



Town Manager's Office

TOWN COUNCIL REPORT

DATE: January 20, 2023
TO: Mayor and Council
THRU: Chris Cornelison, Interim Town Manager
FROM: David Gephart, Chief Financial Officer
SUBJECT: November 2022 Financial Update

This financial update is intended to provide an overview and status of revenues and expenditures for the Town's selected funds through November 2022 for fiscal year 2022/23. Funds included in this financial update are the General Fund, Highway Fund and Community Center Fund. ***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 are performing well compared to budget, and expenditures are trending as expected. Further details on revenues and expenditures are as follows.

General Fund

In the General Fund (see attachment A), revenues total \$22.5 million or 44.4% of budget, while expenditures are at \$24 million or 37.2% of the total budget.

Highway Fund

In the Highway Fund (see attachment B), revenues total \$1.7 million or 40.2% of budget, while expenditures total \$1.2 million or 25.2% of budget.

Community Center Fund

In the Community Center Fund (see attachment C-1 & C-2), revenues total \$3.4 million or 40% of budget, while expenditures total \$5.2 million or 39.3% of budget.

BACKGROUND AND DETAILED INFORMATION:
GENERAL FUND

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

Revenues:	\$53,558,635
<u>Less:</u>	
Expenditures:	(\$48,819,223)
Other Financing Uses	(\$16,446,977)
Preliminary Estimated Decrease in Fund Balance:	(\$11,707,565)*

*The estimated decrease in fund balance is due to a budgeted transfer of \$13.5 million of fund balance to the Capital Fund for CIP projects.

General Fund Revenues

- Local sales tax collections in the General Fund total \$10.8 million or 42.6% of the budgeted amount of \$25.3 million and are performing better than anticipated. Retail collections total \$3.5 million, which is \$155,793 or 4.6% higher than the same time period last fiscal year. Restaurant/bar collections total \$976,782 which is \$46,064 or 4.9% higher than the same time period last fiscal year. Bed Tax collections total \$745,041 which is \$96,772 or 11.5% less than the same time period last fiscal year but higher than budgeted. Construction sales tax collections total \$2.6 million through November, which is \$325,051 or 11.1% less than collections from the same time period last fiscal year, due to a large payment of back taxes in October of the prior year. Total local sales tax revenue is expected to come in nearly \$1.2 million above budget due to strong performance across most tax categories. Please see attachment E for detailed information on General Fund local sales tax collections.
- License and permit revenues total \$1.5 million or 66.3% of the budget amount of \$2.2 million. A total of 63 Single Family Residential (SFR) permits have been issued through November. License and permit revenues are expected to come in \$335,000 over budget, due to revised permitting estimates from expected commercial development activity.
- State shared revenues total \$7.6 million or 43% of the budget amount of \$17.6 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 point in time, these revenues are forecasted to come in \$939,000 over budget due to higher-than-expected state sales tax collections.
- Charges for services revenues total \$1.2 million or 39.2% of the budget amount of \$3.0 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 \$93,000 under budget at this time, due primarily to farebox revenues as fee waivers were extended through the end of the fiscal year.
- Miscellaneous revenues are forecasted to come in \$424,500 over budget due primarily to a rebate received from the Arizona Municipal Risk Retention Pool (AMRRP).

General Fund Expenditures

- General Fund expenditures total \$24 million or 37.2% of budget through November.
- Please note that the \$885,000 Vistoso Trails Nature Preserve settlement payment is included in the year-end estimates for General Administration. Strong revenue performance, combined with other areas of expenditure savings, are expected to make up for the payment. Staff will continue to closely monitor this and keep Council apprised.
- Transfers out of the General Fund are expected to end the fiscal year on budget. Note that actuals through November reflect the budgeted transfer to debt service and 1/3 of the budgeted transfer to the Capital Fund for CIP.

The General Fund is expected to end the fiscal year with a total fund balance of \$18.7 million, or 38.9% of budgeted expenditures, exceeding Council policy by \$4.3 million.

HIGHWAY FUND

Highway Fund Revenues

- State shared highway user funds total \$1.6 million or 39.3% of the budget amount of \$4.1 million. These revenues are projected to come in on budget at this time. Other minor revenue sources in the Highway Fund are expected to come in at a favorable budget variance of \$4,000 or 0.1% due to a vendor refund of prior year invoice credits that was owed to the Town.

Highway Fund Expenditures

- Highway Fund expenditures through November are at \$1.2 million or 25.2% of the adopted budget of \$4.7 million. This is expected, due to the timing of the pavement preservation program. Highway Fund expenditures are projected to come in on budget at this time.

The Highway Fund is expected to end the fiscal year with a fund balance of \$721,897.

COMMUNITY CENTER FUND

Attachment C-1 shows the consolidated financial status of the Community Center Fund with all revenues and expenditures from contracted and Town-managed operations.

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.

Community Center Fund Revenues

- Revenues in the Community Center Fund through November total \$3.4 million or 40% of the budget amount of \$8.5 million.

- Contracted operating revenues totaled \$1.6 million as of November, which is about \$109,000 or 7.3% more than the same time last fiscal year. This increase is due to higher memberships and food & beverage sales. As of now, these revenues are estimated to come in on budget.
- Town operating revenues for November are \$385,020 or 43.4% of the budget amount of \$887,800. Town operating revenues are expected to end the fiscal year about \$5,000 higher than budget due to stronger than expected daily drop-ins.
- Local sales tax revenues for November total \$1.4 million or 40% of the budget amount of \$3.5 million. These collections are currently projected to come in \$105,000 over budget, due to positive trends in retail, remote seller, and restaurant/bar collections.

