



Town Manager's Office

TOWN COUNCIL REPORT

DATE: September 20, 2023
TO: Mayor and Council
FROM: Jeff Wilkins, Town Manager
David Gephart, Chief Financial Officer
SUBJECT: June 2023 Financial Update

This financial update is intended to provide an overview and status of financial results for the Town's selected funds through June 2023 for fiscal year 2022/23. Funds included in this financial update are the General Fund, Highway Fund and Community Center Fund.

Please note the new format for the financial update. The terms sources and uses reflect figures that include transfers in and transfers out, while the terms revenues and expenditures exclude these amounts.

Please note that all amounts are preliminary, un-audited and subject to change. Additionally, monthly financial updates may not include adjusting audit entries required at year-end.

EXECUTIVE SUMMARY

Staff is pleased to report that financial performance across all funds has exceeded expectations. Further details are as follows.

General Fund

Overall, General Fund revenues and uses ended the fiscal year better than originally forecasted (see attachment A). Revenues total \$55.4 million or 109.1% of budget, while uses are at \$61.8 million or 95.4% of the total budget.

Highway Fund

Revenues ended the fiscal year better than originally budgeted while expenditures for the Highway Fund ended the fiscal year slightly over budget (see attachment B). Revenues totaled

approximately \$4.3 million or 104.2% of budget, while expenditures totaled \$4.7 million or 100.2% of budget.

Community Center Fund

Overall, year-end revenues and expenditures for the Community Center Fund performed better than budgeted figures (see attachment C-1 & C-2). Revenues totaled \$10.2 million or 120% of budget, while expenditures totaled \$8.5 million or 93.4% of budget.

BACKGROUND AND DETAILED INFORMATION

GENERAL FUND

Attachment A shows General Fund revenues and expenditures through June, other financing uses and year-end estimates when applicable for each category. The preliminary year-end amounts for the General Fund are as follows:

Revenues:	\$55,351,205
<u>Less:</u>	
Expenditures:	(\$45,832,979)
Other Financing Uses	(\$15,996,977)
Preliminary Estimated Decrease in Fund Balance:	(\$6,478,751)*

*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, partially offset with better than expected revenues as well as expenditure savings.

General Fund Revenues

- Local sales tax collections in the General Fund total \$27.3 million or 108.1% of the budgeted amount of \$25.3 million, performing better than anticipated. Retail collections total \$9.1 million, which is \$206,393 or 2.3% higher than collections from the prior fiscal year. Restaurant/bar collections total \$2.7 million which is \$286,568 or 11.8% higher than collections from the prior fiscal year. Bed tax collections total \$2.5 million which is \$86,000 or 3.6% more than collections from the prior fiscal year. Construction sales tax collections total \$5.5 million through June, which is \$1.3 million or 19.5% less than collections from the prior fiscal year. Note that the budgeted decrease for construction sales tax was 24%. Total local sales tax revenue in the General Fund came in nearly \$2.1 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 \$2.6 million or 118.8% of the budget amount of \$2.2 million. A total of 119 Single Family Residential (SFR) permits have been issued through

June. License and permit revenues came in \$419,000 over budget, due primarily to greater than expected commercial activity.

- State shared revenues total \$19.0 million or 107.7% 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, Smart and Safe shared taxes, and an opioid settlement. These revenues came in about \$1.4 million over budget due to higher-than-expected state sales tax collections.
- Charges for services revenues total \$2.9 million or 95.5% 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 came in about \$137,000 under budget. This is due mainly to farebox revenues as a result of fee waivers, as well as swimming pool user fees as a result of facility closures for needed capital improvements.
- Miscellaneous revenues came in about \$383,000 over budget due primarily to a rebate received from the Arizona Municipal Risk Retention Pool (AMRRP).

General Fund Uses

- General Fund expenditures total \$45.8 million or 94.7% of budget through June.
- Personnel costs came in about \$1.6 million or 4.5% less than budget, due to a combination of vacancy savings, position refills and budgeted PSPRS contributions for DROP participants.
- Capital outlays came in about \$925,000 or 54.3% less than budget, due to the Westward Look Drive Improvements project being delayed into the next fiscal year.
- Transfers out of the General Fund ended the fiscal year \$450,000 under budget as a grant for fiber infrastructure with matching local funds was not awarded.

The General Fund ended the fiscal year with a total fund balance of \$23.9 million, or 49.4% of budgeted expenditures, exceeding Council policy by \$9.4 million (see attachment D).

HIGHWAY FUND

Highway Fund Revenues

- State shared highway user funds total \$4.1 million or 100.1% of budget.
- Interest income came in at a favorable budget variance of \$166,000.
- Other revenue sources in the Highway Fund come in at a favorable budget variance of \$7,370 or 26.3% mostly due to a vendor refund of prior year invoice credits that was owed to the Town, as well as insurance recoveries.

Highway Fund Expenditures

- Highway Fund expenditures through June are at \$4.7 million or 100.2% of the adopted budget of \$4.7 million. Highway Fund expenditures came slightly over budget due to greater than expected street maintenance/landscaping service costs.

The Highway Fund ended the fiscal year with a fund balance of \$883,770 (see attachment D).

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 are incorporated into the revenues and expenditures in attachment C-1.

Community Center Fund Revenues

- Revenues in the Community Center Fund through June total \$10.2 million or 119.9% of the budget amount of \$8.5 million.
- Local sales tax revenues for June total \$3.7 million or 106.6% of the budget amount of \$3.5 million due to greater than expected retail, remote seller, and restaurant/bar collections.
- Memberships revenues for June total \$2.1 million or 123.1% of the budget amount of \$1.7 million.
- Charges & fees revenues for June total \$3.0 million or 129.9% of the budget amount of \$2.3 million. Golf revenue is favorable due to higher-than-expected rounds played driven by higher memberships and daily drop-ins. Town recreation programs are favorable due to higher-than-expected sign-ups particularly in summer youth programs.
- Sales revenues for June total \$1.1 million or 137.0% of the budget amount of \$0.8 million due to greater than expected food and beverage sales. Merchandise sales at the golf pro shop are favorable driven by higher memberships, rounds played, and daily drop-ins.
- Miscellaneous revenues total \$233,000 or 143.7% of the budget amount of \$162,000. Sale of assets is favorable due to auctioning off old fitness equipment. Real property rental is related to leased space for cellular equipment on the roof of the Community Center. The lease was to expire in FY 2021/22; however, it was extended into FY 2022/23, and this was the final payment. Interest earnings are favorable due to a higher rate of return on investments than expected.

Community Center Fund Uses

- Expenditures in the Community Center Fund total \$8.5 million or 93.4% of the budgeted amount of \$9.1 million.
- Personnel expenditures for June total \$2.8 million or 105.6% of the budget amount of \$2.6 million due to pay increases from full implementation of the new pay plan earlier in the year.
- Food & beverage expenditures for June total \$597,000 or 122.4% of the budget amount of \$488,000 due to the cost of sales from greater than expected demand
- Operations and maintenance expenditures for June total \$3.4 million or 109.4% of the budget amount of \$3.1 million due to Vistoso Trails Nature Preserve master plan consulting costs, which were budgeted as capital outlay.
- Capital outlays for June total \$1.5 million or 57.4% of the budget amount of \$2.7 million due to rollover of several CIP projects into the next year, as well as an adjustment for the Vistoso Trails Nature Preserve master plan consulting costs, as referenced above.
- Transfers are about \$6.6 million, or 61.0% 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.
- The Community Center Fund ended the fiscal year with a total fund balance of \$1 million.

The Town is not expecting any sales tax support for golf operations for the current fiscal year. Contracted golf operations have a preliminary net income of \$73,600 before outside HOA contributions of \$159,050, and local sales taxes generated from golf related operations through June at approximately \$127,382.

