

QUARTERLY FINANCIAL BRIEFING

1ST QUARTER FY 2023

Step Plan LMS 2022 Implementation
FY 2023 Financial Status
Grants Program (ARPA)



All figures as of
November 1, 2022;
unaudited

November 15, 2022

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The format of this presentation is intended to serve as both a work session presentation and Quarterly Report Document.

All data may not be addressed during the presentation. Inquiries are welcomed during and after the work session.

CITY PAY PLAN UPDATES



FY 2023 Adopted Budget

The City committed to completing a compensation study:

- Ensure market/internal equity
- Simplify structures; and
- Address recruitment and retention

The Public Safety Labor Market Study was presented at the City Council Work session on November 15th 2022.

The Labor Market Study for all other City positions is expected to be ready by February 2023.

This report outlines City Management's recommendation for the Public Safety Step Plan.

The recommended approach for non-step plan positions, including Public Safety, is expected to mirror the approach to the Step Plan.

(p.31)

Supplemental Exhibits

The chart below provides a recap of the pay plan adjustments from FY 2021 through FY 2023.

PERSONNEL	CITY PAY PLANS					
	FY 2021	FY 2022			FY 2023	
	July / Nov	July / Dec	January	June	July	January
Police and Fire Step Plan: (Sworn and Frontline)	1 step 3.0%, 4.0% or 5%	1 step 3.0%, 4.0% or 5%	Base Adj 2.1% (1)	Cash Bonus \$ 3,000	1 step 3.0%, 4.0% or 5%	Range 3% (3)
Police and Fire Open Range: (Non-Sworn and Admin)	2.5% or LMS grade	3.0%	1.5% (2)	Cash Bonus \$ 1,500	4.0%	2% (4)
Open Range Pay Plan: (All Other City Staff)	2.5% or LMS grade	3.0%	1.5% (2)	\$ -	4.0%	2% (4)

- (1) Step plan pay ranges were increased by 2.1%; all step employees received a 2.1% increase
- (2) Open range pay grades and ranges were increased between 5.0% and 4.5%; employees received a 1.5% increase. After the grade increase, if an employee fell below the grade's minimum they were brought up to the minimum
- (3) Step plan pay ranges are to increase by 3.0%; all step employees would receive a 3.0% increase
- (4) Open Range ranges are to increase by 2.0%; all non-step employees would receive a 2.0% increase

Step increases vary		
Police Officer	10 steps	3.0% for steps 2-6; and 5.0% for steps 7-10
Police Sergeant	6 steps	4.0% for steps 2-6
Firefighter	10 steps	3.0% for steps 2-10
Fire Engineer	9 steps	3.0% for steps 2-9
Fire Captain	8 steps	3.0% for steps 2-8

In addition to the pay plan adjustments, the City will be completing a Classification and Compensation Study, which will ensure market/internal structure alignment, simplify classification structures, and address recruitment and retention needs.

Understanding the critical nature of the situation with our public safety staffing levels, the City's goal is to have both the Police and Fire compensation studies completed early this fall, with a recommendation to Council to implement those plans early using a portion of the \$1.4 million General Contingency, which was included for the first time in this year's budget.

Approach and Timing – PS Step Plan

Phased implementation provides flexibility to adapt to changing financial conditions:

- Local Revenues
- State Revenues
- Labor markets
- Ballot initiatives
- Economic factors
- Preemptive legislation
- Consumer confidence

Estimate City LMS results were \$5 million (base).

Balancing resources and the competitive edge.

Once phase is in place, only moves forward

Step Plan LMS 2022 +	Step Movement	Market Adjustment	Other / Notes
FY 2021			
July or Nov 2020	3%, 4% or 5%		
FY 2022			
July or Dec 2021	3%, 4% or 5%		
January 2022		2.1%	CPI
June 2022 Bonus			\$3,000
FY 2023			
July 2022	3%, 4% or 5%		
January 2023		3.0%	LMS Prep
April 2023		5%, 6%, or 7%	LMS 2022
FY 2024 (Plan)			
July 2023	3%, 4% or 5%		
January 2024		2%,3%,5% or 7%	LMS 2022+
FY 2025 (Plan)			
July 2024	3%, 4% or 5%		
January 2025		TBD-Mrk/CPI	LMS 2024
FY 2026 (Plan)			
July 2025	3%, 4% or 5%		
January 2026		TBD-Mkt/CPI	LMS 2024+

Approach and Timing – PS Step Plan

	Adopted FY 2023
Staffing in Public Safety LMS	
Police Officer	133
Police Sergeant	21
Fire Fighter / EMT	70
Fire Engineer	24
Fire Captain	25
Total Step Plan	273
Police Lieutenant	8
Police Captain	3
Police Deputy Chief	1
Police Chief	1
Fire Battalion Chief	5
Fire Assistant Chief	1
Fire Chief	1
Total Non-Step Plan	20
Total Staffing in Public Safety LMS	293

	Adopted FY 2023
Staffing not in PS LMS	FY 2023
Police Department	122
Fire Department	12
PD & FD staffing not in PS LMS	134
Total Police and Fire Dept Staffing	427
Percentage Non-Step	36%
Percentage Step	64%
Total City staffing	1024
Percentage PD & FD	42%
Percentage PS-Step	27%

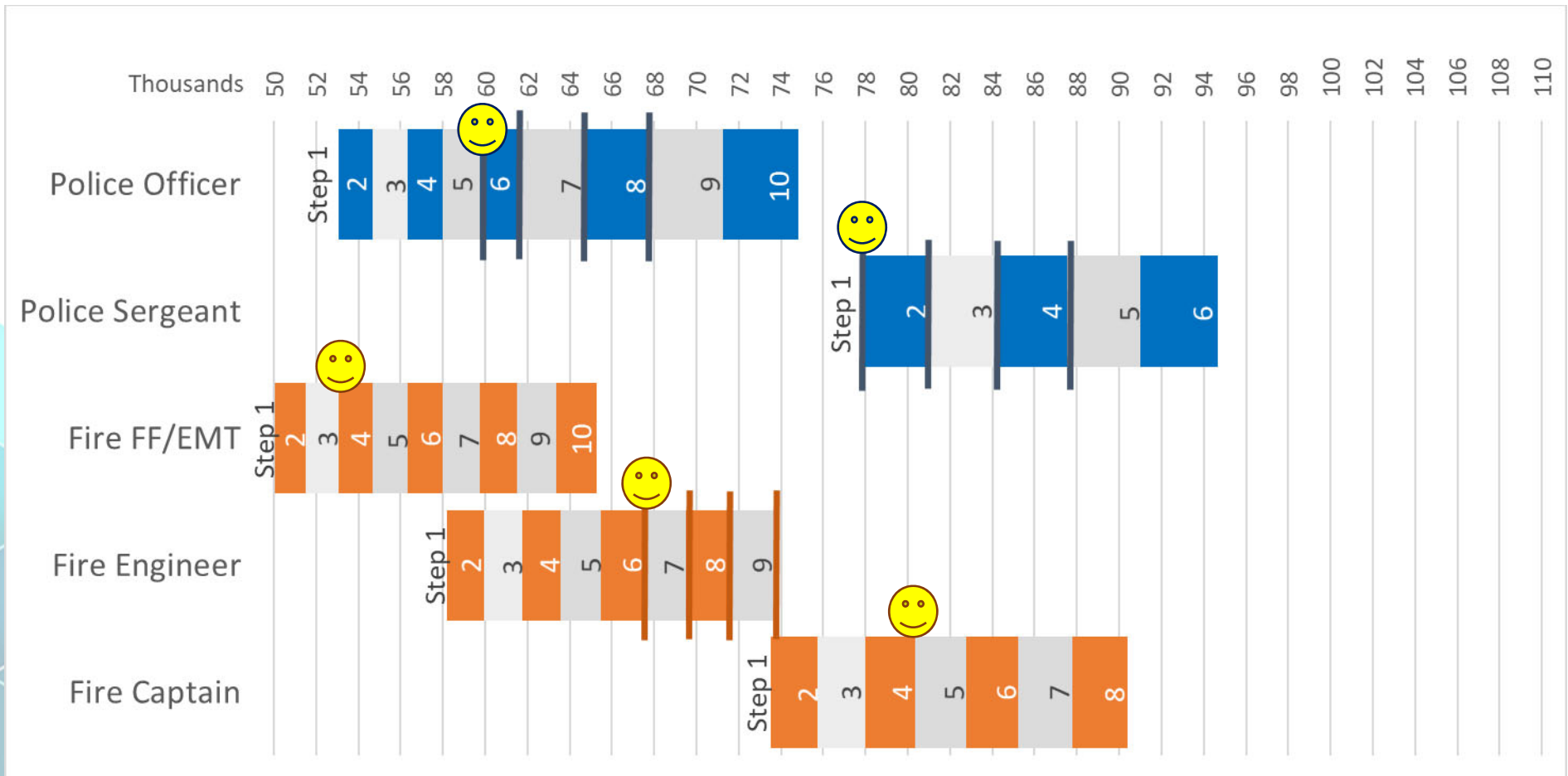
Public Safety staffing is a critical priority:

- City Council and Administration has been planning to update the public safety pay plans and funding provided in the City Council adopted FY 2023 budget
- Step plans cover:
 - 64% of total Police and Fire Departments staffing; and
 - 27% of total City Operations