Community Center Fund Expenditures

- Expenditures in the Community Center Fund total \$5.2 million or 39.3% of the budgeted amount of \$13.2 million.
- Contracted operating expenditures total \$2.1 million, or 43.9% of the budgeted amount of \$4.7 million. Contracted expenditures are currently estimated to come in on budget.
- Town operating expenditures are currently estimated to come in approximately \$70,000 over budget due to Town operating personnel costs increases from full implementation of the new pay plan earlier in the year.
- Transfers out are expected to end the year about \$240,000, or 5.8% higher than budget due to the Council directive to transfer all fund balance in excess of \$1 million to the Capital Fund to be used for the golf irrigation project. Note that actuals through November reflect the budgeted transfer out to debt service.
- At this time, the Community Center Fund is projected to end the fiscal year with a total fund balance of \$1 million.

The year-end sales tax support for golf operations is estimated to be \$464,419. This figure includes a budgeted \$743,469 loss for contracted golf operations, offset by \$159,050 in outside HOA contributions and approximately \$120,000 in local sales taxes generated from golf related operations.

Please see attachments A and B for additional details on the General Fund and Highway Fund. See attachments C-1 and C-2 for additional details on the Community Center Fund. See attachment D for a fiscal year-to-date consolidated summary of all Town Funds. See attachment E and F for a breakdown of monthly local sales tax collections and state shared revenue collections for the General Fund.



General Fund

% Budget Completion through November --- 41.67%

	Actuals thru 11/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
REVENUES					
LOCAL SALES TAX	10,772,846	25,270,959	42.6%	26,477,995	4.8%
LICENSES & PERMITS	1,474,903	2,223,824	66.3%	2,558,824	15.1%
FEDERAL GRANTS	185,174	380,000	48.7%	397,000	4.5%
STATE GRANTS	30,089	75,000	40.1%	95,000	26.7%
STATE/COUNTY SHARED	7,577,850	17,605,693	43.0%	18,544,833	5.3%
OTHER INTERGOVERNMENTAL	627,085	1,613,000	38.9%	1,613,000	0.0%
CHARGES FOR SERVICES	1,194,476	3,046,515	39.2%	2,953,483	-3.1%
FINES	33,359	125,000	26.7%	95,000	-24.0%
INTEREST INCOME	143,617	150,000	95.7%	150,000	0.0%
MISCELLANEOUS	470,324	249,000	188.9%	673,500	170.5%
TOTAL REVENUES	22,509,723	50,738,991	44.4%	53,558,635	5.6%

	Actuals thru 11/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
EXPENDITURES					
CLERK	173,214	422,705	41.0%	422,705	0.0%
COMMUNITY & ECON. DEV.	1,261,442	3,280,764	38.4%	3,397,472	3.6%
COUNCIL	119,663	199,145	60.1%	199,145	0.0%
FINANCE	353,895	1,111,460	31.8%	1,083,460	-2.5%
GENERAL ADMINISTRATION	1,841,733	4,077,234	45.2%	4,924,234	20.8%
HUMAN RESOURCES	220,051	569,905	38.6%	569,905	0.0%
INNOVATION & TECHNOLOGY	2,056,646	4,797,809	42.9%	4,797,809	0.0%
LEGAL	376,919	1,015,753	37.1%	1,015,753	0.0%
MANAGER	437,003	1,160,173	37.7%	1,237,205	6.6%
PARKS & RECREATION	1,424,445	3,775,162	37.7%	3,775,162	0.0%
POLICE	6,779,780	20,403,472	33.2%	20,178,472	-1.1%
PUBLIC WORKS	2,057,160	6,200,227	33.2%	6,158,227	-0.7%
TOWN COURT	366,990	1,059,674	34.6%	1,059,674	0.0%
TRANSFERS OUT	6,548,965	16,446,977	39.8%	16,446,977	0.0%
TOTAL EXPENDITURES	24,017,905	64,520,460	37.2%	65,266,200	1.2%

CHANGE IN FUND BALANCE (1,508,182) (13,781,469) (11,707,565)

BEGINNING FUND BALANCE 30,390,425

Plus: Surplus / (Use of Fund Balance) (11,707,565)

ENDING FUND BALANCE ** 18,682,860

* Year-end estimates are subject to further revision

** Ending fund balance amounts are estimates and are subject to further revision



Community Center Fund

% Budget Completion through November --- 41.67%

	Actuals thru 11/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
REVENUES					
CONTRACTED OPERATING REVENUES					
Golf Revenues, Trail and Cart Fees	696,556	2,060,519	33.8%	2,060,519	0.0%
Member Dues	529,614	1,102,500	48.0%	1,102,500	0.0%
Food & Beverage	266,024	546,350	48.7%	546,350	0.0%
Merchandise & Other	113,903	270,780	42.1%	270,780	0.0%
	1,606,097	3,980,149	40.4%	3,980,149	0.0%
TOWN OPERATING REVENUES					
Daily Drop-Ins	13,796	30,000	46.0%	35,000	16.7%
Member Dues	284,089	620,500	45.8%	620,500	0.0%
Recreation Programs	57,968	170,000	34.1%	170,000	0.0%
Facility Rental Income	29,167	67,300	43.3%	67,300	0.0%
	385,020	887,800	43.4%	892,800	0.6%
OTHER REVENUES					
Local Sales Tax	1,389,734	3,477,236	40.0%	3,582,544	3.0%
Interest Income	19,678	3,000	655.9%	3,000	0.0%
Miscellaneous	1,122	159,150	0.7%	160,226	0.7%
	1,410,534	3,639,386	38.8%	3,745,770	2.9%
TOTAL REVENUES	3,401,651	8,507,335	40.0%	8,618,719	1.3%