ATTACHMENTS

- A. Additional details on the General Fund
- B. Additional details on the Highway Fund
- C. C-1 and C-2 for additional details on the Community Center Fund
- 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

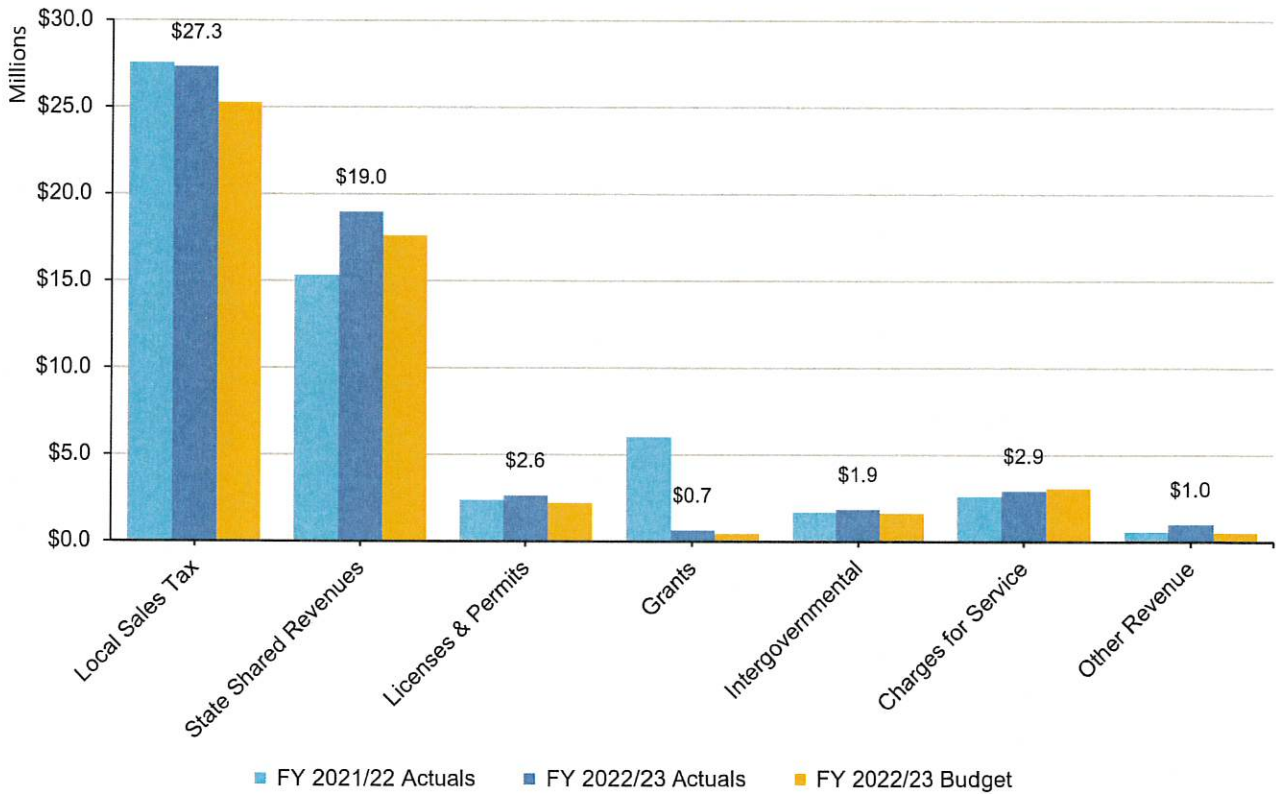


General Fund

Financial Status Fiscal Year to Date: June 2023

Revenues

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Local Sales Tax	\$ 27,562,665	\$ 27,319,039	\$ 25,270,959	\$ 2,048,080	108%
State Shared Revenues	15,317,760	18,969,634	17,605,693	1,363,941	108%
Licenses & Permits	2,390,080	2,643,013	2,223,824	419,189	119%
Grants	6,005,913	653,525	455,000	198,525	144%
Intergovernmental	1,674,819	1,857,521	1,613,000	244,521	115%
Charges for Service	2,615,471	2,909,080	3,046,515	(137,435)	95%
Other Revenue	573,713	999,393	524,000	475,393	191%
Total Revenues	\$ 56,140,422	\$ 55,351,205	\$ 50,738,991	\$ 4,612,214	109%



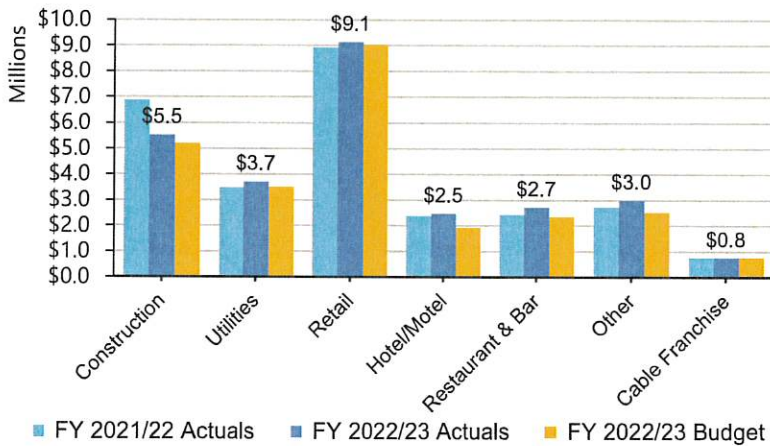


General Fund

Financial Status Fiscal Year to Date: June 2023

Local Sales Tax Revenue

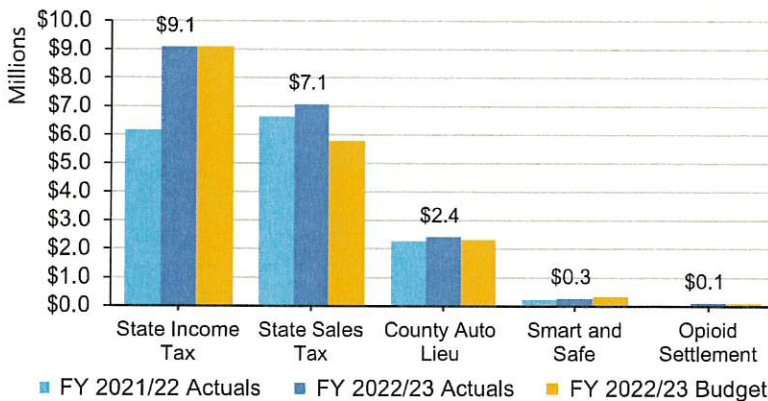
	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Construction	\$ 6,860,980	\$ 5,525,757	\$ 5,200,000	\$ 325,757	106%
Utilities	3,473,215	3,708,954	3,500,000	208,954	106%
Retail	8,923,255	9,129,647	9,012,011	117,636	101%
Hotel/Motel	2,384,329	2,470,488	1,920,822	549,666	129%
Restaurant & Bar	2,435,113	2,721,681	2,353,485	368,196	116%
Other	2,729,386	2,999,201	2,519,641	479,560	119%
Cable Franchise	756,388	763,311	765,000	(1,689)	100%
Local Sales Tax Total	\$ 27,562,665	\$ 27,319,039	\$ 25,270,959	\$ 2,048,080	108%



Actual to budget variance of \$2.0 million or 8%: The favorable variance is due to better than expected collections in all categories except cable franchise. Other category positive variance is driven by better than expected remote seller collections (online sales).

State Shared Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
State Income Tax	\$ 6,174,401	\$ 9,082,721	\$ 9,084,919	\$ (2,198)	100%
State Sales Tax	6,637,079	7,077,517	5,780,575	1,296,942	122%
County Auto Lieu	2,270,326	2,421,489	2,315,524	105,965	105%
Smart and Safe	235,954	271,786	324,675	(52,889)	84%
Opioid Settlement	-	116,120	100,000	16,120	116%
State Shared Total	\$ 15,317,760	\$ 18,969,634	\$ 17,605,693	\$ 1,363,941	108%



Actual to budget variance of \$1.4 million or 8%: The favorable budget variance is due to higher-than-expected state sales tax collections.