Approach and Timing - How it Looks

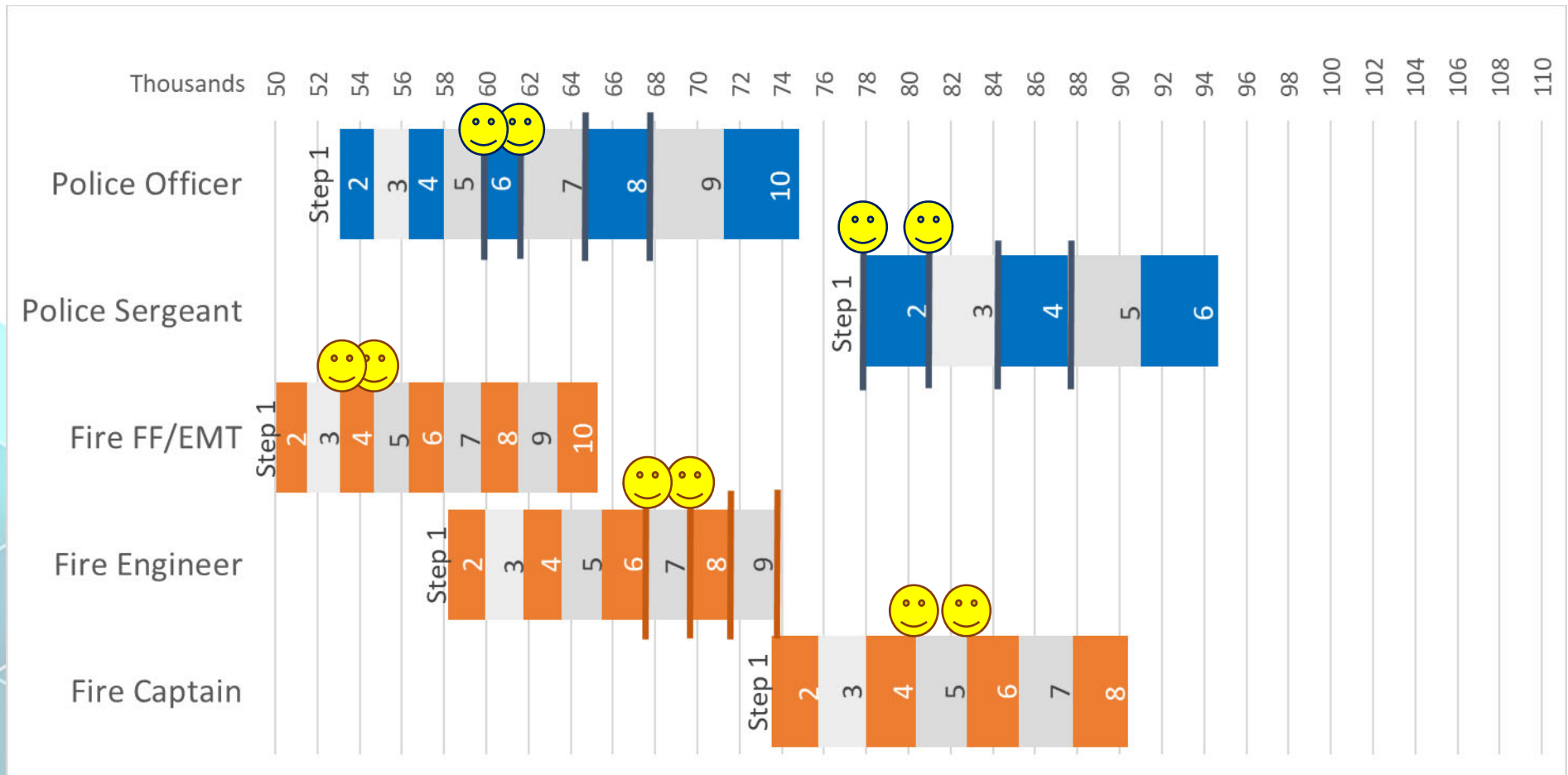
June 2022



Current Fiscal Year (FY 2023)

Approach and Timing - How it Looks

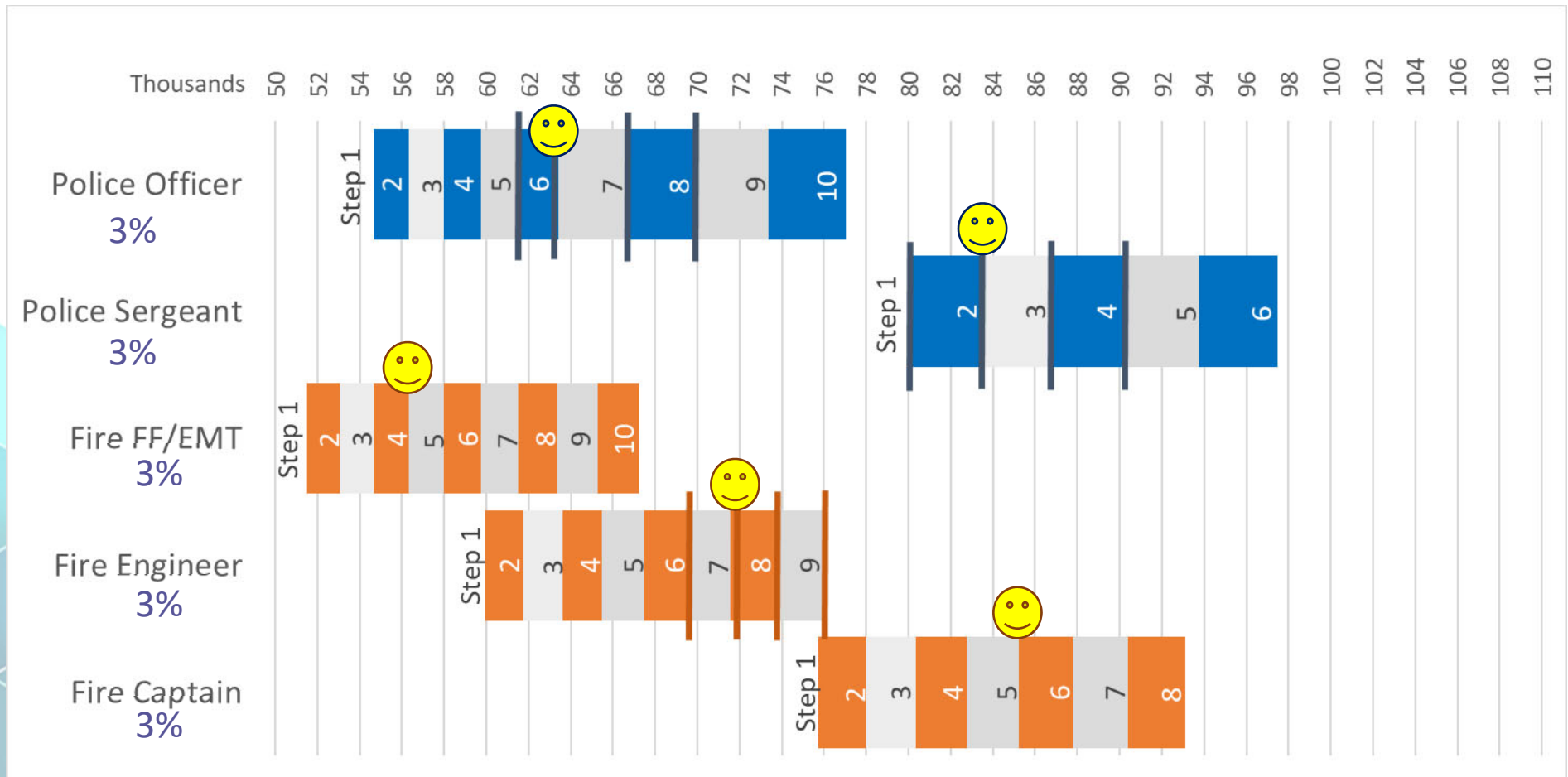
July 2022 – Step Increase (Move 1 Step)



Current Fiscal Year (FY 2023)

Approach and Timing - How it Looks

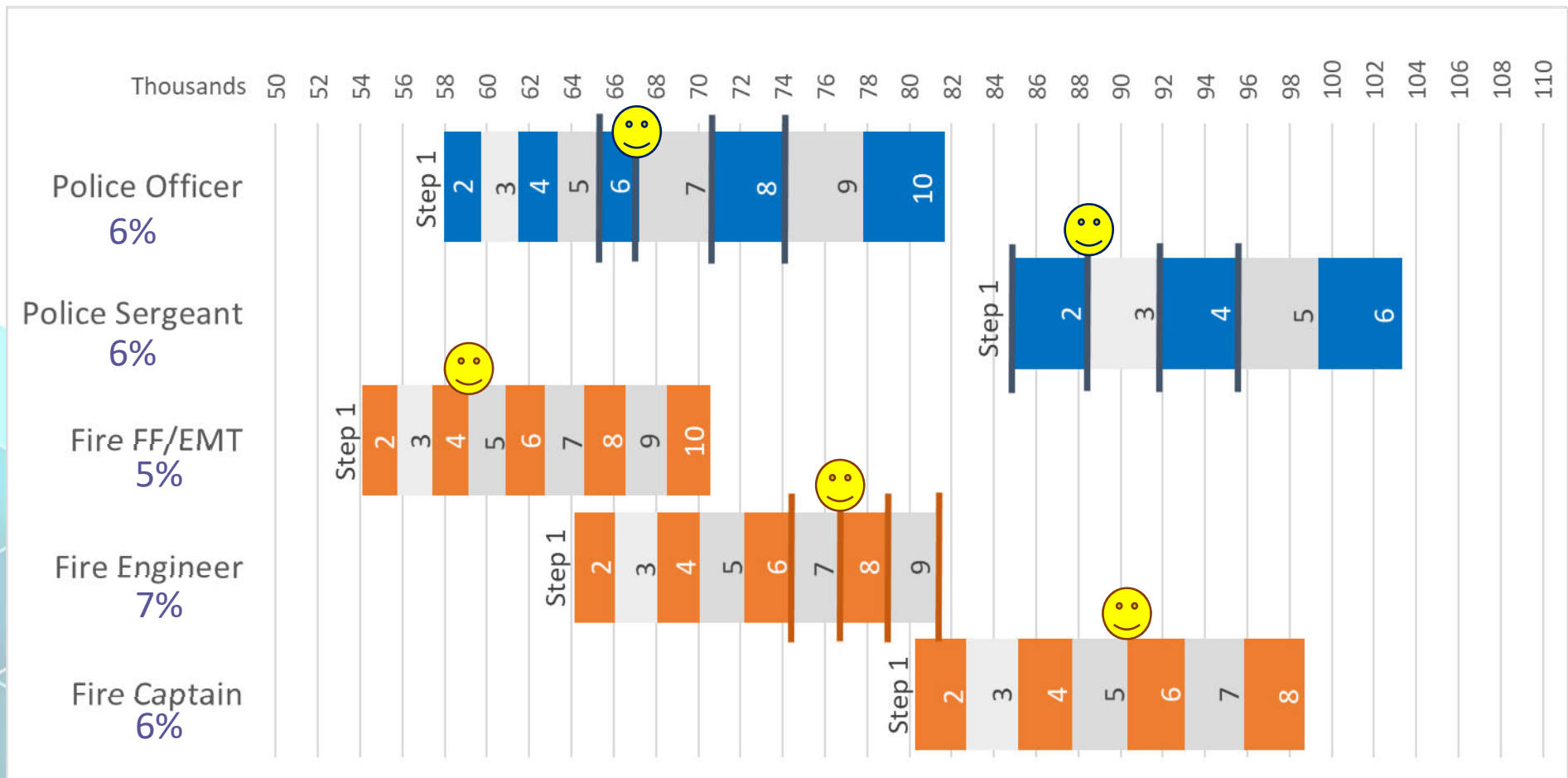
January 2023 – Range (Market) Adjustment



