



*Town Manager's Office*

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TOWN COUNCIL REPORT

DATE: December 16, 2022  
TO: Mayor and Councilmembers  
FROM: Chris Cornelison, Interim Town Manager  
Dave Gephart, Chief Financial Officer  
SUBJECT: October 2022 Monthly Financial Update

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This financial update is intended to provide an overview and status of revenues and expenditures for the Town's selected funds through October 2022 for fiscal year 2022/23. Since Town Council will not be having a second meeting in December for this item to be presented, this Council Report will serve as the monthly report in order to provide more up-to-date information to Town Council. Funds included in this financial update are the General Fund, Highway Fund and Community Center Fund. **All amounts are preliminary, un-audited and subject to change. Estimates reflected in monthly financial updates may not include adjusting audit entries required at year-end.** The PowerPoint presentation to the Budget and Finance Commission is also attached to this report. This report will be provided on the Town's website as well.

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 \$16.6 million or 32.7% of budget, while expenditures are at \$21 million or 32.6% of the total budget.

*Highway Fund*

In the Highway Fund (see attachment B), revenues total \$1,338,623 or 32.2% of budget, while expenditures total \$556,267 or 12% of budget.

*Community Center Fund*

In the Community Center Fund (see attachment C-1 & C-2), revenues total \$2.5 million or 29% of budget, while expenditures total \$4.6 million or 34.8% of budget.

## BACKGROUND AND DETAILED INFORMATION

### *General Fund*

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

Revenues:	\$53,539,838
Less:	
Expenditures:	(\$49,106,823)
Other Financing Uses	(\$16,446,977)
<b>Preliminary Estimated Decrease in Fund Balance:</b>	<b>(\$12,013,962)*</b>

\*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 \$8.5 million or 33.7% of the budgeted amount of \$25.3 million and are performing better than anticipated. Retail collections total \$2.8 million, which is \$154,487 or 5.8% higher than the same time period last fiscal year. Both restaurant/bar collections and bed tax collections are up 9.7% and 18.2% respectively, compared to the same time period last fiscal year. Construction sales tax collections total \$2.2 million through October, which is \$198,158 or 8.2% 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 \$1.3 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 \$546,620 or 24.6% of the budget amount of \$2.2 million. Single Family Residential (SFR) permits issued through October total 59 and are a large portion of this revenue piece. License and permit revenues are expected to come in \$260,000 over budget, due to revised permitting estimates from expected commercial development activity.
- State shared revenues total \$5.7 million or 32.5% 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 \$956,000 over budget due to higher than expected state sales tax collections.
- Charges for services revenues total \$973,597 or 32% 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 are expected to continue through the end of the fiscal year.

- Miscellaneous revenues are forecasted to come in \$340,000 over budget due primarily to a rebate received from the Arizona Municipal Risk Retention Pool (AMRRP).

#### *General Fund Expenditures*

- General Fund expenditures total \$21 million or 32.6% of budget through October.
- 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 October 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 \$18.4 million, or 38.2% of budgeted expenditures, exceeding Council policy by \$6.3 million.

#### *HIGHWAY FUND*

##### *Highway Fund Revenues*

State shared highway user funds total \$1.3 million or 31.4% 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 October are at \$556,267 or 12% of the adopted budget of \$4.7 million. The pavement preservation program began in October; however, the first invoices were paid in November. 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 October total \$1.8 million or 29% of the budget amount of \$8.5 million.
- Contracted operating revenues total \$1.1 million through October. This is approximately \$33,000 or 3.1% more than revenues from the same time period last fiscal year due to higher memberships and food & beverage sales. At this time, contracted revenues are estimated to be on budget. Contractor revenues are expected to be less than the prior year due to planned course closures for the irrigation project.
- Town operating revenues for October are \$280,319 or 31.6% 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 October total \$1.1 million or 31.5% of the budget amount of \$3.5 million. These collections are currently projected to come in \$127,000 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 \$4.6 million or 34.8% of the budgeted amount of \$13.2 million.
- Contracted operating expenditures total \$1.7 million, or 36.1% 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 \$258,414, or 6.3% 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 October 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.

## ATTACHMENTS

- A. General Fund
- B. Highway Fund
- C1. Community Center Fund
- C2. El Conquistador Golf
- D. Fiscal Year-To-Date Consolidated Summary for All Town Funds
- E. General Fund Local Sales Tax Collections
- F. General Fund State Shared Revenues
- G. BFC October FY2023 Monthly Financials Presentation

## RECOMMENDATION:

This report is for information only.