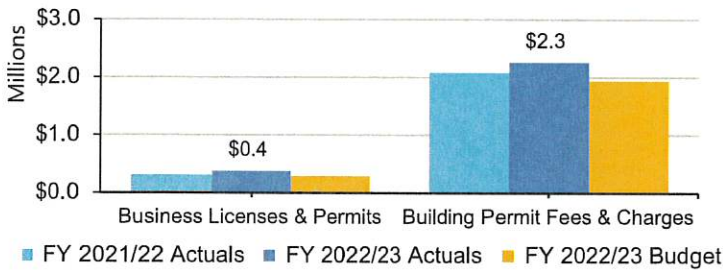


General Fund

Financial Status Fiscal Year to Date: June 2023

Licenses & Permits Revenue

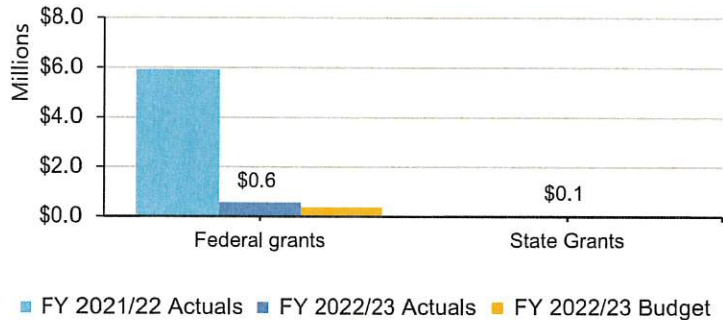
	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Business Licenses & Permits	\$ 309,054	\$ 379,206	\$ 287,500	\$ 91,706	132%
Building Permit Fees & Charges	2,081,026	2,263,807	1,936,324	327,483	117%
Licenses & Permits Total	\$ 2,390,080	\$ 2,643,013	\$ 2,223,824	\$ 419,189	119%



Actual to budget variance of \$0.4 million or 19%: Favorable due to greater than expected commercial activity. A total of 119 Single Family Residential (SFR) permits have been issued through June, less than the budgeted expectation of 171.

Grants Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Federal grants	\$ 5,936,500	\$ 579,259	\$ 380,000	\$ 199,259	152%
State Grants	69,413	74,267	75,000	(733)	99%
Grants Total	\$ 6,005,913	\$ 653,525	\$ 455,000	\$ 198,525	144%



Actual to budget variance of \$0.2 million or 44%: favorable variance due to greater than expected federal grants awarded to the Police Department and transit services.

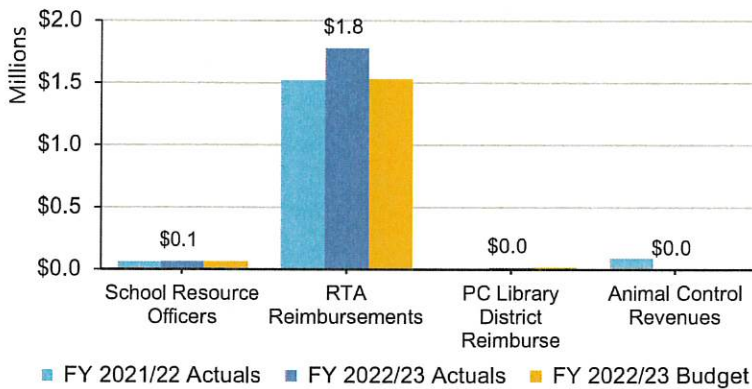


General Fund

Financial Status Fiscal Year to Date: June 2023

Intergovernmental Revenue

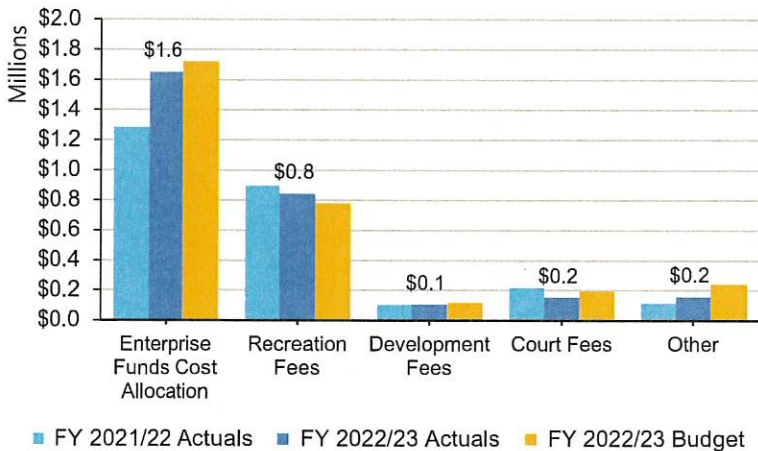
	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Budget	Actual Vs. Budget	
				Amount	Percent
School Resource Officers	\$ 61,209	\$ 65,000	\$ 65,000	\$ -	100%
RTA Reimbursements	1,518,846	1,778,249	1,530,000	248,249	116%
PC Library District Reimburse	6,178	14,272	18,000	(3,728)	79%
Animal Control Revenues	88,586	-	-	-	-
Intergovernmental Total	\$ 1,674,819	\$ 1,857,521	\$ 1,613,000	\$ 244,521	115%



Actual to budget variance of \$0.2 million or 15%: greater than expected RTA reimbursements attributable to ridership activity.

Charges for Service Revenue

	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2022/23 Budget	Actual Vs. Budget	
				Amount	Percent
Enterprise Funds Cost Allocation	\$ 1,284,684	\$ 1,648,966	\$ 1,718,960	\$ (69,994)	96%
Recreation Fees	896,019	843,432	777,032	66,400	109%
Development Fees	104,401	106,030	116,250	(10,220)	91%
Court Fees	216,298	152,872	194,400	(41,528)	79%
Other	114,070	157,781	239,873	(82,092)	66%
Charges for Service Total	\$ 2,615,471	\$ 2,909,080	\$ 3,046,515	\$ (137,435)	95.5%



Actual to budget variance of (\$0.1) million or (5%): 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. Unfavorable variance due to farebox revenues as a result of fee waivers, as well as swimming pool user fees as a result of facility closures for needed capital improvements.

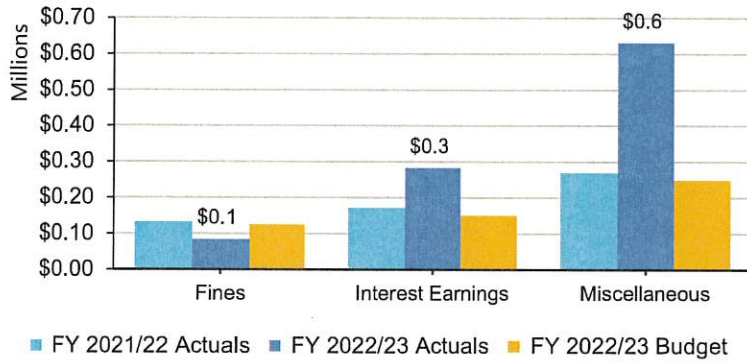


General Fund

Financial Status Fiscal Year to Date: June 2023

Other Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Fines	\$ 132,636	\$ 84,454	\$ 125,000	\$ (40,546)	68%
Interest Earnings	171,735	283,263	150,000	133,263	189%
Miscellaneous	269,342	631,676	249,000	382,676	254%
Other Revenue Total	\$ 573,713	\$ 999,393	\$ 524,000	\$ 475,393	191%



Actual to budget variance of \$0.5 million or 91%: Interest earnings are favorable due to a higher rate of return on investments than expected. Miscellaneous is favorable due to a rebate received from the Arizona Municipal Risk Retention Pool (AMRRP).