Step Ownership (Point to Point)

Approach and Timing - How it Looks

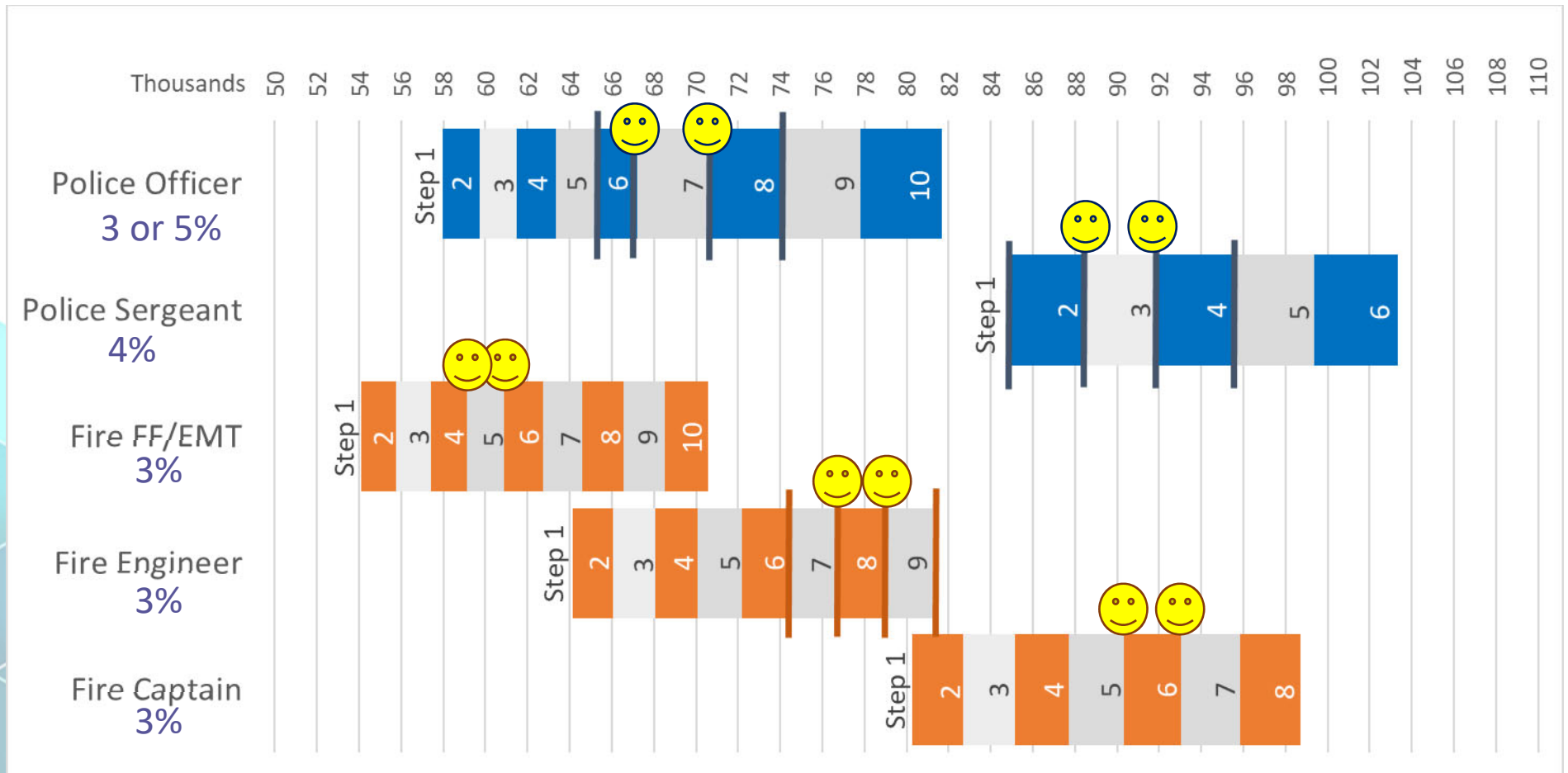
April 2023 – Range (Market) Adjustment



Step Ownership (Point to Point)

Approach and Timing - How it Looks

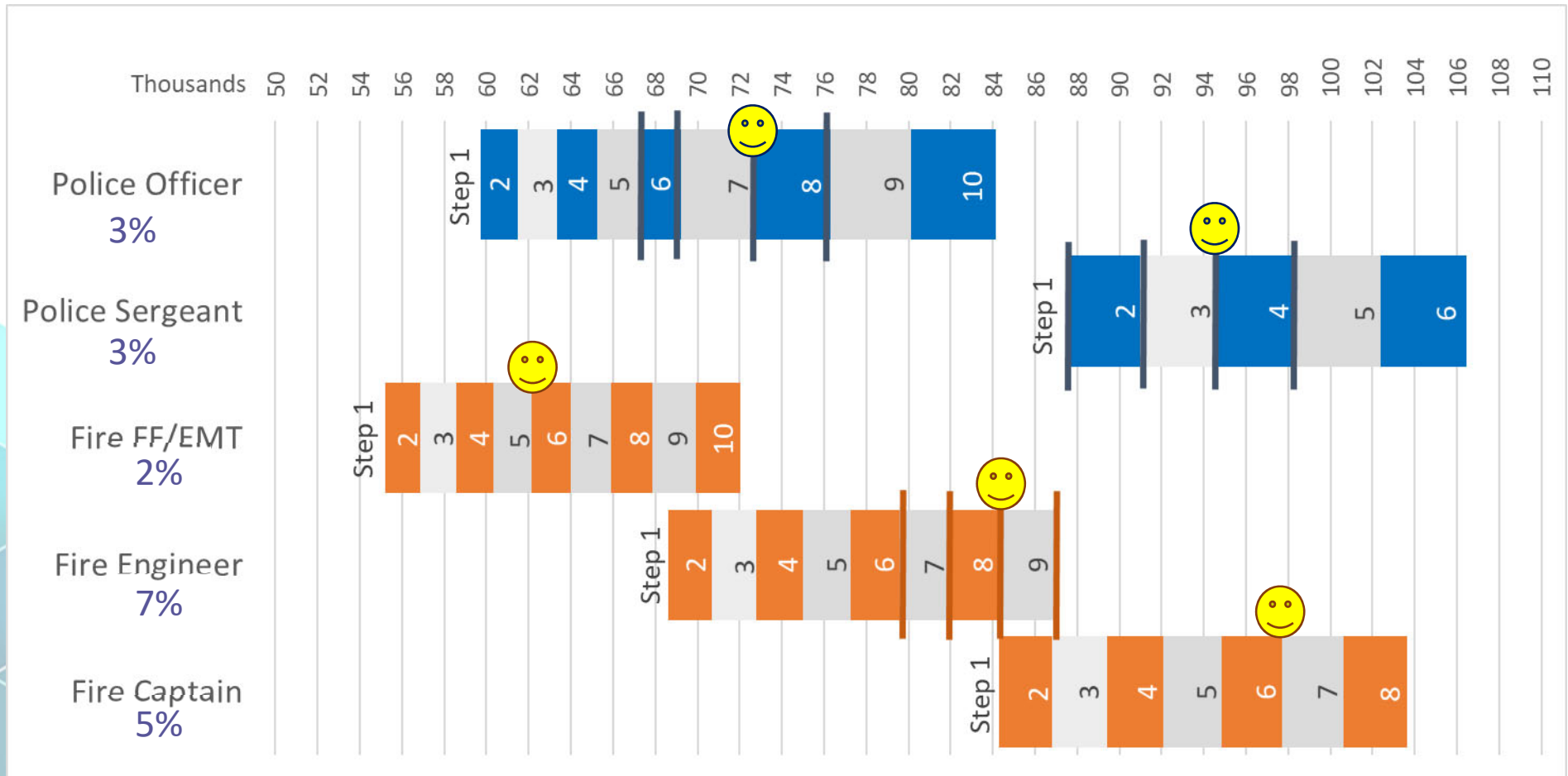
July 2023 – Step Increase (Move 1 Step)



Next Fiscal Year (FY 2024)

Approach and Timing - How it Looks

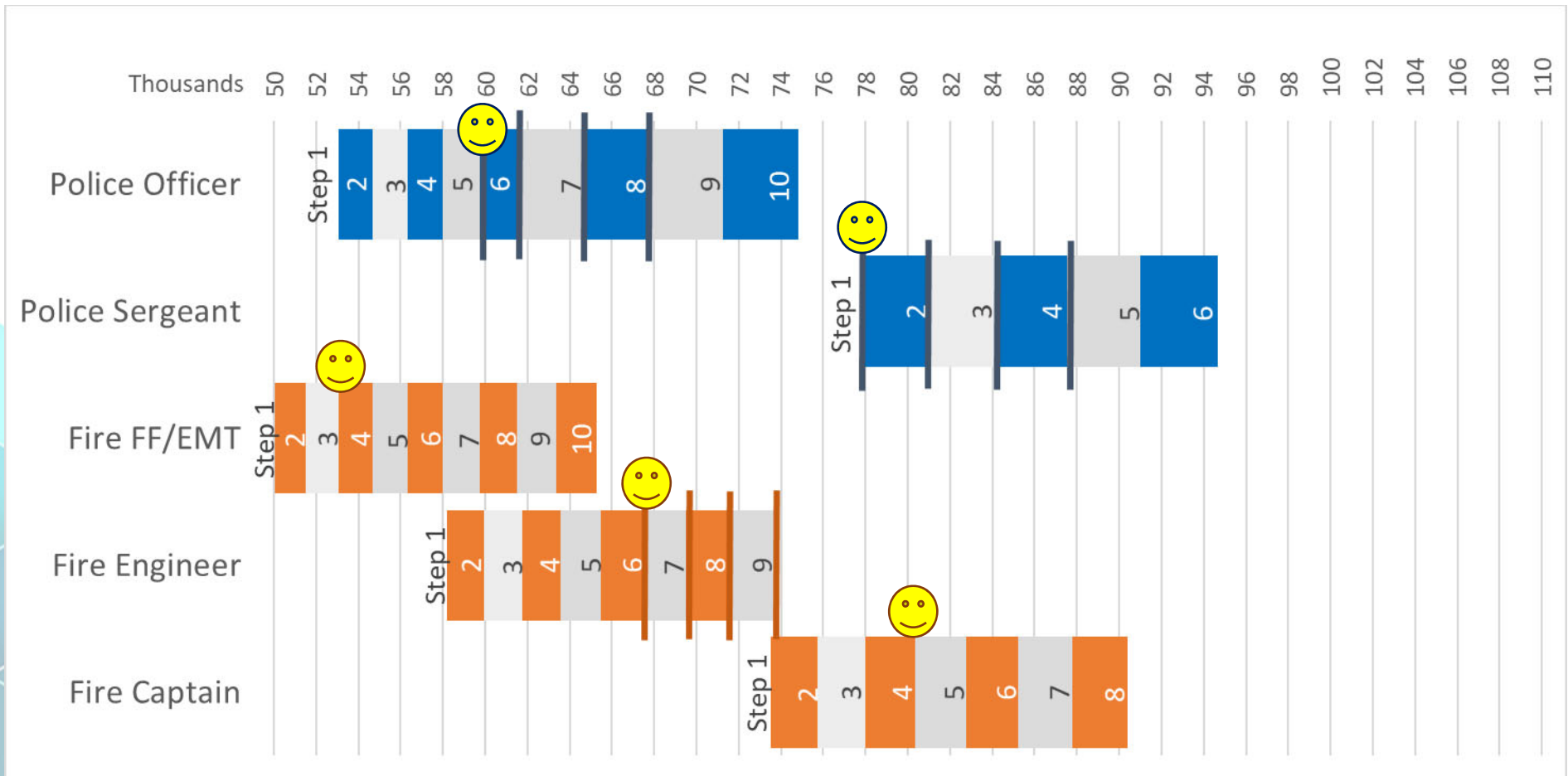
January 2024 – Range (Market) Adjustment



