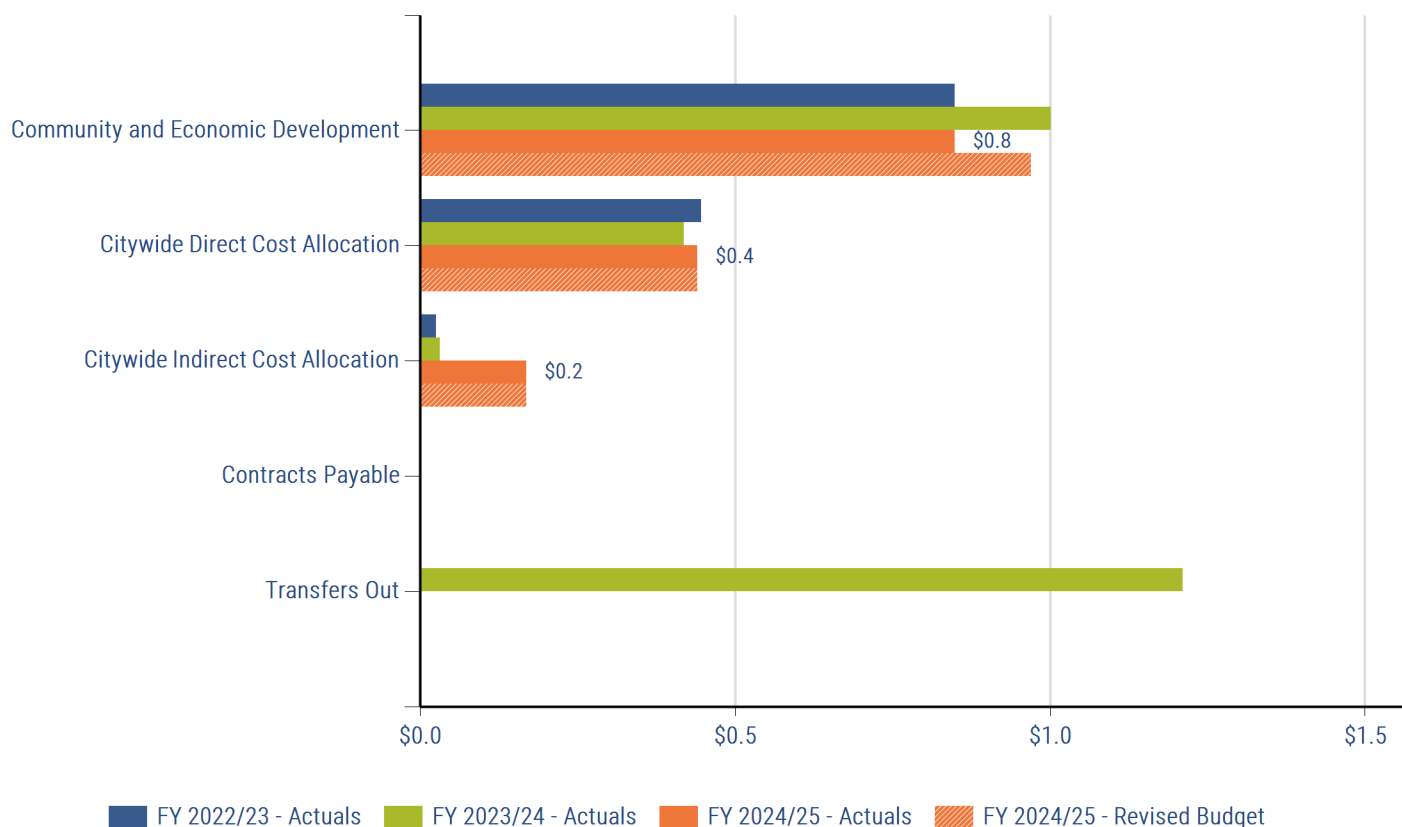


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Airport Fees	\$1.8	\$1.9	\$2.0	\$1.7	\$0.3	17%
Interest Earnings	-	0.1	0.1	0.1	-	-
Jet Fuel	0.1	-	0.1	-	-	-
Property Rental	0.2	0.2	0.2	0.2	-	-
Federal Grants	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.1	\$2.2	\$2.3	\$2.0	\$0.3	15%

Actual to Revised Budget variance of \$0.3 million or 15%: The favorable variance in Airport Fees is due to budget spread that has been updated.

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

Uses (Fiscal Year to Date: September 2024)

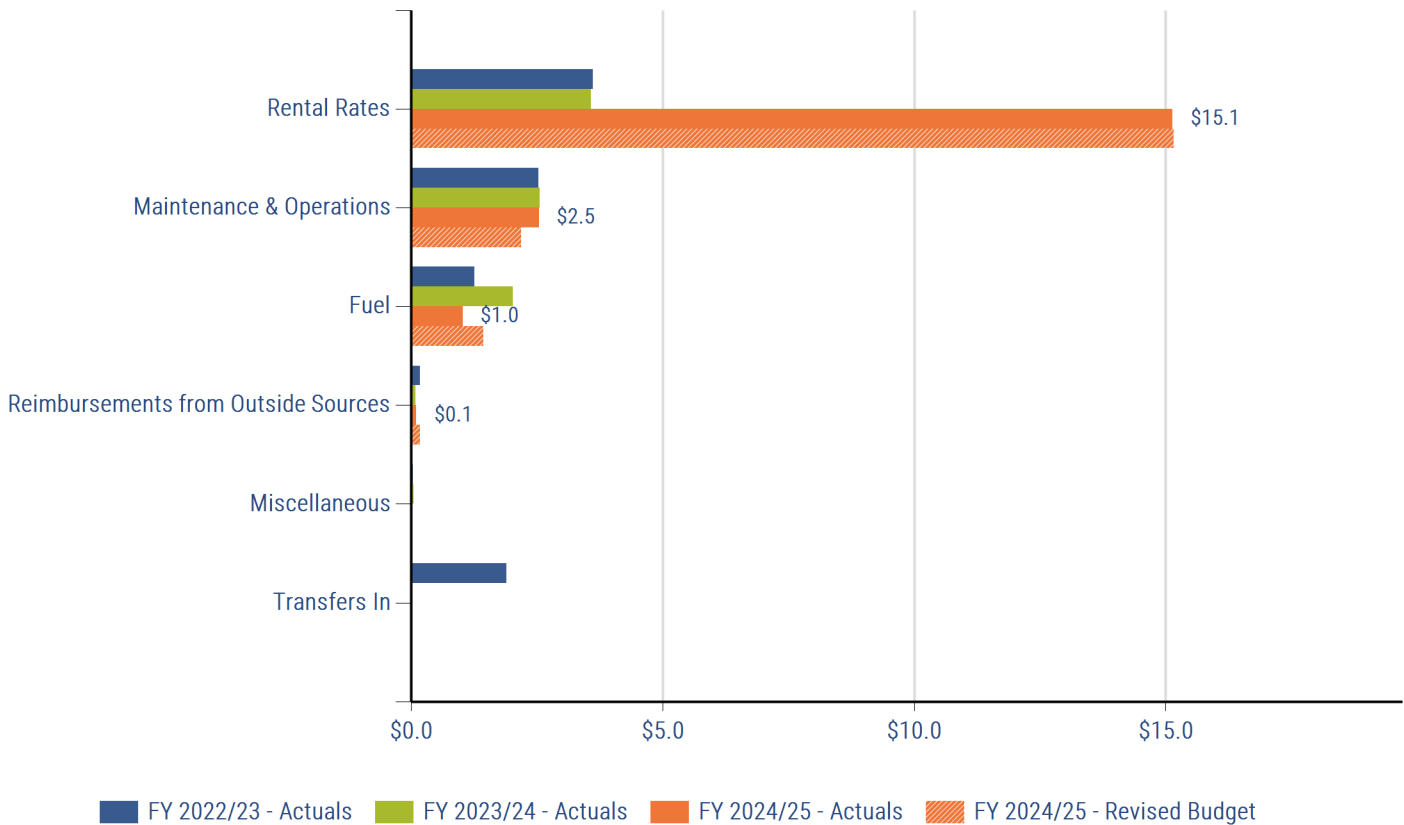


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Community and Economic Development	\$0.8	\$1.0	\$0.8	\$1.0	\$0.1	12%
Citywide Direct Cost Allocation	0.4	0.4	0.4	0.4	-	-
Citywide Indirect Cost Allocation	-	-	0.2	0.2	-	-
Contracts Payable	-	-	-	-	-	-
Transfers Out	-	1.2	-	-	-	-
Total Uses	\$1.3	\$2.7	\$1.5	\$1.6	\$0.1	8%

Actual to Revised Budget variance of \$0.1 million or 8%: The favorable variance in Community and Economic Development is mostly due to vacancy savings partially offset by the timing of the quarterly payments for the Custom Border Officers at the airport that was expected to be recorded in October.

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

Sources (Fiscal Year to Date: September 2024)

