



Financial and Capital Improvement Plan (CIP) Update Preliminary Fiscal Year 2022

City Council Meeting – August 23, 2022



FY 2021/22 Financial Update

FY2022 Financial Reporting Timeline

Fiscal Year-End June 30, 2022

Preliminary Results **August 23, 2022**

- General Fund
- Other Financial Highlights

Year-End Audit Aug – Sept 2022

Final FY2022 Report Nov – Dec 2022

General Fund Sources (in millions)

Total General Fund Revenues - Preliminary June 2022 Up 15% from prior year

(in millions)	FY21 Actuals	FY22 Actuals	FY22 Budget	Budget Variance	Budget Variance	FY22 Forecast
Local Sales Tax	\$149.9	\$181.8	\$144.2	\$37.5	26%	\$163.5
State Shared	\$79.7	\$78.5	\$75.9	\$2.5	3%	\$77.8
Charges for Services	\$16.5	\$15.3	\$14.4	\$1.0	7%	\$15.5
Other	\$93.4	\$116.1	\$89.5	\$26.5	30%	\$110.9
Total	\$339.6	\$391.6	\$324.1	\$67.5	21%	\$367.8

Rounding differences may occur.

Note: FY22 Actuals are preliminary results and subject to year-end adjustments.

General Fund 1.1% Sales Tax (in millions)

General Fund Local Sales Tax - Preliminary June 2022

Up 21% from prior year

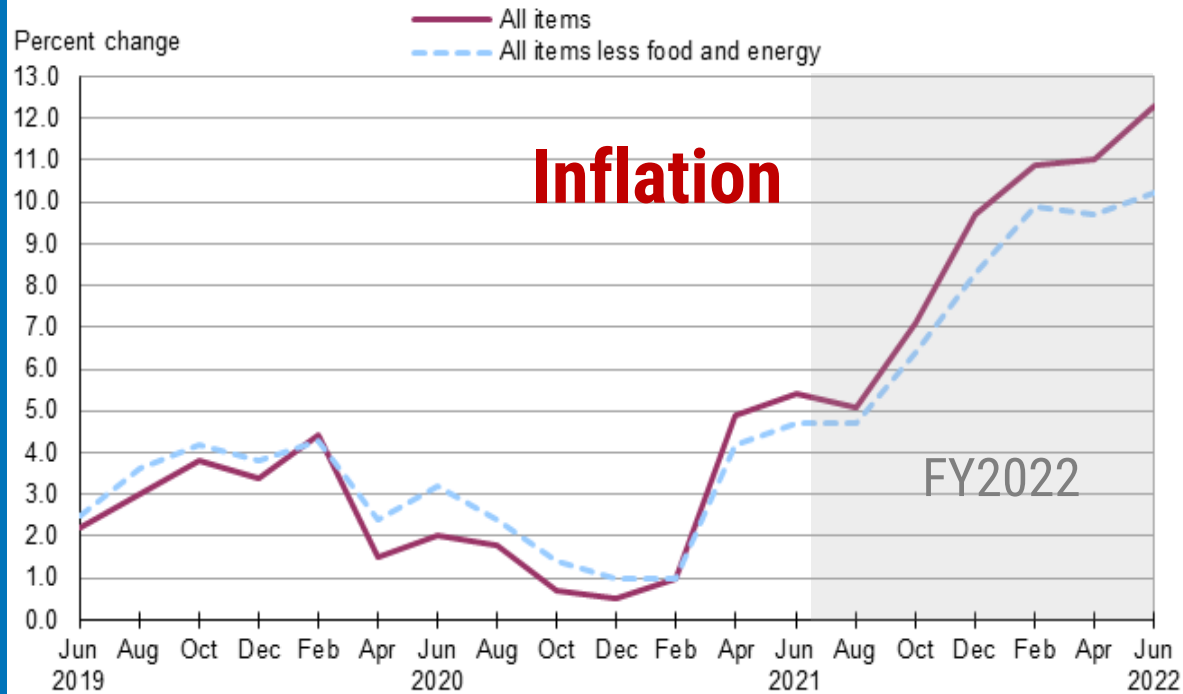
(in millions)	FY21 Actuals	FY22 Actuals	FY22 Budget	Budget Variance	Budget Variance	FY22 Forecast
Retail	\$44.4	\$54.4	\$40.9	\$13.6	33%	\$48.8
Automotive	\$21.1	\$22.0	\$21.1	\$1.0	5%	\$22.4
Rental	\$19.2	\$24.3	\$19.7	\$4.6	23%	\$20.3
Construction	\$13.5	\$14.0	\$13.3	\$0.8	6%	\$14.2
Dining/Entertainment	\$12.9	\$17.6	\$11.4	\$6.3	55%	\$14.6
Food Stores	\$9.7	\$10.1	\$10.1	\$0.1	1%	\$9.8
Hotel/Motel	\$5.9	\$11.2	\$6.8	\$4.4	66%	\$8.2
Other	\$23.2	\$28.0	\$21.1	\$6.9	33%	\$25.3
Total	\$149.9	\$181.8	\$144.2	\$37.5	26%	\$163.5