**General Fund***% Budget Completion through October --- 33.33%*

	Actuals thru 10/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
<b>REVENUES</b>					
LOCAL SALES TAX	8,523,910	25,270,959	33.7%	26,528,407	5.0%
LICENSES & PERMITS	546,620	2,223,824	24.6%	2,558,824	15.1%
FEDERAL GRANTS	134,781	380,000	35.5%	397,000	4.5%
STATE GRANTS	23,266	75,000	31.0%	95,000	26.7%
STATE/COUNTY SHARED	5,727,363	17,605,693	32.5%	18,560,279	5.4%
OTHER INTERGOVERNMENTAL	156,038	1,613,000	9.7%	1,613,000	0.0%
CHARGES FOR SERVICES	973,597	3,046,515	32.0%	2,953,483	-3.1%
FINES	33,359	125,000	26.7%	95,000	-24.0%
INTEREST INCOME	144,006	150,000	96.0%	150,000	0.0%
MISCELLANEOUS	348,591	249,000	140.0%	588,845	136.5%
<b>TOTAL REVENUES</b>	<b>16,611,531</b>	<b>50,738,991</b>	<b>32.7%</b>	<b>53,539,838</b>	<b>5.5%</b>
<b>EXPENDITURES</b>					
CLERK	144,378	422,705	34.2%	422,705	0.0%
COMMUNITY & ECON. DEV.	1,030,808	3,280,764	31.4%	3,397,472	3.6%
COUNCIL	111,470	199,145	56.0%	199,145	0.0%
FINANCE	282,024	1,111,460	25.4%	1,083,460	-2.5%
GENERAL ADMINISTRATION	1,723,481	4,077,234	42.3%	4,924,234	20.8%
HUMAN RESOURCES	179,053	569,905	31.4%	569,905	0.0%
INNOVATION & TECHNOLOGY	1,818,464	4,797,809	37.9%	4,797,809	0.0%
LEGAL	295,018	1,015,753	29.0%	1,015,753	0.0%
MANAGER	345,093	1,160,173	29.7%	1,281,805	10.5%
PARKS & RECREATION	1,151,923	3,775,162	30.5%	3,775,162	0.0%
POLICE	5,500,728	20,403,472	27.0%	20,403,472	0.0%
PUBLIC WORKS	1,574,545	6,200,227	25.4%	6,176,227	-0.4%
TOWN COURT	308,739	1,059,674	29.1%	1,059,674	0.0%
TRANSFERS OUT	6,548,965	16,446,977	39.8%	16,446,977	0.0%
<b>TOTAL EXPENDITURES</b>	<b>21,014,691</b>	<b>64,520,460</b>	<b>32.6%</b>	<b>65,553,800</b>	<b>1.6%</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(4,403,159)</b>	<b>(13,781,469)</b>		<b>(12,013,962)</b>	
<b>BEGINNING FUND BALANCE</b>				<b>30,390,425</b>	
<b>Plus: Surplus / (Use of Fund Balance)</b>				<b>(12,013,962)</b>	
<b>ENDING FUND BALANCE **</b>				<b>18,376,463</b>	

\* Year-end estimates are subject to further revision

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



**Highway Fund**

*% Budget Completion through October --- 33.33%*

	Actuals thru 10/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
<b>REVENUES</b>					
LICENSES & PERMITS	10,548	25,000	42.2%	25,000	0.0%
STATE/COUNTY SHARED	1,295,810	4,127,100	31.4%	4,127,100	0.0%
INTEREST INCOME	26,363	8,000	329.5%	8,000	0.0%
MISCELLANEOUS	5,902	3,000	196.7%	7,000	133.3%
<b>TOTAL REVENUES</b>	<b>1,338,623</b>	<b>4,163,100</b>	<b>32.2%</b>	<b>4,167,100</b>	<b>0.1%</b>

	Actuals thru 10/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
<b>EXPENDITURES</b>					
TRANSPORTATION ENGINEERING	396,889	4,192,089	9.5%	4,192,089	0.0%
STREET MAINTENANCE	159,378	460,100	34.6%	460,100	0.0%
<b>TOTAL EXPENDITURES</b>	<b>556,267</b>	<b>4,652,189</b>	<b>12.0%</b>	<b>4,652,189</b>	<b>0.0%</b>

<b>CHANGE IN FUND BALANCE</b>	<b>782,356</b>	<b>(489,089)</b>	<b>(485,089)</b>
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<b>BEGINNING FUND BALANCE</b>	<b>1,206,986</b>
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<b>Plus: Surplus / (Use of Fund Balance)</b>	<b>(485,089)</b>
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<b>ENDING FUND BALANCE **</b>	<b>721,897</b>
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**Community Center Fund**

*% Budget Completion through October --- 33.33%*

	Actuals thru 10/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
<b>REVENUES</b>					
<b>CONTRACTED OPERATING REVENUES</b>					
Golf Revenues, Trail and Cart Fees	413,581	2,060,519	20.1%	2,060,519	0.0%
Member Dues	402,306	1,102,500	36.5%	1,102,500	0.0%
Food & Beverage	183,506	546,350	33.6%	546,350	0.0%
Merchandise & Other	74,582	270,780	27.5%	270,780	0.0%
	<b>1,073,975</b>	<b>3,980,149</b>	<b>27.0%</b>	<b>3,980,149</b>	<b>0.0%</b>
<b>TOWN OPERATING REVENUES</b>					
Daily Drop-Ins	9,088	30,000	30.3%	35,000	16.7%
Member Dues	201,533	620,500	32.5%	620,500	0.0%
Recreation Programs	47,247	170,000	27.8%	170,000	0.0%
Facility Rental Income	22,451	67,300	33.4%	67,300	0.0%
	<b>280,319</b>	<b>887,800</b>	<b>31.6%</b>	<b>892,800</b>	<b>0.6%</b>
<b>OTHER REVENUES</b>					
Local Sales Tax	1,096,320	3,477,236	31.5%	3,603,855	3.6%
Interest Income	19,886	3,000	662.9%	3,000	0.0%
Miscellaneous	15	159,150	0.0%	159,150	0.0%
	<b>1,116,221</b>	<b>3,639,386</b>	<b>30.7%</b>	<b>3,766,005</b>	<b>3.5%</b>
<b>TOTAL REVENUES</b>	<b>2,470,515</b>	<b>8,507,335</b>	<b>29.0%</b>	<b>8,638,954</b>	<b>1.5%</b>

	Actuals thru 10/2022	Budget	% Actuals to Budget	Year End Estimate *	YE % Variance to Budget
<b>EXPENDITURES</b>					
<b>CONTRACTED OPERATING EXPENDITURES</b>					
Personnel	502,355	1,728,134	29.1%	1,728,134	0.0%
Food & Beverage	161,988	487,863	33.2%	487,863	0.0%
Operations & Maintenance	999,133	2,344,939	42.6%	2,344,939	0.0%
Equipment Leases	43,024	162,682	26.4%	162,682	0.0%
	<b>1,706,500</b>	<b>4,723,618</b>	<b>36.1%</b>	<b>4,723,618</b>	<b>0.0%</b>
<b>TOWN OPERATING EXPENDITURES</b>					
Personnel	322,985	920,274	35.1%	990,000	7.6%
Operations & Maintenance	215,461	775,299	27.8%	775,299	0.0%
	<b>538,446</b>	<b>1,695,573</b>	<b>31.8%</b>	<b>1,765,299</b>	<b>4.1%</b>
<b>CAPITAL OUTLAY</b>	<b>312,105</b>	<b>2,666,700</b>	<b>11.7%</b>	<b>2,666,700</b>	<b>0.0%</b>
<b>TRANSFERS OUT</b>	<b>2,028,066</b>	<b>4,085,380</b>	<b>49.6%</b>	<b>4,343,794</b>	<b>6.3%</b>
<b>TOTAL EXPENDITURES</b>	<b>4,585,117</b>	<b>13,171,271</b>	<b>34.8%</b>	<b>13,499,411</b>	<b>2.5%</b>