Step Ownership (Point to Point)

Approach and Timing - How it Looks

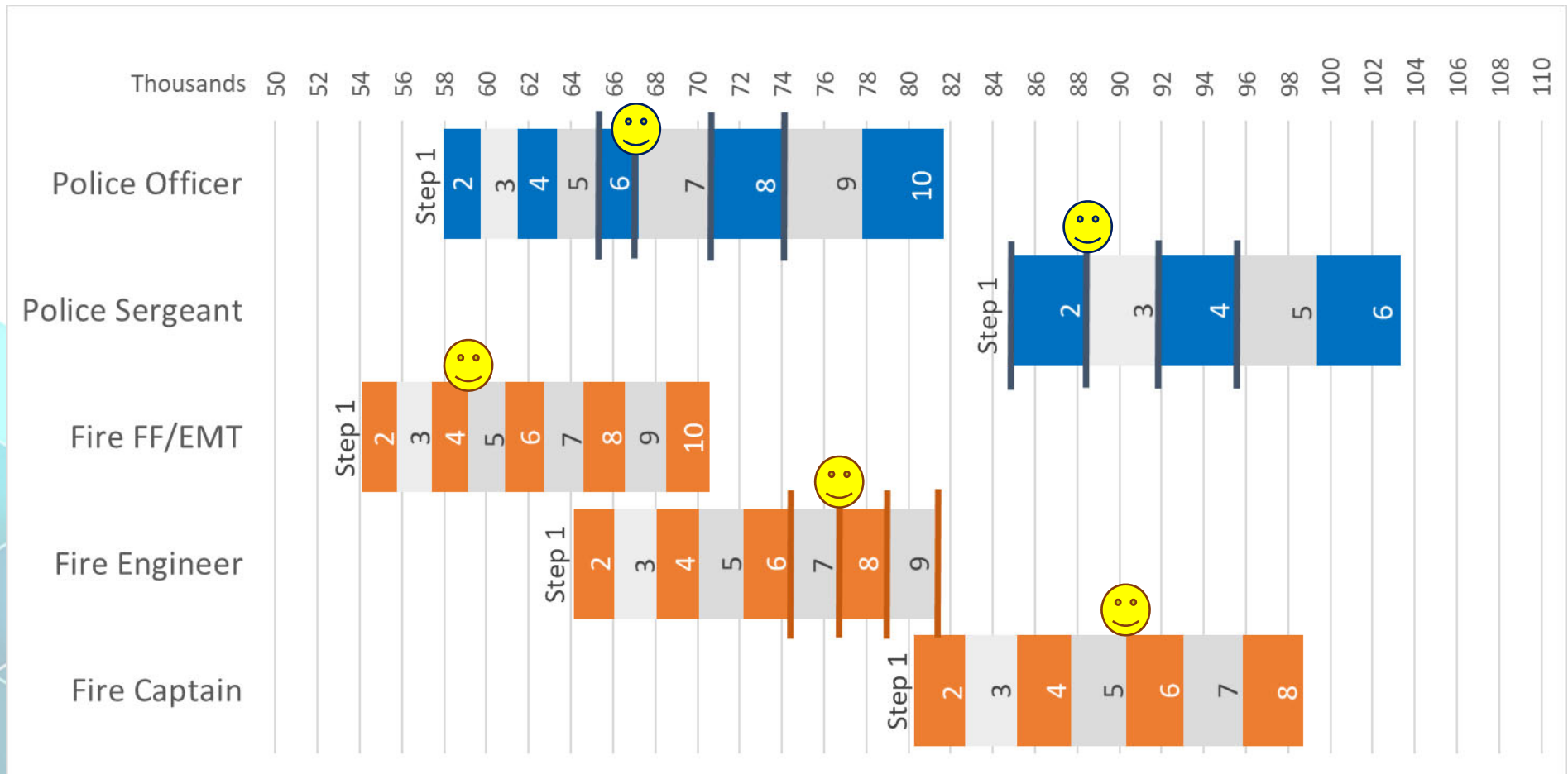
Recap: June 2022



End of Last Fiscal Year (FY 2022)

Approach and Timing - How it Looks

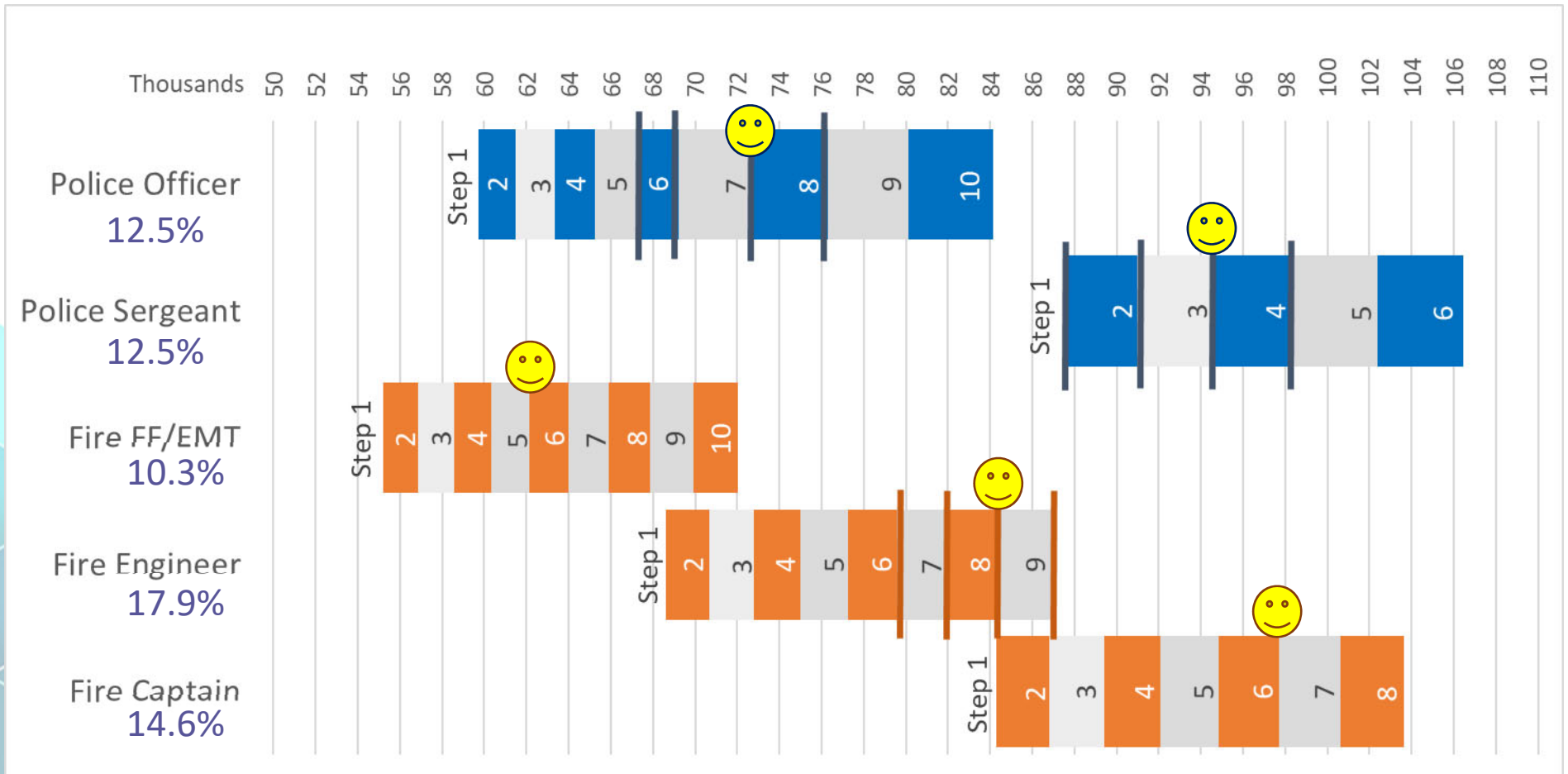
Recap: April 2023



Ending This Fiscal Year (FY 2023)

Approach and Timing - How it Looks

Recap: January 2024 Ending Next Fiscal Year (FY 2024)