Rounding differences may occur.

Note: FY22 Actuals are preliminary results and subject to year-end adjustments.

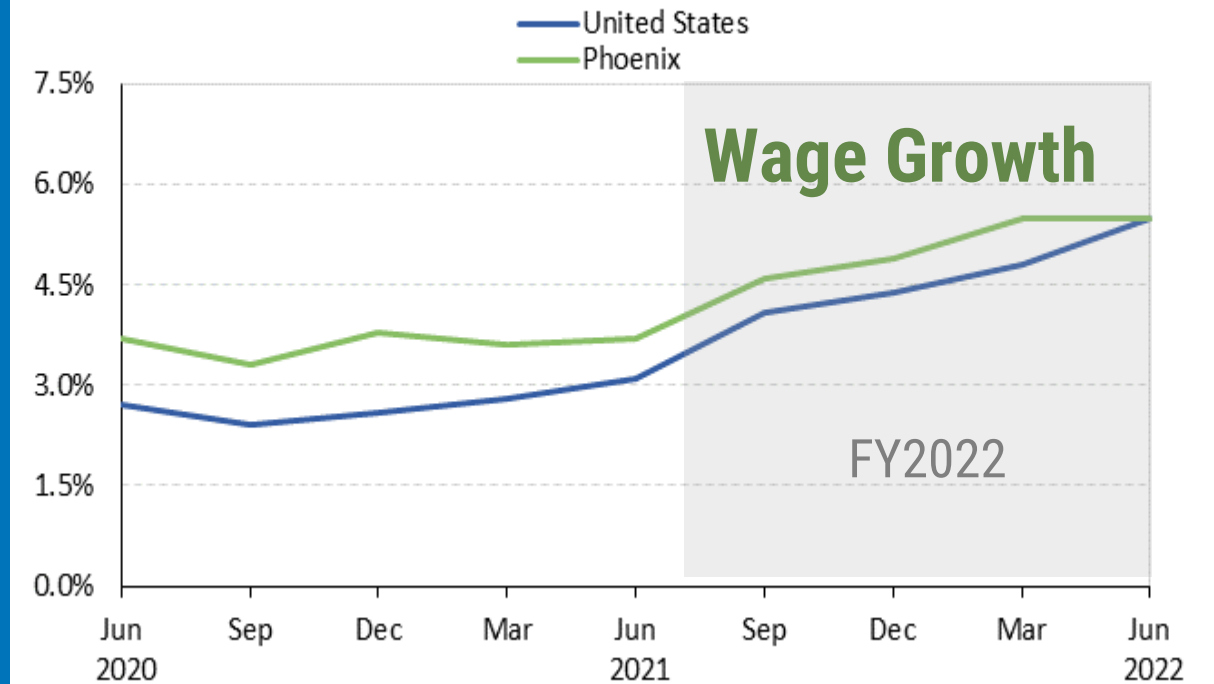
FY 2022 Economic Drivers Affecting Consumer Spending

Chart 1. Over-the-year percent change in CPI-U, Phoenix-Mesa-Scottsdale, AZ, June 2019–June 2022



Source: U.S. Bureau of Labor Statistics.