	Actuals thru 11/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
EXPENDITURES					
CONTRACTED OPERATING EXPENDITURES					
Personnel	645,124	1,728,134	37.3%	1,728,134	0.0%
Food & Beverage	226,686	487,863	46.5%	487,863	0.0%
Operations & Maintenance	1,146,167	2,344,939	48.9%	2,344,939	0.0%
Equipment Leases	56,580	162,682	34.8%	162,682	0.0%
	2,074,557	4,723,618	43.9%	4,723,618	0.0%
TOWN OPERATING EXPENDITURES					
Personnel	391,564	920,274	42.5%	990,000	7.6%
Operations & Maintenance	318,849	775,299	41.1%	775,299	0.0%
	710,413	1,695,573	41.9%	1,765,299	4.1%
CAPITAL OUTLAY	365,528	2,666,700	13.7%	2,666,700	0.0%
TRANSFERS OUT	2,028,066	4,085,380	49.6%	4,323,559	5.8%
TOTAL EXPENDITURES	5,178,564	13,171,271	39.3%	13,479,176	2.3%

CHANGE IN FUND BALANCE (1,776,913) (4,663,936) (4,860,457)

BEGINNING FUND BALANCE 5,860,458

Plus: Surplus / (Use of Fund Balance) (4,860,457)

ENDING FUND BALANCE ** 1,000,000

* Year-end estimates are subject to further revision

** Ending fund balance amounts are estimates and are subject to further revision

El Conquistador Golf Club
For the Month Ending November 30th, 2022

November					YTD					
Actual	Budget	Budget Variance	Last Year	Last Year Variance		Actual	Budget	Budget Variance	Last Year	Last Year Variance
Rounds										
3,808	3,150	658	3,013	795	Rounds - Member	14,907	10,450	4,457	11,580	3,327
1,307	850	457	1,120	187	Rounds - Outing	2,015	1,400	615	2,274	(259)
5,364	5,725	(361)	5,864	(500)	Rounds - Public	14,344	9,725	4,619	17,380	(3,036)
10,479	9,725	754	9,997	482	Total Rounds	31,266	21,575	9,691	31,234	32
Revenue										
254,163	217,000	37,163	239,497	14,666	Green Fees	564,887	340,500	224,387	600,960	(36,073)
25,339	22,325	3,014	23,052	2,287	Cart Fees	120,045	106,575	13,470	111,583	8,462
3,473	3,500	(27)	3,110	363	Driving Range	11,624	10,500	1,124	16,060	(4,436)
0	8,500	(8,500)	8,432	(8,432)	Golf Cards/Passes	0	8,500	(8,500)	8,432	(8,432)
32,787	24,075	8,712	22,572	10,215	Pro Shop Sales	79,672	65,200	14,472	70,519	9,153
48,581	32,150	16,431	34,157	14,424	Food (Food & Soft Drinks)	139,638	105,300	34,338	122,921	16,717
40,604	26,035	14,569	31,154	9,450	Beverages (Alcohol)	117,764	90,395	27,369	102,335	15,428
6,198	0	6,198	(28)	6,227	Other Food & Beverage Revenue	8,622	965	7,657	522	8,100
3,679	3,170	509	3,591	88	Other Golf Revenues (Club Rent, Handica	14,347	7,095	7,252	8,668	5,679
3,030	1,250	1,780	1,749	1,281	Clinic / School Revenue	13,198	6,300	6,898	8,493	4,706
127,309	94,700	32,609	93,534	33,774	Dues Income - Monthly Dues	529,614	448,700	80,914	451,976	77,638
(174)	760	(934)	(5,201)	5,026	Miscellaneous Income and Discounts	6,687	1,160	5,527	(5,673)	12,359
544,989	433,465	111,524	455,618	89,371	Total Revenue	1,606,097	1,191,190	414,907	1,496,796	109,301
Cost of Sales										
21,982	16,353	(5,629)	13,244	(8,738)	COGS - Pro Shop	61,598	45,140	(16,458)	52,311	(9,288)
10,567	9,485	(1,083)	10,467	(100)	COGS - Food	41,075	30,308	(10,768)	33,914	(7,161)
1,895	1,078	(817)	1,042	(853)	COGS - Non-Alcoholic Beverages	7,860	4,294	(3,566)	4,931	(2,929)
10,913	7,944	(2,968)	9,420	(1,493)	COGS - Alcohol	31,236	27,560	(3,677)	31,662	425
45,356	34,859	(10,497)	34,172	(11,184)	Total Cost of Sales	141,770	107,301	(34,469)	122,818	(18,952)
499,632	398,606	101,027	421,446	78,187	GROSS INCOME	1,464,327	1,083,889	380,438	1,373,978	90,349
Labor										
40,136	41,430	1,294	31,842	(8,294)	Golf Operation Labor	160,687	142,985	(17,702)	122,871	(37,816)
14,484	9,250	(5,234)	8,913	(5,571)	General and Administrative	55,259	46,250	(9,009)	45,448	(9,811)
65,402	69,120	3,718	57,109	(8,293)	Maintenance and Landscaping	310,381	342,998	32,617	294,384	(15,997)
31,001	22,177	(8,824)	21,225	(9,776)	F&B	109,273	97,226	(12,047)	96,119	(13,155)
6,902	9,167	2,265	12,398	5,496	Sales and Marketing	27,171	33,733	6,562	34,225	7,054
157,925	151,143	(6,782)	131,487	(26,439)	Total Direct Labor	662,772	663,193	421	593,047	(69,724)
12,887	13,921	1,034	11,105	(1,782)	Total Payroll Taxes	51,973	60,888	8,915	46,411	(5,562)
6,883	5,529	(1,354)	4,500	(2,383)	Total Medical/Health Benefits	50,535	47,671	(2,864)	42,524	(8,011)
2,266	1,542	(724)	1,860	(406)	Total Workmans Comp	9,791	8,040	(1,751)	9,659	(132)
22,036	20,992	(1,044)	17,465	(4,571)	Total Payroll Burden	112,299	116,599	4,301	98,594	(13,705)
179,961	172,135	(7,826)	148,951	(31,009)	Total Labor	775,070	779,792	4,722	691,641	(83,429)
Other Operational Expenses										
3,350	4,667	1,317	5,852	2,502	Golf Ops	24,041	20,386	(3,655)	34,552	10,511
17,075	11,499	(5,576)	12,790	(4,284)	G&A	61,724	46,654	(15,070)	51,596	(10,128)
27,630	26,223	(1,407)	24,793	(2,836)	Maintenance	376,879	361,570	(15,309)	326,044	(50,836)
4,131	2,955	(1,176)	3,046	(1,085)	F&B	16,568	13,500	(3,068)	13,936	(2,631)
8,716	2,350	(6,366)	3,303	(5,413)	Sales and Marketing	17,164	12,250	(4,914)	9,784	(7,380)
13,259	13,557	298	13,041	(218)	Golf Cart Leases	55,388	67,785	12,397	65,205	9,817
298	0	(298)	0	(298)	Equipment Leases	1,193	0	(1,193)	0	(1,193)
39,301	84,125	44,824	87,280	47,979	Utilities - Maintenance	414,508	537,850	123,342	483,936	69,427
13,797	14,825	1,028	15,163	1,366	Utilities - G&A	75,902	77,700	1,798	78,650	2,748
10,404	10,404	0	10,200	(204)	Management Fees	52,020	52,020	0	51,000	(1,020)
4,779	3,878	(901)	3,878	(901)	Insurance - P&C	34,830	18,322	(16,508)	18,322	(16,508)
142,739	174,483	31,744	179,347	36,607	Total Other Operational Expenses	1,130,216	1,208,037	77,821	1,133,025	2,809
322,700	346,618	23,918	328,298	5,598	Total Expenses	1,905,287	1,987,829	82,543	1,824,666	(80,620)
176,932	51,987	124,945	93,147	83,785	EBITDAR	(440,959)	(903,940)	462,981	(450,688)	9,728
176,932	51,987	124,945	93,147	83,785	EBITDA	(440,959)	(903,940)	462,981	(450,688)	9,728
Interest Expense/Dep&Amt										
0	0	0	0	0	Other Expense	0	0	0	(343)	(343)
0	0	0	0	0	Capital Improvements/Cap Reserve	27,500	0	(27,500)	10,560	(16,940)
0	0	0	0	0	Total Interest Expense	27,500	0	(27,500)	10,217	(17,283)
176,932	51,987	124,945	93,147	83,785	Net Income	(468,459)	(903,940)	435,481	(460,905)	(7,555)