Recruitment: Market Competitive; other benefits

Retention: Step increases; Step Ownership; other Yuma benefits

Estimated Budget Impact - Step Plan



Step-Plan LMS Implementation	Police Officer	Police Sergeant	Fire FF / EMT	Fire Engineer	Fire Captain	Total Annualized
JANUARY 2023 (FY 23)						
% Increase - Range	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Amount Increase	\$ 294,477	\$ 12,355	\$ 33,122	\$ 12,714	\$ 17,911	\$ 370,579
Accumulated increase:						
Amount	\$ 294,477	\$ 12,355	\$ 33,122	\$ 12,714	\$ 17,911	\$ 370,579
Percentage	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
APRIL 2023 (FY 23)						
% Increase - Range	6.0%	6.0%	5.0%	7.0%	6.0%	5.9%
Amount Increase	\$ 606,624	\$ 25,451	\$ 56,859	\$ 30,556	\$ 36,896	\$ 756,386
Accumulated increase:						
Amount	\$ 901,101	\$ 37,806	\$ 89,981	\$ 43,270	\$ 54,807	\$ 1,126,965
Percentage	9.2%	9.2%	8.2%	10.2%	9.2%	9.1%
JULY 2023 (FY 24)						
% Increase - STEP						
Amount Increase						
Accumulated increase:						
Amount	\$ 901,101	\$ 37,806	\$ 89,981	\$ 43,270	\$ 54,807	\$ 1,126,965
Percentage	9.2%	9.2%	8.2%	10.2%	9.2%	9.1%
JANUARY 2024 (FY 24)						
% Increase - Range	3.0%	3.0%	2.0%	7.0%	5.0%	3.1%
Amount Increase	\$ 321,510	\$ 13,489	\$ 23,881	\$ 32,694	\$ 32,592	\$ 424,166
Accumulated increase:						
Amount	\$ 1,222,611	\$ 51,295	\$ 113,862	\$ 75,964	\$ 87,399	\$ 1,551,131
Percentage	12.5%	12.5%	10.3%	17.9%	14.6%	12.6%

Estimated Budget Impact - Step Plan

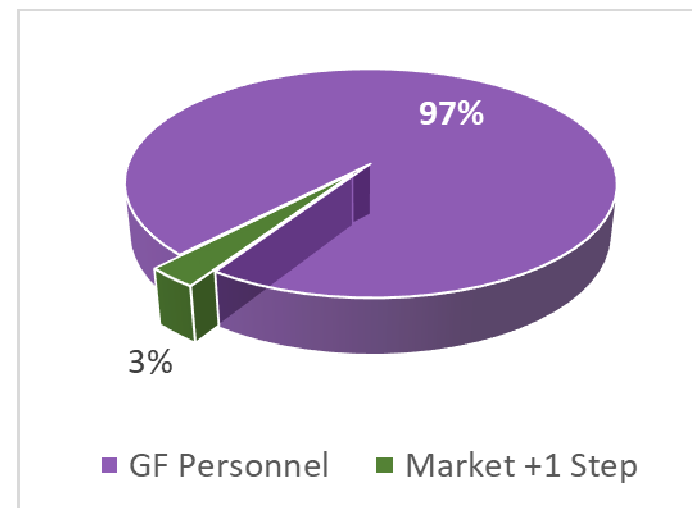
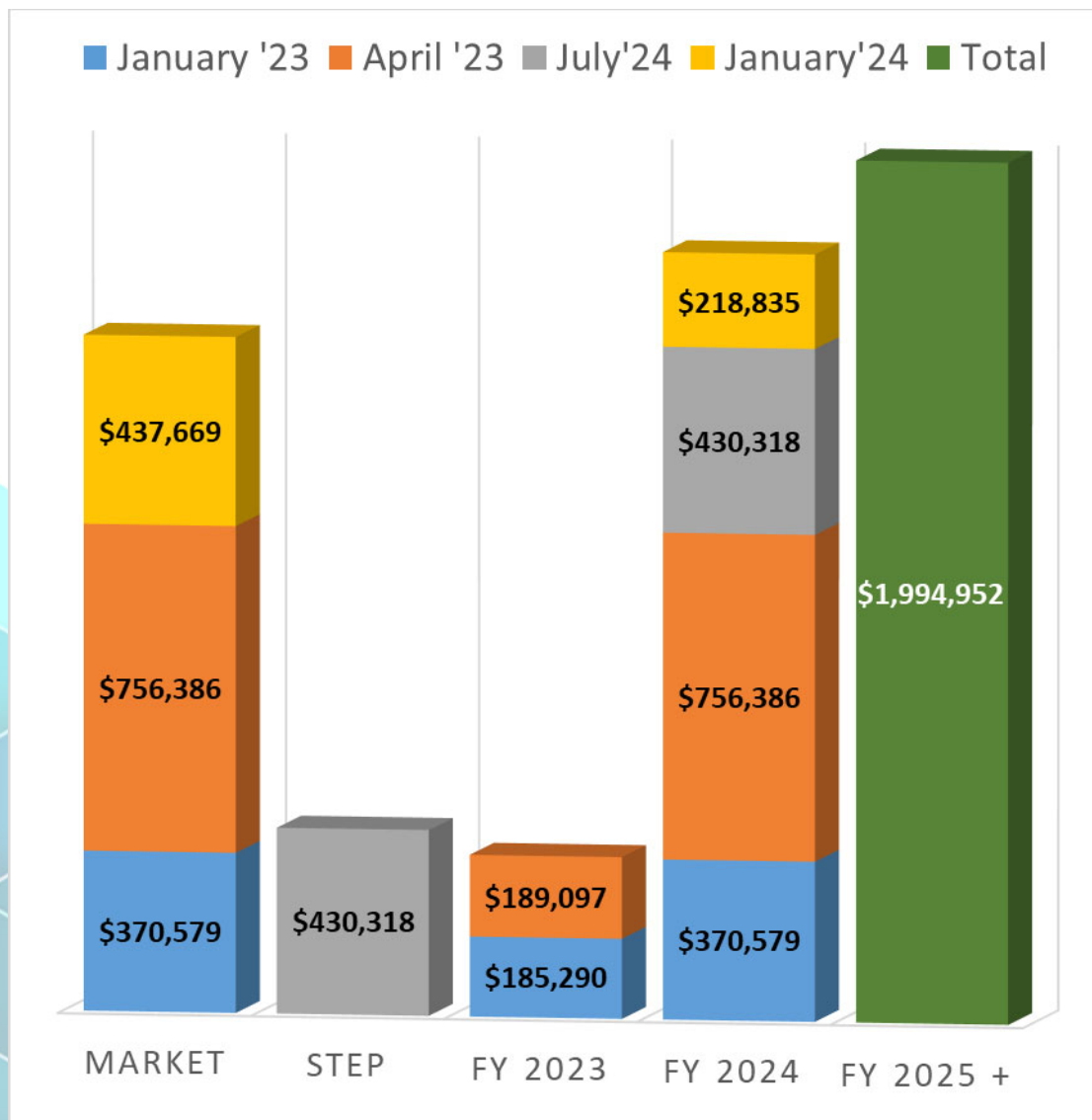
Impact to base payroll is an additional \$2 million or 16.2% from FY 2022

Programmed in the FY2023 financial plan: \$2 million is a 3% increase to the City's total personnel costs for subsequent budget years

Monitoring revenue and spending

Step-Plan LMS Implementation	Police Officer	Police Sergeant	Fire FF / EMT	Fire Engineer	Fire Captain	Total Annualized
JANUARY 2023 (FY 23)						
% Increase - Range	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Amount Increase	\$ 294,477	\$ 12,355	\$ 33,122	\$ 12,714	\$ 17,911	\$ 370,579
Accumulated increase:						
Amount	\$ 294,477	\$ 12,355	\$ 33,122	\$ 12,714	\$ 17,911	\$ 370,579
Percentage	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
APRIL 2023 (FY 23)						
% Increase - Range	6.0%	6.0%	5.0%	7.0%	6.0%	5.9%
Amount Increase	\$ 606,624	\$ 25,451	\$ 56,859	\$ 30,556	\$ 36,896	\$ 756,386
Accumulated increase:						
Amount	\$ 901,101	\$ 37,806	\$ 89,981	\$ 43,270	\$ 54,807	\$ 1,126,965
Percentage	9.2%	9.2%	8.2%	10.2%	9.2%	9.1%
JULY 2023 (FY 24)						
% Increase - STEP	3.0% 5.0%	4.0%	3.0%	3.0%	3.0%	3.2%
Amount Increase	\$ 342,945	\$ 17,985	\$ 35,821	\$ 14,012	\$ 19,555	\$ 430,318
Accumulated increase:						
Amount	\$ 1,244,046	\$ 55,791	\$ 125,802	\$ 57,282	\$ 74,362	\$ 1,557,283
Percentage	12.7%	13.5%	11.4%	13.5%	12.5%	12.6%
JANUARY 2024 (FY 24)						
% Increase - Range	3.0%	3.0%	2.0%	7.0%	5.0%	3.1%
Amount Increase	\$ 331,799	\$ 14,029	\$ 24,597	\$ 33,675	\$ 33,569	\$ 437,669
Accumulated increase:						
Amount	\$ 1,575,845	\$ 69,820	\$ 150,399	\$ 90,957	\$ 107,931	\$ 1,994,952
Percentage	16.1%	17.0%	13.6%	21.5%	18.1%	16.2%

Estimated Budget Impact - Step Plan



	General Fund	Total City
Total Personnel	\$ 67,136,122	\$ 95,168,970
Market +1 Step	1,994,952	1,994,952
	3%	2%

The FY 2024 budget is anticipated to have many challenging and inflationary factors.

Balancing resources and the competitive edge.

Starting Pay

Purple = Current; Blue = Implementing

PUBLIC SAFETY STEP PLAN						NON-STEP PLAN									
OFFICER			SERGEANT			LIEUTENANT			CAPTAIN						
Tempe	\$	61,367	1	Tempe	\$	97,412	1	Tempe	\$	127,941	1	Tempe	\$	149,747	1
Avondale		60,320	2	Glendale		96,358	2	Mesa		118,705	2	Chandler		149,154	2
Scottsdale		60,216	3	Mesa		90,792	3	Gilbert		117,478	3	Avondale		146,328	3
Mesa		60,049	4	Avondale		87,900	4	Peoria		113,190	4	Surprise		136,567	4
Buckeye		59,821	5	Gilbert		87,672	5	Chandler		112,736	5	Peoria		133,731	5
Yuma		59,463	6	Yuma		87,142	6	Queen Creek		112,522	6	Mesa		123,115	6
Queen Creek		58,698	7	Queen Creek		86,724	7	Surprise		111,069	7	Tucson		117,249	7
Glendale		58,214	8	Surprise		85,966	8	Goodyear		110,084	8	Yuma		114,624	8
Gilbert		58,052	9	Chandler		85,820	9	Yuma		104,043	9	Glendale		113,333	9
Surprise		57,553	10	Peoria		85,550	10	Tucson		103,577	10	Scottsdale		108,098	10
Peoria		57,098	11	Oro Valley		82,728	11	Buckeye		103,396	11	Oro Valley		107,347	11
Goodyear		57,056	12	Goodyear		81,816	12	Avondale		97,421	12	Gilbert		105,035	12
Chandler		56,430	13	Buckeye		81,577	13	Oro Valley		92,730	13	Phoenix		102,003	13
Casa Grande		55,083	14	Scottsdale		80,662	14	Flagstaff		92,040	14	Buckeye		98,488	14
Prescott Valley		53,892	15	Tucson		79,577	15	Phoenix		89,898	15	Yuma		97,969	14
Yuma		53,092	15	Yuma		77,805	15	Prescott		88,965	16	Marana		95,652	15
Prescott		52,658	16	Maricopa		77,020	16	Yuma		88,926	16	Maricopa		93,507	16
Sierra Vista		52,059	17	Flagstaff		76,440	17	Scottsdale		88,920	17	Prescott Valley		92,102	17
Maricopa		51,408	18	Phoenix		75,130	18	Glendale		88,800	18	Sierra Vista		87,860	18
Marana		50,586	19	Marana		73,060	19	Sierra Vista		87,860	19	Casa Grande		81,211	19
Oro Valley		50,559	20	Sierra Vista		71,801	20	Marana		86,957	20				
Flagstaff		50,336	21	Prescott		70,469	21	Maricopa		82,750	21				
Tucson		49,020	22	Prescott Valley		63,460	22	Prescott Valley		82,430	22				
Phoenix		47,341	23	Casa Grande		63,152	23	Casa Grande		79,489	23				
12% increase				12% increase				17% increase				17% Increase			