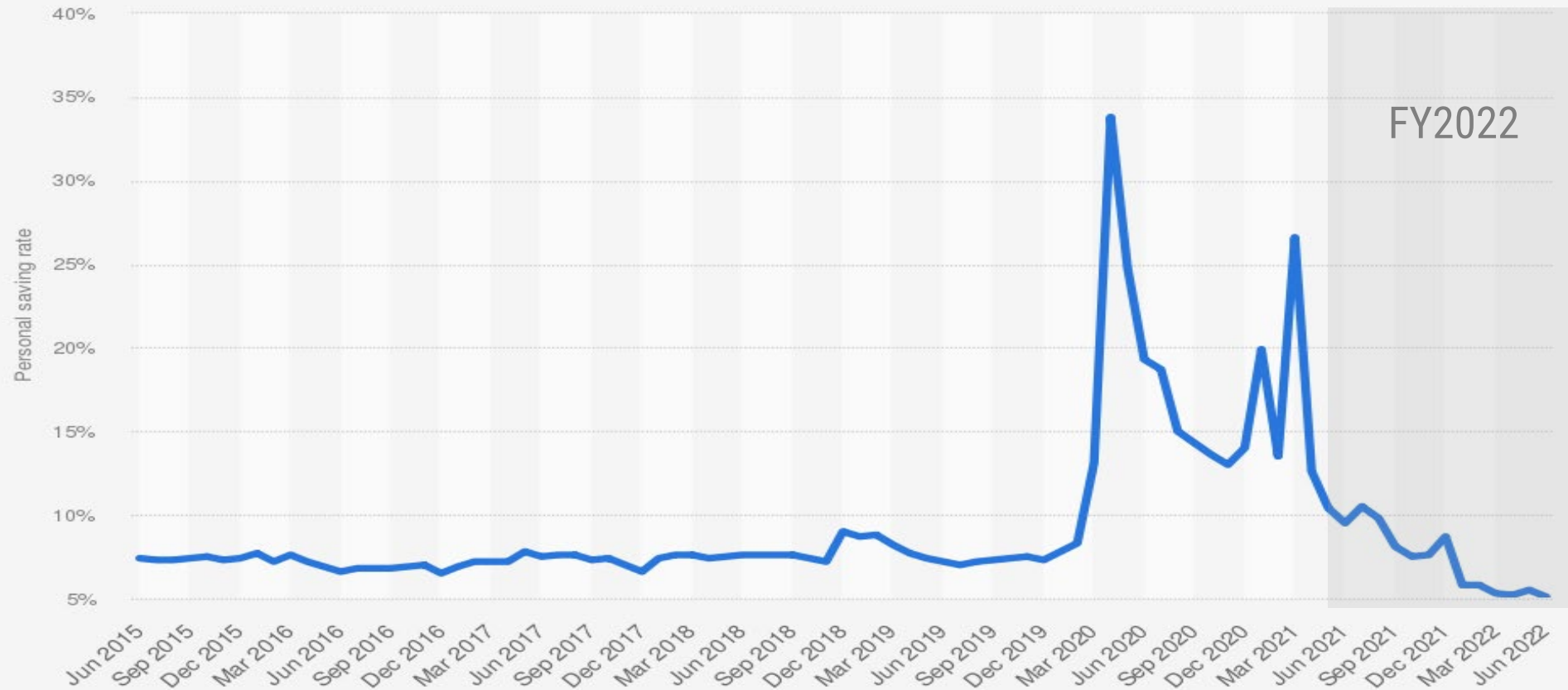
Chart 1. Twelve-month percent changes in total compensation for private industry workers in the United States and Phoenix, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Consumers Have Pandemic Savings to Spend

