



Town Manager's Office

TOWN COUNCIL REPORT

DATE: March 19, 2024
TO: Mayor and Council
FROM: Jeff Wilkins, Town Manager
David Gephart, Chief Financial officer
SUBJECT: January 2024 Financial Update

This financial update is intended to provide an overview and status of financial results for the Town's selected funds through January 2024 for fiscal year 2023/24. ***Please note that all amounts are preliminary, un-audited and subject to change. Additionally, estimates reflected in monthly financial updates may not include any adjusting audit entries required at year-end.***

EXECUTIVE SUMMARY

Revenues and expenditures are performing well compared to budget. Further details are as follows:

General Fund

In the General Fund (see attachment A), revenues total \$33.8 million or 58.8% of budget, while uses are at \$33.8 million or 53.8% of budget.

Highway Fund

In the Highway Fund (see attachment B), sources total \$2.5 million or 42.3% of budget, while expenditures total \$3.9 million or 60.2% of budget.

Community Center Fund

In the Community Center Fund (see attachment C-1, C-2 and C-3), revenues total \$6.0 million or 61.4% of budget, while uses total \$6.9 million or 68.2% of budget.

BACKGROUND AND DETAILED INFORMATION

GENERAL FUND

Attachment A shows General Fund revenues and expenditures through January, other financing uses and year-end estimates for each category. The estimated year-end projections in the General Fund are as follows:

Revenues	\$58,629,086
<u>Less:</u>	
Expenditures	(\$49,793,677)
Other Financing Uses	(\$12,274,644)
Preliminary Estimated Decrease in Fund Balance:	(\$3,439,235)*
Estimated FY24 Year-End Fund Balance	\$20,359,257**

*The estimated decrease in fund balance is due to a budgeted transfer of \$10 million to the Capital Fund for CIP projects.

**The ending fund balance is currently estimated to exceed the 30% reserve policy by \$5.2 million.

General Fund Revenues

- Local sales tax collections in the General Fund total \$15.8 million or 59.8% of the budgeted amount of \$26.4 million and overall are performing better than anticipated. Retail collections total \$5.4 million, which is 0.7% greater than the same time period last fiscal year. Restaurant/bar collections total \$1.5 million which is 2.6% greater than the same time period last fiscal year. Bed tax collections total \$1.1 million which is 3.8% greater than the same time period last fiscal year. Construction sales tax collections total \$3.5 million through January, which is 5.6% less than collections from the same time period last fiscal year. (The budgeted decrease for construction sales tax is 16.6%). Total local sales tax revenue in the General Fund is expected to come in about \$1.0 million or 4.0% above budget due to stronger performance in construction, remote seller, bed tax and utilities. The low growth in retail sales tax is more than made up by the increase in remote seller sales tax which indicates a greater shift to online purchases from brick-and-mortar stores compared to the prior year. Please see attachment E for detailed information on General Fund local sales tax collections.
- State shared revenues total \$13.2 million or 57.6% of the budget amount of \$23.0 million. These revenue sources are comprised of state shared sales taxes, state shared income taxes, auto-lieu fees, and Smart and Safe shared taxes. At this time, these revenues are forecasted to come in 0.2% under budget due to lower trending vehicle license tax, state income tax, and Smart & Safe tax.

- License and permit revenues total about \$1.1 million or 66.3% of the budget amount of \$1.7 million. A total of 87 Single Family Residential (SFR) permits have been issued through January (119 budgeted). License and permit revenues are expected to come in \$111,000 above budget, due to greater than expected commercial and residential development activity.
- Charges for services revenues total \$1.8 million or 55.3% of the budget amount of \$3.2 million. Cost allocation charges to the Town's enterprise funds for services provided, as well as Parks & Recreation fees, make up the bulk of this revenue category. Charges for services are forecasted to come in about \$353,000 or 11.0% below budget due to a reduction in the enterprise service charge, lower-than-expected engineering plan review fees and court fees, and no transit farebox revenues.
- Miscellaneous revenues are forecasted to come in about \$291,000 above budget due primarily to a rebate received from the Arizona Municipal Risk Retention Pool (AMRRP).

General Fund Uses

- General Fund uses total \$33.8 million or 53.8% of budget through January.
- Personnel costs are forecasted to come in about \$0.7 million or 1.9% less than budget, due to a combination of vacancy savings, position refills and budgeted PSPRS contributions.
- Operations and maintenance are forecasted to come in about \$20,000 or 0.1% less than budget, due to savings in travel and training and outside professional services.
- Capital costs are forecasted to come in on budget.
- Transfers out of the General Fund are expected to end the fiscal year on budget. Note that actuals through January reflect the budgeted transfer to debt service and 1/2 of the budgeted transfer to the Capital Fund for CIP.

HIGHWAY FUND

Attachment B shows Highway Fund revenues and expenditures through January, other financing sources, and year-end estimates for each category. The estimated year-end projections in the Highway Fund are as follows:

Revenues	\$4,524,233
Transfers In	\$1,500,000
<u>Less:</u>	
Expenditures	(\$6,463,787)
Preliminary Estimated Decrease in Fund Balance:	(\$438,554)
Estimated FY24 Year-End Fund Balance	\$440,378

Please note the negative fund balance on attachment D is expected to be temporary and will be corrected when the budgeted transfer from the Capital Fund is posted.

Highway Fund Revenues

- State shared highway user funds total about \$2.4 million or 54.9% of the budget amount of \$4.3 million. These revenues are projected to come in on budget at this time.
- Interest income is expected to come in at a favorable budget variance of \$80,000, due primarily to earnings in the State's Local Government Investment Pool (LGIP).
- Other minor revenues in the Highway Fund are expected to come in at a favorable budget variance of \$12,625 due to insurance recoveries.

Highway Fund Expenditures

- Highway Fund expenditures through January are at \$3.9 million or 60.2% of the adopted budget of \$6.5 million. Highway Fund expenditures are projected to come in \$5,004 under budget due to personnel savings.

COMMUNITY CENTER FUND

Attachment C-1 shows consolidated Community Center Fund revenues and expenditures through January, other financing uses, and year-end estimates for each category.

Attachment C-2 shows the monthly line-item detail for the contractor-managed operations, specifically revenues and expenditures associated with golf, and food and beverage operations. The totals in the revenue and expenditure categories in attachment C-2 tie to the contracted operating revenues and expenditures in attachment C-1.

Attachment C-3 shows contractor operations for 36-hole, Pusch Ridge and F&B separately, as well as capital investments for golf, half cent sales tax collections, and HOA contributions.

The estimated year-end projections in the Community Center Fund are as follows:

Revenues	\$10,588,146
<u>Less:</u>	
Expenditures	(\$8,426,695)
Transfers Out	(\$1,717,203)
Preliminary Estimated Increase in Fund Balance:	\$444,248
Estimated FY24 Year-end Fund Balance	\$1,452,481

Community Center Fund Revenues

- Revenues in the Community Center Fund through January total about \$6.0 million or 61.4% of the budget amount of \$9.7 million.
- Contracted operating revenues total \$3.1 million as of January, which is about \$502,000 or 19.7% greater than the same time last fiscal year. Contracted revenues are estimated to come in \$574,000 or 12.5% over budget mostly due to member dues and greens fees.
- Town operating revenues through January are at about \$717,000 or 61.0% of the budget amount of \$1.2 million. Town operating revenues are expected to end the fiscal year about \$221,000 higher than budget due mainly to member dues. Recreation programs, daily drop-ins and facility rental income are also expected to exceed budget expectations.
- Local sales tax revenues through January total about \$2.2 million or 58.2% of the budget amount of \$3.7 million. These collections are currently projected to come in \$60,000 or 1.6% above budget, due to positive trends in the remote seller category.