**CHANGE IN FUND BALANCE (2,114,602) (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 October 31st, 2022

October					YTD					
Actual	Budget	Budget Variance	Last Year	Last Year Variance		Actual	Budget	Budget Variance	Last Year	Last Year Variance
<b>Rounds</b>										
3,149	2,500	649	2,630	519	Rounds - Member	11,099	7,300	3,799	8,567	2,532
38	100	(62)	283	(245)	Rounds - Outing	708	550	158	1,154	(446)
2,084	1,200	884	2,394	(310)	Rounds - Public	8,980	4,000	4,980	11,516	(2,536)
5,271	3,800	1,471	5,307	(36)	<b>Total Rounds</b>	20,787	11,850	8,937	21,237	(450)
<b>Revenue</b>										
90,034	52,000	38,034	91,428	(1,394)	Green Fees	310,724	123,500	187,224	361,463	(50,740)
24,457	21,100	3,357	23,275	1,182	Cart Fees	94,706	84,250	10,456	88,531	6,175
5,012	2,500	2,512	4,887	125	Driving Range	8,151	7,000	1,151	12,951	(4,799)
0	0	0	0	0	Golf Cards/Passes	0	0	0	0	0
13,928	10,050	3,878	10,695	3,233	Pro Shop Sales	46,884	41,125	5,759	47,947	(1,063)
38,162	19,300	18,862	26,389	(1,093)	Food (Food & Soft Drinks)	103,923	73,150	30,773	88,764	2,293
24,231	18,930	5,301	20,601	3,630	Beverages (Alcohol)	77,159	64,360	12,799	71,181	5,978
356	700	(344)	737	(382)	Other Food & Beverage Revenue	2,424	965	1,459	550	1,874
6,737	1,175	5,562	1,566	5,170	Other Golf Revenues (Club Rent, Handicap)	10,668	3,925	6,743	5,077	5,591
2,624	2,500	124	3,154	(529)	Clinic / School Revenue	10,168	5,050	5,118	6,744	3,424
111,050	88,500	22,550	90,483	20,566	Dues Income - Monthly Dues	402,306	354,000	48,306	358,442	43,864
2,237	100	2,137	(1,024)	3,261	Miscellaneous Income and Discounts	6,861	400	6,461	(472)	7,333
<b>318,827</b>	<b>216,855</b>	<b>101,972</b>	<b>272,191</b>	<b>33,769</b>	<b>Total Revenue</b>	<b>1,073,975</b>	<b>757,725</b>	<b>316,250</b>	<b>1,041,178</b>	<b>19,930</b>
<b>Cost of Sales</b>										
10,035	7,035	(3,000)	12,476	2,441	COGS - Pro Shop	39,617	28,788	(10,829)	39,067	(550)
9,992	5,561	(4,432)	6,329	(3,663)	COGS - Food	30,508	20,823	(9,685)	23,447	(7,061)
1,743	784	(959)	1,027	(716)	COGS - Non-Alcoholic Beverages	5,966	3,216	(2,750)	3,889	(2,076)
6,147	5,798	(350)	6,296	149	COGS - Alcohol	20,324	19,615	(708)	22,242	1,918
<b>27,918</b>	<b>19,177</b>	<b>(8,741)</b>	<b>26,129</b>	<b>(1,789)</b>	<b>Total Cost of Sales</b>	<b>96,414</b>	<b>72,442</b>	<b>(23,972)</b>	<b>88,645</b>	<b>(7,769)</b>
<b>290,909</b>	<b>197,678</b>	<b>93,231</b>	<b>246,063</b>	<b>31,980</b>	<b>GROSS INCOME</b>	<b>977,561</b>	<b>685,283</b>	<b>292,277</b>	<b>952,533</b>	<b>12,162</b>
<b>Labor</b>										
35,014	26,231	(8,783)	21,763	(13,251)	Golf Operation Labor	120,551	101,555	(18,996)	91,029	(29,522)
10,447	9,250	(1,197)	9,211	(1,237)	General and Administrative	40,775	37,000	(3,775)	36,535	(4,240)
71,025	70,620	(406)	64,034	(6,991)	Maintenance and Landscaping	244,979	273,879	28,899	237,275	(7,704)
22,504	20,886	(1,618)	20,395	(2,109)	F&B	78,272	75,049	(3,223)	74,894	(3,378)
6,479	7,417	937	5,457	(1,022)	Sales and Marketing	20,269	24,567	4,298	21,828	1,559
<b>145,470</b>	<b>134,403</b>	<b>(11,067)</b>	<b>120,860</b>	<b>(24,610)</b>	<b>Total Direct Labor</b>	<b>504,846</b>	<b>512,050</b>	<b>7,203</b>	<b>461,561</b>	<b>(43,286)</b>
11,610	12,332	722	9,623	(1,987)	Total Payroll Taxes	39,086	46,967	7,881	35,306	(3,780)
13,417	9,678	(3,739)	8,649	(4,768)	Total Medical/Health Benefits	43,652	42,142	(1,510)	38,024	(5,628)
2,032	1,509	(523)	1,808	(224)	Total Workmans Comp	7,525	6,498	(1,027)	7,799	274
<b>27,059</b>	<b>23,519</b>	<b>(3,540)</b>	<b>20,080</b>	<b>(6,979)</b>	<b>Total Payroll Burden</b>	<b>90,263</b>	<b>95,607</b>	<b>5,344</b>	<b>81,129</b>	<b>(9,134)</b>
<b>172,529</b>	<b>157,922</b>	<b>(14,607)</b>	<b>140,940</b>	<b>(31,589)</b>	<b>Total Labor</b>	<b>595,110</b>	<b>607,657</b>	<b>12,547</b>	<b>542,690</b>	<b>(52,420)</b>
<b>Other Operational Expenses</b>										
11,741	6,942	(4,799)	6,942	(4,799)	Golf Ops	20,691	15,719	(4,972)	28,700	8,009
11,993	11,849	(144)	12,369	376	G&A	44,649	35,155	(9,494)	38,805	(5,844)
172,238	108,933	(63,305)	101,080	(71,158)	Maintenance	349,250	335,347	(13,903)	301,250	(47,999)
3,559	3,655	96	3,915	357	F&B	12,436	10,545	(1,891)	10,890	(1,546)
2,107	4,375	2,268	778	(1,328)	Sales and Marketing	8,448	9,900	1,452	6,482	(1,966)
13,259	13,557	298	13,041	(218)	Golf Cart Leases	42,129	54,228	12,099	52,164	10,035
298	0	(298)	0	(298)	Equipment Leases	895	0	(895)	0	(895)
157,664	141,975	(15,689)	146,645	(11,020)	Utilities - Maintenance	375,207	453,725	78,518	396,655	21,448
14,068	14,925	857	14,788	720	Utilities - G&A	62,105	62,875	770	63,487	1,382
10,404	10,404	0	10,200	(204)	Management Fees	41,616	41,616	0	40,800	(816)
6,668	2,914	(3,754)	2,914	(3,754)	Insurance - P&C	30,051	14,444	(15,607)	14,444	(15,607)
<b>404,000</b>	<b>319,529</b>	<b>(84,471)</b>	<b>312,673</b>	<b>(91,327)</b>	<b>Total Other Operational Expenses</b>	<b>987,477</b>	<b>1,033,554</b>	<b>46,077</b>	<b>953,678</b>	<b>(33,798)</b>
<b>576,529</b>	<b>477,451</b>	<b>(99,078)</b>	<b>453,613</b>	<b>(122,916)</b>	<b>Total Expenses</b>	<b>1,582,586</b>	<b>1,641,211</b>	<b>58,625</b>	<b>1,496,368</b>	<b>(86,218)</b>
<b>(285,620)</b>	<b>(279,773)</b>	<b>(5,847)</b>	<b>(207,550)</b>	<b>(90,936)</b>	<b>EBITDAR</b>	<b>(605,026)</b>	<b>(955,928)</b>	<b>350,902</b>	<b>(543,835)</b>	<b>(74,057)</b>
<b>(285,620)</b>	<b>(279,773)</b>	<b>(5,847)</b>	<b>(207,550)</b>	<b>(90,936)</b>	<b>EBITDA</b>	<b>(605,026)</b>	<b>(955,928)</b>	<b>350,902</b>	<b>(543,835)</b>	<b>(74,057)</b>
<b>Interest Expense/Dep&amp;Amt</b>										
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)
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Total Interest Expense</b>	<b>27,500</b>	<b>0</b>	<b>(27,500)</b>	<b>10,217</b>	<b>(17,283)</b>
<b>(285,620)</b>	<b>(279,773)</b>	<b>(5,847)</b>	<b>(207,550)</b>	<b>(90,936)</b>	<b>Net Income</b>	<b>(632,526)</b>	<b>(955,928)</b>	<b>323,402</b>	<b>(554,052)</b>	<b>(91,340)</b>