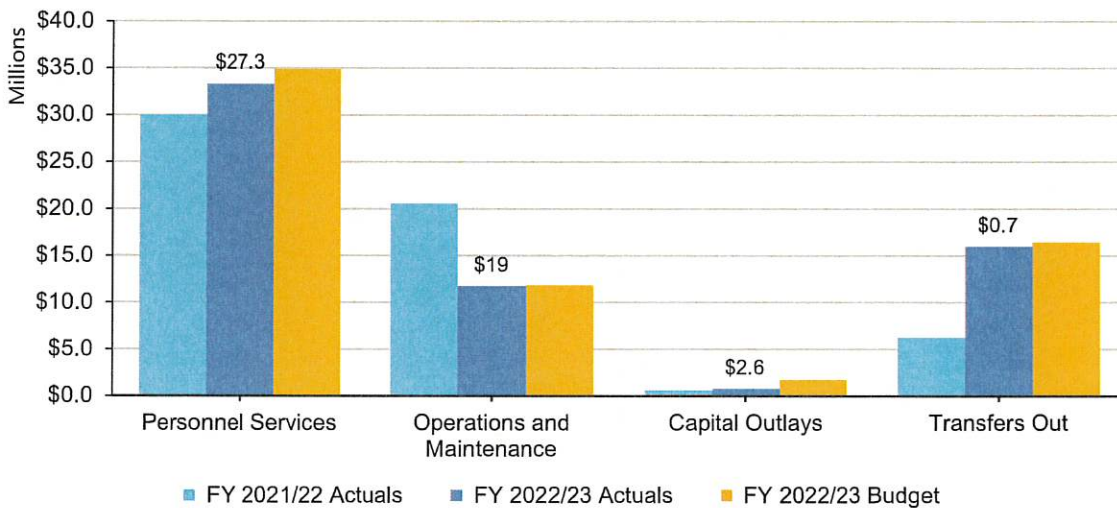


General Fund

Financial Status Fiscal Year to Date: June 2023

Uses

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Personnel Services	\$ 30,011,951	\$ 33,318,117	\$ 34,876,210	\$ 1,558,093	96%
Operations and Maintenance	20,569,888	11,736,691	11,809,548	72,857	99%
Capital Outlays	622,749	778,172	1,702,936	924,764	46%
Transfers Out	6,262,832	15,996,977	16,446,977	450,000	97%
Total Uses	\$ 57,467,420	\$ 61,829,956	\$ 64,835,671	\$ 3,005,715	95%



Actual to budget variance of \$3.0 million or 5%:

Personnel Services are favorable due to a combination of vacancy savings, position refills and budgeted PSPRS contributions for DROP participants.

Capital Outlays is favorable due to the Westward Look Drive Improvements project being delayed into the next fiscal year.

Transfers Out is favorable due to a budgeted grant for fiber infrastructure with matching local funds that was not awarded.

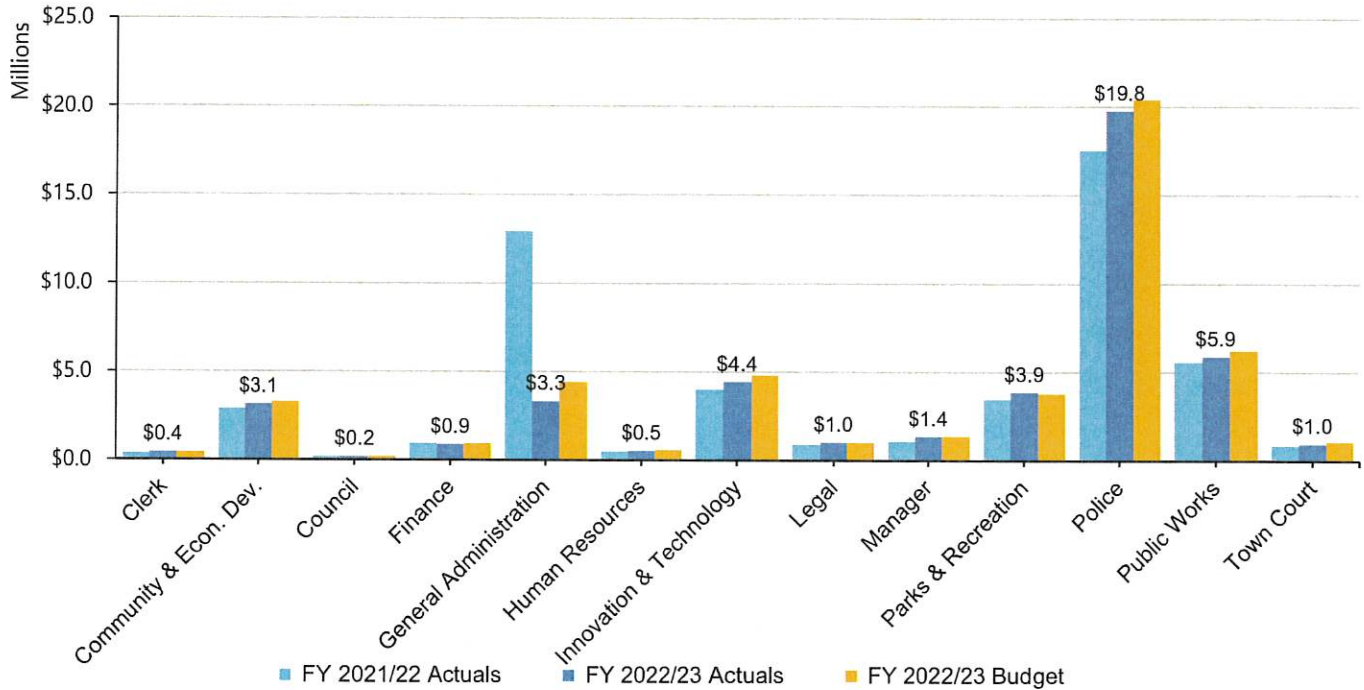


General Fund

Financial Status Fiscal Year to Date: June 2023

Expenditures by Department

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Clerk	\$ 375,414	\$ 428,729	\$ 422,705	\$ (6,024)	101%
Community & Econ. Dev.	2,902,055	3,148,683	3,280,764	132,081	96%
Council	192,014	197,987	199,145	1,158	99%
Finance	936,561	888,629	921,857	33,228	96%
General Administration	12,922,034	3,328,279	4,392,445	1,064,166	76%
Human Resources	480,631	545,050	569,905	24,855	96%
Innovation & Technology	3,992,280	4,428,926	4,797,809	368,883	92%
Legal	894,601	1,030,534	1,015,753	(14,781)	101%
Manager	1,074,627	1,354,290	1,349,776	(4,514)	100%
Parks & Recreation	3,460,952	3,858,974	3,775,162	(83,812)	102%
Police	17,531,660	19,768,479	20,403,472	634,993	97%
Public Works	5,580,572	5,889,330	6,200,227	310,897	95%
Town Court	861,186	965,089	1,059,674	94,585	91%
Total Expenditures	\$ 51,204,588	\$ 45,832,979	\$ 48,388,694	\$ 2,555,715	95%



Actual to budget variance of \$1.4 million or 3%:

General Administration actuals are significantly higher in FY 2021/22 than in FY 2022/23 due to a large, planned, paydown of PSPRS pension related expenses for Police. FY 2022/23 is unfavorable due to an unexpected settlement payment to secure Town ownership of the Vistoso Trails Nature Preserve land.

Innovation & Technology is favorable due to savings in software maintenance, telecommunications, equipment repair & maintenance, and travel & training.

Public Works is favorable due to 1) an unfilled Fleet Maintenance Mechanic III position; 2) lower than expected gasoline costs; and 3) lower than expected fleet supplies and equipment costs.