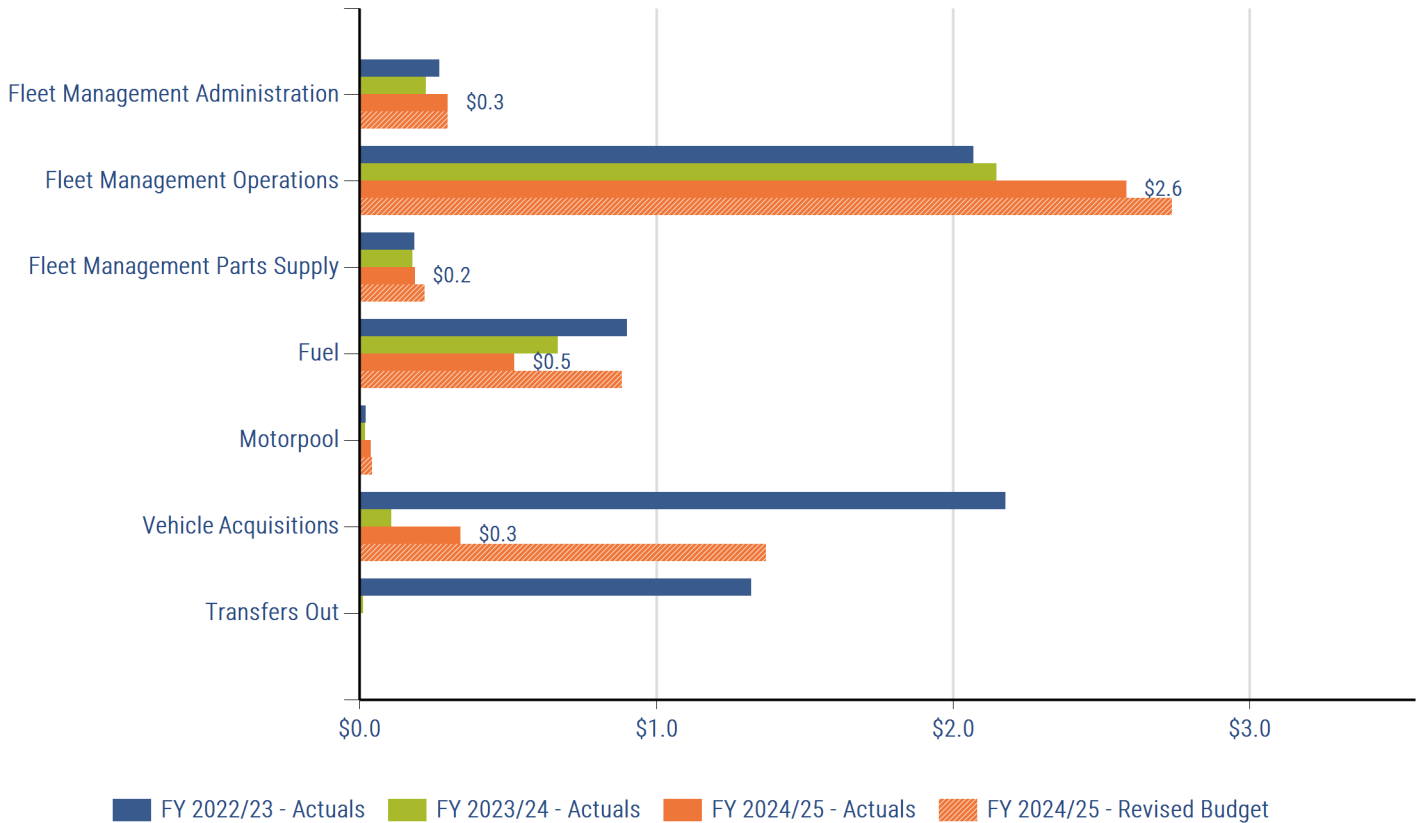


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Rental Rates	\$3.6	\$3.6	\$15.1	\$15.2	\$ -	-
Maintenance & Operations	2.5	2.6	2.5	2.2	0.4	16%
Fuel	1.3	2.0	1.0	1.4	(0.4)	(28%)
Reimbursements from Outside Sources	0.2	0.1	0.1	0.2	(0.1)	(42%)
Miscellaneous	-	-	-	-	-	-
Transfers In	1.9	-	-	-	-	-
Total Sources	\$9.5	\$8.3	\$18.8	\$19.0	(\$0.2)	(1%)

Actual to Revised Budget variance of (\$0.2) million or (1%): The unfavorable variance is largely due to lower fuel prices than anticipated, leading to reduced internal fleet fuel fees being collected.

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

Uses (Fiscal Year to Date: September 2024)

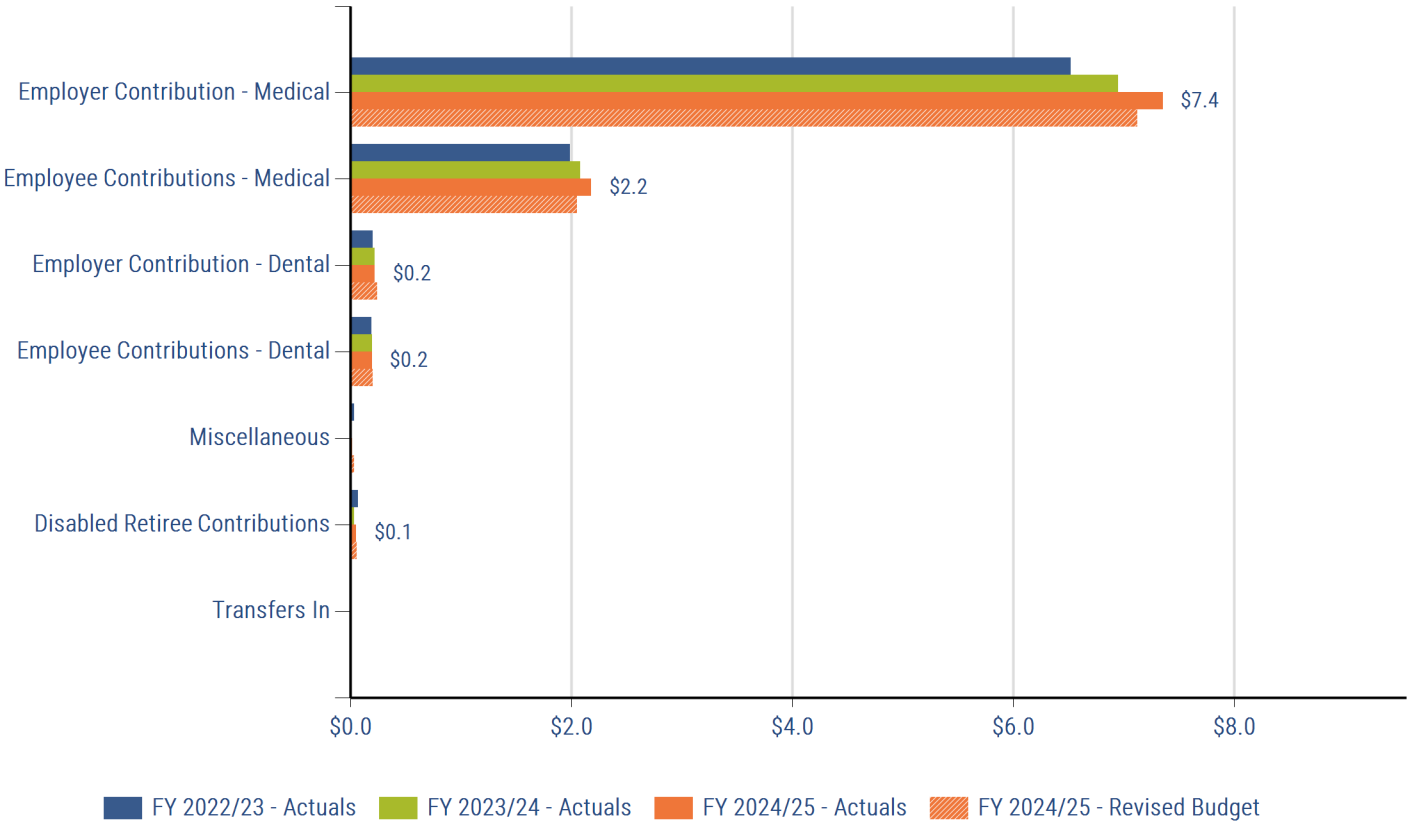


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Fleet Management Administration	\$0.3	\$0.2	\$0.3	\$0.3	\$ -	-
Fleet Management Operations	2.1	2.1	2.6	2.7	0.2	6%
Fleet Management Parts Supply	0.2	0.2	0.2	0.2	-	-
Fuel	0.9	0.7	0.5	0.9	0.4	41%
Motorpool	-	-	-	-	-	-
Vehicle Acquisitions	2.2	0.1	0.3	1.4	1.0	75%
Transfers Out	1.3	-	-	-	-	-
Total Uses	\$6.9	\$3.4	\$4.0	\$5.6	\$1.6	28%

Actual to Revised Budget variance of \$1.6 million or 28%: The favorable variance is primarily due to long lead times on vehicle acquisitions which have delayed expenditures.

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

Sources (Fiscal Year to Date: September 2024)

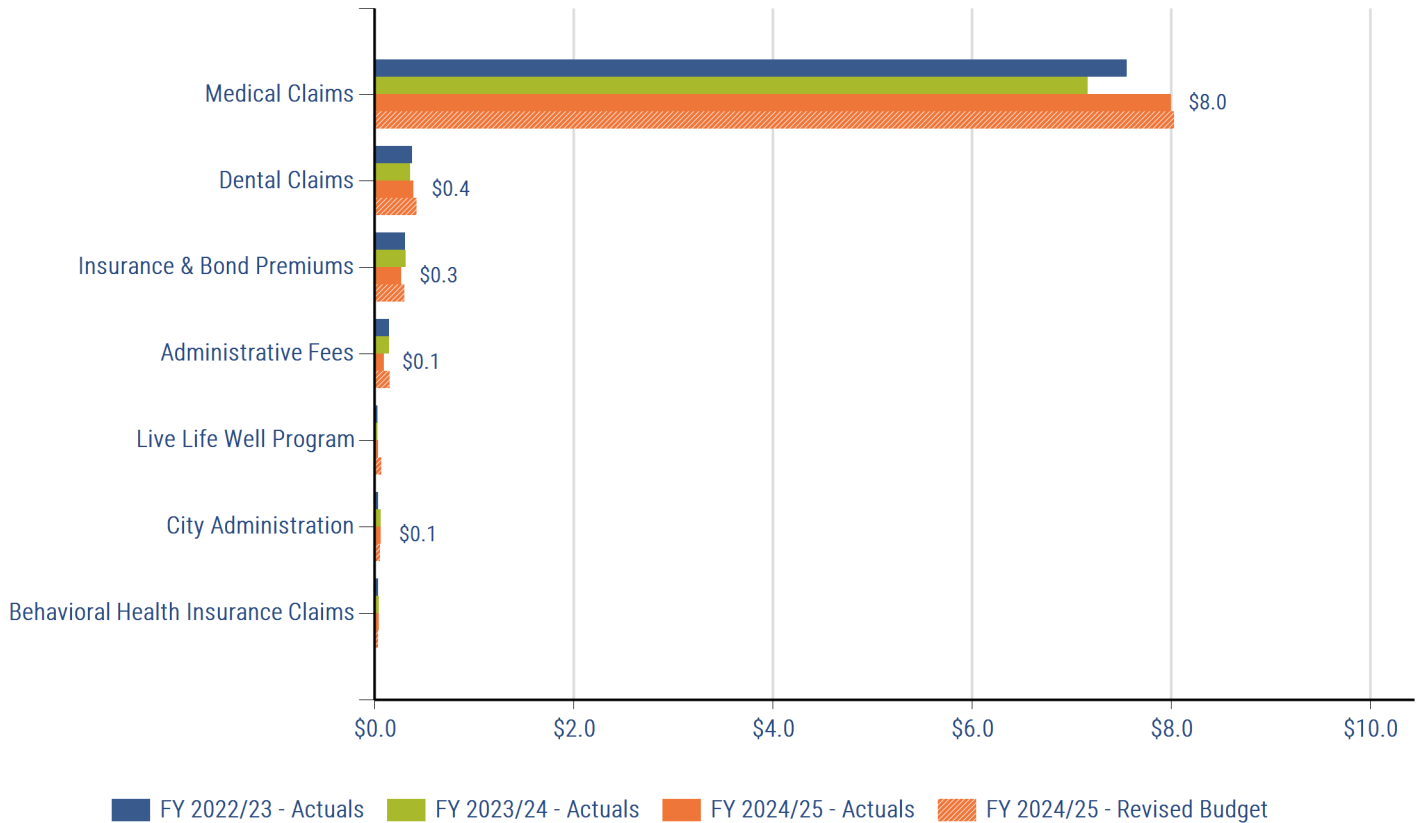


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Employer Contribution - Medical	\$6.5	\$7.0	\$7.4	\$7.1	\$0.2	3%
Employee Contributions - Medical	2.0	2.1	2.2	2.1	0.1	6%
Employer Contribution - Dental	0.2	0.2	0.2	0.2	-	-
Employee Contributions - Dental	0.2	0.2	0.2	0.2	-	-
Miscellaneous	-	-	-	-	-	-
Disabled Retiree Contributions	0.1	-	0.1	0.1	-	-
Transfers In	-	-	-	-	-	-
Total Sources	\$9.0	\$9.5	\$10.0	\$9.7	\$0.3	3%