Consolidated Year-to-Date Financial Report through October 2022

ATTACHMENT D

FY 2022/2023

<b>Fund</b>	<b>FY 22/23 Beginning Balance</b>	<b>Revenue</b>	<b>Other Fin Sources/ Transfers</b>	<b>Total In</b>	<b>Personnel</b>	<b>O&amp;M</b>	<b>Capital</b>	<b>Debt Service</b>	<b>Capital Leases /Transfer Out</b>	<b>Total Out</b>	<b>Fund Balance Through October 2022</b>
General Fund	30,390,425	16,611,531		<b>16,611,531</b>	9,471,349	4,838,407	155,970		6,548,965	<b>21,014,691</b>	25,987,265
Highway Fund	1,206,986	1,338,623		<b>1,338,623</b>	350,342	205,167	758			<b>556,267</b>	1,989,342
Grants and Contributions Fund	208,250	5,417,497		<b>5,417,497</b>		31,234				<b>31,234</b>	5,594,513
Seizure & Forfeiture - Justice/State	237,863	3,648		<b>3,648</b>		33,675				<b>33,675</b>	207,836
Community Center Fund	5,860,458	2,470,515		<b>2,470,515</b>	825,340	1,376,582	312,105		2,071,090	<b>4,585,117</b>	3,745,856
Municipal Debt Service Fund	164,136	33,473	4,200,971	<b>4,234,444</b>		4,664		3,633,719		<b>3,638,383</b>	760,197
Water Resource System & Dev. Impact Fee Fund	17,544,433	1,001,457		<b>1,001,457</b>		79,500	155,985		333,327	<b>568,812</b>	17,977,078
Townwide Roadway Dev Impact Fee Fund	1,939,688	84,163		<b>84,163</b>						-	2,023,851
Parks & Recreation Impact Fee Fund	509,474	67,030		<b>67,030</b>						-	576,504
Police Impact Fee Fund	132,559	23,232		<b>23,232</b>					121,500	<b>121,500</b>	34,291
Capital Fund	24,110,390	456,853	4,500,000	<b>4,956,853</b>	49,721	105	7,437,953			<b>7,487,779</b>	21,579,464
PAG/RTA Fund	873,366	13,157		<b>13,157</b>		24,385	163,854			<b>188,239</b>	698,284
Water Utility	12,628,510	6,164,961		<b>6,164,961</b>	1,057,720	2,739,328	316,571	4,229,099	2,440	<b>8,345,158</b>	10,448,313
Stormwater Utility	1,125,140	504,399		<b>504,399</b>	249,928	105,188	22,820			<b>377,936</b>	1,251,603
Benefit Self Insurance Fund	2,869,952	1,418,471		<b>1,418,471</b>		1,548,257				<b>1,548,257</b>	2,740,166
Recreation In-Lieu Fee Fund	16,617	77		<b>77</b>						-	16,694
<b>Total</b>	<b>99,818,247</b>	<b>35,609,087</b>	<b>8,700,971</b>	<b>44,310,058</b>	<b>12,004,400</b>	<b>10,986,492</b>	<b>8,566,016</b>	<b>8,196,145</b>	<b>8,743,995</b>	<b>48,497,048</b>	<b>95,631,257</b>