Police is favorable due to personnel savings

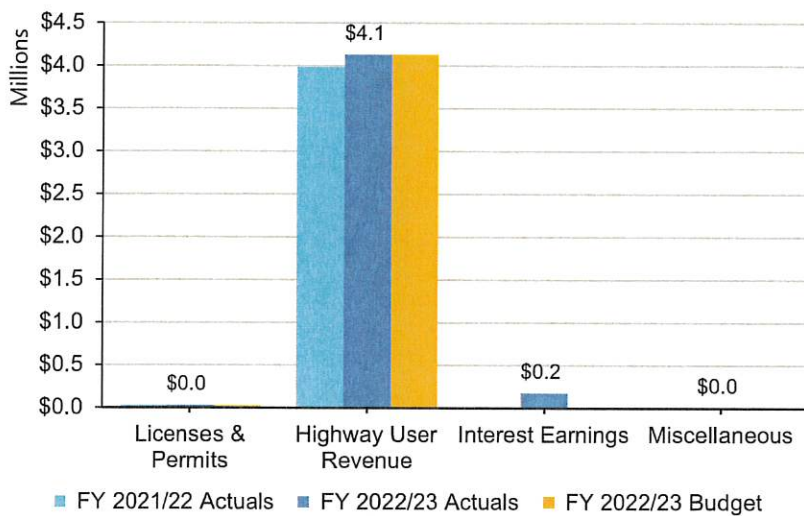


Highway Fund

Financial Status Fiscal Year to Date: June 2023

Revenues

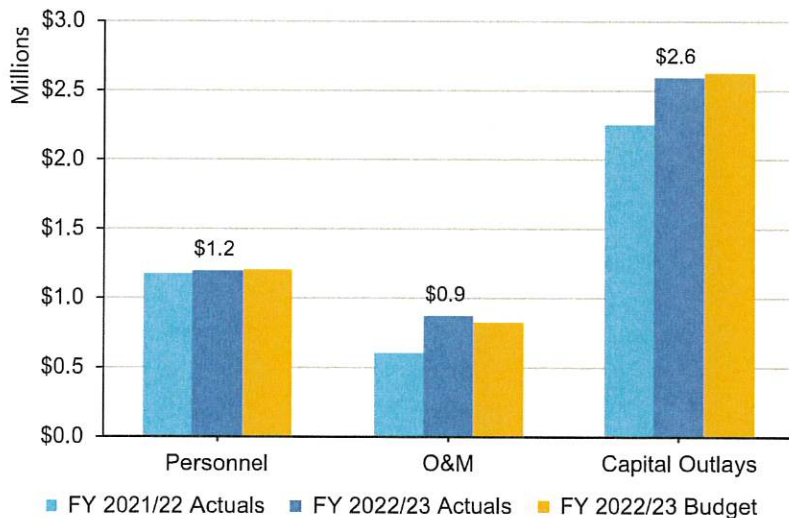
	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Licenses & Permits	\$ 28,838	\$ 27,565	\$ 25,000	\$ 2,565	110%
Highway User Revenue	3,979,751	4,129,268	4,127,100	2,168	100%
Interest Earnings	12,557	174,391	8,000	166,391	2180%
Miscellaneous	7,260	7,806	3,000	4,806	260%
Total Revenues	\$ 4,028,407	\$ 4,339,029	\$ 4,163,100	\$ 175,929	104%



Actual to budget variance of \$0.1 million or 4%:
Interest earnings are favorable due to a higher rate of return on investments than expected.

Expenditures

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Personnel	\$ 1,175,502	\$ 1,195,566	\$ 1,202,574	\$ 7,008	99%
O&M	604,387	871,699	823,615	(48,084)	106%
Capital Outlays	2,255,650	2,594,981	2,626,000	31,019	99%
Total Expenditures	\$ 4,035,539	\$ 4,662,246	\$ 4,652,189	\$ (10,057)	100%



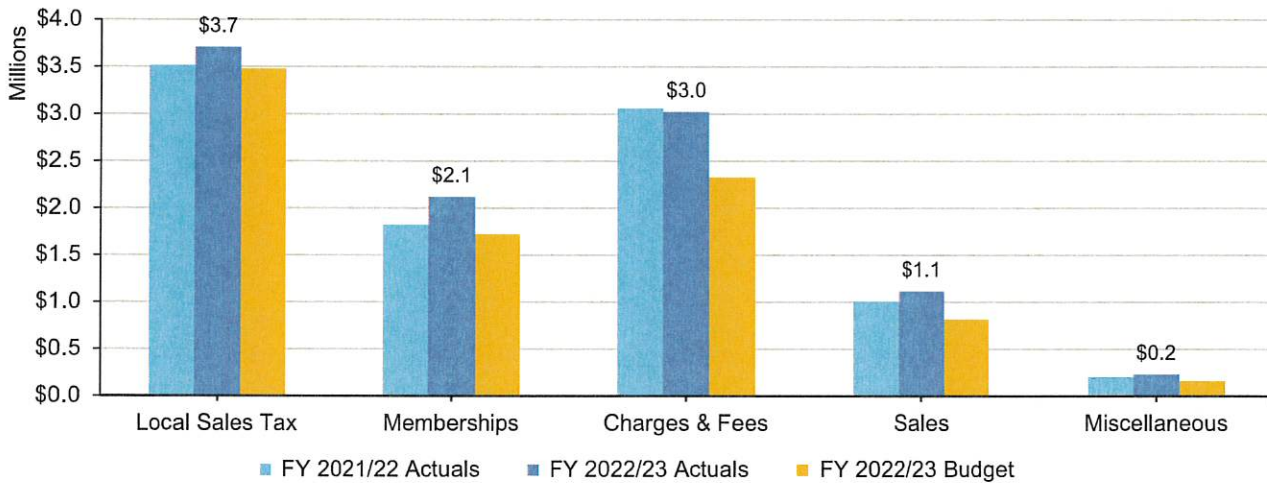
Actual to budget variance of (\$0.01) million or (0%):
O&M is unfavorable due to greater than expected street maintenance/landscaping service costs.



Community Center Fund

Financial Status Fiscal Year to Date: June 2023

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Revenues					
Local Sales Tax	\$ 3,514,400	\$ 3,707,578	\$ 3,477,236	\$ 230,342	106.6%
Memberships	1,822,143	2,120,807	1,723,000	397,807	123.1%
Charges & Fees	3,060,920	3,024,566	2,327,819	696,747	129.9%
Sales	1,009,045	1,119,793	817,230	302,563	137.0%
Miscellaneous	206,163	232,878	162,050	70,828	143.7%
Total Revenues	\$ 9,612,671	\$ 10,205,621	\$ 8,507,335	\$ 1,698,286	120.0%



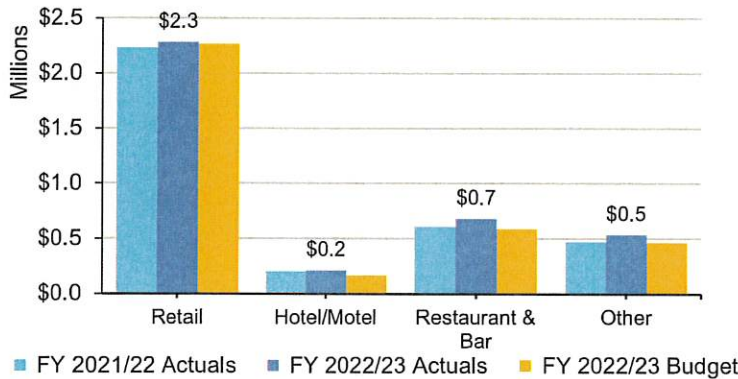


Community Center Fund

Financial Status Fiscal Year to Date: June 2023

Local Sales Tax Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Retail	\$ 2,230,813	\$ 2,282,412	\$ 2,264,806	\$ 17,606	101%
Hotel/Motel	202,224	209,530	162,973	46,557	129%
Restaurant & Bar	608,778	680,420	588,371	92,049	116%
Other	472,584	535,216	461,086	74,130	116%
Local Sales Tax Total	\$ 3,514,400	\$ 3,707,578	\$ 3,477,236	\$ 230,342	107%