Personal saving rate in the United States from June 2015 to June 2022



Sources
St. Louis Fed; BEA
© Statista 2022

Additional Information:
United States; BEA; June 2015 to June 2022

General Fund Uses (in millions)

General Fund Uses - Preliminary June 2022

(in millions)	FY21 Actuals	FY22 Actuals	FY22 Budget	Budget Variance	Budget Variance	FY22 Forecast
Personnel Services	\$187.3	\$247.8	\$251.4	\$3.5	1%	\$243.7
Commodities/Contractual Services	\$64.5	\$76.7	\$81.3	\$4.6	6%	\$81.6
Transfers	\$54.3	\$31.1	\$37.2	\$6.1	16%	\$40.4
Other	\$6.4	\$3.7	\$1.8	(\$2.0)	-113%	\$2.2
Total	\$312.5	\$359.4	\$371.7	\$12.3	3%	\$367.9

Rounding differences may occur.

Note: FY22 Actuals are preliminary results and subject to year-end adjustments.

General Fund Uses (in millions)

General Fund Divisions - Preliminary June 2022

(in millions)	FY21 Actuals	FY22 Actuals	FY22 Budget	Budget Variance	Budget Variance	FY22 Forecast
Mayor/Council/Charter Officers	\$26.0	\$29.0	\$30.6	\$1.6	5%	\$30.3
Administrative Services	\$19.3	\$16.7	\$17.1	\$0.5	3%	\$18.3
Comm & Ec Dev	\$19.7	\$26.3	\$26.4	\$0.2	1%	\$26.4
Community Services	\$34.0	\$41.5	\$43.0	\$1.5	3%	\$41.1
Public Safety - Fire	\$41.6	\$53.6	\$53.5	(\$0.1)	0%	\$50.5
Public Safety - Police	\$95.6	\$137.6	\$139.6	\$2.0	1%	\$138.4
Public Works	\$21.5	\$23.3	\$23.8	\$0.5	2%	\$19.5
Total	\$257.8	\$327.9	\$334.1	\$6.2	2%	\$324.5

Rounding differences may occur.

Note: FY22 Actuals are preliminary results and subject to year-end adjustments.

Summary

- ❑ Revenue growth exceeded expectations
- ❑ Land sale proceeds provided one-time revenues
- ❑ Expenditures within budget
 - ❑ Salary savings
 - ❑ Cost inflation

BOND 2019 PROJECTS

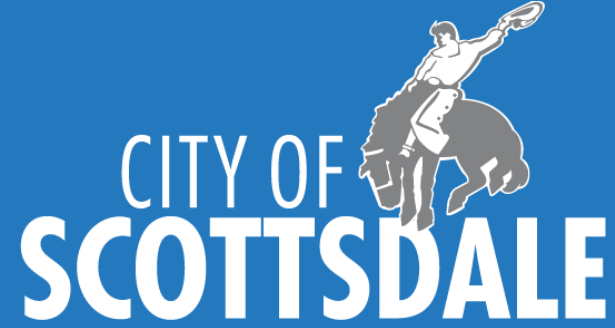
G.O. Bond 2019 (in millions)

G.O. Bond 2019 - Preliminary June 2022

Bond 2019 Program 3 Questions	# of Projects	Voter Authorized	YTD Expenditures	
1) Parks, Recreation and Senior Services	14	\$112.6	\$28.2	25%
2) Community Spaces and Infrastructure	20	\$112.3	\$14.9	13%
3) Public Safety and Technology	24	\$94.1	\$10.3	11%
Total	58	\$319.0	\$53.4	17%

Rounding differences may occur.

Note: FY22 Actuals are preliminary results and subject to year-end adjustments.