## General Fund Local Sales Tax Collections

**FY 2022/23**

<b>CATEGORY</b>	<b>JULY</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>TOTAL</b>
Construction Sales Tax	586,039	575,738	540,567	518,177									<b>2,220,521</b>
Utility Sales Tax	317,210	371,973	356,012	334,868									<b>1,380,063</b>
Retail Sales Tax	716,720	680,117	691,138	713,672									<b>2,801,646</b>
Bed Tax	146,263	128,132	114,626	142,628									<b>531,649</b>
Restaurant & Bar Sales Tax	186,438	180,577	199,405	204,482									<b>770,902</b>
All Other Local Sales Tax *	210,893	199,992	202,571	205,672									<b>819,129</b>
<b>Monthly Total</b>	<b>\$ 2,163,563</b>	<b>\$ 2,136,529</b>	<b>\$ 2,104,319</b>	<b>\$ 2,119,499</b>									<b>\$ 8,523,910</b>
<b>Cumulative Total</b>	<b>\$ 2,163,563</b>	<b>\$ 4,300,092</b>	<b>\$ 6,404,411</b>	<b>\$ 8,523,910</b>									

**FY 2021/22**

<b>CATEGORY</b>	<b>JULY</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>TOTAL</b>
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	<b>6,860,980</b>
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	<b>3,473,215</b>
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	<b>8,923,255</b>
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	<b>2,384,329</b>
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	<b>2,435,113</b>
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	<b>2,729,386</b>
<b>Monthly Total</b>	<b>\$ 1,922,624</b>	<b>\$ 1,911,004</b>	<b>\$ 2,053,282</b>	<b>\$ 2,406,749</b>	<b>\$ 2,426,009</b>	<b>\$ 2,056,782</b>	<b>\$ 2,804,781</b>	<b>\$ 2,307,054</b>	<b>\$ 2,012,065</b>	<b>\$ 2,512,741</b>	<b>\$ 2,217,835</b>	<b>\$ 2,175,352</b>	<b>\$ 26,806,278</b>
<b>Cumulative Total</b>	<b>\$ 1,922,624</b>	<b>\$ 3,833,628</b>	<b>\$ 5,886,910</b>	<b>\$ 8,293,659</b>	<b>\$ 10,719,668</b>	<b>\$ 12,776,451</b>	<b>\$ 15,581,231</b>	<b>\$ 17,888,285</b>	<b>\$ 19,900,350</b>	<b>\$ 22,413,091</b>	<b>\$ 24,630,926</b>	<b>\$ 26,806,278</b>	

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



## General Fund State Shared Revenues

**FY 2022/23**

<b>CATEGORY</b>	<b>JULY</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>TOTAL</b>
State Shared Income Tax	756,893	756,894	756,893	756,893									<b>3,027,573</b>
State Shared Sales Tax	308,350	462,557	664,529	559,547									<b>1,994,983</b>
County Auto Lieu	97,269	201,901	209,941	195,695									<b>704,806</b>
Smart and Safe	-	-	-	-									-
<b>Monthly Total</b>	<b>\$ 1,162,512</b>	<b>\$ 1,421,352</b>	<b>\$ 1,631,363</b>	<b>\$ 1,512,135</b>									<b>\$ 5,727,362</b>
<b>Cumulative Total</b>	<b>\$ 1,162,512</b>	<b>\$ 2,583,864</b>	<b>\$ 4,215,227</b>	<b>\$ 5,727,362</b>									

**FY 2021/22**

<b>CATEGORY</b>	<b>JULY</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>TOTAL</b>
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	<b>6,174,404</b>
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	<b>6,637,078</b>
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	<b>2,270,326</b>
Smart and Safe	-	-	-	-	-	113,051	-	59	15	-	-	122,828	<b>235,953</b>
<b>Monthly Total</b>	<b>\$ 892,675</b>	<b>\$ 1,213,696</b>	<b>\$ 1,196,192</b>	<b>\$ 1,235,478</b>	<b>\$ 1,121,949</b>	<b>\$ 1,494,001</b>	<b>\$ 1,252,983</b>	<b>\$ 1,161,623</b>	<b>\$ 1,260,980</b>	<b>\$ 1,420,464</b>	<b>\$ 1,206,814</b>	<b>\$ 1,860,906</b>	<b>\$ 15,317,760</b>
<b>Cumulative Total</b>	<b>\$ 892,675</b>	<b>\$ 2,106,371</b>	<b>\$ 3,302,563</b>	<b>\$ 4,538,040</b>	<b>\$ 5,659,989</b>	<b>\$ 7,153,990</b>	<b>\$ 8,406,973</b>	<b>\$ 9,568,596</b>	<b>\$ 10,829,576</b>	<b>\$ 12,250,040</b>	<b>\$ 13,456,854</b>	<b>\$ 15,317,760</b>	

# Fiscal Year 2022/23 Financial Update Through October 2022

December 13, 2022



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 10/2022	% of Budget	Year-End Estimate	Notes
<b>Local Sales Taxes</b>	\$ 25,270,959	\$ 8,523,910	33.7%	\$ 26,528,407	Higher than expected growth in contracting sales tax, retail, restaurant & bar, hotels, and remote seller
<b>State Shared Revenues</b>	17,605,693	5,727,363	32.5%	18,560,279	Trending higher than expected in state sales tax
<b>Charges for Services</b>	3,046,515	973,597	32.0%	2,953,483	Expected to come in slightly below budget due to suspension of farebox (transit) fees
<b>Licenses &amp; Permits</b>	2,223,824	546,620	24.6%	2,558,824	Year-end estimate reflects revised commercial permit revenue
<b>Grant Revenue</b>	455,000	158,047	34.7%	492,000	Year-end estimate reflects additional revenue for Transit, Parks & Recreation and Police grants
<b>All Other</b>	2,137,000	681,994	31.9%	2,446,845	Includes other intergovernmental revenue, interest income and miscellaneous revenue. Revised upward due to \$320K AMRRP rebate.