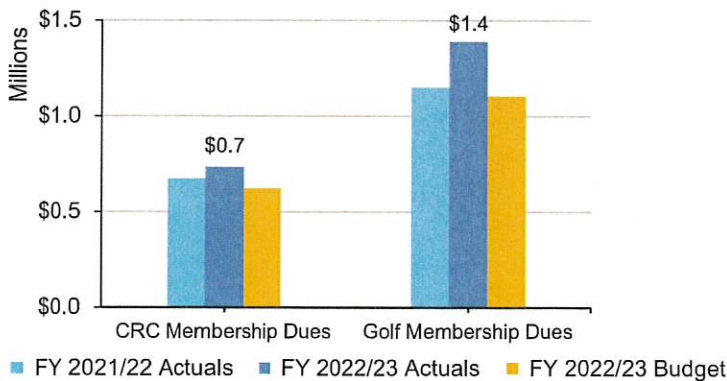


Actual to budget variance of \$0.2 million or 7%:
The favorable variance is due to better than expected collections in all categories.

Note: Estimated sales tax collections on golf operations for FY 22/23 is \$127,382

Memberships Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
CRC Membership Dues	\$ 672,816	\$ 732,111	\$ 620,500	\$ 111,611	118%
Golf Membership Dues	1,149,328	1,388,696	1,102,500	286,196	126%
Memberships Total	\$ 1,822,143	\$ 2,120,807	\$ 1,723,000	\$ 397,807	123%



Actual to budget variance of \$0.4 million or 23%:
Community Center memberships and golf memberships exceeded expectations.

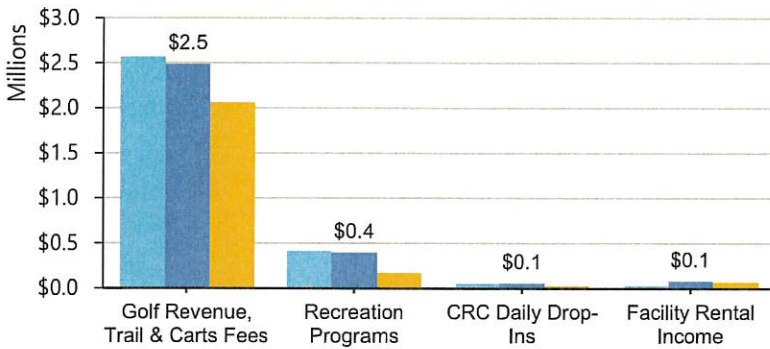


Community Center Fund

Financial Status Fiscal Year to Date: June 2023

Charges & Fees Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Golf Revenue, Trail & Carts Fees	\$ 2,568,114	\$ 2,487,942	\$ 2,060,519	\$ 427,423	121%
Recreation Programs	410,986	397,573	170,000	227,573	234%
CRC Daily Drop-Ins	52,777	57,289	30,000	27,289	191%
Facility Rental Income	29,043	81,763	67,300	14,463	121%
Charges & Fees Total	\$ 3,060,920	\$ 3,024,566	\$ 2,327,819	\$ 696,747	130%

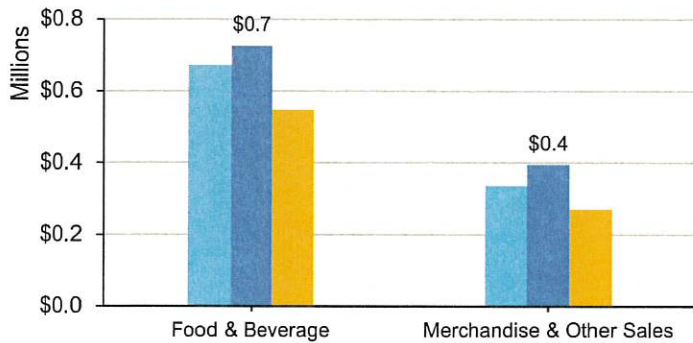


Actual to budget variance of \$0.7 million or 30%: Golf revenue is favorable due to higher than expected rounds played driven by higher memberships and daily drop-ins. Town recreation programs are favorable due to higher than expected sign-ups particularly in summer youth programs.

■ FY 2021/22 Actuals ■ FY 2022/23 Actuals ■ FY 2022/23 Budget

Sales Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Food & Beverage	\$ 671,622	\$ 725,325	\$ 546,450	\$ 178,875	133%
Merchandise & Other Sales	337,423	394,468	270,780	123,688	146%
Sales Total	\$ 1,009,045	\$ 1,119,793	\$ 817,230	\$ 302,563	137%



Actual to budget variance of \$0.3 million or 37%: favorable due to greater than expected food and beverage sales at The Overlook Restaurant and snack bars. Merchandise sales at the golf pro shop are favorable driven by higher memberships, rounds played, and daily drop-ins.

■ FY 2021/22 Actuals ■ FY 2022/23 Actuals ■ FY 2022/23 Budget

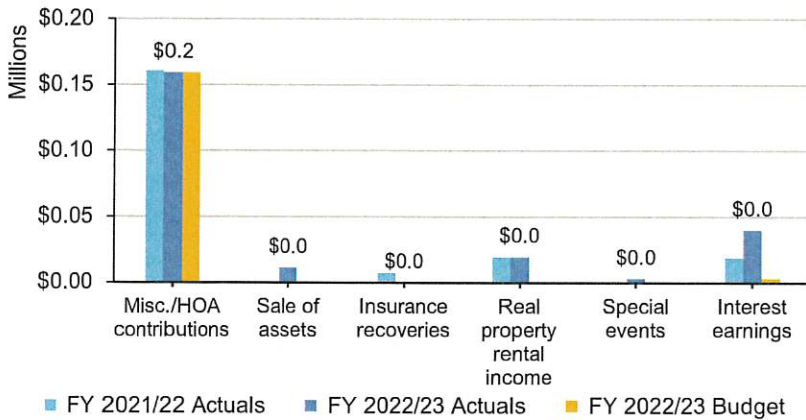


Community Center Fund

Financial Status Fiscal Year to Date: June 2023

Miscellaneous Revenue

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Misc./HOA contributions	\$ 160,532	\$ 159,050	\$ 159,050	\$ -	100%
Sale of assets	-	11,293	-	11,293	-
Insurance recoveries	7,261	-	-	-	-
Real property rental income	19,502	19,502	-	19,502	-
Special events	-	3,000	-	3,000	-
Interest earnings	18,867	40,033	3,000	37,033	1334%
Miscellaneous Total	\$ 206,163	\$ 232,878	\$ 162,050	\$ 70,828	144%



Actual to budget variance of \$0.1 million or 44%: Sale of Assets is favorable due to the auctioning off old fitness equipment. Real property rental equipment is related to leased space for cellular equipment on the roof of the Community Center. The lease was to expire in FY 2021/22, however, it was extended into FY 2022/23 and this was the final payment. Interest earnings are favorable due to a higher rate of return on investments than expected.