Discussion & Direction - Mayor and City Council



Next Topic: Financial Status

FY 2023 REVENUE MODEL



MAJOR OPERATING REVENUE		BENCHMARK (BM) TO BUDGET (BUD)					YEAR OVER YEAR		
(A) Source	(B) Fund	(C) FY 2023 July-Sept	(D) FY 2023 Total Budget	(E) % of Budget	(F) Bench Mark	(G) BM Variance	(H) FY 2022 July-Sept	(I) Amount Change	(J) % Change
(1) City Sales Tax (1.0%)	General	\$ 7,678,997	\$ 32,236,000	24%	23%	1.3%	\$ 7,077,312	\$ 601,685	8.5%
(2) Property Tax	"	215,614	15,008,556	1%	2%	-0.3%	215,777	(163)	-0.1%
(3) State Sales Tax	"	3,406,470	13,676,000	25%	23%	1.4%	3,148,280	258,190	8.2%
(4) State Income Tax	"	4,604,673	17,441,000	26%	25%	1.4%	3,187,406	1,417,267	44.5%
(5) Vehicle License Tax	"	1,320,004	5,260,000	25%	25%	0.3%	1,287,000	33,004	2.6%
(6) Gasoline Tax (0.5%)	HURF	2,144,915	9,500,000	23%	24%	-1.0%	2,319,856	(174,941)	-7.5%
(7) Road Tax (0.5%)	Road Tax	3,837,945	15,946,000	24%	23%	1.5%	3,538,053	299,892	8.5%
(8) Public Safety Tax (0.2%)	Public Safety	1,513,603	6,344,000	24%	23%	1.3%	1,414,741	98,862	7.0%
(9) Two Percent Tax	Two Percent	2,060,670	8,280,000	25%	22%	3.1%	1,893,718	166,952	8.8%
(10) Water Sales	Water	6,500,350	25,750,000	25%	25%	0.5%	5,791,370	708,980	12.2%
(11) Wastewater Sales	Wastewater	4,161,512	18,979,000	22%	22%	-0.4%	4,110,790	50,722	1.2%
(12) Solid Waste Fees	Solid Waste	1,163,075	5,509,500	21%	22%	-0.8%	1,127,751	35,324	3.1%
(13) TOTAL MAJOR OPERATING REVENUE		\$ 38,607,828	\$ 173,930,056	22%	21%	0.8%	\$ 35,112,054	\$ 3,495,774	10.0%

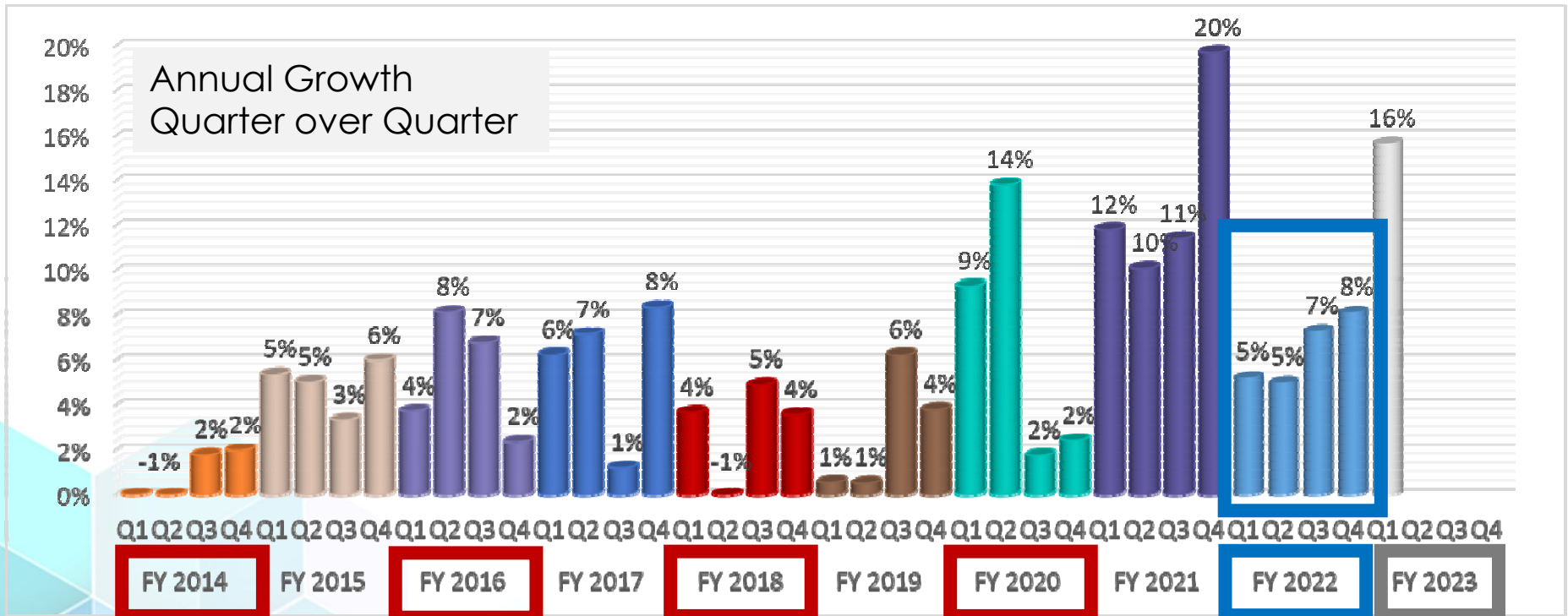
Sound revenue monitoring includes comparing historical trends with current collections and future expectations; and monitoring factors that drive each revenue including identifying risk indicators.

Column "F" is the percentage of total revenue typically collected in the first Quarter of the fiscal year. All factors consistent, this helps measure the likelihood of a revenue meeting the budget goal at year-end.

Column "G" compares the benchmark "F" with the current percentage of collections in column "E". The higher the % in "G", the greater the chance of making the budget goal.

This chart complements graphical revenue analysis for the General fund and includes other major revenue sources.

Revenue Analysis – General Fund



Key:

- Q1 = July-September
- Q2 = October-December
- Q3 = January – March
- Q4 = April – June
- FY = Fiscal Year

This graph shows the % change for Q1 over Q1, Q2 over Q2, and so forth.

Growth can be from expanding the base, higher consumer consumption or and in increase in prices or tax rates.

This information is useful in detecting slowing revenue growth. This could be a signal of adverse impacts to the City's financial condition if the budget goal is not to be met.

Revenue Analysis – General Fund

FY 2022, Analysis one year ago:

- Q1=23% of total budget;
- Projections updated \$11 million;
- Q2 priorities were adjusted;
- Q3 estimated \$12 million; and
- Q4 reported actual \$12 million over budget

FY 2023, Analysis one week ago:

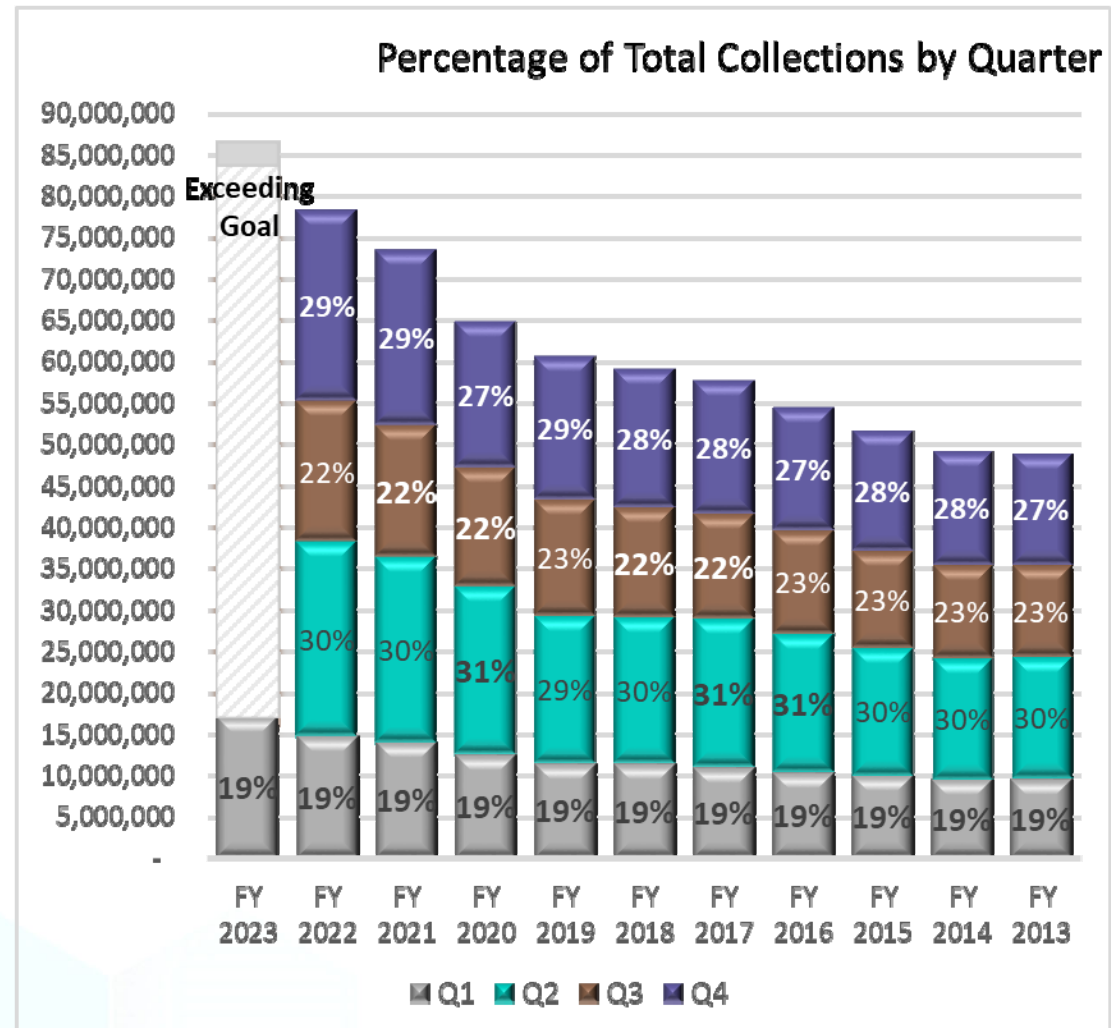
- Q1 initially shows \$2 million over revenue goal; as expected.
- \$1 million State income tax;
- \$1 million State sales tax (TPT)