<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 50,738,991</b>	<b>\$ 16,611,531</b>	<b>32.7%</b>	<b>\$ 53,539,838</b>	<b>Favorable budget variance of \$2.8 million or 5.5% projected at this time</b>
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# GENERAL FUND EXPENDITURES



Town of Oro Valley

EXPENDITURE CATEGORY	Budget	Actuals Thru 10/2022	% of Budget	Year-End Estimate	Notes
<b>Personnel</b>	\$ 34,876,210	\$ 9,471,349	27.2%	\$ 34,907,842	Trending as expected; percentage of budget reflects timing of payrolls as well as pension contributions pending updated actuarial reports. Year-end estimate attributable to Town Manager turnover, partially offset by expected vacancy savings.
<b>Operations &amp; Maintenance</b>	11,809,548	4,838,407	41.0%	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.
<b>Capital</b>	1,387,725	155,970	11.2%	1,387,725	Budget includes Westward Look improvements, IT needs, and various departmental equipment and capital needs
<b>Transfers Out</b>	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
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 64,520,460</b>	<b>\$ 21,014,691</b>	<b>32.6%</b>	<b>\$ 65,553,800</b>	<b>Budget variance of \$1 million or 1.6% attributable primarily to Vistoso settlement payment</b>

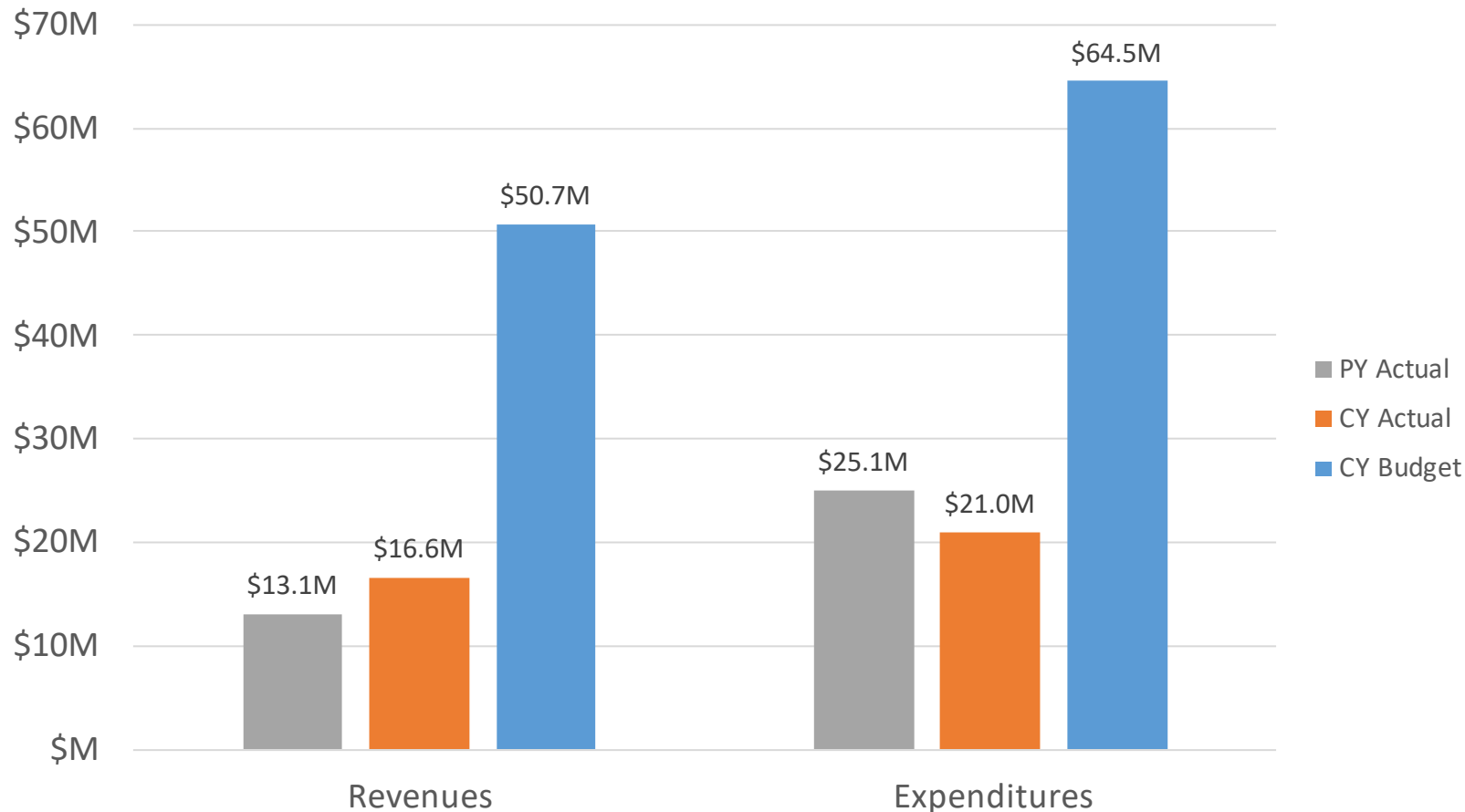


# GENERAL FUND



Town of Oro Valley

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



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

Estimated Use of Fund Balance:  
(\$12.0M)