Community Center Fund Uses

- Expenditures in the Community Center Fund total \$5.2 million or 61.7% of the budgeted amount of \$8.4 million.
- Contracted operating expenditures total \$3.2 million, or 63.9% of the budgeted amount of \$5.0 million. Contracted expenditures are currently estimated to come in 6.3% over budget due to greater than expected utilities and labor costs, as well as cost of sales.
- Town operating expenditures total about \$1.0 million or 58.2% of budget and are currently estimated to come in approximately \$84,000 over budget due to trending of personnel costs, as well as contracted program instructors.
- Capital expenditures total about \$1.1 million or 59.0% of budget and are currently estimated to come in approximately \$412,000 under budget due to \$540,802 of capital

projects expected to carry over into next fiscal year, namely the Community Center flat roof surface replacement, restaurant cooler/freezer modernization, and Vistoso Trails Nature Preserve safety improvements. The budget carryover is partially offset by greater than expected expenditures on equipment.

- Transfers out are expected to end the year on budget. Note that actuals through January reflect the full year budgeted transfer out to debt service.

The Town is not expecting any year-end sales tax support for golf operations for the current fiscal year. Contracted operations have a projected net loss of \$95,697 before outside HOA contributions of \$159,050, and local sales taxes generated from golf related operations estimated at \$131,015.

ATTACHMENTS

- A. Additional details on the General Fund
- B. Additional details on the Highway Fund
- C. C-1, C-2 and C-3 for additional details on the Community Center Fund and golf operations
- D. Fiscal year-to-date consolidated summary for all Town funds
- E. Breakdown of monthly local sales tax for the General Fund
- F. Breakdown of monthly state shared revenue collections for the General Fund



General Fund

Financial Status Fiscal Year to Date: January 2024

Revenues

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Local Sales Tax	\$ 15,602,530	\$ 15,775,626	\$ 26,398,318	\$ (10,622,692)	60%	\$ 27,410,951
State Shared Revenues	10,411,931	13,221,132	22,953,222	(9,732,090)	58%	22,911,468
Licenses & Permits	1,728,330	1,138,838	1,717,118	(578,280)	66%	1,828,007
Grants	384,738	276,700	657,415	(380,715)	42%	728,887
Intergovernmental	789,494	886,788	1,869,500	(982,712)	47%	1,869,500
Charges for Service	1,601,633	1,773,182	3,204,246	(1,431,064)	55%	2,851,355
Other Revenue	884,080	717,613	688,000	29,613	104%	1,028,919
Total Revenues	\$ 31,402,736	\$ 33,789,880	\$ 57,487,819	\$ (23,697,939)	59%	\$ 58,629,086

Uses

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Personnel Services	\$ 16,746,098	\$ 18,456,029	\$ 35,698,399	\$ 17,242,370	52%	\$ 35,007,347
Operations and Maintenance	7,492,320	7,958,345	14,169,682	6,211,336	56%	14,149,697
Capital Outlay	146,212	247,422	636,633	389,211	39%	636,633
Transfers Out	6,548,965	7,136,644	12,274,644	5,138,000	58%	12,274,644
Total Uses	\$ 30,933,594	\$ 33,798,440	\$ 62,779,358	\$ 28,980,918	54%	\$ 62,068,321

Change in Fund Balance

	FY 2022/23	FY 2023/24	FY 2023/24	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 31,402,736	\$ 33,789,880	\$ 57,487,819	\$ 58,629,086
Total Uses	(30,933,594)	(33,798,440)	(62,779,358)	(62,068,321)
Change in Fund Balance	\$ 469,141	\$ (8,561)	\$ (5,291,539)	\$ (3,439,235)

Beginning Fund Balance	\$ 23,798,492
Estimated Ending Fund Balance	\$ 20,359,257

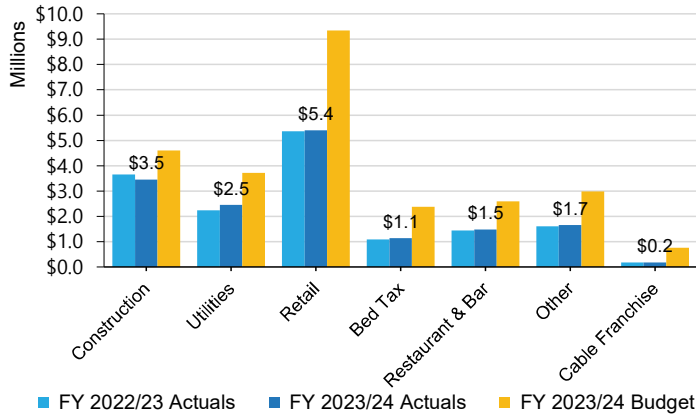


General Fund

Financial Status Fiscal Year to Date: January 2024

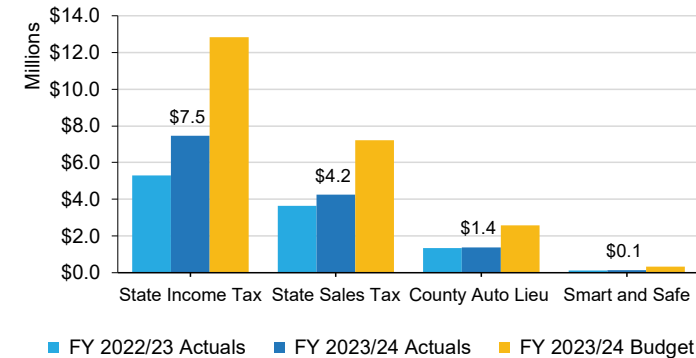
Local Sales Tax Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Construction	\$ 3,661,949	\$ 3,458,025	\$ 4,609,182	\$ (1,151,157)	75%	\$ 5,009,182
Utilities	2,235,885	2,451,080	3,721,616	(1,270,536)	66%	3,891,392
Retail	5,364,745	5,403,521	9,339,301	(3,935,779)	58%	9,308,242
Bed Tax	1,096,767	1,137,995	2,384,479	(1,246,485)	48%	2,370,534
Restaurant & Bar	1,450,725	1,487,917	2,596,724	(1,108,807)	57%	2,564,755
Other	1,610,034	1,656,077	2,982,017	(1,325,940)	56%	3,293,180
Cable Franchise	182,425	181,011	765,000	(583,989)	24%	757,395
Local Sales Tax Total	\$ 15,602,530	\$ 15,775,626	\$ 26,398,318	\$ (10,622,692)	60%	\$ 27,194,681



State Shared Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
State Income Tax	\$ 5,298,254	\$ 7,454,698	\$ 12,839,525	\$ (5,384,827)	58%	\$ 12,779,484
State Sales Tax	3,640,134	4,249,360	7,207,659	(2,958,299)	59%	7,411,231
County Auto Lieu	1,346,921	1,380,880	2,582,388	(1,201,509)	53%	2,428,421
Smart and Safe	126,622	136,194	323,650	(187,456)	42%	292,332
State Shared Total	\$ 10,411,931	\$ 13,221,132	\$ 22,953,222	\$ (9,732,090)	58%	\$ 22,911,468