Consolidated Year-to-Date Financial Report through November 2022

ATTACHMENT D

FY 2022/2023

Fund	FY 22/23 Beginning Balance	Revenue	Other Fin Sources/ Transfers	Total In	Personnel	O&M	Capital	Debt Service	Capital Leases /Transfer Out	Total Out	Fund Balance Through November 2022
General Fund	30,390,425	22,509,723		22,509,723	11,825,081	5,487,889	155,970		6,548,965	24,017,905	28,882,243
Highway Fund	1,206,986	1,675,540		1,675,540	442,272	227,129	504,942			1,174,343	1,708,183
Grants and Contributions Fund	208,250	5,417,190		5,417,190		33,234				33,234	5,592,206
Seizure & Forfeiture - Justice/State	237,863	4,179		4,179		33,675				33,675	208,367
Community Center Fund	5,860,458	3,401,651		3,401,651	1,036,688	1,691,702	365,528		2,084,646	5,178,564	4,083,545
Municipal Debt Service Fund	164,136	72,776	4,200,971	4,273,747		4,974		3,633,719		3,638,693	799,190
Water Resource System & Dev. Impact Fee Fund	17,544,433	1,108,826		1,108,826		79,500	311,781	333,327		724,608	17,928,651
Townwide Roadway Dev Impact Fee Fund	1,939,688	97,062		97,062						-	2,036,750
Parks & Recreation Impact Fee Fund	509,474	75,829		75,829						-	585,303
Police Impact Fee Fund	132,559	26,040		26,040					121,500	121,500	37,099
Capital Fund	24,110,390	564,646	4,500,000	5,064,646	70,618	2,812	10,773,242			10,846,672	18,328,364
PAG/RTA Fund	873,366	15,465		15,465		24,385	184,611			208,996	679,835
Water Utility	12,628,510	7,777,017		7,777,017	1,325,963	3,638,781	139,340	4,229,099	2,440	9,335,623	11,069,904
Stormwater Utility	1,125,140	615,172		615,172	317,716	138,548	22,820			479,084	1,261,228
Benefit Self Insurance Fund	2,869,952	1,732,475		1,732,475		1,954,401				1,954,401	2,648,026
Recreation In-Lieu Fee Fund	16,617	69		69						-	16,686
Total	99,818,247	45,093,660	8,700,971	53,794,631	15,018,338	13,317,030	12,458,234	8,196,145	8,757,551	57,747,298	95,865,580



General Fund Local Sales Tax Collections

FY 2022/23

CATEGORY	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
Construction Sales Tax	586,039	575,738	540,567	518,177	382,338								2,602,859
Utility Sales Tax	317,210	371,973	356,012	334,868	295,825								1,675,888
Retail Sales Tax	716,720	680,117	691,138	713,672	729,067								3,530,714
Bed Tax	146,263	128,132	114,626	142,628	213,392								745,041
Restaurant & Bar Sales Tax	186,438	180,577	199,405	204,482	205,881								976,782
All Other Local Sales Tax *	210,893	199,992	202,571	205,672	240,009								1,059,137
Monthly Total	\$ 2,163,563	\$ 2,136,529	\$ 2,104,319	\$ 2,119,499	\$ 2,066,512								\$ 10,590,421
Cumulative Total	\$ 2,163,563	\$ 4,300,092	\$ 6,404,411	\$ 8,523,910	\$ 10,590,421								