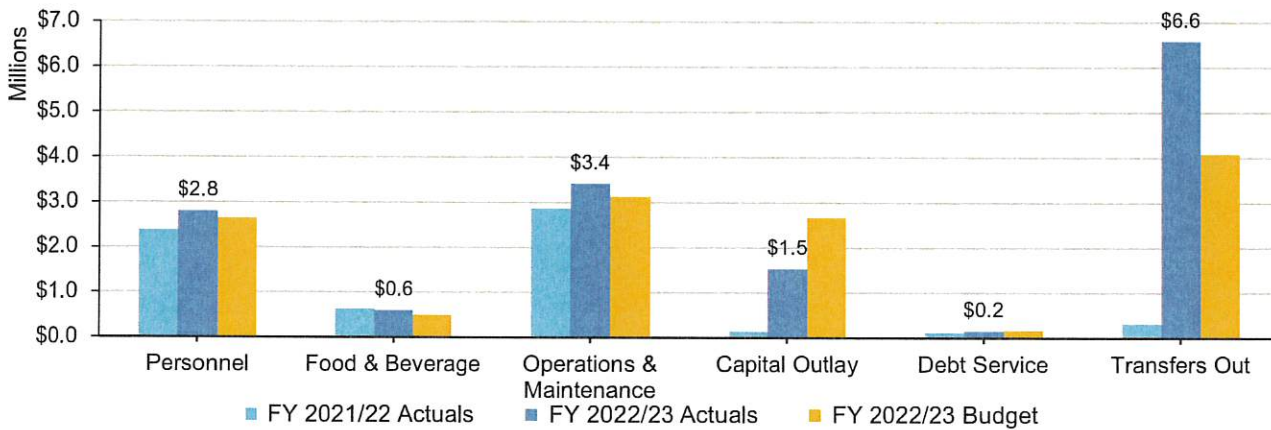


Community Center Fund

Financial Status Fiscal Year to Date: June 2023

Uses

	FY 2021/22	FY 2022/23	FY 2022/23	Actual Vs. Budget	
	Actuals	Actuals	Budget	Amount	Percent
Personnel	\$ 2,376,587	\$ 2,796,236	\$ 2,648,408	\$ (147,828)	106%
Food & Beverage	630,508	596,911	487,863	(109,048)	122%
Operations & Maintenance	2,860,039	3,412,813	3,120,238	(292,575)	109%
Capital Outlay	139,003	1,530,284	2,666,700	1,136,416	57%
Debt Service	116,365	151,479	162,682	11,203	93%
Transfers Out	315,658	6,578,356	4,085,380	(2,492,976)	161%
Total Uses	\$ 6,438,161	\$ 15,066,079	\$ 13,171,271	\$ (1,894,808)	114%



Actual to budget variance of (\$1.9) million or (14%):

Personnel variance is unfavorable due to pay increases from full implementation of the new pay plan earlier in the year.

Food & Beverage is unfavorable due to cost of sales from greater than expected demand.

Operations & Maintenance is unfavorable due to the Vistoso Trails Nature Preserve master plan consulting costs, which were budgeted as capital outlay

Capital Outlay is favorable due to rollover of several CIP projects into the next year, as well as an adjustment for the Vistoso Trails Nature Preserve master plan consulting costs, as referenced above.

Transfers Out exceeded expectations 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.

El Conquistador Golf Club
For the Month Ending June 30th, 2023

June					YTD				
Actual	Budget	Budget Variance	Last Year	Last Year Variance	Actual	Budget	Budget Variance	Last Year	Last Year Variance
Rounds									
2,939	1,600	1,339	2,587	352	41,116	32,200	8,916	34,943	6,173
320	100	220	301	19	7,014	5,550	1,464	7,969	(955)
2,169	900	1,269	1,908	261	50,932	42,125	8,807	54,199	(3,267)
5,428	2,600	2,828	4,796	632	99,062	79,875	19,187	97,111	1,951
Revenue									
65,886	22,000	43,886	59,599	6,287	2,132,305	1,769,500	362,805	2,238,443	(106,138)
24,593	21,100	3,493	23,007	1,586	315,620	265,250	50,370	285,330	30,290
1,068	3,500	(2,432)	1,396	(328)	40,017	43,500	(3,483)	44,341	(4,324)
0	0	0	0	0	0	18,000	(18,000)	19,783	(19,783)
12,677	9,600	3,077	10,756	1,921	279,684	220,335	59,349	240,598	39,086
20,923	17,550	3,373	22,977	(2,054)	368,694	278,325	90,369	346,930	21,764
17,613	14,360	3,253	16,981	632	340,470	262,730	77,740	294,023	46,447
(714)	100	(814)	646	(1,360)	16,058	5,295	10,763	30,526	(14,468)
1,446	835	611	1,083	363	46,753	28,620	18,133	34,896	11,857
2,291	1,450	841	2,363	(72)	37,190	20,225	16,965	34,123	3,066
101,044	88,500	12,544	103,075	(2,031)	1,383,836	1,103,000	280,836	1,149,328	234,508
0	0	0	0	0	4,860	0	4,860	0	4,860
7,660	100	7,560	(1,070)	8,730	30,841	12,866	17,975	8,023	22,819
254,486	179,095	75,391	240,812	13,674	4,996,327	4,027,646	968,681	4,726,343	269,984
Cost of Sales									
9,899	6,720	(3,179)	7,013	(2,886)	196,985	151,235	(45,751)	162,001	(34,984)
7,333	5,049	(2,284)	8,200	867	110,988	79,420	(31,569)	100,729	(10,260)
933	720	(213)	1,556	622	20,636	11,967	(8,669)	17,364	(3,272)
4,613	4,375	(238)	4,380	(233)	88,353	80,160	(8,193)	88,136	(217)
22,778	16,864	(5,914)	21,148	(1,630)	416,963	322,782	(94,181)	368,230	(48,733)
231,708	162,231	69,477	219,663	12,044	4,579,365	3,704,864	874,500	4,358,113	221,251
Labor									
37,703	24,791	(12,913)	25,301	(12,403)	436,141	405,312	(30,829)	358,485	(77,656)
39,338	24,250	(15,088)	32,304	(7,034)	151,336	131,500	(19,836)	137,769	(13,568)
84,702	79,320	(5,382)	64,173	(20,529)	813,451	840,236	26,785	704,456	(108,995)
21,360	17,852	(3,508)	20,298	(1,062)	282,845	245,589	(37,256)	272,355	(10,489)
4,347	5,042	694	5,584	1,237	83,638	78,975	(4,663)	76,843	(6,795)
187,450	151,254	(36,196)	147,660	(39,791)	1,767,410	1,701,612	(65,799)	1,549,907	(217,503)
13,136	13,826	690	13,040	(96)	143,522	156,400	12,877	125,265	(18,257)
17,131	11,754	(5,377)	9,320	(7,811)	131,753	134,359	2,606	103,944	(27,809)
2,003	1,739	(264)	2,164	160	24,642	20,284	(4,358)	28,116	3,474
32,270	27,319	(4,951)	24,524	(7,746)	299,917	311,043	11,125	257,325	(42,592)
219,720	178,573	(41,147)	172,184	(47,537)	2,067,328	2,012,654	(54,674)	1,807,232	(260,095)
Other Operational Expenses									
13,100	3,617	(9,483)	5,156	(7,944)	75,027	58,755	(16,272)	94,324	19,297
120,246	48,885	(71,361)	40,819	(79,428)	290,099	179,153	(110,946)	180,132	(109,967)
58,257	24,223	(34,034)	64,164	5,906	682,305	573,376	(108,929)	603,605	(78,700)
3,003	2,180	(823)	67,322	64,319	40,067	33,885	(6,182)	101,765	61,698
3,432	650	(2,782)	4,725	1,293	53,101	25,175	(27,926)	23,942	(29,159)
13,259	13,557	298	2,353	(10,906)	148,199	162,684	14,485	149,234	1,035
298	0	(298)	0	(298)	3,279	0	(3,279)	0	(3,279)
93,645	91,375	(2,270)	129,626	35,981	735,053	1,011,875	276,822	999,752	264,699
17,676	15,025	(2,651)	18,655	979	194,729	175,975	(18,754)	186,987	(7,742)
10,404	10,404	0	10,200	(204)	124,848	124,848	0	122,400	(2,448)
5,192	3,380	(1,812)	6,262	1,071	64,230	47,623	(16,607)	48,990	(15,240)
338,512	213,296	(125,216)	349,282	10,770	2,410,937	2,393,349	(17,588)	2,515,730	104,794
558,232	391,869	(166,363)	521,466	(36,766)	4,478,265	4,406,003	(72,262)	4,322,963	(155,302)
(326,525)	(229,638)	(96,886)	(301,802)	(24,722)	101,100	(701,139)	802,239	35,150	65,950
(326,525)	(229,638)	(96,886)	(301,802)	(24,722)	101,100	(701,139)	802,239	35,150	65,950
Interest Expense/Dep&Amt									
0	0	0	0	0	0	0	0	(343)	(343)
0	0	0	0	0	27,500	0	(27,500)	28,589	1,089
0	0	0	0	0	27,500	0	(27,500)	28,246	746
(326,525)	(229,638)	(96,886)	(301,802)	(24,722)	73,600	(701,139)	752,341	6,905	66,695