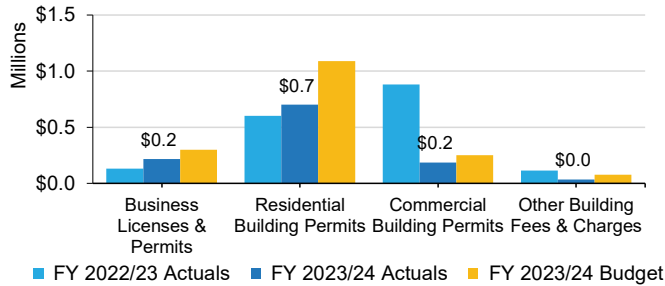


General Fund

Financial Status Fiscal Year to Date: January 2024

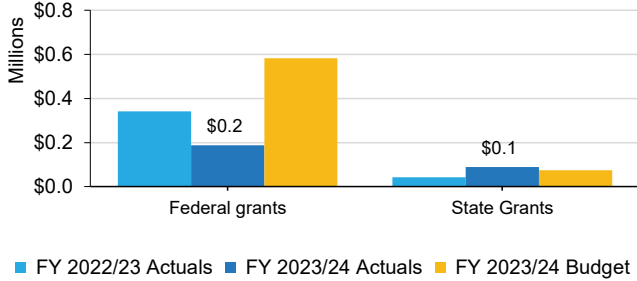
Licenses & Permits Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Business Licenses & Permits	\$ 131,809	\$ 215,884	\$ 300,000	\$ (84,116)	72%	\$ 305,000
Residential Building Permits	600,935	702,650	1,090,118	(387,468)	64%	1,161,007
Commercial Building Permits	882,079	186,234	250,000	(63,766)	74%	300,000
Other Building Fees & Charges	113,507	34,070	77,000	(42,930)	44%	62,000
Licenses & Permits Total	\$ 1,728,330	\$ 1,138,838	\$ 1,717,118	\$ (578,280)	66%	\$ 1,828,007



Grants Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Federal grants	\$ 342,162	\$ 187,411	\$ 582,415	\$ (395,004)	32%	\$ 581,401
State Grants	42,575	89,289	75,000	14,289	119%	147,486
Grants Total	\$ 384,738	\$ 276,700	\$ 657,415	\$ (380,715)	42%	\$ 728,887



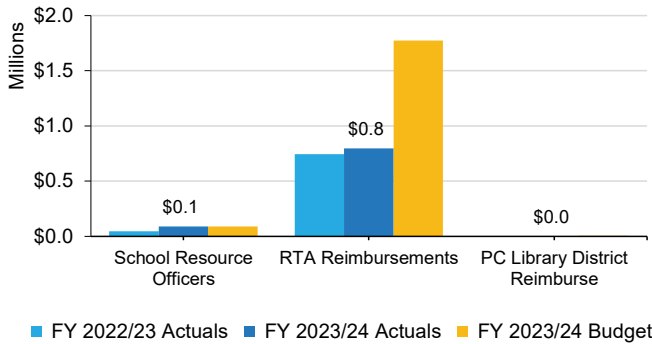


General Fund

Financial Status Fiscal Year to Date: January 2024

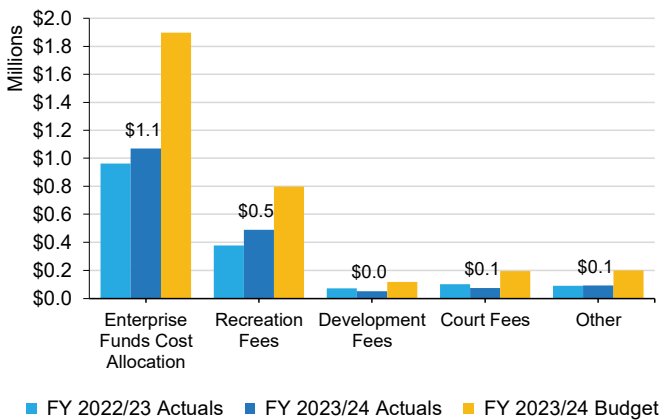
Intergovernmental Revenue

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
School Resource Officers	\$ 44,541	\$ 90,000	\$ 90,000	\$ -	100%	\$ 90,000
RTA Reimbursements	744,953	796,788	1,774,000	(977,212)	45%	1,774,000
PC Library District Reimburse	-	-	5,500	(5,500)	-	5,500
Intergovernmental Total	\$ 789,494	\$ 886,788	\$ 1,869,500	\$ (982,712)	47%	\$ 1,869,500



Charges for Service Revenue

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Enterprise Funds Cost Allocation	\$ 961,897	\$ 1,068,355	\$ 1,897,065	\$ (828,710)	56%	\$ 1,653,935
Recreation Fees	377,462	489,489	796,840	(307,351)	61%	797,140
Development Fees	72,125	49,738	116,080	(66,343)	43%	95,160
Court Fees	100,206	74,346	194,400	(120,054)	38%	135,000
Other	89,944	91,255	199,861	(108,606)	46%	170,120
Charges for Service Total	\$ 1,601,633	\$ 1,773,182	\$ 3,204,246	\$ (1,431,064)	55%	\$ 2,851,355



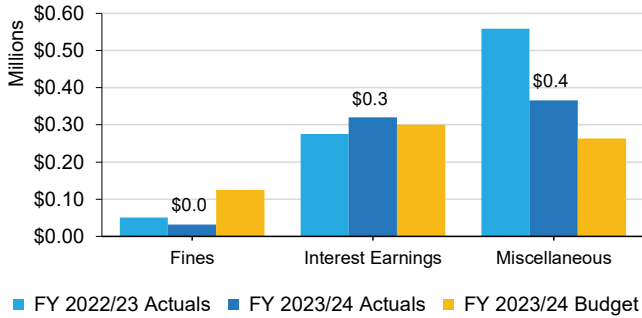


General Fund

Financial Status Fiscal Year to Date: January 2024

Other Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Fines	\$ 51,191	\$ 32,047	\$ 125,000	\$ (92,953)	26%	\$ 53,950
Interest Earnings	275,060	319,717	300,000	19,717	107%	402,331
Miscellaneous	557,828	365,849	263,000	102,849	139%	572,638
Other Revenue Total	\$ 884,080	\$ 717,613	\$ 688,000	\$ 29,613	104%	\$ 1,028,919