FY 2021/22

CATEGORY	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
Construction Sales Tax	441,038	419,552	651,924	906,165	509,231	436,821	829,833	525,234	491,178	601,856	466,142	582,006	6,860,980
Utility Sales Tax	321,489	383,548	329,545	323,173	285,048	238,499	253,620	474,092	115,418	252,114	234,820	261,849	3,473,215
Retail Sales Tax	675,726	647,693	641,711	682,029	727,762	814,794	1,015,258	701,089	686,381	818,648	793,639	718,525	8,923,255
Bed Tax	130,217	117,012	93,538	108,884	392,162	157,378	205,021	181,927	257,471	321,178	247,836	171,705	2,384,329
Restaurant & Bar Sales Tax	172,386	162,947	172,178	195,482	227,724	191,664	226,775	199,622	206,978	233,228	226,654	219,474	2,435,113
All Other Local Sales Tax *	181,767	180,252	164,385	191,016	284,083	217,626	274,274	225,090	254,639	285,717	248,743	221,793	2,729,386
Monthly Total	\$ 1,922,624	\$ 1,911,004	\$ 2,053,282	\$ 2,406,749	\$ 2,426,009	\$ 2,056,782	\$ 2,804,781	\$ 2,307,054	\$ 2,012,065	\$ 2,512,741	\$ 2,217,835	\$ 2,175,352	\$ 26,806,278
Cumulative Total	\$ 1,922,624	\$ 3,833,628	\$ 5,886,910	\$ 8,293,659	\$ 10,719,668	\$ 12,776,451	\$ 15,581,231	\$ 17,888,285	\$ 19,900,350	\$ 22,413,091	\$ 24,630,926	\$ 26,806,278	

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



General Fund State Shared Revenues

FY 2022/23

CATEGORY	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								3,784,466
State Shared Sales Tax	308,350	462,557	664,529	559,547	823,170								2,818,153
County Auto Lieu	97,269	201,901	209,941	195,695	270,425								975,231
Smart and Safe	-	-	-	-	-								-
Monthly Total	\$ 1,162,512	\$ 1,421,352	\$ 1,631,363	\$ 1,512,135	\$ 1,850,488								\$ 7,577,850
Cumulative Total	\$ 1,162,512	\$ 2,583,864	\$ 4,215,227	\$ 5,727,362	\$ 7,577,850								

FY 2021/22

CATEGORY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
State Shared Income Tax	500,637	500,637	517,313	517,313	517,313	517,313	517,313	517,313	517,313	517,313	517,313	517,313	6,174,404
State Shared Sales Tax	291,674	534,620	464,795	538,626	428,064	680,044	569,532	458,855	555,746	671,412	521,466	922,244	6,637,078
County Auto Lieu	100,364	178,439	214,084	179,539	176,572	183,593	166,138	185,396	187,906	231,739	168,035	298,521	2,270,326
Smart and Safe	-	-	-	-	-	113,051	-	59	15	-	-	122,828	235,953
Monthly Total	\$ 892,675	\$ 1,213,696	\$ 1,196,192	\$ 1,235,478	\$ 1,121,949	\$ 1,494,001	\$ 1,252,983	\$ 1,161,623	\$ 1,260,980	\$ 1,420,464	\$ 1,206,814	\$ 1,860,906	\$ 15,317,760
Cumulative Total	\$ 892,675	\$ 2,106,371	\$ 3,302,563	\$ 4,538,040	\$ 5,659,989	\$ 7,153,990	\$ 8,406,973	\$ 9,568,596	\$ 10,829,576	\$ 12,250,040	\$ 13,456,854	\$ 15,317,760	

Fiscal Year 2022/23

Financial Update Through November 2022

January 17, 2023



Town of Oro Valley

Overview/Reminders

- ▶ All amounts are preliminary, unaudited and subject to change
- ▶ Year-end estimates may not include adjusting audit entries required at year-end
- ▶ Year-end estimates should not be relied upon as precise predictors of year-end balances; they are fluid, informational, and based on currently available data
- ▶ The Town's financial performance throughout the fiscal year is best indicated by comparing actuals to the adopted budget
- ▶ Overall, revenues are performing well compared to budget, and expenditures are trending as expected



GENERAL FUND REVENUES



Town of Oro Valley

REVENUE SOURCE	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Local Sales Taxes	\$ 25,270,959	\$ 10,772,846	42.6%	\$ 26,477,995	Higher than expected growth in contracting sales tax, retail, restaurant & bar, hotels, and remote seller
State Shared Revenues	17,605,693	7,577,850	43.0%	18,544,833	Trending higher than expected in state sales tax
Charges for Services	3,046,515	1,194,476	39.2%	2,953,483	Expected to come in slightly below budget due to suspension of transit fares
Licenses & Permits	2,223,824	1,474,903	66.3%	2,558,824	Year-end estimate reflects revised commercial permit revenue
Grant Revenue	455,000	215,263	47.3%	492,000	Year-end estimate reflects additional revenue for Transit, Parks & Recreation and Police grants
All Other	2,137,000	1,274,385	59.6%	2,531,500	Includes other intergovernmental revenue, interest income and miscellaneous revenue. Revised upward due to \$320K AMRRP rebate.