**Community Center Fund***% Budget Completion through June --- 100%*

	Actuals thru 6/2023	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
Revenues					
Contracted Operating Revenues					
Golf Revenues, Trail and Cart Fees	2,487,942	2,060,519	120.7%	2,487,942	20.7%
Member Dues	1,388,696	1,102,500	126.0%	1,388,696	26.0%
Food & Beverage	725,323	546,350	132.8%	725,323	32.8%
Merchandise & Other	394,468	270,780	145.7%	394,468	45.7%
Subtotal	4,996,428	3,980,149	125.5%	4,996,428	25.5%
Town Operating Revenues					
Daily Drop-Ins	57,289	30,000	191.0%	57,289	91.0%
Member Dues	732,111	620,500	118.0%	732,111	18.0%
Recreation Programs	397,573	170,000	233.9%	397,573	133.9%
Facility Rental Income	81,763	67,300	121.5%	81,763	21.5%
Subtotal	1,268,736	887,800	142.9%	1,268,736	42.9%
Other Revenues					
Local Sales Tax	3,707,578	3,477,236	106.6%	3,707,578	6.6%
Real Property Rental Income	19,502	-	na	19,502	na
Interest Income	40,033	3,000	1334.4%	40,033	1234.4%
Miscellaneous	173,343	159,150	108.9%	173,343	8.9%
Subtotal	3,940,457	3,639,386	108.3%	3,940,457	8.3%
Total Revenues	10,205,621	8,507,335	120.0%	10,205,621	20.0%
Expenditures					
Contracted Operating Expenditures					
Personnel	1,730,461	1,728,134	100.1%	1,730,461	0.1%
Food & Beverage	596,911	487,863	122.4%	596,911	22.4%
Operations & Maintenance	2,466,274	2,344,939	105.2%	2,466,274	5.2%
Equipment Leases	151,479	162,682	93.1%	151,479	-6.9%
Subtotal	4,945,125	4,723,618	104.7%	4,945,125	4.7%
Town Operating Expenditures					
Personnel	1,065,775	920,274	115.8%	1,065,775	15.8%
Operations & Maintenance	946,538	775,299	122.1%	946,538	22.1%
Subtotal	2,012,313	1,695,573	118.7%	2,012,313	18.7%
Capital Outlay	1,530,284	2,666,700	57.4%	1,530,284	-42.6%
Total Expenditures	8,487,722	9,085,891	93.4%	8,487,722	-6.6%
Revenues Over/(Under) Expenditures	1,717,899	(578,556)		1,717,899	
Other Financing Sources/(Uses)					
Transfers In	-	-	na	-	na
Transfers Out	(6,578,356)	(4,085,380)	161.0%	(6,578,356)	61.0%
Total Other Financing Sources/(Uses)	(6,578,356)	(4,085,380)	161.0%	(6,578,356)	61.0%
Net Change in Fund Balance	(4,860,458)	(4,663,936)		(4,860,458)	
Beginning Fund Balance				5,860,458	
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

Note: Estimated sales tax collections on golf operations for FY 22/23 is \$127,382



Consolidated Year-to-Date Financial Report through June 2023

ATTACHMENT D

FY 2022/2023

Fund	FY 22/23 Beginning Balance	Revenue	Other Fin Sources/ Transfers In	Total In	Personnel	O&M	Capital	Debt Service	Transfers Out	Total Out	Fund Balance Through June 2023
General Fund	30,390,425	55,351,205		55,351,205	33,318,117	11,736,691	778,172		15,996,977	61,829,956	23,911,674
Highway Fund	1,206,986	4,339,029		4,339,029	1,195,566	871,699	2,594,981			4,662,246	883,770
Grants and Contributions Fund	208,250	5,546,348	448,012	5,994,360		412,162	1,889,078		1,850,636	4,151,876	2,050,734
Seizure & Forfeiture - Justice/State	237,863	54,283		54,283		61,953				61,953	230,193
Community Center Fund	5,860,458	10,205,621		10,205,621	2,796,236	4,009,724	1,530,284	151,479	6,578,356	15,066,079	1,000,000
Municipal Debt Service Fund	164,136	248,418	4,200,971	4,449,389		8,748		4,331,059		4,339,807	273,718
Water Resource System & Dev. Impact Fee Fund	17,544,433	1,990,561	1,031,425	3,021,986		171,803	2,770,289	337,317		3,279,409	17,287,010
Townwide Roadway Dev Impact Fee Fund	1,939,688	216,403		216,403		4,175				4,175	2,151,916
Parks & Recreation Impact Fee Fund	509,474	148,815		148,815		1,948				1,948	656,341
Police Impact Fee Fund	132,559	51,880		51,880		557			121,500	122,057	62,382
Capital Fund	23,952,930	1,454,655	18,050,290	19,504,945	236,738	5,420	19,139,507			19,381,665	24,076,210
PAG/RTA Fund	873,366	607,440		607,440		48,775	651,420			700,195	780,611
Water Utility	12,628,510	17,841,135	1,850,636	19,691,771	3,519,674	9,108,708	1,890,444	4,643,045	2,440	19,164,311	13,155,970
Stormwater Utility	1,125,140	1,488,779		1,488,779	865,272	391,798	514,550			1,771,621	842,299
Benefit Self Insurance Fund	2,869,952	4,540,944		4,540,944		4,526,575				4,526,575	2,884,321
Recreation In-Lieu Fee Fund	16,617	91		91						-	16,708
Total	99,660,787	104,085,607	25,581,334	129,666,941	41,931,603	31,360,736	31,758,725	9,462,900	24,549,909	139,063,873	90,263,856



General Fund Local Sales Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY 2022/23													
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	
Monthly variance	\$ 240,939	\$ 225,525	\$ 51,037	\$ (287,250)	\$ (359,497)	\$ 200,346	\$ (232,225)	\$ (162,723)	\$ 241,115	\$ (99,504)	\$ (104,651)	\$ 36,341	
Cumulative variance	\$ 240,939	\$ 466,464	\$ 517,501	\$ 230,250	\$ (129,247)	\$ 71,098	\$ (161,126)	\$ (323,849)	\$ (82,735)	\$ (182,239)	\$ (286,890)	\$ (250,549)	

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY 2021/22													
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	

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



General Fund State Shared Revenues

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	\$ 18,969,634
Monthly variance	\$ 269,837	\$ 207,656	\$ 435,171	\$ 276,657	\$ 728,539	\$ 140,931	\$ (53,834)	\$ 786,088	\$ 423,354	\$ 183,564	\$ 375,255	\$ (121,345)	
Cumulative variance	\$ 269,837	\$ 477,493	\$ 912,664	\$ 1,189,322	\$ 1,917,861	\$ 2,058,792	\$ 2,004,958	\$ 2,791,046	\$ 3,214,400	\$ 3,397,964	\$ 3,773,219	\$ 3,651,873	

FY 2021/22

	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
Opioid Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-
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	\$ 15,317,760