Recommendation:

- ✓ Not to add or hold back priorities;
- ✓ Keep moving forward, approved initiatives and the FY 2023 Council adopted budget

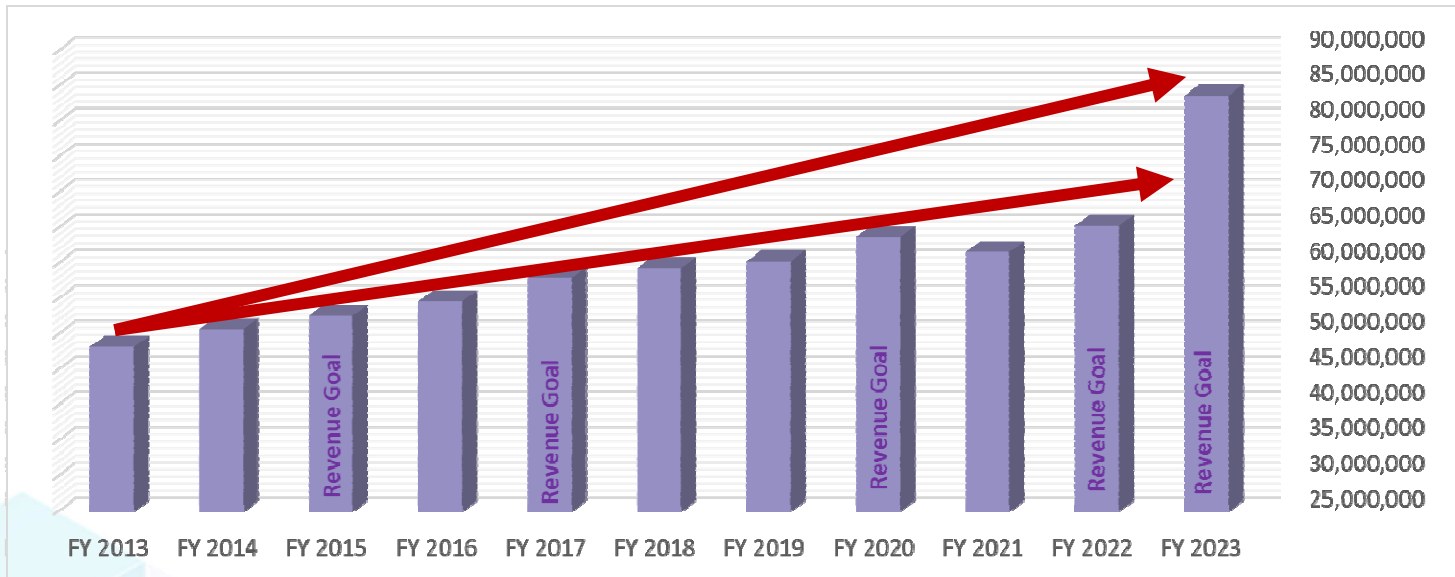
End of FY 2023 budget hearings:

- Census population growth lower than estimates and rest of AZ
- Last minute updated state shared revenue estimates:
 - ❑ Small piece of shared revenue
 - ❑ But bigger base to share
 - ❑ Caution for FY 2024 Legislation

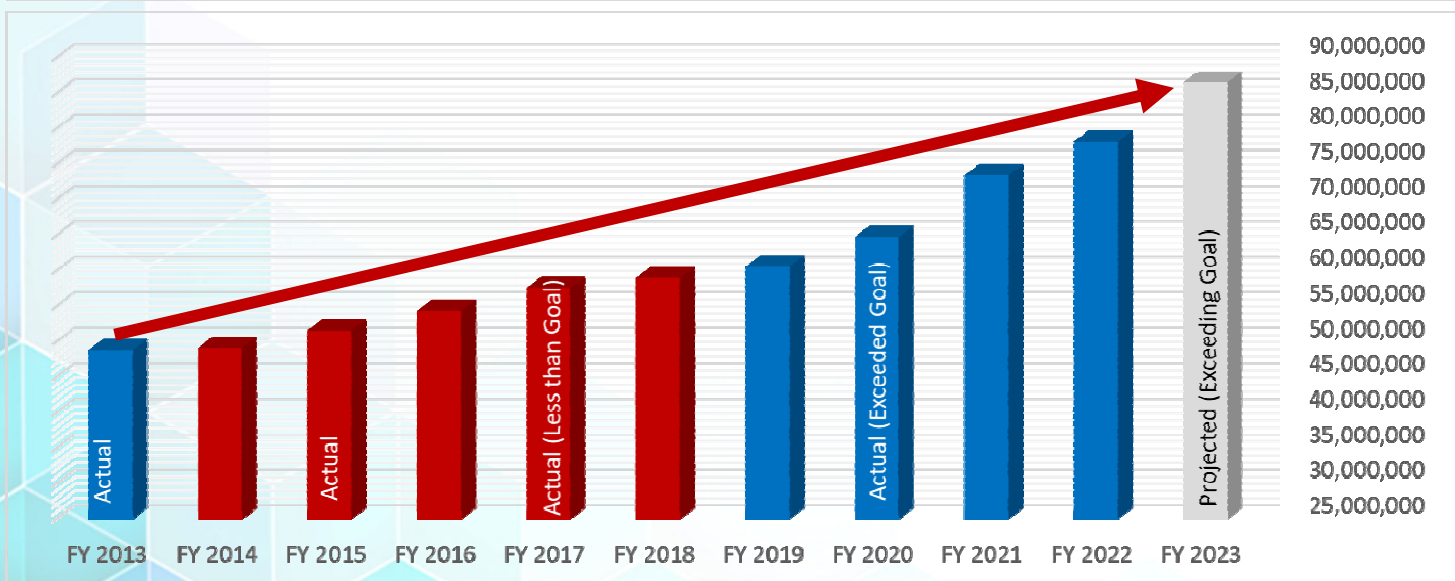


Graph shows amount and % of total collections by quarter. Note consistency of % in each Q since 2013.

Revenue Analysis – General Fund

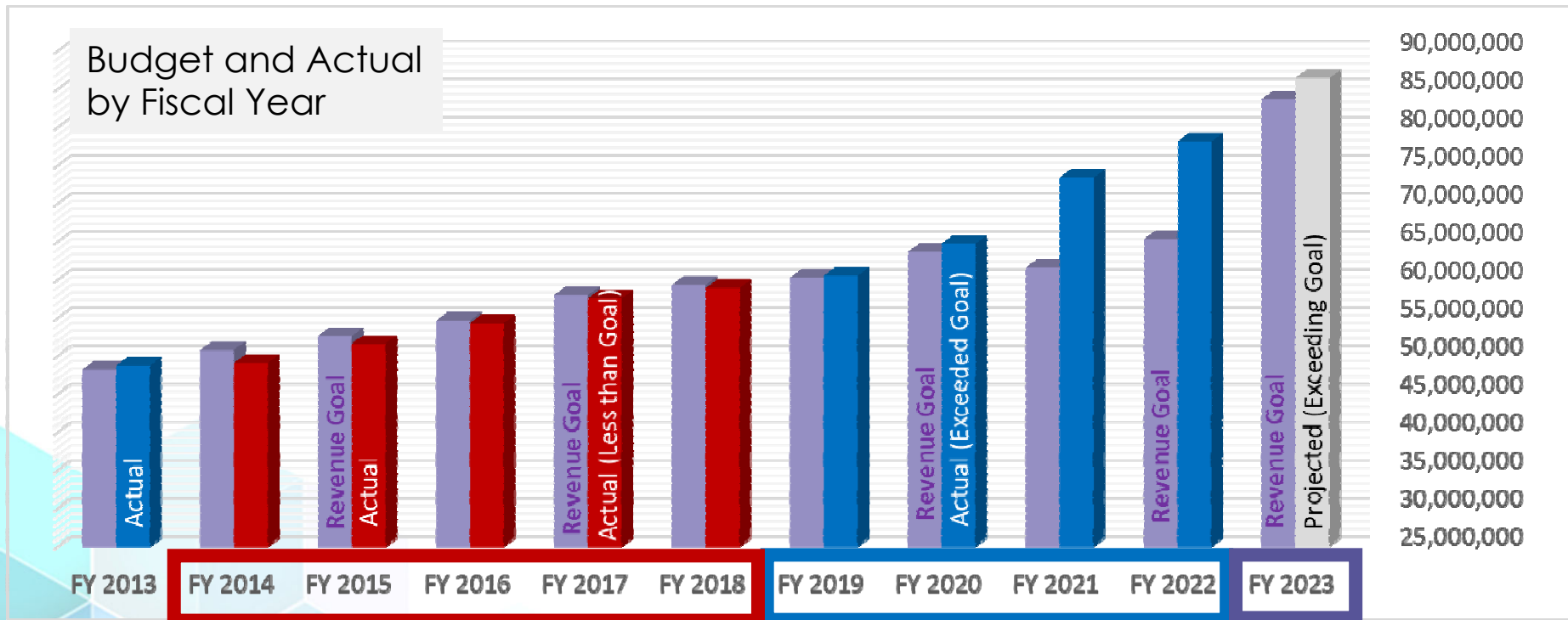


BUDGET



ACTUAL

Revenue Analysis – General Fund



Revenue goals are set lower, expected to be exceeded, within reason:

- If goal is exceeded, the revenue can be used the next FY;
- However, if goal is too low, it can cause delays in projects or leave important City Initiatives unfunded or held back

When revenue goals are set too high or not met, risk of overextended (stress test):

- Determine the extent of the amount and duration until revenues rebound
- If reduced expenditures are warranted
- Possible re-prioritization of programs