Actual to Revised Budget variance of \$0.3 million or 3%: The favorable variance in Employer Contribution - Medical and 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: September 2024)

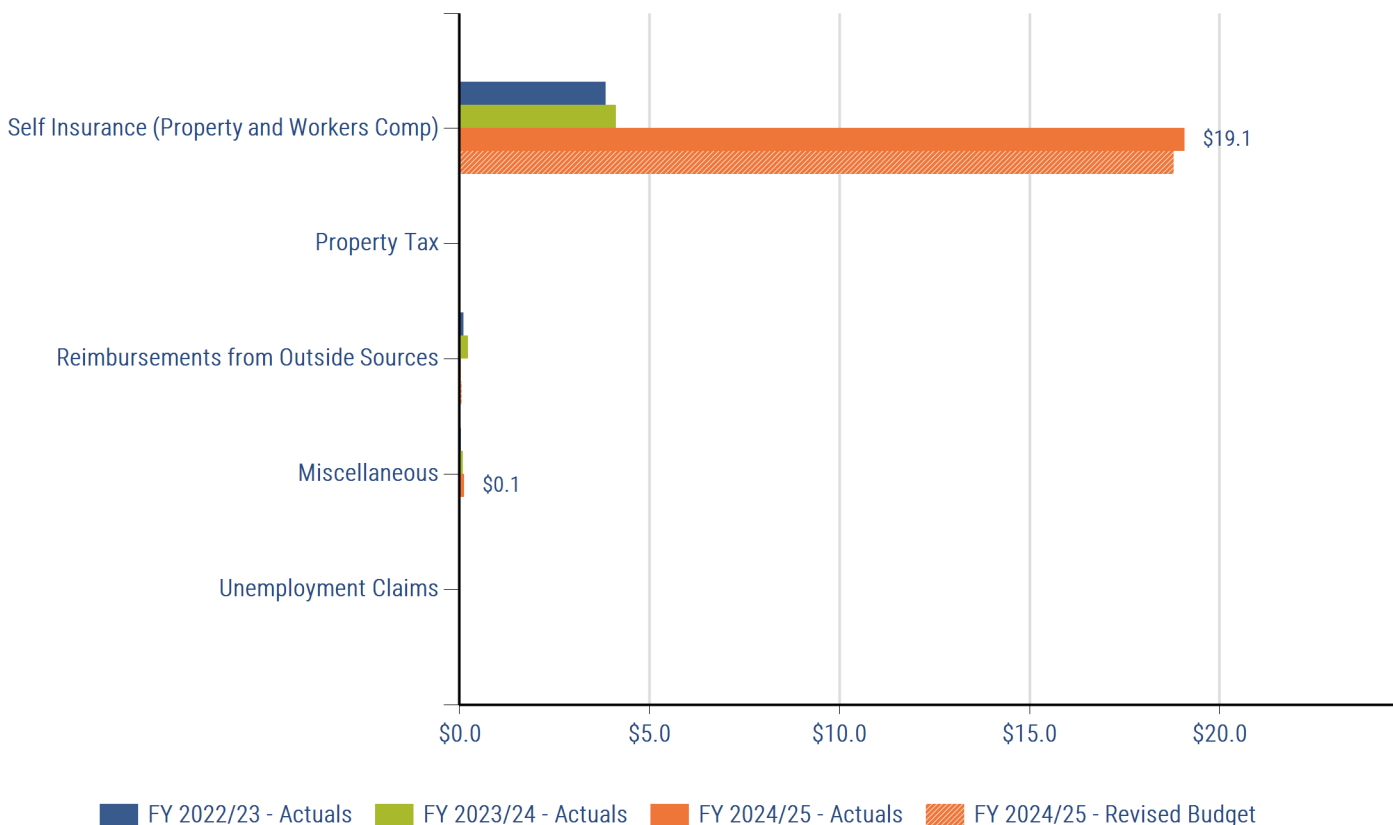


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Medical Claims	\$7.6	\$7.2	\$8.0	\$8.0	\$ -	-
Dental Claims	0.4	0.4	0.4	0.4	-	-
Insurance & Bond Premiums	0.3	0.3	0.3	0.3	-	-
Administrative Fees	0.1	0.1	0.1	0.1	0.1	35%
Live Life Well Program	-	-	-	0.1	0.1	>100%
City Administration	-	0.1	0.1	0.1	-	-
Behavioral Health Insurance Claims	-	-	-	-	-	-
Total Uses	\$8.5	\$8.1	\$8.9	\$9.1	\$0.2	2%

Actual to Revised Budget variance of \$0.2 million or 2%: The favorable variance is due to timing difference in expenses for Administrative Fees and wellness incentives in the Live Life Well Program.

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

Sources (Fiscal Year to Date: September 2024)

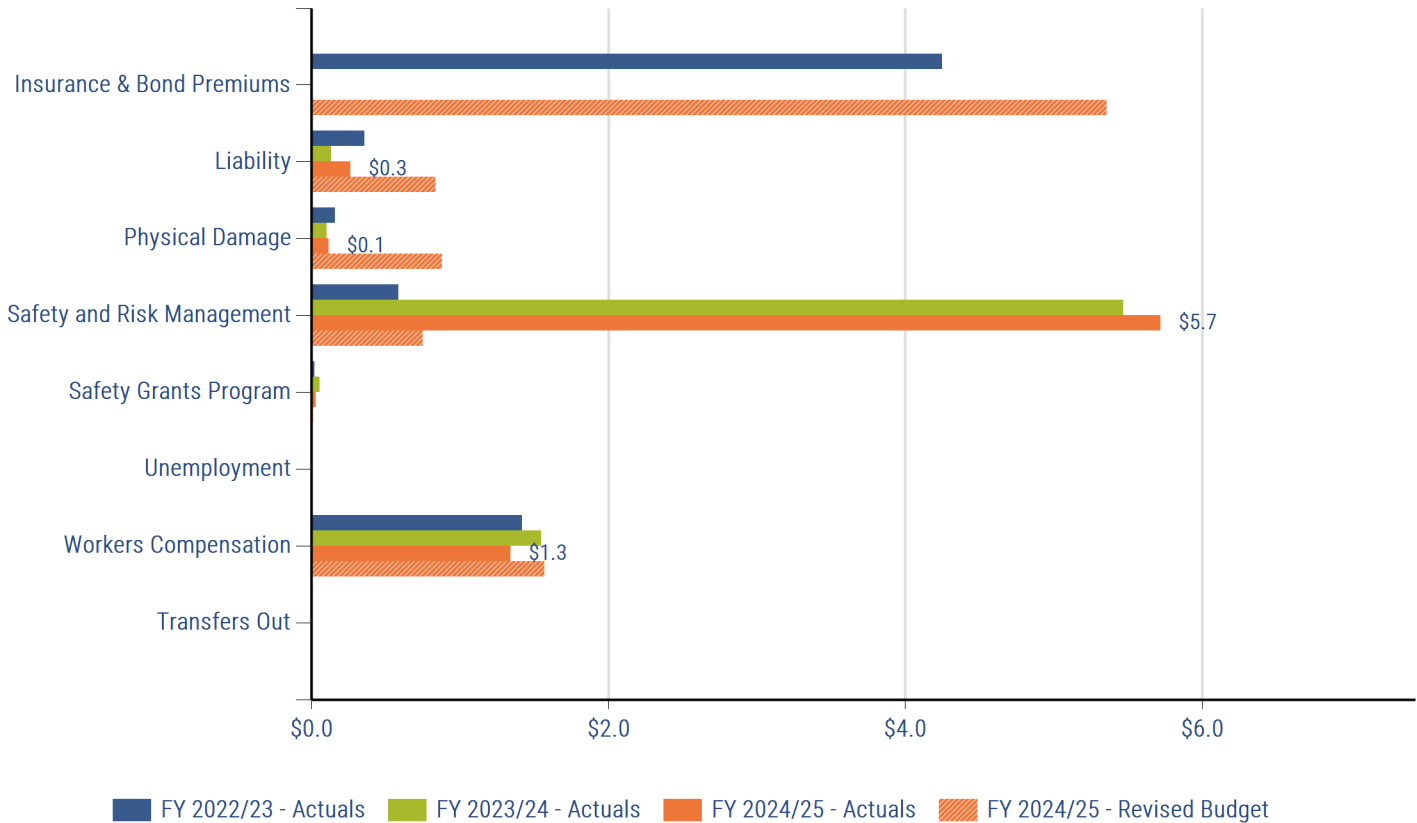


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Self Insurance (Property and Workers Comp)	\$3.9	\$4.1	\$19.1	\$18.8	\$0.3	2%
Property Tax	-	-	-	-	-	-
Reimbursements from Outside Sources	0.1	0.2	-	0.1	-	-
Miscellaneous	0.1	0.1	0.1	-	0.1	>100%
Unemployment Claims	-	-	-	-	-	-
Total Sources	\$4.0	\$4.5	\$19.3	\$18.9	\$0.4	2%

Actual to Revised Budget variance of \$0.4 million or 2%: The favorable variance is largely driven by higher than estimated recovering payments from responsible parties.