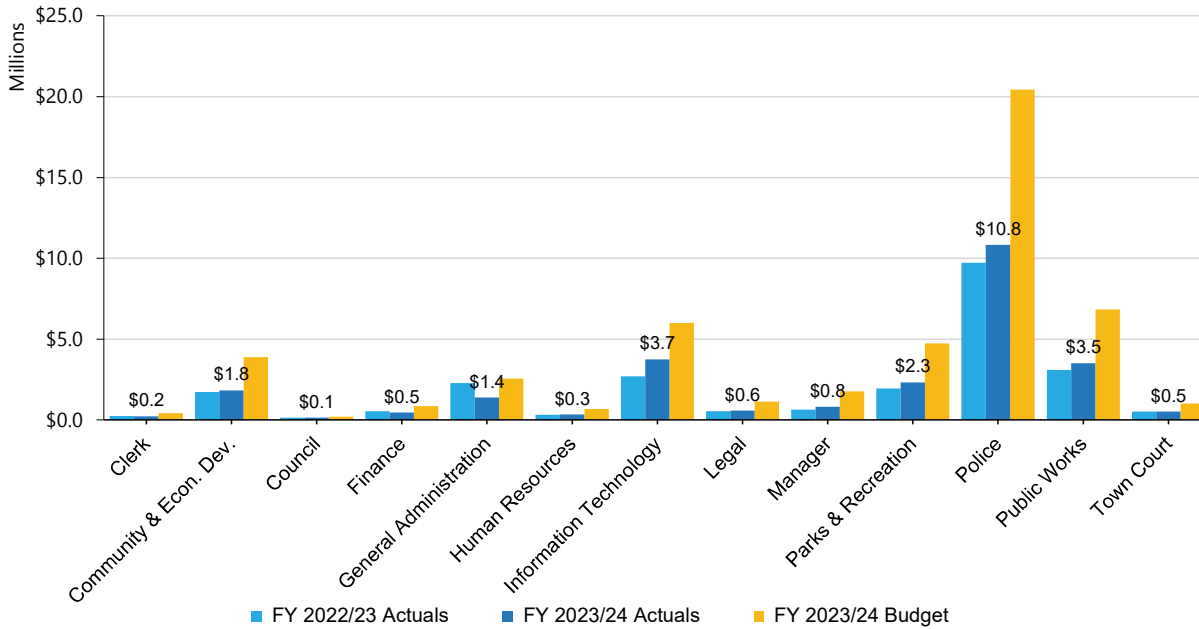


General Fund

Financial Status Fiscal Year to Date: January 2024

Expenditures by Department

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Clerk	\$ 240,147	\$ 218,681	\$ 419,897	\$ 201,216	52%	\$ 418,693
Community & Econ. Dev.	1,719,702	1,832,248	3,882,445	2,050,197	47%	3,779,916
Council	149,244	134,805	209,203	74,398	64%	209,203
Finance	543,114	455,530	850,456	394,926	54%	837,979
General Administration	2,281,831	1,381,881	2,555,536	1,173,655	54%	2,555,536
Human Resources	312,057	334,131	673,755	339,624	50%	666,576
Information Technology	2,697,056	3,737,752	6,004,600	2,266,848	62%	5,959,357
Legal	538,849	570,681	1,132,503	561,822	50%	1,128,116
Manager	637,263	810,232	1,760,479	950,247	46%	1,651,253
Parks & Recreation	1,949,734	2,322,816	4,743,140	2,420,324	49%	4,433,701
Police	9,716,039	10,838,952	20,436,591	9,597,639	53%	20,393,738
Public Works	3,082,438	3,506,374	6,825,447	3,319,073	51%	6,759,523
Town Court	517,156	517,713	1,010,662	492,949	51%	1,000,086
Total Department Expenditures	\$ 24,384,629	\$ 26,661,796	\$ 50,504,714	\$ 23,842,918	53%	\$ 49,793,677



General Administration in FY23 is primarily comprised of an \$885,000 settlement for Vistoso Trails Nature Preserve.

Council actuals as a percent of budget reflect dues paid to PAG and the AZ League of Cities and Towns, which are front loaded at the beginning of the fiscal year.

InformationTechnology actuals as a percent of budget are due to planned mobile data computer and PC replacements



Highway Fund

Financial Status Fiscal Year to Date: January 2024

Sources

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Licenses & Permits	\$ 16,896	\$ 13,460	\$ 25,000	\$ (11,541)	54%	\$ 25,000
Highway User Revenue	2,345,652	2,379,124	4,334,608	(1,955,484)	55%	4,334,608
Interest Earnings	70,060	101,755	70,000	31,755	145%	150,000
Miscellaneous	6,419	13,951	3,000	10,951	465%	15,625
Transfers In	-	-	1,500,000	(1,500,000)	-	1,500,000
Total Sources	\$ 2,439,026	\$ 2,508,290	\$ 5,932,608	\$ (3,424,318)	42%	\$ 6,025,233

Expenditures

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Personnel	\$ 634,892	\$ 672,925	\$ 1,262,861	\$ 589,936	53%	\$ 1,257,857
O&M	329,053	509,932	1,010,930	500,998	50%	1,010,930
Capital Outlays	1,193,182	2,713,157	4,195,000	1,481,843	65%	4,195,000
Total Expenditures	\$ 2,157,127	\$ 3,896,014	\$ 6,468,791	\$ 2,572,777	60%	\$ 6,463,787

Change in Fund Balance

	FY 2022/23	FY 2023/24	FY 2023/24	Year End
	Actuals	Actuals	Budget	Estimate
Total Sources	\$ 2,439,026	\$ 2,508,290	\$ 5,932,608	\$ 6,025,233
Total Expenditures	(2,157,127)	(3,896,014)	(6,468,791)	(6,463,787)
Change in Fund Balance	\$ 281,898	\$ (1,387,724)	\$ (536,183)	\$ (438,554)

Beginning Fund Balance \$ 878,932
 Estimated Ending Fund Balance \$ 440,378



Community Center Fund

Financial Status Fiscal Year to Date: January 2024

Revenues

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Local Sales Tax	\$ 2,103,398	\$ 2,168,709	\$ 3,726,016	\$ (1,557,307)	58%	\$ 3,786,076
Contracted Operating Revenues	2,551,385	3,053,531	4,609,486	(1,555,955)	66%	5,183,890
Town Operating Revenues	572,057	716,982	1,175,800	(458,818)	61%	1,397,012
Other Revenues	39,182	26,379	197,150	(170,771)	13%	221,168
Total Revenues	\$ 5,266,022	\$ 5,965,601	\$ 9,708,452	\$ (3,742,851)	61%	\$ 10,588,146

Uses

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Contracted Operating Expenditures	\$ 2,761,615	\$ 3,171,434	\$ 4,965,264	\$ 1,793,830	64%	\$ 5,279,587
Town Operating Expenditures	911,631	963,694	1,654,718	691,024	58%	1,738,371
Capital Outlay	1,037,253	1,074,821	1,820,500	745,679	59%	1,408,737
Transfers Out	2,028,066	1,717,203	1,717,203	-	100%	1,717,203
Total Uses	\$ 6,738,565	\$ 6,927,151	\$ 10,157,685	\$ 3,230,534	68%	\$ 10,143,898

Change in Fund Balance

	FY 2022/23	FY 2023/24	FY 2023/24	Year End
	Actuals	Actuals	Budget	Estimate
Total Revenues	\$ 5,266,022	\$ 5,965,601	\$ 9,708,452	\$ 10,588,146
Total Uses	(6,738,565)	(6,927,151)	(10,157,685)	(10,143,898)
Change in Fund Balance	\$ (1,472,543)	\$ (961,549)	\$ (449,233)	\$ 444,248

Beginning Fund Balance \$ 1,008,233
 Estimated Ending Fund Balance \$ 1,452,481

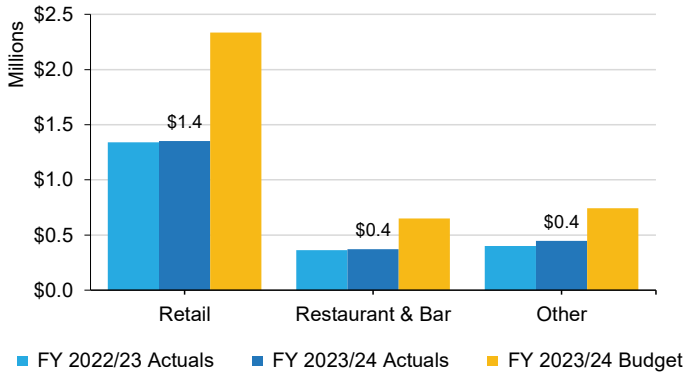


Community Center Fund

Financial Status Fiscal Year to Date: January 2024

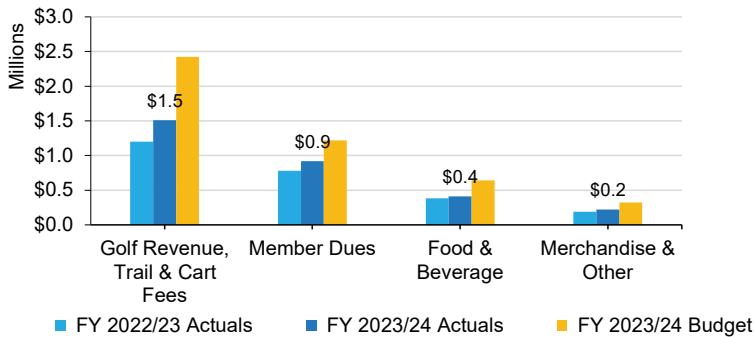
Local Sales Tax Revenue

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Retail	\$ 1,341,186	\$ 1,350,880	\$ 2,334,825	\$ (983,945)	58%	\$ 2,327,060
Restaurant & Bar	362,681	371,979	649,181	(277,202)	57%	641,189
Other	399,531	445,849	742,010	(296,161)	60%	817,827
Local Sales Tax Total	\$ 2,103,398	\$ 2,168,709	\$ 3,726,016	\$ (1,557,307)	58%	\$ 3,786,076