FY 2023 SPENDING LEVELS



Format for reporting for Q1 spending levels is the same as used for FY 2022

Governmental funds include:

- General Fund
- Highway User Revenue Fund
- City Road Tax Fund
- Public Safety Tax Fund
- Two Percent Tax Fund

Enterprise funds include:

- Water
- Wastewater
- Solid Waste

Governmental Funds

01 GENERAL FUND	BUDGET AND ACTUAL				YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Revenue	\$ 21,920,460	\$ 102,741,373	\$ 80,820,913	21%	\$ 18,678,009	\$ 3,242,451	17%
Total Expenditures (Operating)	(17,436,518)	(90,072,838)	(72,636,320)	19%	(15,159,330)	(2,277,188)	15%
Revenue Over (Under) Expenditures	\$ 4,483,942	\$ 12,668,535	Balance for CIP, Debt, Contingencies		\$ 3,518,679	\$ 965,263	

02 HURF (HIGHWAY USER REVENUE FUND)	BUDGET AND ACTUAL				YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Revenue	\$ 2,160,555	\$ 9,541,500	\$ 7,380,945	23%	\$ 2,329,913	\$ (169,358)	-7%
Total Expenditures and Projects	(1,160,001)	(11,967,172)	(10,807,171)	10%	(1,495,120)	335,119	-22%
Revenue Over (Under) Expenditures	\$ 1,000,554	\$ (2,425,672)	Planned use of fund balance for CIP		\$ 834,793	\$ 165,761	

Monitoring operating expenditures tends to be near 25% for the 1st quarter, 50% the 2nd and 75% the 3rd.

However, if a large quantity of expenditures are made in single payments such as an annual subscription or lease, a quarter could run higher than expected. The same thing is true of seasonal revenues.

For the first quarter, all presented governmental operating funds are meeting their revenue benchmark goal and spending less than 25% of the approved budget.

Governmental Funds

03 CITY ROAD TAX (.05%) FUND			BUDGET AND ACTUAL		YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Revenue	\$ 3,895,979	\$ 16,061,010	\$ 12,165,031	24%	\$ 3,556,703	\$ 339,276	10%
Total Expenditures and Projects	(1,272,373)	(24,427,343)	(23,154,970)	5%	(2,687,770)	1,415,397	-53%
Revenue Over (Under) Expenditures	\$ 2,623,606	\$ (8,366,333)	Planned use of fund balance for CIP		\$ 868,933	\$ 1,754,673	

04 PUBLIC SAFETY TAX (0.2%) FUND			BUDGET AND ACTUAL		YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Revenue	\$ 1,751,695	\$ 6,356,000	\$ 4,604,305	28%	\$ 1,418,401	\$ 333,294	23%
Total Expenditures (Operating)	(841,948)	(6,004,143)	(5,162,195)	14%	(1,222,727)	380,779	-31%
Revenue Over (Under) Expenditures	\$ 909,747	\$ 351,857	Balance for future use		\$ 195,674	\$ 714,073	

05 TWO PERCENT TAX FUND			BUDGET AND ACTUAL		YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Revenue	\$ 2,231,841	\$ 9,107,500	\$ 6,875,659	25%	\$ 2,130,745	\$ 101,096	5%
Total Expenditures (Operating)	(1,033,114)	(9,492,758)	(8,459,644)	11%	(1,383,187)	350,073	-25%
Revenue Over (Under) Expenditures	\$ 1,198,727	\$ (385,258)	Planned use of fund balance for equipment		\$ 747,558	\$ 451,169	

Similar to many Arizona cities, Yuma's year-over-year spending is expected to be higher in FY2022 and again in FY 2023 than last fiscal year due to reduced and deferred spending in FY2021 related to COVID-19 caution. As supply chains loosed (vehicles), this is expected to continue in FY 2024 and FY 2025.

Enterprise Funds

06 WATER ENTERPRISE	BUDGET AND ACTUAL				YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Income	\$ 6,717,933	\$ 27,881,750	\$ 21,163,817	24%	\$ 6,270,074	\$ 447,859	7%
Total Expenses (Operating)	(2,749,999)	(21,674,641)	(18,924,642)	13%	(2,368,894)	(381,105)	16%
Income Over (Under) Expenses	\$ 3,967,934	\$ 6,207,109	Balance for CIP		\$ 3,901,180	\$ 66,754	

07 WASTEWATER ENTERPRISE	BUDGET AND ACTUAL				YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Income	\$ 4,464,459	\$ 19,122,300	\$ 14,657,841	23%	\$ 4,127,379	\$ 337,080	8%
Total Expenses (Operating)	(2,364,332)	(18,503,145)	(16,138,813)	13%	(1,968,349)	(395,983)	20%
Income Over (Under) Expenses	\$ 2,100,127	\$ 619,155			\$ 2,159,030	\$ (58,903)	

08 SOLID WASTE ENTERPRISE	BUDGET AND ACTUAL				YEAR OVER YEAR		
	FY 2023 Q1	Total Budget	\$ Remaining	% Bud	FY 2022 Q1	\$ Change	% Change
Total Income	\$ 1,184,045	\$ 5,525,000	\$ 4,340,955	21%	\$ 1,126,231	\$ 57,814	5%
Total Expenses (Operating)	(920,109)	(6,053,536)	(5,133,427)	15%	(910,164)	(9,945)	1%
Income Over (Under) Expenses	\$ 263,936	\$ (528,536)	Planned use of fund balance		\$ 216,067	\$ 47,869	

Like the City's governmental funds, the enterprise funds spending levels are under 25%; while they are slightly under 25% of the revenue goals, the enterprise funds continue consistent revenue growth compared to last year.

FY 2023 SUMMARY (LIKE 2022)



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Under current conditions there are no immediate indications in revenue or spending trends to warrant mitigating action to reduce or restrict expenditure budgets or City's operations and services.

Like the rest of the nation, the on-going concern for disruptions in economic and consumer confidence related to supply chains, inflationary factors, and the availability of materials and labor.

Staying flexible and adaptable with contingency plans and actions identified will assist the City in navigating these concerns.

Management will continue monitoring revenues and economic factors and will alert City Council with mitigating actions if revenue trends or risk indicators signal the onset of adverse conditions that will be detrimental to the City's financial condition.

Discussion & Direction - Mayor and City Council



Next Topic: FY 2023 ARPA Update

Purpose of this report:

- Annual audit and budget do not provide robust information on grants
- These reports are intended to be more informative of the relationship of grants and the City's operations

Reporting status:

- Report format is in development
- Not intended to review each line
- Will provide highlights in future reports
- ARPA is the biggest federal funding and will be reported separately next Quarter
- As always: Input for improvements welcomed

ARPA UPDATE

The federal government signed the American Rescue Plan Act (ARPA) into law on March 11, 2021. The program provides support to local governments in responding to the economic and public health impacts of COVID-19 and to mitigate impacts on local communities. All expenditures must comply with U.S. Department of Treasury requirements. Recipients must obligate the funds by December 31, 2024, and spend them by December 31, 2026.

On April 6, 2022, City Council adopted Resolution R2022-012 that approved the City's ARPA Project List, which outlines the City's intended uses for the funds. This project was one of the originally adopted ARPA funded in the FY 2023 City Council approved budget.



Obligate by: December 31, 2024



Spend by: December 31, 2026

ARPA Update

ID	Project	Project Budget		Actual Spending		Obligate / Encumbered	Total Spent or Obligate	Available Balance
		Original	Amended	FY 2022	FY 2023			
1	Jobs Education Project	\$ 200,000	\$ 200,000	-	-	-	-	\$ 200,000
2	Economic Development Marketing	100,000	100,000	-	-	-	-	100,000
3	Economic Development-Small Business	200,000	200,000	-	-	-	-	200,000
4	East Mesa Community Park	10,000,000	10,000,000	-	-	168,985	\$ 168,985	9,831,015
5	City-Wide Parks Revitalization	250,000	250,000	-	-	-	-	250,000
6	Castle Park Flooring	415,000	415,000	-	-	-	-	415,000
7	Kennedy Regional Park Improve	500,000	500,000	-	-	-	-	500,000
8	Playground Replacement Program	500,000	500,000	-	-	-	-	500,000
9	Ambulance	500,000	500,000	-	-	218,192	218,192	281,808
10	Fire Station 7 Construction	2,000,000	2,000,000	-	-	-	-	2,000,000
11	Readiness Center AC & Gym Enhance	750,000	750,000	-	-	61,855	461,855	288,145
12	Kennedy Regional Skate Park	2,500,000	2,500,000	-	-	-	-	2,500,000
13	Ventilation System Air Purifier	53,000	53,000	-	-	-	-	53,000
14	East Wetlands Park Improvements	300,000	300,000	-	-	-	-	300,000
15	Fire Station Alerting System	250,000	250,000	-	-	-	-	250,000
16	Enterprise Document Management System	80,000	-	-	-	-	-	-
17	EnerGov Connect Portal	20,000	20,000	-	-	-	-	20,000
18	Audio Upgrade Portable Conference Chamber System	25,000	25,000	-	\$ 10,570	45,892	56,462	(31,462)
19	Fire Station-Ambulance Medical Supplies	130,000	130,000	\$ 61,260	35,299	263,445	359,904	(229,904)
20	Technologies Upgrades to 190	100,000	100,000	-	-	176,533	176,533	(76,533)
21	COVID Overtime for Public Safety	600,000	600,000	-	-	-	-	600,000
22	HERO Pay Bonuses	1,000,000	1,000,000	1,000,000	-	-	1,000,000	-
23	Boys & Girls Club Funding	100,000	100,000	-	-	-	-	100,000
24	Public Safety Trk Rehab	800,000	800,000	-	-	-	-	800,000
25	Intelligence Trans Sys PH 1	1,500,000	1,500,000	-	-	-	-	1,500,000
26	HHW Awning & Repaving of Maint Yd	250,000	250,000	-	113,978	219,094	333,072	(83,072)
27	Location Data Analytic Tool	-	40,000	-	-	-	-	40,000
28	Contingency	-	40,000	-	-	-	-	40,000
Total		\$23,123,000	\$23,123,000	\$1,061,260	\$ 159,847	\$ 1,553,895	\$ 2,775,002	\$20,347,998

Obligate by: December 31, 2024

Spend by: December 31, 2026

QUARTERLY FINANCIAL BRIEFING

1ST QUARTER FY 2023

Step Plan LMS 2022 Implementation
FY 2023 Financial Status
Grants Program (ARPA)



All figures as of
November 1, 2022;
unaudited

November 15, 2022