TOTAL GENERAL FUND REVENUES	\$ 50,738,991	\$ 22,509,723	44.4%	\$ 53,558,635	Favorable budget variance of \$2.8 million or 5.6% projected at this time
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GENERAL FUND EXPENDITURES



Town of Oro Valley

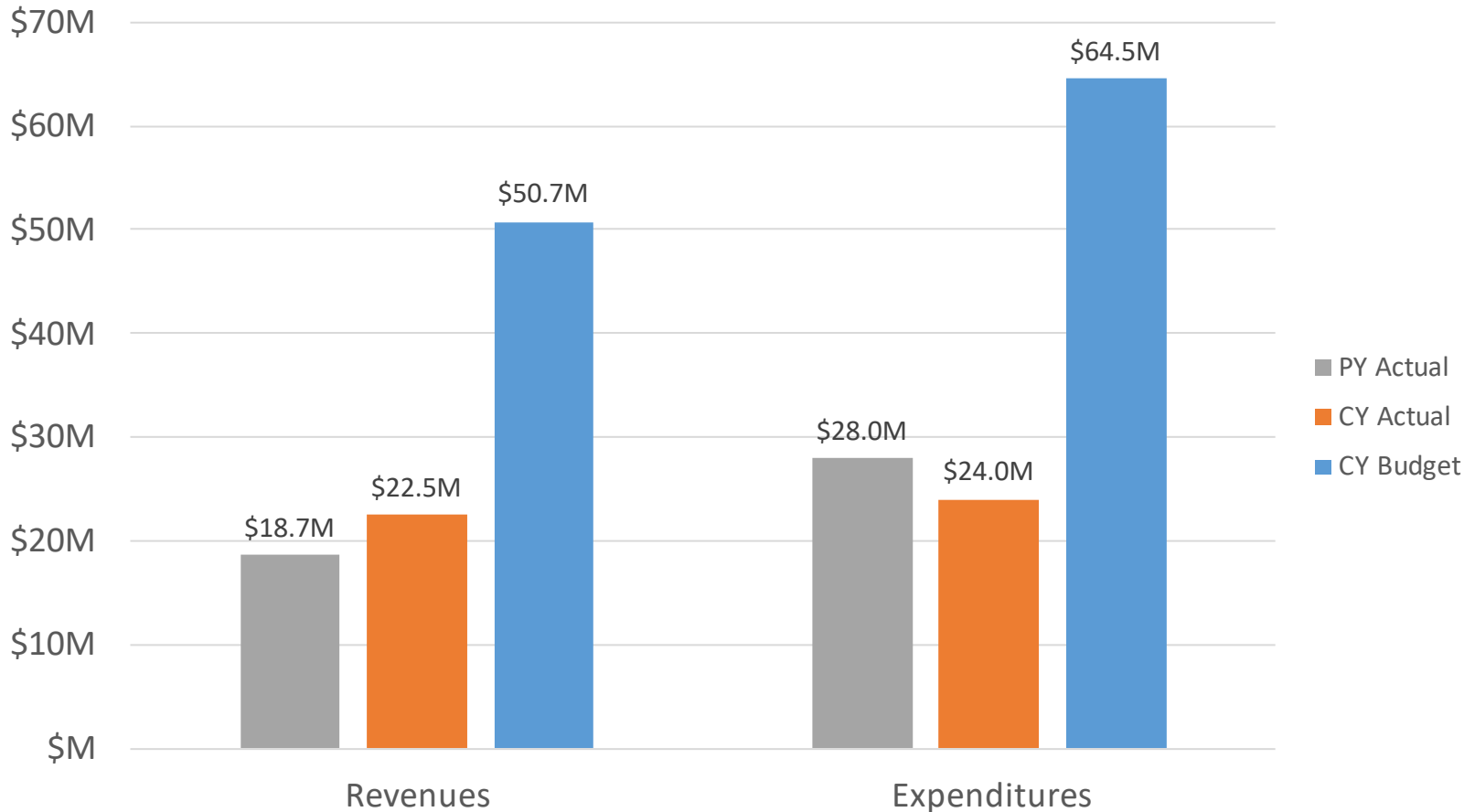
EXPENDITURE CATEGORY	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Personnel	\$ 34,876,210	\$ 11,825,081	33.9%	\$ 34,620,242	Trending as expected; percentage of budget reflects timing of payrolls and year-to-date pension contributions. Year-end estimate attributable to estimated vacancy savings.
Operations & Maintenance	11,809,548	5,487,888	46.5%	12,811,256	Actuals and year-end estimate include \$885K claim settlement payment for the Vistoso Trails Nature Preserve. Year-end estimate also includes on-call plan review services tied to commercial development.
Capital	1,387,725	155,970	11.2%	1,387,725	Budget includes Westward Look improvements, IT needs, and various departmental equipment and capital needs
Transfers Out	16,446,977	6,548,965	39.8%	16,446,977	Actuals reflect the budgeted transfer for debt service and 1/3 of the budgeted transfer to the Capital Fund for CIP
TOTAL GENERAL FUND EXPENDITURES	\$ 64,520,460	\$ 24,017,905	37.2%	\$ 65,266,200	Budget variance of \$746,000 or 1.2% attributable primarily to Vistoso settlement payment

GENERAL FUND



Town of Oro Valley

**General Fund
FY 22/23 Through November**



Budgeted Use of Fund Balance:
(\$13.8M)

Estimated Use of Fund Balance:
(\$11.7M)