Contracted Operating Revenue

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End Estimate
	Actuals	Actuals	Budget	Amount	Percent	
Golf Revenue, Trail & Cart Fees	\$ 1,200,111	\$ 1,508,170	\$ 2,424,211	\$ (916,041)	62%	\$ 2,569,390
Member Dues	778,375	916,931	1,219,000	(302,069)	75%	1,514,000
Food & Beverage	384,310	408,802	641,975	(233,173)	64%	714,500
Merchandise & Other	188,589	219,629	324,300	(104,671)	68%	386,000
Contracted Revenue Total	\$ 2,551,385	\$ 3,053,531	\$ 4,609,486	\$ (1,555,955)	66%	\$ 5,183,890



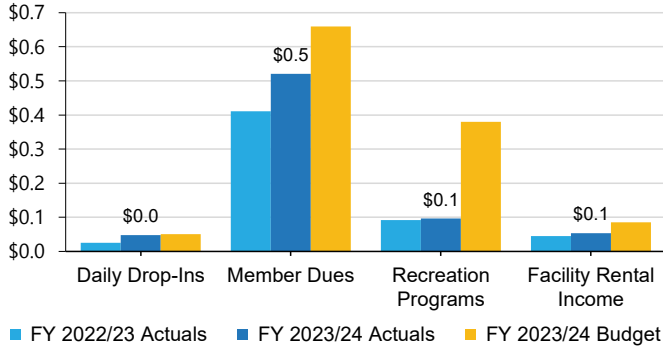


Community Center Fund

Financial Status Fiscal Year to Date: January 2024

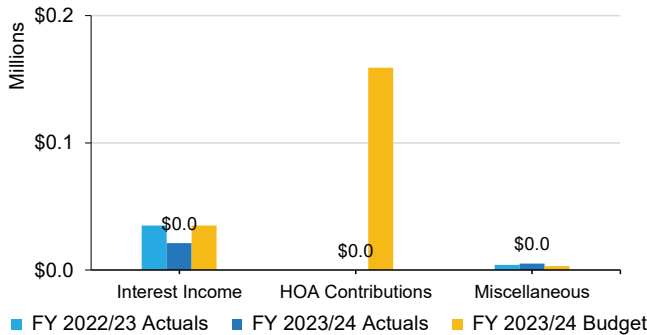
Town Operating Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Daily Drop-Ins	\$ 24,752	\$ 47,217	\$ 50,500	\$ (3,283)	93%	\$ 77,516
Member Dues	410,991	520,300	660,000	(139,700)	79%	819,247
Recreation Programs	91,514	96,032	380,000	(283,968)	25%	405,653
Facility Rental Income	44,800	53,433	85,300	(31,867)	63%	94,596
Town Operating Revenue Total	\$ 572,057	\$ 716,982	\$ 1,175,800	\$ (458,818)	61%	\$ 1,397,012



Other Revenue

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2023/24 Budget	Actual Vs. Budget		Year End Estimate
				Amount	Percent	
Interest Income	\$ 35,045	\$ 21,277	\$ 35,000	\$ (13,723)	61%	57,000
HOA Contributions	-	-	159,050	(159,050)	-	159,050
Miscellaneous	4,137	5,102	3,100	2,002	165%	5,118
Other Revenue Total	\$ 39,182	\$ 26,379	\$ 197,150	\$ (170,771)	13%	\$ 221,168



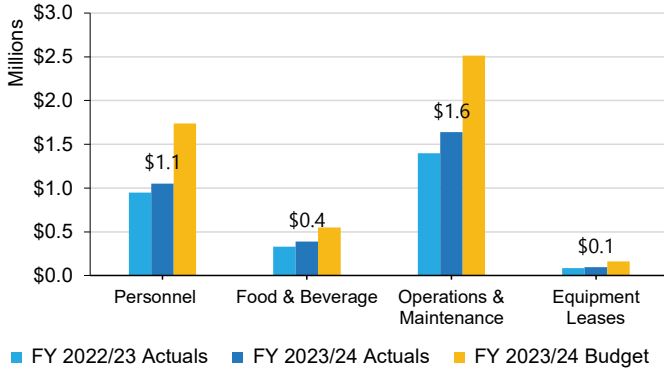


Community Center Fund

Financial Status Fiscal Year to Date: January 2024

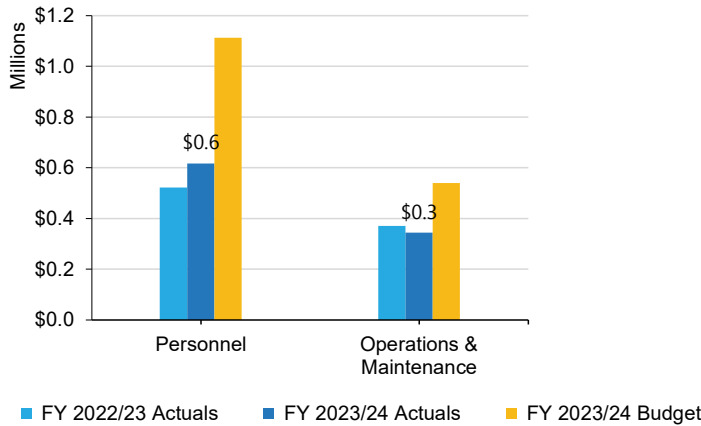
Contracted Operating Expenditures

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Personnel	\$ 948,983	\$ 1,051,654	\$ 1,738,221	\$ (686,567)	61%	\$ 1,829,774
Food & Beverage	330,047	386,973	550,992	(164,019)	70%	625,500
Operations & Maintenance	1,398,890	1,637,908	2,513,367	(875,459)	65%	2,661,629
Equipment Leases	83,694	94,898	162,684	(67,786)	58%	162,684
Contracted Expenditures Total	\$ 2,761,615	\$ 3,171,434	\$ 4,965,264	\$ (1,793,830)	64%	\$ 5,279,587



Town Operating Expenditures

	FY 2022/23	FY 2023/24	FY 2023/24	Actual Vs. Budget		Year End
	Actuals	Actuals	Budget	Amount	Percent	Estimate
Personnel	\$ 522,536	\$ 617,194	\$ 1,114,639	(497,445)	55%	\$ 1,187,609
Operations & Maintenance	370,305	343,911	540,079	(196,168)	64%	535,197
Town Operating Expenditures Total	\$ 892,841	\$ 961,106	\$ 1,654,718	\$ (693,612)	58%	\$ 1,722,806



List of FY24 Capital Projects:

Canada Golf Crs Pathway Impro	550,000
CC Fire Alarm Upgrade	75,000
CC Flat Roof Replacement	198,000
Overlook Cooler/freezer Modern	65,000
Life Cycle Repl - Bunkers & Turf Red	100,000
PR ADA & Code Compliance	285,000
PR Improvements	75,000
VTNP ADA Restrooms	75,000
VTNP Improvements	255,000
PR Concrete ADA pad	20,000
CC Walking path lighting	12,000
External Pool lighting	7,500
Facility beautification	12,000
Facility landscaping	15,000
Pool deck maintenance	10,000
Pool handrails	7,000
PR Tennis bleacher demo	35,000
PR Tennis Court Gate repair	8,000
Outdoor movie screen replacement	16,000
Total	1,820,500