Estimated Ending Fund  
Balance: \$18.4M

38.2% of budgeted expenditures

*Exceeds Council 25% Policy by  
\$6.4M*

# HIGHWAY FUND REVENUES



Town of Oro Valley

REVENUE SOURCE	Budget	Actuals Thru 10/2022	% of Budget	Year-End Estimate	Notes
Licenses & Permits	\$ 25,000	\$ 10,548	42.2%	\$ 25,000	Trending higher than expected, year-end estimate may be revised as fiscal year progresses
State Shared Revenues	4,127,100	1,295,810	31.4%	4,127,100	Trending slightly less than expected
All Other	11,000	32,265	293.3%	15,000	Favorable budget variance of \$4,000 due to a vendor refund
<b>TOTAL HIGHWAY FUND REVENUES</b>	<b>\$ 4,163,100</b>	<b>\$ 1,338,623</b>	<b>32.2%</b>	<b>\$ 4,167,100</b>	<b>Favorable budget variance of \$4,000 or 0.1% due to a vendor refund</b>

# HIGHWAY FUND EXPENDITURES



Town of Oro Valley

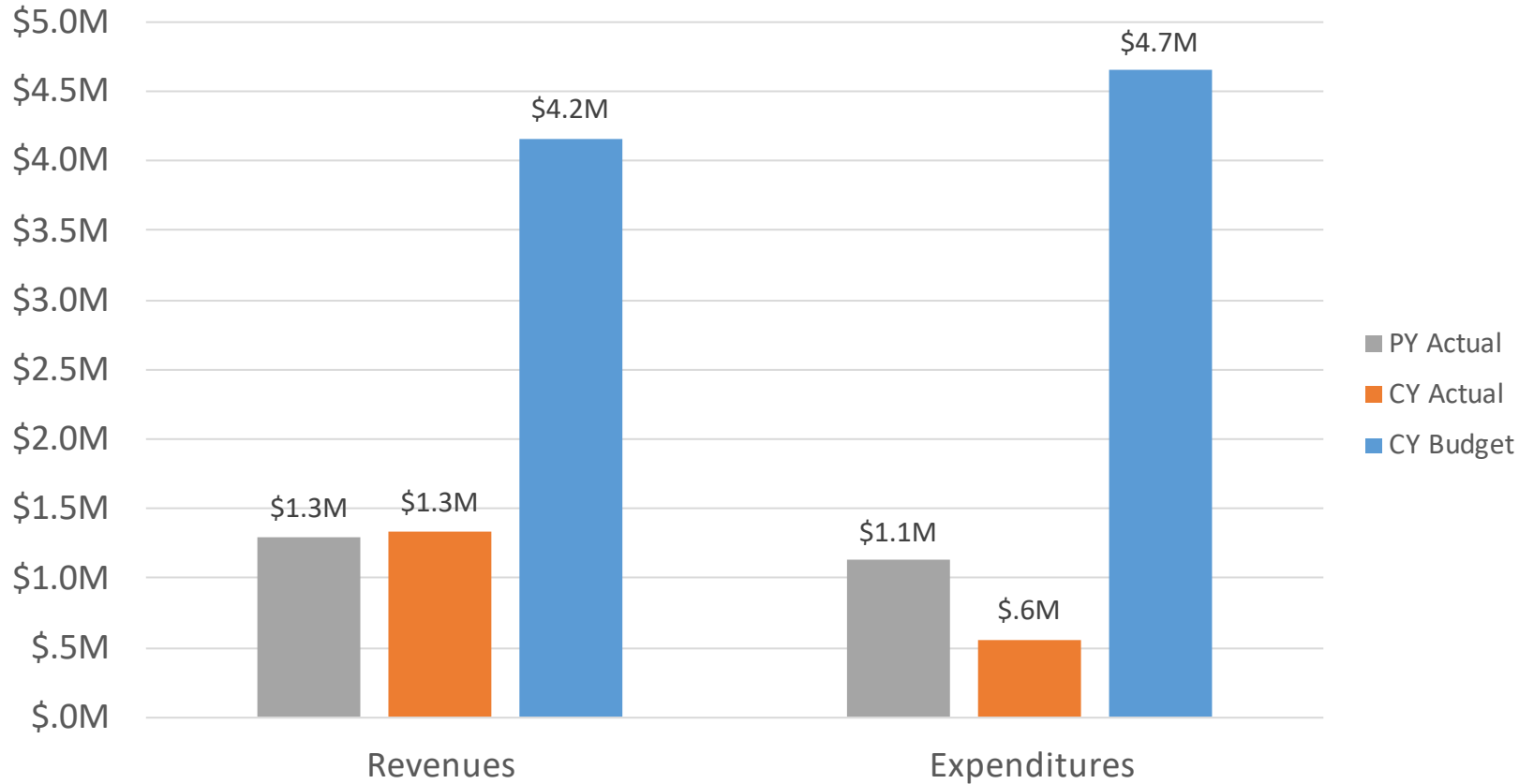
EXPENDITURE CATEGORY	Budget	Actuals Thru 10/2022	% of Budget	Year-End Estimate	Notes
<b>Personnel</b>	\$ 1,202,574	\$ 350,342	29.1%	\$ 1,202,574	Trending as expected; percentage of budget reflects timing of payrolls
<b>Operations &amp; Maintenance</b>	823,615	205,167	24.9%	823,615	Trending as expected
<b>Capital</b>	2,619,000	-	0.0%	2,619,000	Pavement preservation program began in October, first invoices paid in November
<b>TOTAL HIGHWAY FUND EXPENDITURES</b>	<b>\$ 4,645,189</b>	<b>\$ 555,509</b>	<b>12.0%</b>	<b>\$ 4,645,189</b>	<b>No budget variance projected at this time</b>