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

Uses (Fiscal Year to Date: September 2024)

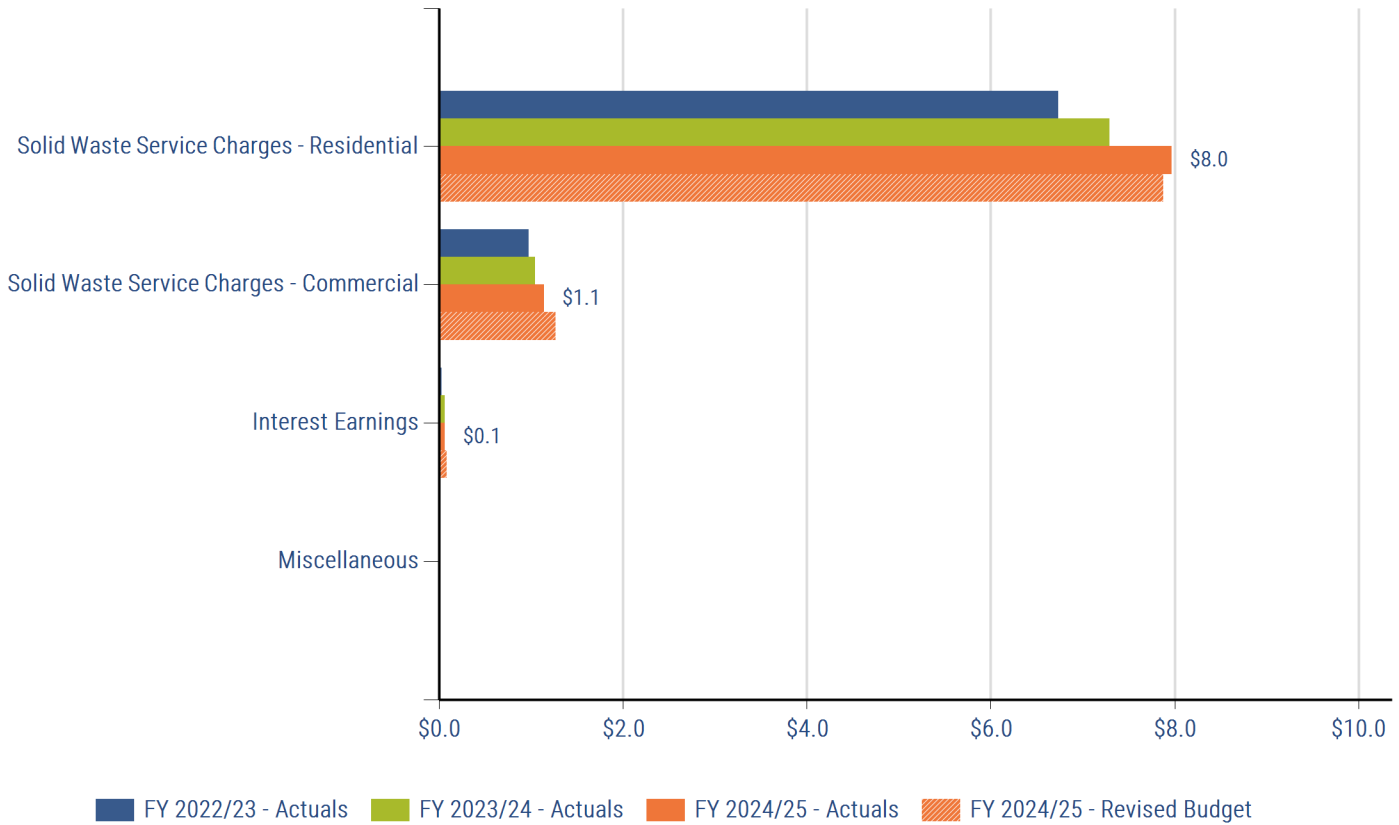


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Insurance & Bond Premiums	\$4.2	\$ -	\$ -	\$5.4	\$5.4	100%
Liability	0.4	0.1	0.3	0.8	0.6	68%
Physical Damage	0.2	0.1	0.1	0.9	0.8	87%
Safety and Risk Management	0.6	5.5	5.7	0.8	(5.0)	>(100%)
Safety Grants Program	-	0.1	-	-	-	-
Unemployment	-	-	-	-	-	-
Workers Compensation	1.4	1.6	1.3	1.6	0.2	15%
Transfers Out	-	-	-	-	-	-
Total Uses	\$6.8	\$7.3	\$7.5	\$9.4	\$1.9	21%

Actual to Revised Budget variance of \$1.9 million or 21%: The favorable variance is largely driven by fewer instances of property damage, both involving and not involving vehicles.

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

Sources (Fiscal Year to Date: September 2024)

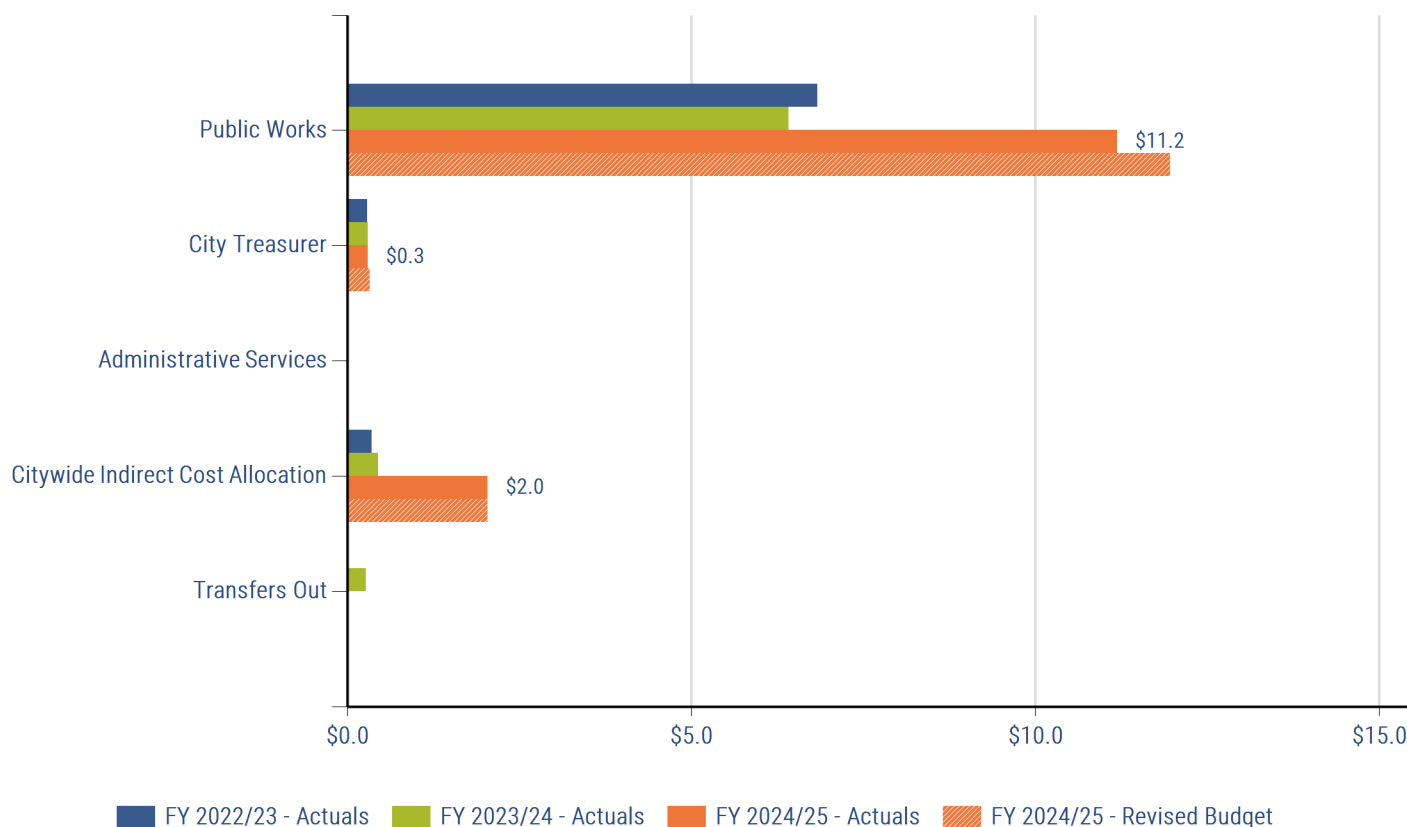


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Solid Waste Service Charges - Residential	\$6.7	\$7.3	\$8.0	\$7.9	\$0.1	1%
Solid Waste Service Charges - Commercial	1.0	1.0	1.1	1.3	(0.1)	(10%)
Interest Earnings	-	0.1	0.1	0.1	-	-
Miscellaneous	-	-	-	-	-	-
Total Sources	\$7.7	\$8.4	\$9.2	\$9.2	\$ -	-

Actual to Revised Budget variance of \$0.0 million or 0%. The solid waste sources are within budget.

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

Uses (Fiscal Year to Date: September 2024)

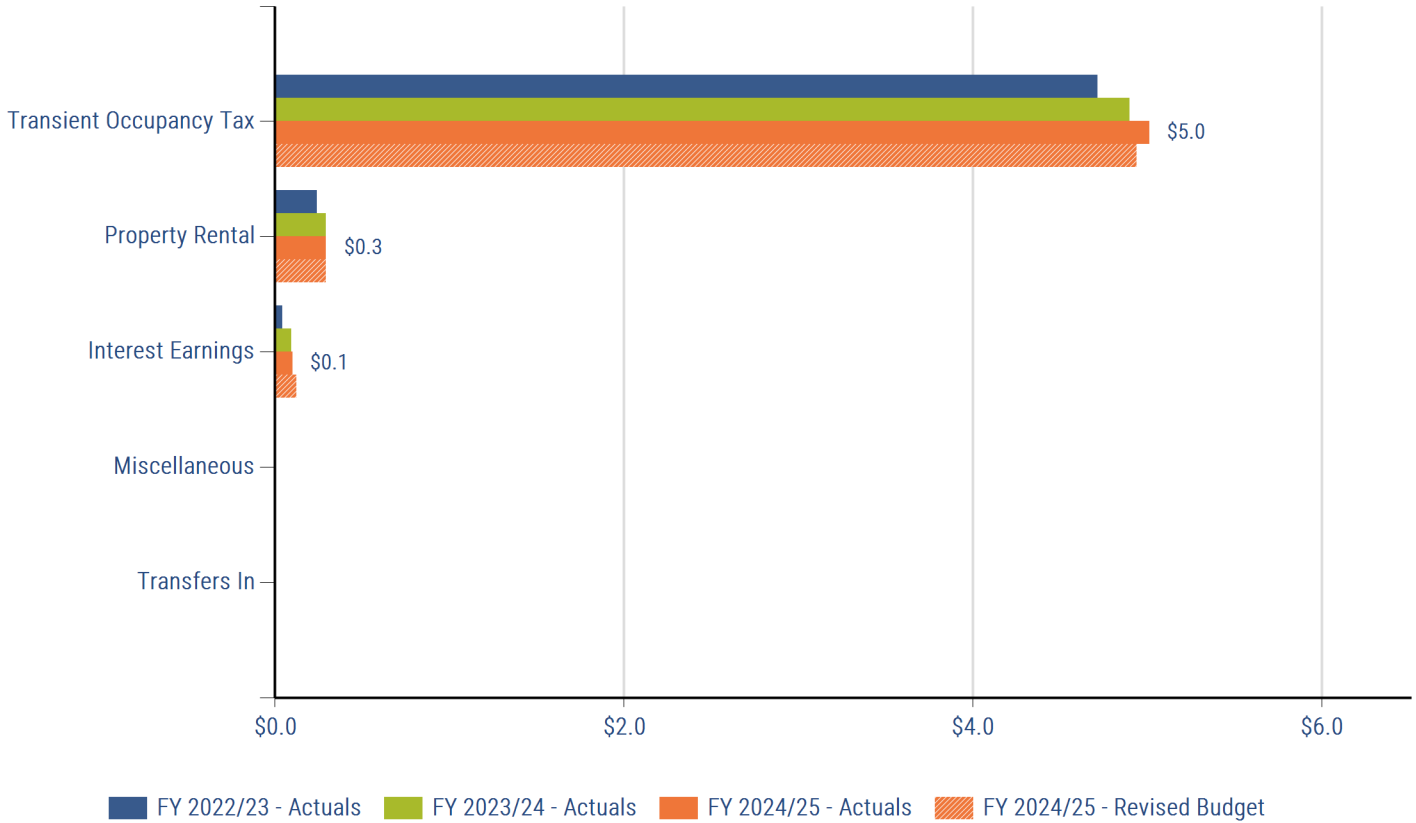


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Public Works	\$6.8	\$6.4	\$11.2	\$12.0	\$0.8	6%
City Treasurer	0.3	0.3	0.3	0.3	-	-
Administrative Services	-	-	-	-	-	-
Citywide Indirect Cost Allocation	0.3	0.4	2.0	2.0	-	-
Transfers Out	-	0.3	-	-	-	-
Total Uses	\$7.5	\$7.4	\$13.5	\$14.3	\$0.8	6%

Actual to Revised Budget variance of \$0.8 million or 6%: The favorable variance in Public Works is primarily due to: 1) Unexpended funds for additional refuse containers due to a more sustainable inventory than expected; and 2) lower recycling process fees due to an unpredictable materials market.