El Conquistador Golf Club
For the Month Ending January 31st, 2024

January					YTD					
Actual	Budget	Budget Variance	Last Year	Last Year Variance		Actual	Budget	Budget Variance	Last Year	Last Year Variance
Rounds						Rounds				
4,405	3,700	705	4,071	334	Rounds - Member	25,306	20,600	4,706	22,329	2,977
677	900	(223)	811	(134)	Rounds - Outing	4,109	3,450	659	3,287	822
5,575	6,100	(525)	5,628	(53)	Rounds - Public	24,948	23,825	1,123	24,810	138
10,657	10,700	(43)	10,510	147	Total Rounds	54,363	47,875	6,488	50,426	3,937
Revenue						Revenue				
255,898	261,500	(5,602)	237,526	18,372	Green Fees	1,050,654	960,500	90,154	991,882	58,772
29,800	24,675	5,125	34,281	(4,480)	Cart Fees	194,241	166,496	27,745	187,003	7,238
5,836	5,000	836	5,693	143	Driving Range	23,765	22,000	1,765	21,226	2,539
0	0	0	0	0	Golf Cards/Passes	0	0	0	0	0
22,509	21,575	934	20,247	2,262	Pro Shop Sales	142,761	138,975	3,786	136,423	6,337
28,879	25,900	2,979	34,256	(5,377)	Food (Food & Soft Drinks)	204,337	164,775	39,562	200,408	3,930
27,396	27,900	(504)	29,367	(1,971)	Beverages (Alcohol)	195,953	158,025	37,928	174,792	21,161
(1,569)	0	(1,569)	(465)	(1,104)	Other Food & Beverage Revenue	8,512	0	8,512	9,110	(598)
7,347	2,900	4,447	6,398	950	Other Golf Revenues (Club Rent, Handica	40,485	14,050	26,435	23,825	16,661
895	3,150	(2,255)	3,332	(2,437)	Clinic / School Revenue	14,553	13,175	1,378	17,746	(3,193)
184,912	108,000	76,912	130,992	53,920	Dues Income - Monthly Dues	912,502	695,000	217,502	774,295	138,206
0	0	0	0	0	Initiation Fee Income / Annual Membersl	4,429	0	4,429	4,080	349
(85)	0	(85)	4,114	(4,199)	Miscellaneous Income and Discounts	21,830	0	21,830	10,595	11,234
561,819	480,600	81,219	505,740	56,079	Total Revenue	2,814,021	2,332,996	481,025	2,551,385	262,637
Cost of Sales						Cost of Sales				
15,389	15,018	(371)	17,260	1,871	COGS - Pro Shop	105,069	96,798	(8,272)	105,516	447
11,325	7,607	(3,719)	7,051	(4,275)	COGS - Food	74,192	47,333	(26,860)	57,962	(16,230)
2,088	1,120	(968)	1,235	(853)	COGS - Non-Alcoholic Beverages	11,827	8,149	(3,679)	10,035	(1,792)
7,908	8,363	455	8,163	255	COGS - Alcohol	55,166	47,423	(7,744)	46,612	(8,554)
36,710	32,107	(4,603)	33,708	(3,002)	Total Cost of Sales	246,255	199,701	(46,554)	220,125	(26,130)
525,109	448,493	76,616	472,032	53,077	GROSS INCOME	2,567,766	2,133,295	434,472	2,331,260	236,507
Labor						Labor				
37,010	41,485	4,475	36,889	(122)	Golf Operation Labor	244,494	235,456	(9,039)	231,024	(13,470)
9,867	10,063	196	10,867	1,000	General and Administrative	78,694	74,438	(4,256)	81,519	2,825
75,443	68,611	(6,833)	69,592	(5,852)	Maintenance and Landscaping	518,961	483,800	(35,161)	449,651	(69,311)
28,532	25,266	(3,266)	27,775	(757)	F&B	193,847	155,128	(38,719)	158,321	(35,527)
7,873	8,558	685	5,042	(2,831)	Sales and Marketing	53,593	50,608	(2,985)	40,978	(12,615)
158,725	153,982	(4,743)	150,164	(8,561)	Total Direct Labor	1,089,590	999,430	(90,160)	961,492	(128,097)
13,117	13,858	742	26,379	13,263	Total Payroll Taxes	87,664	89,949	2,284	90,960	3,295
10,640	14,300	3,660	10,460	(180)	Total Medical/Health Benefits	76,215	55,400	(20,815)	76,520	304
2,233	2,940	707	2,099	(134)	Total Workmans Comp	15,705	13,205	(2,500)	13,788	(1,917)
25,990	31,098	5,109	38,937	12,948	Total Payroll Burden	179,585	158,554	(21,031)	181,268	1,683
184,715	185,081	366	189,101	4,386	Total Labor	1,269,174	1,157,984	(111,190)	1,142,760	(126,414)
Other Operational Expenses						Other Operational Expenses				
12,018	8,372	(3,646)	5,941	(6,078)	Golf Ops	45,810	41,856	(3,954)	41,463	(4,347)
13,079	16,765	3,686	13,002	(76)	G&A	70,781	87,702	16,921	90,594	19,814
33,187	27,668	(5,519)	39,867	6,681	Maintenance	429,631	461,201	31,570	446,717	17,086
3,119	3,180	61	2,727	(392)	F&B	28,268	25,845	(2,423)	21,662	(6,606)
3,708	4,625	917	5,029	1,320	Sales and Marketing	30,500	17,725	(12,775)	27,245	(3,255)
13,259	13,259	0	13,259	0	Golf Cart Leases	92,811	92,813	2	81,905	(10,906)
298	298	(0)	298	0	Equipment Leases	2,087	2,086	(1)	1,789	(298)
45,290	27,417	(17,873)	11,193	(34,097)	Utilities - Maintenance	733,688	536,094	(197,594)	438,142	(295,546)
21,316	14,750	(6,566)	17,533	(3,783)	Utilities - G&A	130,688	106,750	(23,938)	109,189	(21,498)
10,612	10,612	(0)	10,404	(208)	Management Fees	74,285	74,284	(1)	72,828	(1,457)
(2,224)	4,000	6,224	2,493	4,717	Insurance - P&C	17,457	39,000	21,543	39,697	22,239
153,662	130,946	(22,716)	121,745	(31,916)	Total Other Operational Expenses	1,656,005	1,485,356	(170,649)	1,371,230	(284,775)
338,377	316,027	(22,350)	310,847	(27,530)	Total Expenses	2,925,179	2,643,340	(281,839)	2,513,990	(411,189)
186,732	132,466	54,266	161,185	25,546	EBITDAR	(357,412)	(510,045)	152,632	(182,730)	(174,682)
186,732	132,466	54,266	161,185	25,546	EBITDA	(357,412)	(510,045)	152,632	(182,730)	(174,682)
Interest Expense/Dep&Amt						Interest Expense/Dep&Amt				
(30,164)	0	30,164	0	30,164	Other Expense	(239,510)	0	239,510	0	239,510
0	0	0	0	0	Capital Improvements/Cap Reserve	0	0	0	27,500	27,500
(30,164)	0	30,164	0	30,164	Total Interest Expense	(239,510)	0	239,510	27,500	267,010
216,896	132,466	84,430	161,185	55,710	Net Income	(117,902)	(510,045)	392,142	(210,230)	92,328