Estimated Ending Fund
Balance: \$18.7M

38.9% of budgeted expenditures

*Exceeds Council 30% Policy by
\$4.3M*

HIGHWAY FUND REVENUES



Town of Oro Valley

REVENUE SOURCE	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Licenses & Permits	\$ 25,000	\$ 11,434	45.7%	\$ 25,000	Trending higher than expected, year-end estimate may be revised as fiscal year progresses
State Shared Revenues	4,127,100	1,622,073	39.3%	4,127,100	Trending slightly less than expected; continuing to monitor
All Other	11,000	42,033	382.1%	15,000	Favorable budget variance of \$4,000 due to a vendor refund
TOTAL HIGHWAY FUND REVENUES	\$ 4,163,100	\$ 1,675,540	40.2%	\$ 4,167,100	Favorable budget variance of \$4,000 or 0.1% due to a vendor refund

HIGHWAY FUND EXPENDITURES



Town of Oro Valley

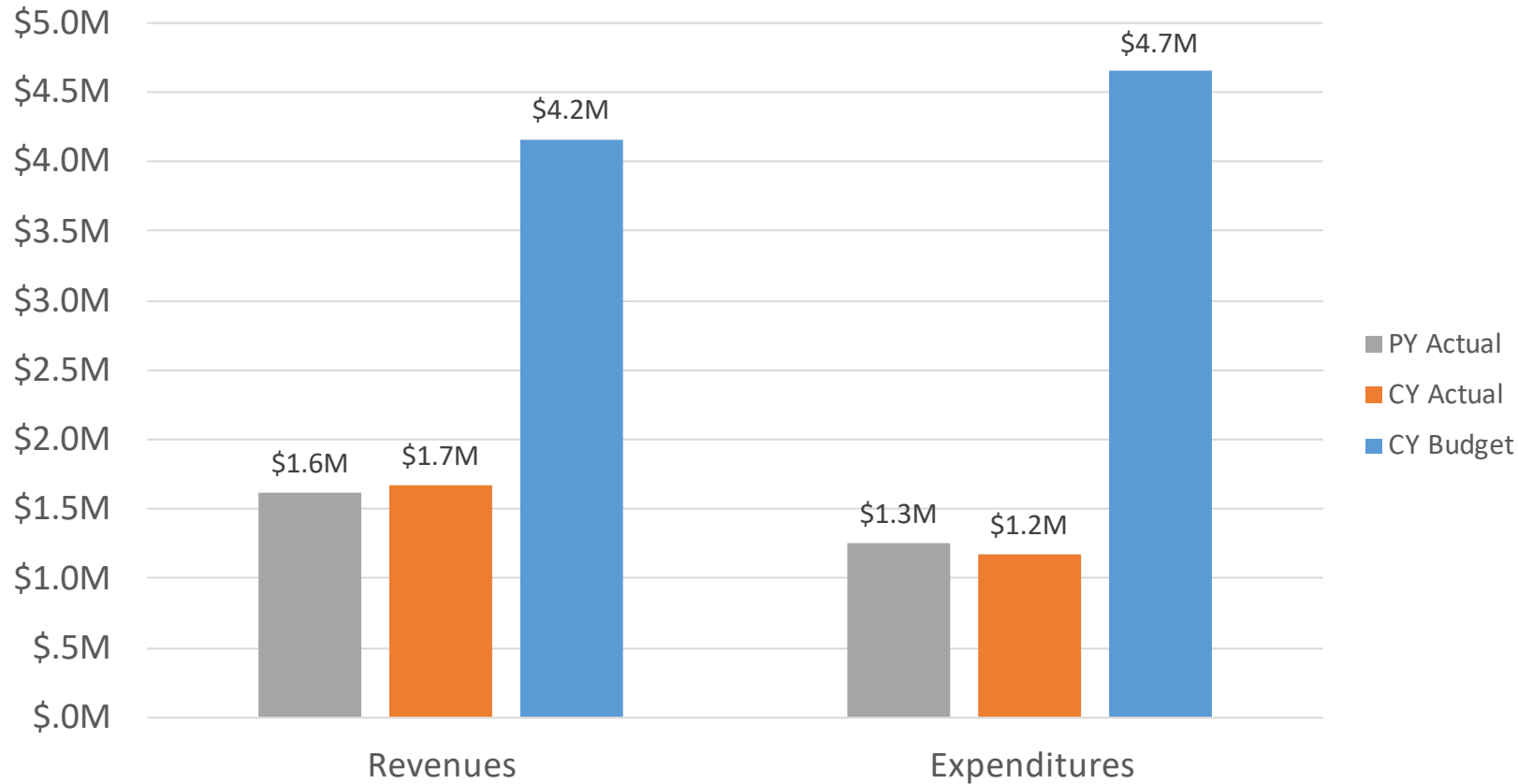
EXPENDITURE CATEGORY	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Personnel	\$ 1,202,574	\$ 442,272	36.8%	\$ 1,202,574	Trending as expected; percentage of budget reflects timing of payrolls
Operations & Maintenance	823,615	227,129	27.6%	823,615	Trending as expected
Capital	2,626,000	504,942	19.2%	2,626,000	Pavement preservation program is ongoing
TOTAL HIGHWAY FUND EXPENDITURES	\$ 4,652,189	\$ 1,174,343	25.2%	\$ 4,652,189	No budget variance projected at this time

HIGHWAY FUND



Town of Oro Valley

Highway Fund FY 22/23 Through November



Budgeted Use of Fund Balance:
(\$489,000)

Estimated Use of Fund Balance:
(\$485,000)

Estimated Ending Fund
Balance: \$722,000

COMMUNITY CENTER FUND REVENUES



Town of Oro Valley

REVENUE SOURCE	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Contracted Operating Revenues	\$ 3,980,149	\$ 1,606,097	40.4%	\$ 3,980,149	Updated year-end estimate to be provided with midyear financials
Town Operating Revenues	887,800	385,020	43.4%	892,800	Trending as expected; recreation program revenue is seasonal
Other Revenues	3,639,386	1,410,534	38.8%	3,745,770	Includes ½ cent sales tax revenues, HOA contributions, interest income and other miscellaneous revenues. HOA revenues will post later in spring. Year end estimate reflects ½ cent sales tax.
TOTAL COMM. CENTER FUND REVENUES	\$ 8,507,335	\$ 3,401,651	40.0%	\$ 8,618,719	Favorable budget variance of \$111,384 or 1.3% due to sales tax revenue