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

Sources (Fiscal Year to Date: September 2024)

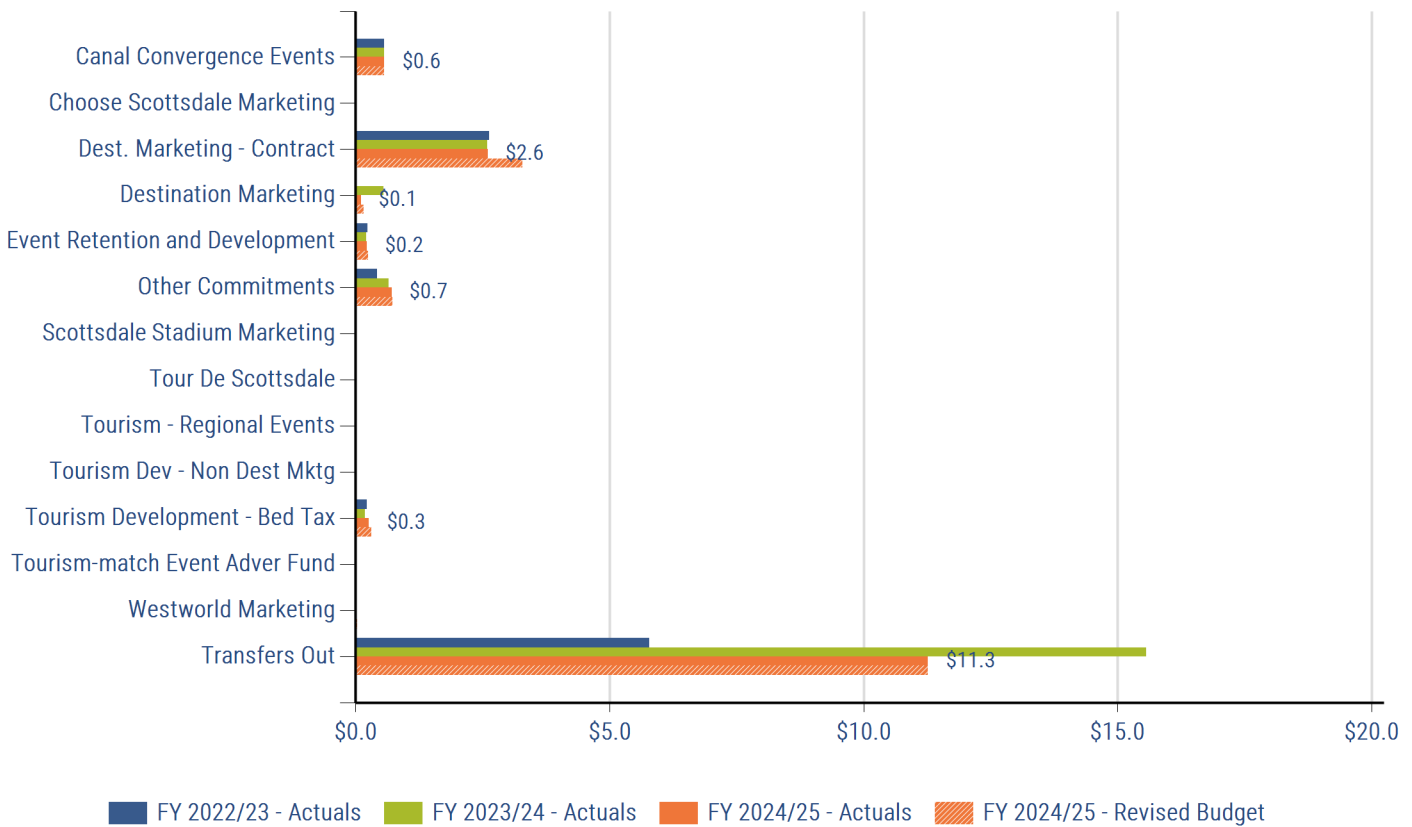


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Transient Occupancy Tax	\$4.7	\$4.9	\$5.0	\$4.9	\$0.1	1%
Property Rental	0.2	0.3	0.3	0.3	-	-
Interest Earnings	-	0.1	0.1	0.1	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Total Sources	\$5.0	\$5.3	\$5.4	\$5.4	\$0.1	1%

Actual to Revised Budget variance of \$0.1 million or 1%: The favorable variance in Transient Occupancy Tax is due to the bed tax collections being slightly higher than anticipated for the first quarter of the fiscal year.

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

Uses (Fiscal Year to Date: September 2024)

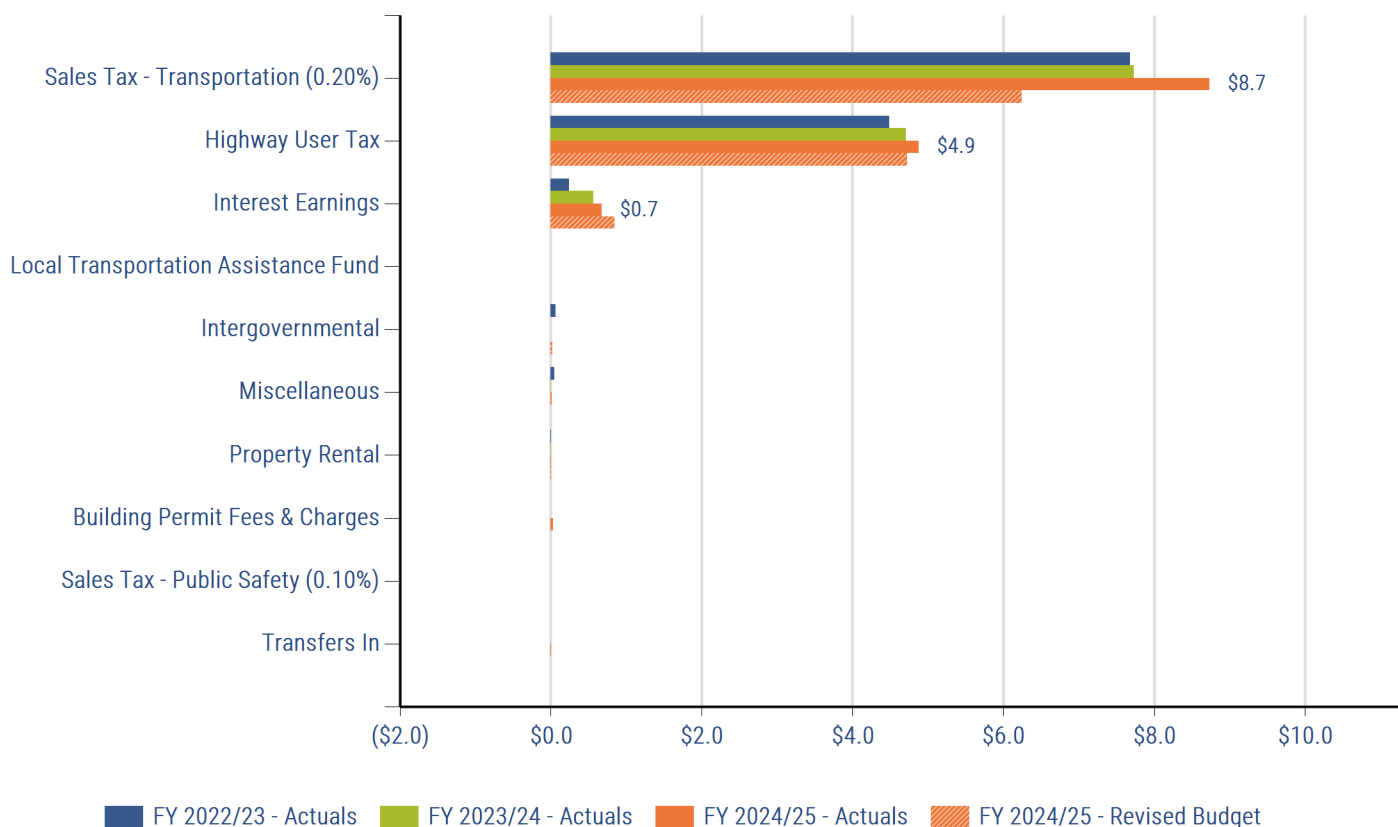


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Canal Convergence Events	\$0.6	\$0.6	\$0.6	\$0.6	\$ -	-
Choose Scottsdale Marketing	-	-	-	-	-	-
Dest. Marketing - Contract	2.6	2.6	2.6	3.3	0.7	21%
Destination Marketing	-	0.6	0.1	0.2	-	-
Event Retention and Development	0.2	0.2	0.2	0.2	-	-
Other Commitments	0.4	0.7	0.7	0.7	-	-
Scottsdale Stadium Marketing	-	-	-	-	-	-
Tour De Scottsdale	-	-	-	-	-	-
Tourism - Regional Events	-	-	-	-	-	-
Tourism Dev - Non Dest Mktg	-	-	-	-	-	-
Tourism Development - Bed Tax	0.2	0.2	0.3	0.3	-	-
Tourism-match Event Adver Fund	-	-	-	-	-	-
Westworld Marketing	-	-	-	-	-	-
Transfers Out	5.8	15.6	11.3	11.3	-	-
Total Uses	\$9.9	\$20.3	\$15.8	\$16.6	\$0.8	5%

Actual to Revised Budget variance of \$0.8 million or 5%: The favorable variance in Dest. Marketing - Contract is mostly due to budget spread that has been updated for the remainder of the year. Bed tax collections for the first quarter of the fiscal year were slightly over the anticipated collections.