# HIGHWAY FUND



Town of Oro Valley

### Highway Fund FY 22/23 Through October



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 10/2022	% of Budget	Year-End Estimate	Notes
<b>Contracted Operating Revenues</b>	\$ 3,980,149	\$ 1,073,975	27.0%	\$ 3,980,149	Trending as expected
<b>Town Operating Revenues</b>	887,800	280,319	31.6%	892,800	Recreation program revenue is seasonal; member dues slightly below budget and less than prior year actuals
<b>Other Revenues</b>	3,639,386	1,116,221	30.7%	3,766,005	Includes ½ cent sales tax revenues, HOA contributions, interest income and other miscellaneous revenues. Trending slightly higher than expected due to ½ cent sales tax.
<b>TOTAL COMM. CENTER FUND REVENUES</b>	<b>\$ 8,507,335</b>	<b>\$ 2,470,515</b>	<b>29.0%</b>	<b>\$ 8,638,954</b>	<b>Favorable budget variance of \$126,619 or 1.5% due to sales tax revenue</b>

# COMMUNITY CENTER FUND EXPENDITURES



Town of Oro Valley

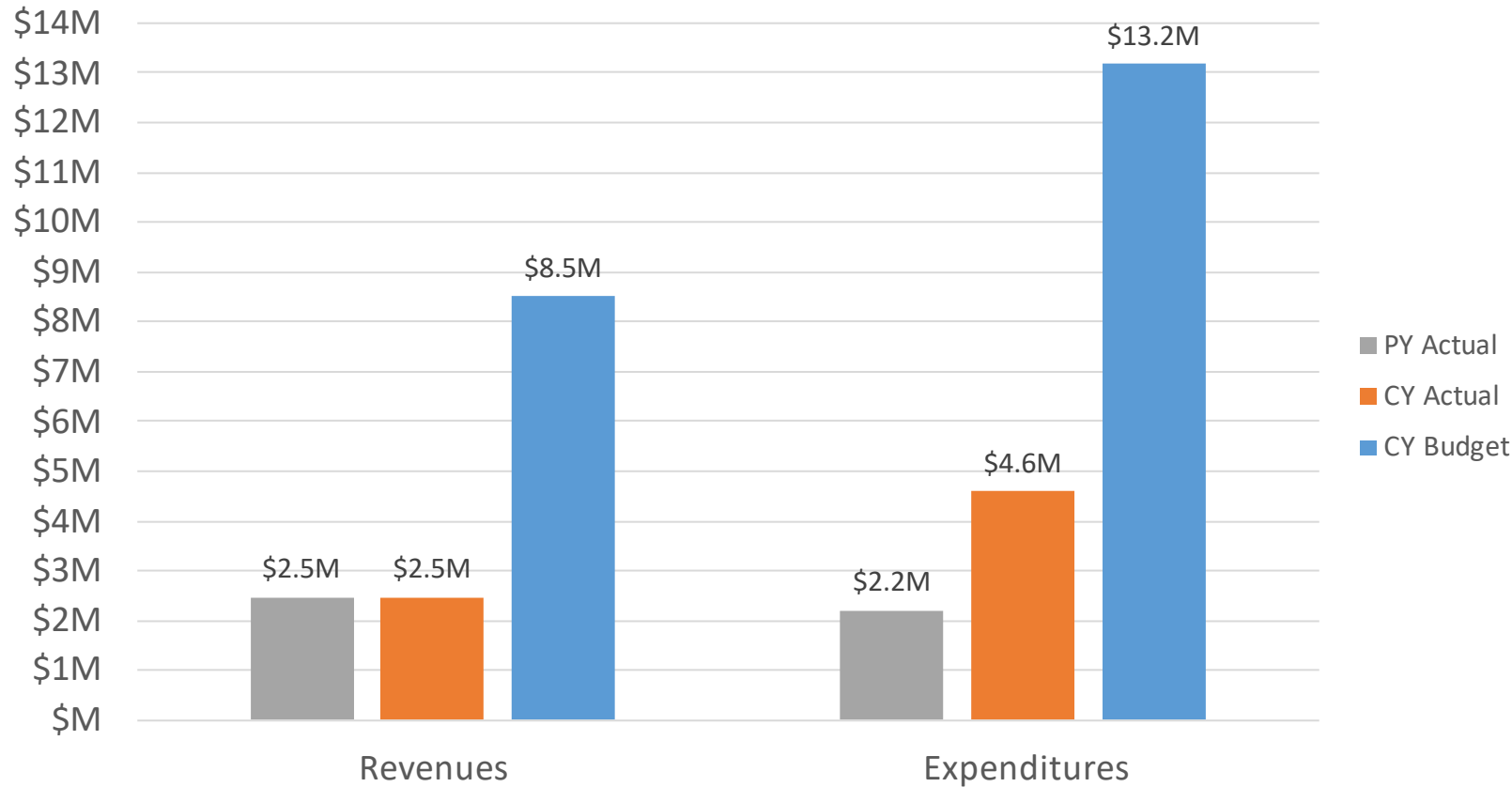
EXPENDITURE CATEGORY	Budget	Actuals Thru 10/2022	% of Budget	Year-End Estimate	Notes
<b>Contracted Operating Expenditures</b>	\$ 4,723,618	\$ 1,706,500	36.1%	\$ 4,723,618	Trending as expected
<b>Town Operating Expenditures</b>	1,695,573	538,446	31.8%	1,765,299	Year-end estimate revised upward due to full pay plan implementation
<b>Capital Outlay</b>	2,666,700	312,105	11.7%	2,666,700	Projected on budget at this time
<b>Transfers Out</b>	4,085,380	2,028,066	49.6%	4,343,794	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
<b>TOTAL COMM. CENTER FUND EXPENDITURES</b>	<b>\$ 13,171,271</b>	<b>\$ 4,585,117</b>	<b>34.8%</b>	<b>\$ 13,499,411</b>	<b>Budget variance of \$323,140 or 2.5% due primarily to transfer out for golf irrigation project</b>

# COMMUNITY CENTER FUND



Town of Oro Valley

Community Center Fund  
FY 22/23 Through October



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

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

Estimated Ending Fund  
Balance: \$1M



QUESTIONS?