COMMUNITY CENTER FUND EXPENDITURES



Town of Oro Valley

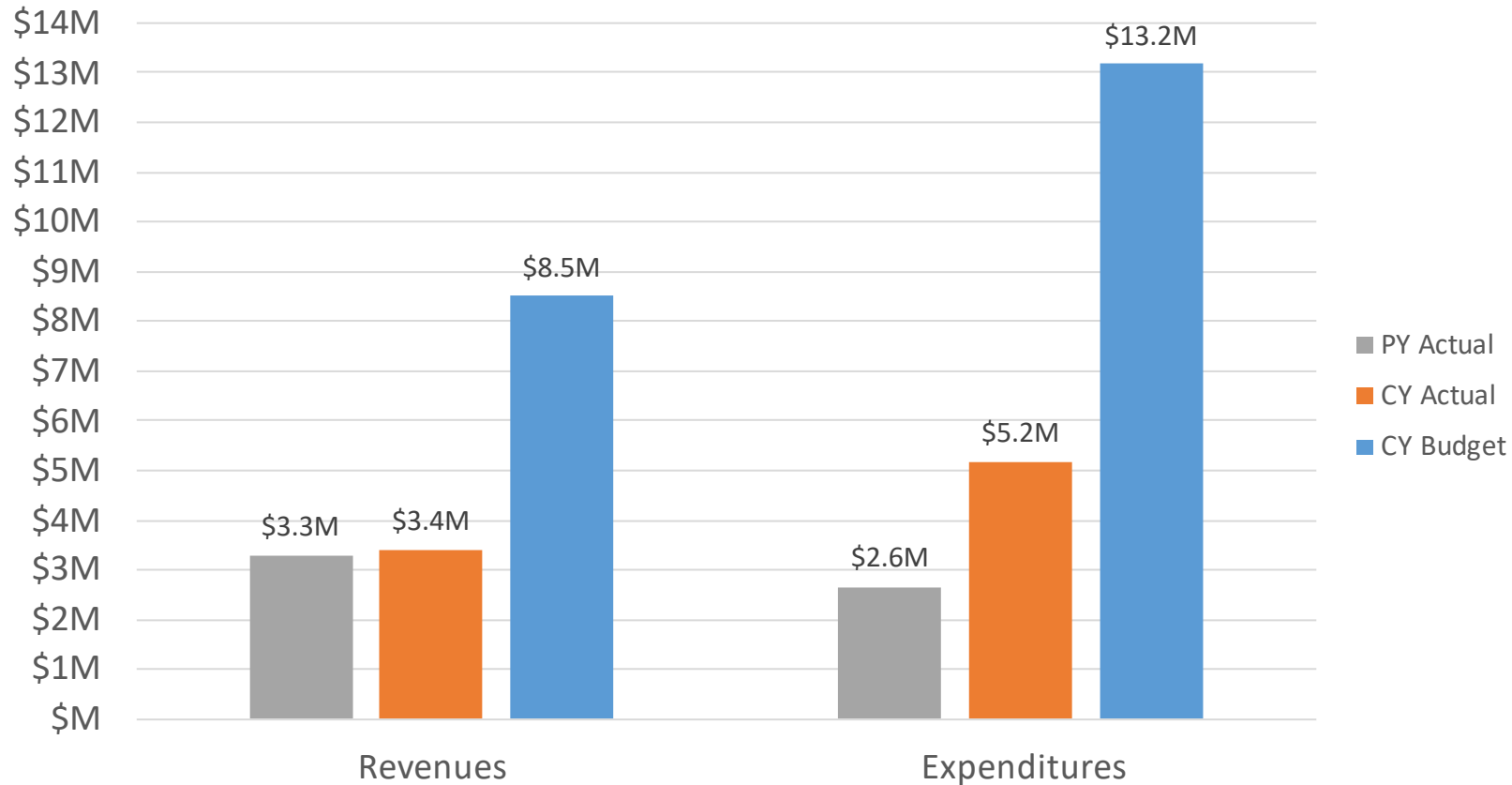
EXPENDITURE CATEGORY	Budget	Actuals Thru 11/2022	% of Budget	Year-End Estimate	Notes
Contracted Operating Expenditures	\$ 4,723,618	\$ 2,074,557	43.9%	\$ 4,723,618	Updated year-end estimate to be provided with midyear financials
Town Operating Expenditures	1,695,573	710,413	41.9%	1,765,299	Year-end estimate reflects full pay plan implementation
Capital Outlay	2,666,700	365,528	13.7%	2,666,700	Projected on budget at this time
Transfers Out	4,085,380	2,028,066	49.6%	4,323,559	Actuals reflect the budgeted transfer for debt service; year-end estimate includes transfer out of all estimated fund balance in excess of \$1 million to Capital Fund for golf irrigation project
TOTAL COMM. CENTER FUND EXPENDITURES	\$ 13,171,271	\$ 5,178,564	39.3%	\$ 13,479,176	Budget variance of \$307,905 or 2.3% due primarily to transfer out for golf irrigation project

COMMUNITY CENTER FUND



Town of Oro Valley

Community Center Fund
FY 22/23 Through November



Budgeted Use of Fund Balance:
(\$4.7M)

Estimated Use of Fund Balance:
(\$4.9M)

Estimated Ending Fund
Balance: \$1M



QUESTIONS?