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

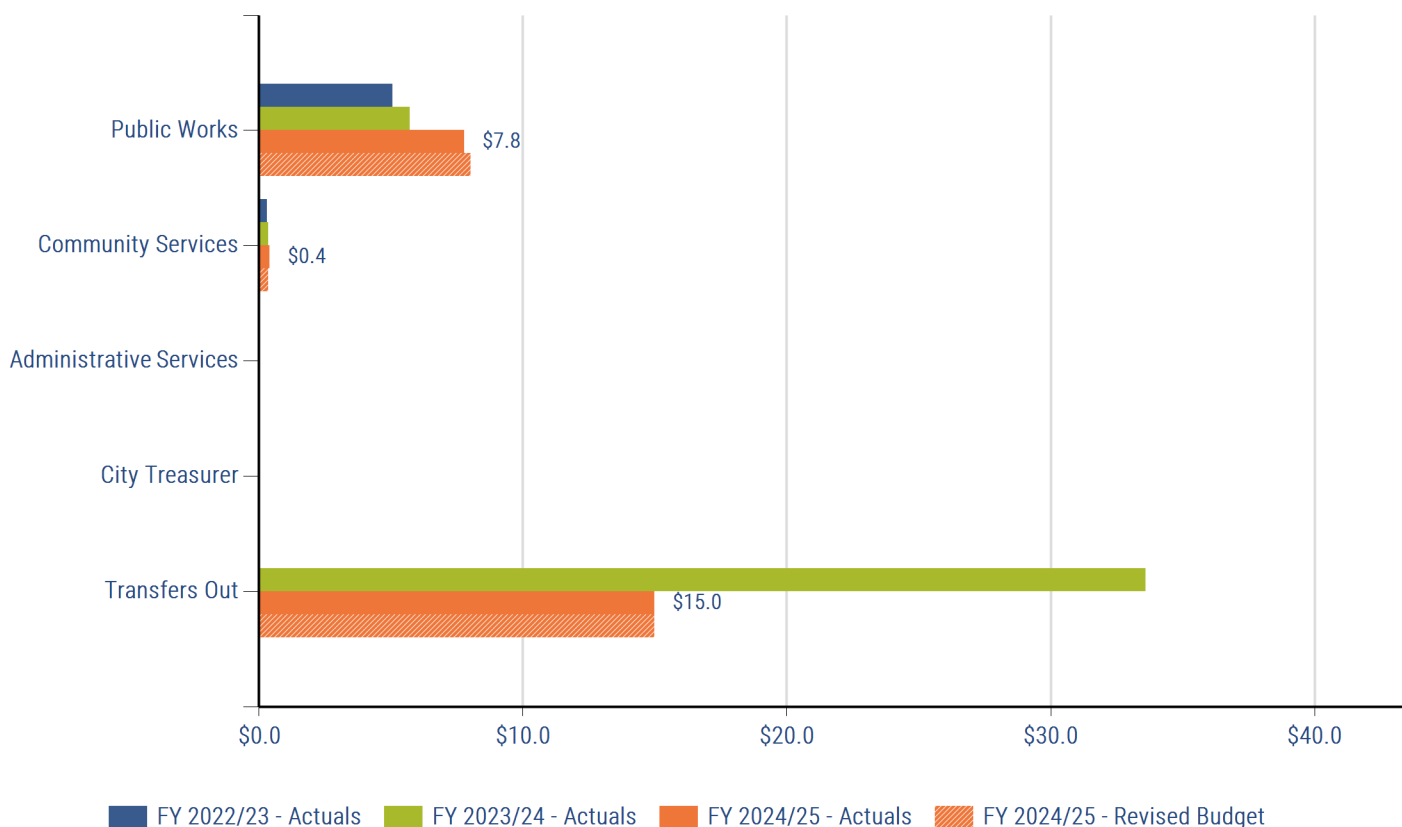
Sources (Fiscal Year to Date: September 2024)



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax - Transportation (0.20%)	\$7.7	\$7.7	\$8.7	\$6.2	\$2.5	40%
Highway User Tax	4.5	4.7	4.9	4.7	0.1	3%
Interest Earnings	0.2	0.6	0.7	0.8	(0.2)	(20%)
Local Transportation Assistance Fund	-	-	-	-	-	-
Intergovernmental	0.1	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Property Rental	-	-	-	-	-	-
Building Permit Fees & Charges	-	-	-	-	-	-
Sales Tax - Public Safety (0.10%)	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Total Sources	\$12.5	\$13.0	\$14.3	\$11.8	\$2.5	21%

Actual to Revised Budget variance of \$2.5 million or 21%: The favorable variance is primarily due to Sales tax - Transportation (0.20%) being favorable due to Sales Tax collections, see page 5 for explanations by category.

Uses (Fiscal Year to Date: September 2024)

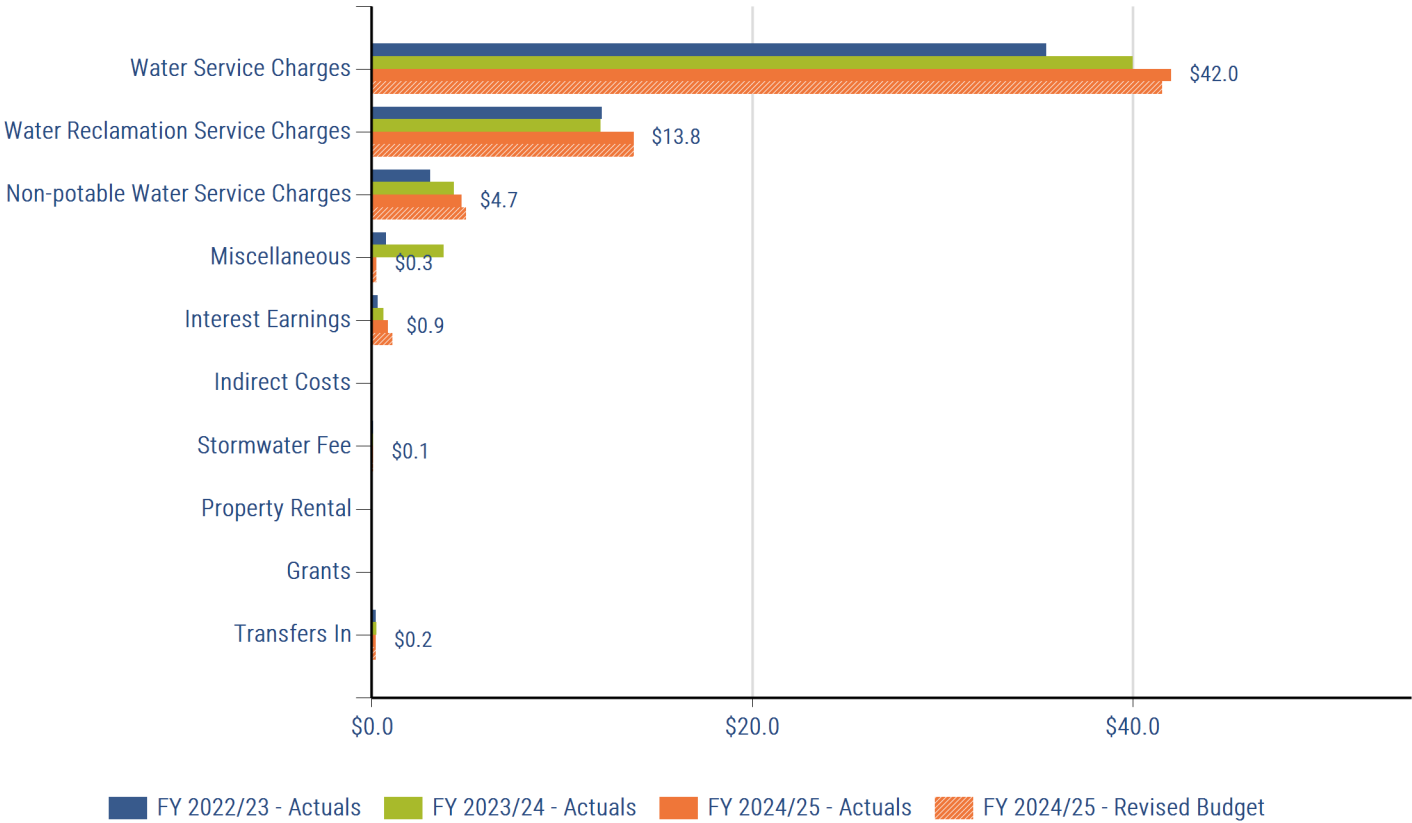


	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Public Works	\$5.1	\$5.7	\$7.8	\$8.0	\$0.2	3%
Community Services	0.3	0.4	0.4	0.4	(0.1)	(17%)
Administrative Services	-	-	-	-	-	-
City Treasurer	-	-	-	-	-	-
Transfers Out	-	33.6	15.0	15.0	-	-
Total Uses	\$5.4	\$39.7	\$23.2	\$23.4	\$0.2	1%

Actual to Revised Budget variance of \$0.2 million or 1%: The favorable variance is largely due to the decision to delay reactivating weekend trolley service. Discussions continue to be held and potential ridership analyzed for reactivation of service.

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

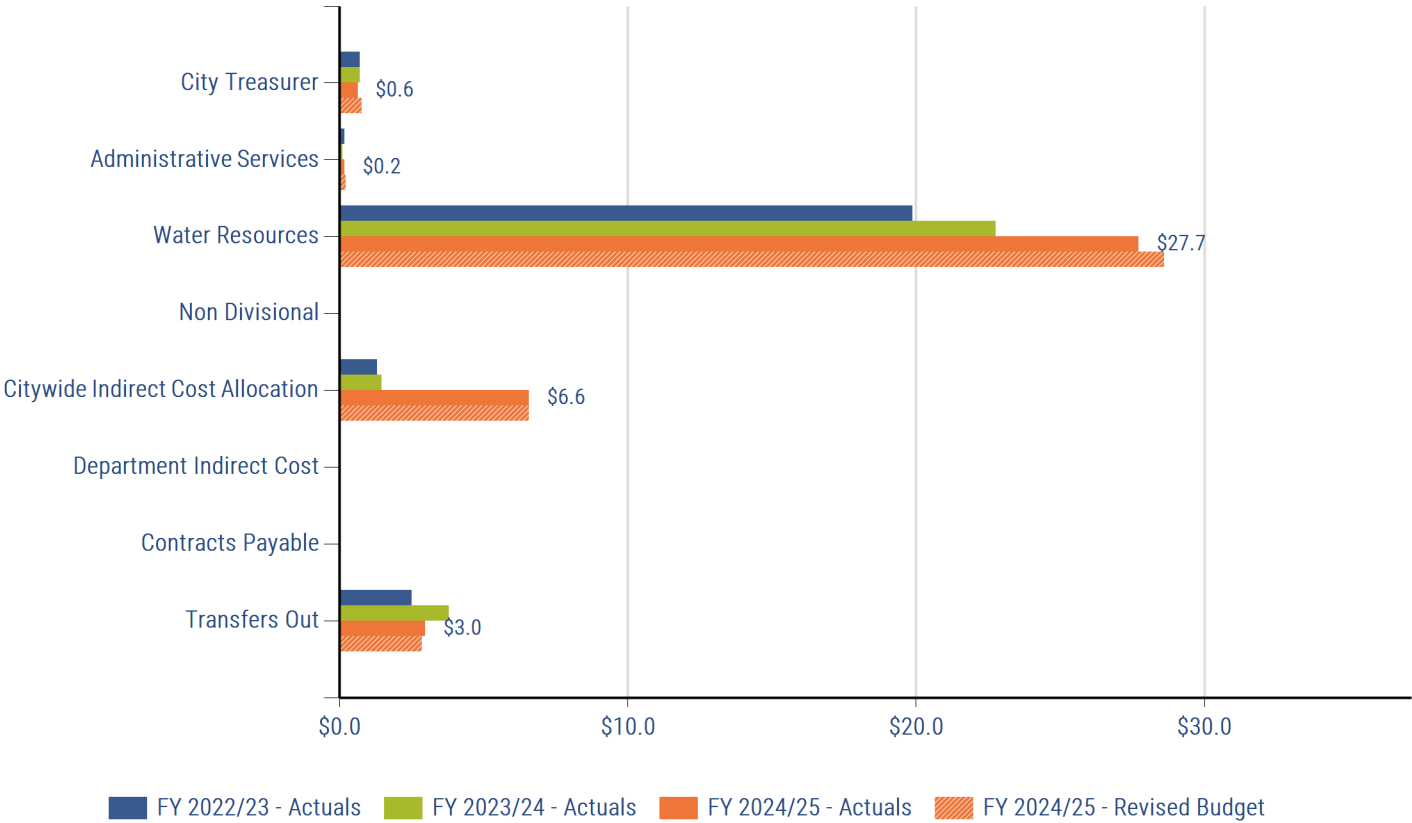
Sources (Fiscal Year to Date: September 2024)