Town of Oro Valley
Golf Analysis

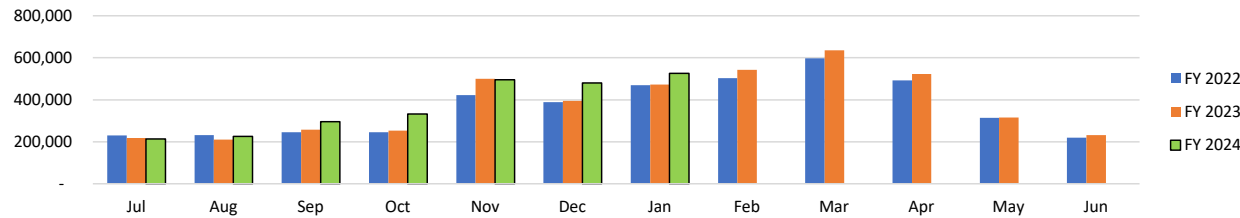


Operating:	PRE AGREEMENT						POST AGREEMENT			Through Jan	Budget	Cumulative Actuals
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY2024	FY 2024	
Revenue												
36 Hole	500,158	1,883,452	1,798,304	2,171,484	2,367,136	2,593,395	3,522,083	3,674,489	3,856,880	2,435,873	3,553,371	24,803,254
Pusch ridge	-	105,370	99,134	59,726	106,184	98,316	-	380,375	414,225	208,856	433,565	1,472,186
F&B - Overlook	-	606,171	708,594	745,766	671,582	554,336	448,782	671,479	725,222	408,802	622,550	5,540,734
Total Revenue	500,158	2,594,993	2,606,032	2,976,976	3,144,902	3,246,047	3,970,865	4,726,343	4,996,327	3,053,531	4,609,486	31,816,174
Expenses												
36 Hole	1,112,252	3,588,714	3,936,889	3,817,932	3,771,706	3,891,341	3,915,216	3,740,982	3,929,757	2,495,464	3,993,980	34,200,253
Pusch ridge	-	253,513	256,769	236,160	230,196	287,112	-	319,702	390,959	288,996	420,292	2,263,407
F&B - Overlook	-	861,740	823,383	841,866	785,499	701,538	440,382	630,509	596,910	386,974	550,992	6,068,801
Total Expenses	1,112,252	4,703,967	5,017,041	4,895,958	4,787,401	4,879,991	4,355,598	4,691,193	4,917,626	3,171,434	4,965,264	42,532,461
Profit/(Loss)												
36 Hole	(612,094)	(1,705,262)	(2,138,585)	(1,646,448)	(1,404,570)	(1,297,946)	(393,133)	(66,493)	(72,877)	(59,591)	(440,609)	(9,396,999)
Pusch ridge	-	(148,143)	(157,635)	(176,434)	(124,012)	(188,796)	-	60,673	23,266	(80,140)	13,273	(791,221)
F&B - Overlook	-	(255,569)	(114,789)	(96,100)	(113,917)	(147,202)	8,400	40,970	128,312	21,828	71,558	(528,067)
Total Operating Profit/(Loss)	(612,094)	(2,108,974)	(2,411,009)	(1,918,982)	(1,642,499)	(1,633,944)	(384,733)	35,150	78,701	(117,903)	(355,778)	(10,716,287)
Capital Investments												
Initial purchase (1)		45,116	47,909	29,464	-	-	131,035	2,828,061	4,619,904	2,103,403	2,745,000	9,804,892
		300,000	350,000	350,000	-	-	-	-	-	-	-	1,000,000
Notes: (1) \$1,000,000 original purchase of courses and community center												
1/2 cent sales tax	506,710	2,030,750	2,199,466	2,330,941	2,463,034	2,584,916	2,947,420	3,535,507	3,707,578	2,168,709	3,726,016	24,475,031
HOA contributions	-	-	-	-	-	-	125,000	159,050	159,050	-	159,050	443,100

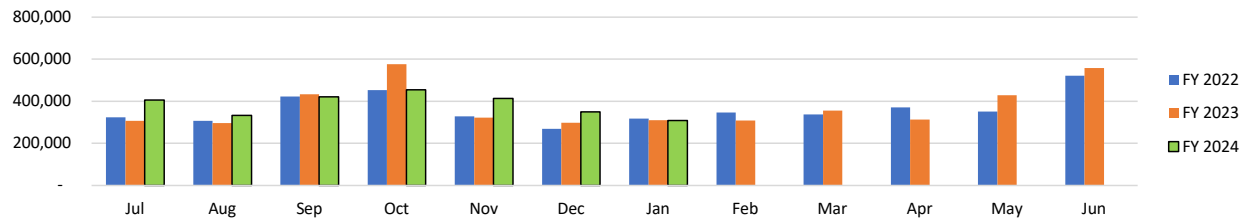
**Town of Oro Valley
Golf Analysis - Contractor Financials**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2022												
Gross Income	229,456	231,657	245,357	246,063	421,446	388,213	469,675	503,028	597,798	492,033	313,725	219,663
Expenses	323,615	307,066	422,292	453,613	328,298	269,604	317,597	347,338	337,511	371,044	351,526	521,466
Net Income/(Loss)	(94,159)	(75,408)	(176,935)	(207,550)	93,147	118,609	152,078	155,690	260,286	120,989	(37,801)	(301,802)
FY 2023												
Gross Income	218,180	210,232	258,241	252,747	499,632	394,901	472,032	541,889	636,010	523,324	315,175	231,708
Expenses	306,974	296,210	432,727	576,529	322,700	297,856	310,847	307,918	355,497	313,621	429,007	558,232
Net Income/(Loss)	(88,794)	(85,978)	(174,487)	(323,782)	176,932	97,044	161,185	233,971	280,512	209,703	(113,832)	(326,524)
FY 2024												
Gross Income	213,698	225,040	295,419	332,783	495,412	480,305	525,109					
Expenses	406,558	333,614	420,523	454,504	412,959	349,298	308,213					
Net Income/(Loss)	(192,860)	(108,573)	(125,103)	(121,721)	82,453	131,007	216,896	-	-	-	-	-

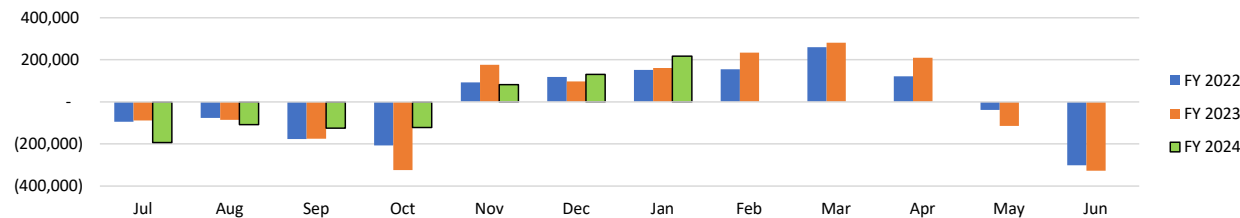
Comparison of Gross Income by Month - Total Golf Operations