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Water Service Charges	\$35.5	\$40.0	\$42.0	\$41.6	\$0.5	1%
Water Reclamation Service Charges	12.1	12.0	13.8	13.8	-	-
Non-potable Water Service Charges	3.1	4.3	4.7	5.0	(0.2)	(4%)
Miscellaneous	0.7	3.8	0.3	0.2	-	-
Interest Earnings	0.3	0.6	0.9	1.1	(0.2)	(21%)
Indirect Costs	-	-	-	-	-	-
Stormwater Fee	0.1	0.1	0.1	0.1	-	-
Property Rental	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Transfers In	0.2	0.2	0.2	0.2	-	-
Total Sources	\$52.0	\$61.1	\$62.0	\$62.0	\$ -	-

Actual to Revised Budget variance of \$0.0 million or 0%: The favorable variance for Water Service Charges is due to less rain during the monsoon season compared to the prior three-year average. The unfavorable variance for Non-potable Water Service Charges is related to accounting treatment and timing. The unfavorable variance in Interest Earnings is due to the invested amount and interest rate being lower than anticipated.

Uses (Fiscal Year to Date: September 2024)



	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2024/25 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
City Treasurer	\$0.7	\$0.7	\$0.6	\$0.8	\$0.1	19%
Administrative Services	0.2	0.1	0.2	0.2	-	-
Water Resources	19.9	22.8	27.7	28.6	0.9	3%
Non Divisional	-	-	-	-	-	-
Citywide Indirect Cost Allocation	1.3	1.5	6.6	6.6	-	-
Department Indirect Cost	-	-	-	-	-	-
Contracts Payable	-	-	-	-	-	-
Transfers Out	2.5	3.8	3.0	2.9	(0.1)	(4%)
Total Uses	\$24.6	\$28.8	\$38.1	\$39.1	\$1.0	2%

Actual to Revised Budget variance of \$1.0 million or 2%: Water Resources - the favorable variance is due to vacancy savings and salary savings from new staff being hired at a lower rate than the employee who retired or left.

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



Privilege (Sales) & Use Tax Collections For September 2024 (For Business Activity in August 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 11 percent compared to the Budget, and increased 16 percent compared to the same period a year ago. September’s collections had five weeks of payments instead of the usual four, which resulted in some large variances.

Privilege (Sales) & Use Tax by Category and Fund

	Fiscal Year: Twelve Months				
	2022/23 Actual	2023/24 Actual	2024/25 Adopted Budget	2024/25 Revised Budget	2024/25 Approved Adjustments
<u>1.00% General Purpose</u>					
Amusement	n/a	n/a	\$0.0	\$2.9	\$2.9
Automotive	21.1	n/a	19.7	19.7	0.0
Construction	16.8	n/a	17.3	17.3	0.0
Dining/ Entertainment	17.7	n/a	16.0	16.0	0.0
Food Stores	9.9	n/a	10.5	10.5	0.0
Hotel/Motel	11.5	n/a	9.7	9.7	0.0
Major Dept. Stores	12.7	n/a	12.1	12.1	0.0
Manufacturing	n/a	n/a	0.0	2.4	2.4
Misc. Retail Stores	40.3	n/a	35.7	35.7	0.0
Other Activity	22.8	n/a	21.1	5.5	(15.6)
Rentals	23.3	n/a	18.9	18.9	0.0
Service with Retail	n/a	n/a	0.0	3.1	3.1
Utilities	5.5	n/a	5.5	5.5	0.0
Wholesale	n/a	n/a	0.0	7.2	7.2
Subtotal	\$181.6	n/a	\$166.6	\$166.6	\$0.0
0.10% Public Safety	\$17.9	n/a	\$16.4	\$16.4	\$0.0
0.20% Transportation 1990	34.6	n/a	31.7	31.7	0.0
0.10% Transportation 2019	17.8	n/a	16.3	16.3	0.0
0.20% McDowell Preserve 1995	35.7	n/a	32.8	32.8	0.0
0.15% McDowell Preserve 2004	26.8	n/a	24.6	24.6	0.0
Total	\$314.3	n/a	\$288.4	\$288.4	\$0.0
% Change vs. Prior Year	10%	n/a	n/a	n/a	

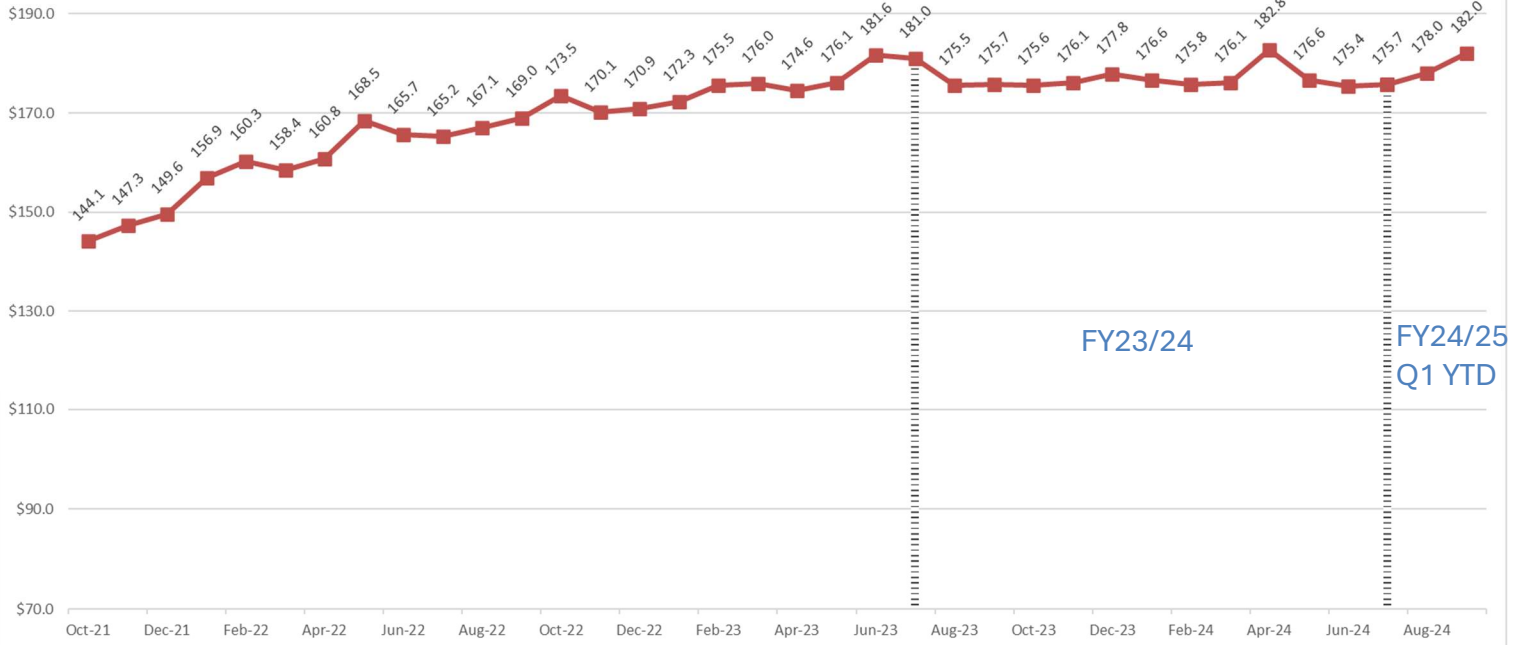
Rounding differences may occur

Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: September 2024						
	2022/23 <u>Actual</u>	2023/24 <u>Actual</u>	2024/25 <u>Actual</u>	2024/25 <u>Budget</u>	Actual vs. Budget	
					Favorable/(Unfavorable) <u>Amount</u>	<u>Percent</u>
<u>1.00% General Purpose</u>						
Amusement	n/a	n/a	\$0.5	\$0.7	(\$0.2)	-27%
Automotive	4.7	4.6	5.8	5.0	0.8	15%
Construction	3.7	4.7	5.4	4.7	0.7	15%
Dining/ Entertainment	3.6	3.6	3.8	3.5	0.3	8%
Food Stores	2.1	2.2	2.6	2.7	(0.1)	-5%
Hotel/Motel	2.1	1.5	1.6	1.5	0.1	4%
Major Dept. Stores	3.1	2.7	3.3	2.9	0.4	12%
Manufacturing	n/a	n/a	0.6	0.5	0.1	16%
Misc. Retail Stores	9.7	8.3	10.5	8.2	2.2	27%
Other Activity	5.0	4.8	1.4	3.1	(1.6)	-53%
Rentals	5.3	5.7	5.7	4.6	1.1	24%
Service with Retail	n/a	n/a	2.1	1.6	0.5	28%
Utilities	1.3	1.3	1.7	1.5	0.2	11%
Wholesale	n/a	n/a	0.9	0.7	0.2	25%
Subtotal	\$40.6	\$39.4	\$45.8	\$41.4	\$4.5	11%
0.10% Public Safety	\$4.0	\$3.9	\$4.5	\$3.8	\$0.8	20%
0.20% Transportation 1990	7.7	7.7	8.7	5.6	3.1	55%
0.10% Transportation 2019	3.9	3.9	4.5	3.2	1.3	40%
0.20% McDowell Preserve 1995	8.0	7.8	9.1	9.6	(0.6)	-6%
0.15% McDowell Preserve 2004	6.0	5.9	6.8	5.3	1.5	27%
Total	\$70.2	\$68.6	\$79.5	\$69.0	\$10.6	15%
% Change vs. Prior Year	12%	-2%	16%	0%		
Top 20 Taxpayers	\$14.8	\$13.9	\$16.8			
% of Total	21%	20%	21%			
% Change vs. Prior Year	3%	-6%	21%			

Rounding differences may occur.

Privilege (Sales) & Use Tax
12 Month Rolling
1.00% General Fund in Millions



Amusement Sales Taxes

This category includes businesses such as movie theatres, golf courses, gyms, bowling centers, tours, and amusement arcades.

Actual to Revised Budget variance of (\$0.2) million or (27%): The variance is due in part to some businesses not doing as well as expected.

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 \$0.8 million or 15%: This is due in part to a large one-time audit payment, a new car dealership, and to timing differences of when taxpayers reported last year versus this year.

Construction Sales Taxes

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

Actual to Revised Budget variance of \$0.7 million or 15%: This is due in part to an increase in residential/commercial construction, one-time audit payments, and timing differences of when taxpayers reported last year versus this year.

Dining/Entertainment Sales Taxes

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

Actual to Revised Budget variance of \$0.3 million or 8%: This is due in part to restaurants performing better than anticipated and some timing difference of when taxpayers reported last year versus this year.

Food Stores Sales Taxes

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

Actual to Revised Budget variance of (\$0.1) million or (5%): The variance is due in part to some businesses not doing as well as expected.

Hotel/Motel Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 4%: This is due in part to a new hotel opening in the last year and increases from some hotel properties.

Major Department Stores Sales Taxes

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

Actual to Revised Budget variance of \$0.4 million or 12%: This is due in part to timing differences of when taxpayers reported last year versus this year.

Manufacturing Sales Taxes

This category includes businesses that have identified themselves as manufacturers.

Actual to Revised Budget variance of \$0.1 million or 16%: The variance is due in part to an increase in use taxable purchases.

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 \$2.2 million or 27%: This is due in part to timing differences of when taxpayers reported last year versus this year and a large one time audit payment.

Other Activity Sales Taxes

This category includes but not limited to publishers, banks, doctors, advertising, printing, education, and transportation. This also includes license fees, penalties, and interest.

Actual to Revised Budget variance of (\$1.6) million or (53%): The variance is due in part to moving budget to the new categories of amusements, manufacturing, services with retail, and wholesale. Part of the variance is also due to correcting the category for a few businesses that were incorrectly placed into this category by the taxpayer due to the business type selection during the application process with the Arizona Department of Revenue.

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 \$1.4 million or 32%: The variance is due in part to timing differences of when tax returns were filed last year versus this year.

Services with Retail Sales Taxes

This category includes interior designers, lawyers, accountants, architects, beauty salons, barber shops, personal goods repair shops, computer services, photographers, and other personal care services.

Actual to Revised Budget variance of \$0.5 million or 28%: The variance is due in part to the businesses doing better than anticipated.

Utilities Sales Taxes

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

Actual to Revised Budget variance of \$0.2 million or 11%: This is due in part to utilities doing better than anticipated.

Wholesale Sales Taxes

This category includes businesses that have identified themselves as wholesalers.

Actual to Revised Budget variance of \$0.2 million or 25%: The variance is due in part to timing differences of when tax returns were filed last year versus this year.

**City of Scottsdale
WestWorld**

Twelve Months: Fiscal Year

	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Adopted Budget	2024/25 Approved Budget	2024/25 Forecast Budget
Operating Revenue							
Rental Facilities	\$3,601,497	\$3,675,360	\$3,781,955	\$3,834,129	\$3,720,000	\$3,720,000	\$3,720,000
RV Rental	496,017	544,481	672,101	513,000	620,000	620,000	620,000
Feed/Bedding Sales	919,338	898,455	931,865	965,820	909,952	909,952	909,952
Labor Fees	473,148	543,222	560,580	449,295	500,000	500,000	500,000
Concession Fees	2,942	2,780	1,349	3,524	1,668	1,668	1,668
Parking	177,065	987,581	1,133,051	1,430,933	1,233,438	1,233,438	1,233,438
Other Income	132,338	302,018	198,564	129,034	150,400	150,400	150,400
Equidome Project Use Fee	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Operating Transfer In	100,000	121,734	100,000	250,000	250,000	250,000	250,000
Operating Revenue	\$6,262,345	\$7,435,631	\$7,739,465	\$7,935,734	\$7,745,458	\$7,745,458	\$7,745,458
Operating Expenses							
Personnel Services							
Wages/Salaries/Benefits	\$1,903,738	\$2,262,683	\$2,293,413	\$2,630,783	\$2,748,220	\$3,071,171	\$3,071,171
Overtime	43,649	55,758	126,018	114,282	115,432	121,102	121,102
Contractual Services							
Contractual Workers	157,624	290,978	349,006	420,805	461,331	461,331	461,331
Telephone	13,169	12,514	16,246	18,375	17,100	17,100	17,100
Utilities	1,208,499	1,319,139	1,525,760	1,601,279	1,537,488	1,537,488	2,398,810
Maintenance & Equipment Rental & Fleet	551,765	741,930	967,613	810,456	968,242	968,242	1,032,636
License and Permits	220,259	133,340	6,000	1,202	1,094	1,094	1,094
Property, Liability & Workers' Comp	110,087	145,776	221,880	192,906	230,311	230,311	230,311
Advertising/Marketing Contract	194,981	234,459	235,496	90,960	188,524	188,524	188,524
Other	211,735	389,423	667,652	442,887	1,820,959	1,820,959	1,820,959
Commodities and Capital Outlays							
Agriculture & Horticulture & Other Supply	122,494	81,132	213,693	272,440	131,655	131,655	131,655
Maintenance & Repairs Supply, Equipment	138,694	104,716	228,122	222,542	145,429	145,429	145,429
Inventory Purchased for Resale	488,953	633,988	622,282	625,440	629,521	629,521	629,521
Construction - Other	11,679	35,648	625,049	312,638	-	-	-
Other Expenses	34,270	29,468	16,213	98,116	46,875	46,875	46,875
BOR Admin							
BOR Admin/WestWorld	188,565	197,993	207,893	218,287	229,202	229,202	229,202
Allocated Expenses							
COS Indirect Costs	371,073	384,276	422,524	473,628	549,264	549,264	549,264
Operating Transfer Out							
Operating Transfer Out	-	21,734	-	-	-	-	-
Operating Expenses	\$5,971,234	\$7,074,955	\$8,744,860	\$8,547,027	\$9,820,647	\$10,149,268	\$11,074,984
Operating Income	\$291,111	\$360,676	(\$1,005,395)	(\$611,293)	(\$2,075,189)	(\$2,403,810)	(\$3,329,526)
Debt Service (Less contributions)							
Debt Service - (52 & 17 acres)	\$2,238,918	\$2,570,986	\$2,211,196	\$2,306,975	\$5,978,230	\$5,978,230	\$5,978,230
Debt Service - TNEC (\$41.935M)	1,255,864	1,999,476	1,380,230	1,283,136	1,283,136	1,283,136	1,283,136
Debt Service - TNEC Tourism Funded	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Bed Tax Contributions - TNEC	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Net Debt Service	\$3,494,782	\$4,570,462	\$3,591,426	\$3,590,111	\$7,261,366	\$7,261,366	\$7,261,366
Operating Income After Debt Service	(\$3,203,671)	(\$4,209,786)	(\$4,596,821)	(\$4,201,404)	(\$9,336,555)	(\$9,665,176)	(\$10,590,892)

City of Scottsdale
WestWorld
Statement of Operations for September 2024 / 3 Months YTD

	FY 2020/21 YTD Actual	FY 2021/22 YTD Actual	FY 2022/23 YTD Actual	FY 2023/24 YTD Actual	FY 2024/25 YTD Actual	FY 2024/25 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Operating Revenue								
Rental Facilities	\$704,305	\$644,519	\$569,361	\$646,976	\$1,070,606	\$689,341	\$381,265	55%
RV Rental	13,170	48,015	57,663	48,513	186,697	121,022	65,675	54%
Feed/Bedding Sales	188,250	79,086	72,411	110,609	121,259	82,000	39,259	48%
Labor Fees	41,660	42,287	70,347	51,429	120,940	5,580	115,360	nm
Concession Fees	(1,378)	22	65	995	135	166	(31)	(19%)
Parking	-	12,585	38,838	30,610	80,390	39,344	41,046	nm
Other Income	22,670	134,057	26,954	30,928	102,151	6,570	95,581	nm
Equidome Project Use Fee	-	-	-	-	-	-	-	-
Operating Transfer In	100,000	121,734	100,000	350,000	250,000	250,000	-	-
Operating Revenue	\$1,068,676	\$1,082,303	\$935,638	\$1,270,061	\$1,932,178	\$1,194,023	\$738,155	62%
Operating Expenses								
Personnel Services								
Wages/Salaries/Benefits	\$449,856	\$499,539	\$522,938	\$728,190	\$707,263	\$824,062	\$116,799	14%
Overtime	2,162	1,851	13,122	11,738	16,849	20,217	3,368	17%
Contractual Services								
Contractual Workers	3,885	22,708	32,758	33,972	34,829	60,011	25,182	42%
Telephone	16,197	13,750	11,957	11,560	12,873	13,123	251	2%
Utilities	279,640	131,640	258,687	189,402	282,752	384,372	101,620	26%
Maintenance & Equipment Rental & Fleet	87,423	151,843	183,093	146,144	420,495	372,096	(48,399)	(13%)
License and Permits	218,334	40	-	-	-	61	61	100%
Property, Liability & Workers' Comp	27,522	36,444	55,221	47,964	231,311	230,311	(1,000)	(0%)
Advertising/Marketing Contract	40,996	121,959	114,911	47,040	85,803	10,000	(75,803)	nm
Other	16,600	18,407	73,834	21,078	57,987	52,608	(5,379)	(10%)
Commodities and Capital Outlays								
Agriculture & Horticulture & Other Supply	14,381	8,817	14,172	26,639	12	13,012	13,000	100%
Maintenance & Repairs Supply, Equipment	40,234	6,791	42,136	12,345	31,721	23,806	(7,915)	(33%)
Inventory Purchased for Resale	70,315	75,590	47,219	33,950	102,018	99,459	(2,559)	(3%)
Construction - Other	-	307	400	-	200	-	(200)	n/a
Other Expenses	6,537	2,446	2,872	18,718	2,526	2,932	407	14%
BOR Admin								
BOR Admin/WestWorld	-	-	-	-	-	-	-	-
Allocated Expenses								
COS Indirect Costs	92,766	96,069	105,630	118,405	137,316	137,316	-	-
Operating Transfer Out								
Operating Transfer Out	-	21,734	-	-	-	-	-	-
Operating Expenses	\$1,366,847	\$1,209,934	\$1,478,949	\$1,447,147	\$2,123,953	\$2,243,386	\$119,433	5%
Operating Income	(\$298,170)	(\$127,631)	(\$543,311)	(\$177,085)	(\$191,775)	(\$1,049,363)	\$857,588	nm
Debt Service (Less contributions)								
Debt Service - (52 & 17 acres)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service - TNEC (\$41.935M)	-	-	-	-	-	-	-	-
Debt Service - TNEC Tourism Funded	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
Net Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Operating Income After Debt Service	(\$298,170)	(\$127,631)	(\$543,311)	(\$177,085)	(\$191,775)	(\$1,049,363)	\$857,588	nm



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.