Comparison of Total Expenses by Month - Total Golf Operations



Comparison of Net Income/(Loss) by Month - Total Golf Operations





Consolidated Year-to-Date Financial Report through January 2024

ATTACHMENT D

FY 2023/2024

Fund	FY 23/24 Beginning Balance	Revenue	Other Fin Sources/ Transfers In	Total In	Personnel	O&M	Capital	Debt Service	Other Fin Uses/ Transfers Out	Total Out	Fund Balance Through January 2024
General Fund	23,798,492	33,789,880		33,789,880	18,456,029	7,958,345	247,422		7,136,644	33,798,440	23,789,932
Highway Fund	878,932	2,508,290		2,508,290	672,925	509,932	2,713,157			3,896,014	(508,792)
Grants and Contributions Fund	162,207	1,633,437		1,633,437	1,524	19,607	1,078,320		522,701	1,622,152	173,493
Seizure & Forfeiture - Justice/State	230,193	34,653		34,653		30,860				30,860	233,986
Community Center Fund	1,008,233	5,965,601		5,965,601	617,194	3,517,933	1,074,821		1,717,203	6,927,151	46,684
Municipal Debt Service Fund	273,719	153,373	3,902,708	4,056,081		8,126		4,027,853		4,035,979	293,821
Water Resource System & Dev. Impact Fee Fund	18,419,840	1,672,366		1,672,366		80,655	4,318,297	73,005		4,471,957	15,620,249
Townwide Roadway Dev Impact Fee Fund	2,188,554	201,117		201,117		377				377	2,389,294
Parks & Recreation Impact Fee Fund	671,640	60,551		60,551		176	600,000			600,176	132,015
Police Impact Fee Fund	64,727	30,369		30,369		50			46,553	46,603	48,493
Capital Fund	24,550,287	1,530,577	5,000,000	6,530,577	151,143	2,671	9,724,869			9,878,684	21,202,180
PAG/RTA Fund	808,007	30,509		30,509			49,503			49,503	789,013
Water Utility	12,293,771	13,673,619	522,701	14,196,320	1,954,941	5,375,052	706,831	3,472,635	2,308	11,511,767	14,978,324
Stormwater Utility	923,112	1,038,773		1,038,773	508,669	163,305	50,700			722,673	1,239,212
Benefit Self Insurance Fund	2,895,866	2,517,463		2,517,463		2,447,634				2,447,634	2,965,695
Recreation In-Lieu Fee Fund	17,216	459		459						-	17,675
Total	89,184,796	64,841,038	9,425,409	74,266,447	22,362,425	20,114,723	20,563,921	7,573,493	9,425,409	80,039,971	83,411,272



General Fund Local Sales Tax Collections

FY 2023/24	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Construction Sales Tax	566,321	609,737	391,196	422,231	488,917	493,394	486,229						3,458,025
Utility Sales Tax	250,515	368,788	435,027	373,297	365,463	336,739	321,251						2,451,080
Retail Sales Tax	728,452	730,517	682,418	725,728	645,288	841,754	1,049,364						5,403,521
Bed Tax	144,726	137,921	139,535	165,545	212,911	192,359	144,997						1,137,995
Restaurant & Bar Sales Tax	192,259	193,105	215,297	223,296	212,172	217,665	234,122						1,487,917
All Other Local Sales Tax *	218,097	226,809	233,029	236,524	296,446	221,473	223,699						1,656,077
Monthly Total	\$ 2,100,370	\$ 2,266,876	\$ 2,096,503	\$ 2,146,622	\$ 2,221,197	\$ 2,303,384	\$ 2,459,664						\$ 15,594,615
Cumulative Total	\$ 2,100,370	\$ 4,367,246	\$ 6,463,748	\$ 8,610,370	\$ 10,831,567	\$ 13,134,951	\$ 15,594,615						
Monthly variance	\$ (63,193)	\$ 130,347	\$ (7,816)	\$ 27,123	\$ 154,685	\$ 46,257	\$ (112,892)						
Cumulative variance	\$ (63,193)	\$ 67,154	\$ 59,338	\$ 86,460	\$ 241,146	\$ 287,402	\$ 174,510						

FY 2022/23	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Construction Sales Tax	586,039	575,738	540,567	518,177	382,338	478,496	580,594	364,554	331,226	376,895	358,367	432,766	5,525,757
Utility Sales Tax	317,210	371,973	356,012	334,868	295,825	266,797	293,200	333,721	320,870	270,869	245,486	302,123	3,708,954
Retail Sales Tax	716,720	680,117	691,138	713,672	729,067	838,562	995,470	705,424	711,636	806,316	786,447	755,079	9,129,647
Bed Tax	146,263	128,132	114,626	142,628	213,392	186,186	165,540	256,564	320,963	362,494	207,226	226,474	2,470,488
Restaurant & Bar Sales Tax	186,438	180,577	199,405	204,482	205,881	227,422	246,520	215,557	281,190	281,567	256,102	236,540	2,721,681
All Other Local Sales Tax *	210,893	199,992	202,571	205,672	240,009	259,665	291,232	268,511	287,294	315,096	259,556	258,710	2,999,201
Monthly Total	\$ 2,163,563	\$ 2,136,529	\$ 2,104,319	\$ 2,119,499	\$ 2,066,512	\$ 2,257,128	\$ 2,572,556	\$ 2,144,331	\$ 2,253,179	\$ 2,413,237	\$ 2,113,184	\$ 2,211,693	\$ 26,555,729
Cumulative Total	\$ 2,163,563	\$ 4,300,092	\$ 6,404,411	\$ 8,523,910	\$ 10,590,421	\$ 12,847,549	\$ 15,420,105	\$ 17,564,436	\$ 19,817,615	\$ 22,230,852	\$ 24,344,036	\$ 26,555,729	

*Does not include cable franchise fees or sales tax audit revenues



General Fund State Shared Revenues

FY 2023/24	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
State Shared Income Tax	1,064,957	1,064,957	1,064,957	1,064,957	1,064,957	1,064,957	1,064,957						7,454,698
State Shared Sales Tax	585,790	598,642	580,255	602,020	587,629	599,429	695,594						4,249,360
County Auto Lieu	189,254	220,268	179,819	201,993	183,567	183,086	222,892						1,380,880
Smart and Safe	-	-	-	-	-	136,194	-						136,194
Monthly Total	\$ 1,840,001	\$ 1,883,868	\$ 1,825,032	\$ 1,868,970	\$ 1,836,152	\$ 1,983,666	\$ 1,983,443						\$ 13,221,132
Cumulative Total	\$ 1,840,001	\$ 3,723,869	\$ 5,548,900	\$ 7,417,870	\$ 9,254,023	\$ 11,237,689	\$ 13,221,132						
Monthly variance	\$ 677,489	\$ 462,516	\$ 193,669	\$ 356,835	\$ (14,336)	\$ 348,734	\$ 784,294						
Cumulative variance	\$ 677,489	\$ 1,140,005	\$ 1,333,673	\$ 1,690,508	\$ 1,676,173	\$ 2,024,907	\$ 2,809,201						

FY 2022/23	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
State Shared Income Tax	756,893	756,894	756,893	756,893	756,893	756,893	756,895	756,893	756,893	756,894	756,894	756,893	9,082,721
State Shared Sales Tax	308,350	462,557	664,529	559,547	823,170	575,594	246,387	1,007,946	568,981	656,403	601,331	602,722	7,077,517
County Auto Lieu	97,269	201,901	209,941	195,695	270,425	175,823	195,867	182,872	267,340	190,731	217,316	216,309	2,421,489
Smart and Safe	-	-	-	-	-	126,622	-	-	-	-	-	145,164	271,786
Opioid Settlement	-	-	-	-	-	-	-	-	91,120	-	6,528	18,472	116,120
Monthly Total	\$ 1,162,512	\$ 1,421,352	\$ 1,631,363	\$ 1,512,135	\$ 1,850,488	\$ 1,634,932	\$ 1,199,149	\$ 1,947,711	\$ 1,684,334	\$ 1,604,028	\$ 1,582,069	\$ 1,739,561	\$ 18,969,634
Cumulative Total	\$ 1,162,512	\$ 2,583,864	\$ 4,215,227	\$ 5,727,362	\$ 7,577,850	\$ 9,212,782	\$ 10,411,931	\$ 12,359,642	\$ 14,043,976	\$ 15,648,004	\$ 17,230,073	\$ 18,969,634	