FY 2021/22 CIP Quarterly Update Quarter 4

Agenda

- Bond 2019
- Other Projects In Design
- Other Projects Under Construction

Bond 2019 Program

Bond 2019 – Question 1 - FY 2021/22 Projects

No.	Title	Status
2	Add Splash Pad and Improve Walkways at McCormick-Stillman Railroad Park	Design commencing
30	Indian School Park Field 1 Lighting	Contract for installation forthcoming
41	Install Solar Heating System for Eldorado Pool	Analyzing alternatives
42	Add a Dog Park to Thompson Peak Park	Design progressing
53	Build Multi-Use Sports Fields in the area of Bell Road	Phase 1 construction nearing completion, phase 2 construction progressing
55	Build a 17-Acre Park at Ashler Hills Drive & 74 th Way (Whisper Rock)	Municipal Use Master Site Plan in process
61	Purchase land, expand Pinnacle Peak Park parking lot, staff office and restrooms, renovate hiking trail and construct an interpretive trail	Waiting on ASLD for approval to submit application for auction

Two question 1 projects are completed

53 - Build Multi-Use Sport Fields in the Area of Bell Road

Project description:

- Phase 1: Bell Road Sports Complex and offsite water
- Phase 2: WestWorld Sports Complex

Status:

- Supporting facilities at Bell Road complex complete; working on punch list
- Westworld Sports Complex proceeding with storm drainage, west sidewalk, water lines, Field 5 drainage, rip rap on northwest area of the property
- Set to finish Winter 2023



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$44.5M	\$23.6M	\$16.7M	\$4.2M

Bond 2019 – Question 2 - FY 2021/22 Projects

No.	Title	Status
1	Replace Aging Infrastructure and Improve Public Event Spaces on Civic Center Plaza	Construction progressing
15	Build 200 space Parking Lot off 75 th Street to serve the City Court and Scottsdale Stadium	Will be built with Scottsdale Stadium Phase 2 project
18	Build Roadway & Pedestrian Improvements along 2 nd Street from Drinkwater Boulevard to Goldwater Boulevard	In design; evaluating concepts
23	Repair Lakes and Irrigation at Vista del Camino Park in the Indian Bend Wash	In design
45	Renovate Horse Barns to Increase Rentable Space	First barn expected to be delivered in October
46	Replace the Public Address System at WestWorld	Installation complete; working on testing and punch list
57	Install Solar Systems at North Corp Campus	In design
63	Build Parking Structures in Old Town Scottsdale	Pending decisions on location, scope

Three question 2 projects are completed

1 - Replace Aging Infrastructure and Improve Public Event Spaces on Civic Center Plaza

Project Description:

- Reconstruct the Civic Center to provide better pedestrian flow and permanent performance areas

Status:

- Tree planting starting at west end of civic center plaza (140 new trees)
- Constructing stairs, planter, sidewalk and ramps near Little Red Schoolhouse
- Support being set for 360 degree performance center
- Began restroom building, shade structure and water vault for the new splashpad



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$33.6M	\$11.4M	\$20.0M	\$2.1M

Bond 2019 – Question 3 - FY 2021/22 Projects

No.	Title	Status
5	Modernize Computer Equipment Rooms to Protect City Servers	First UPS (McKellips Road) replacement completed, working on second unit at SCPA
7	Replace Outdated 911 Computer Aided Dispatch and Records Management to Improve Efficiency	Purchase complete, bond funds expended; scheduled October 2022 go-live
8	Replace Website Management Software	Work progressing target end date June 2023
9	Install Fiber Optic Infrastructure to Reduce Operating Costs	Multiple locations in design and construction
11	Replace Document Management System to Improve Public Access to Information	In deployment, projected completion by end of FY 2022/23
12	Update Scottsdale's 15 Year-old Digital Terrain Model	Exploring options to decrease cost. Projected completion by end of FY 2022/23
14	Replace Obsolete Planning and Permitting Software	Consultant proceeding with evaluation and assessment
17	Obtain a Citywide Data Management and Analytics Solution for Data-Based Decision Making	Procuring data tools, projected completion in FY 2022/23
28	Build New Fire Station near Hayden Road and Loop 101 to Improve Response Times	In design
29	Replace Workstations at 911 Communications Dispatch Center to Accommodate New Technology	Completed building structural analysis, design progressing

Bond 2019 – Question 3 (continued)

No.	Title	Status
26	Replace Deteriorating Vehicle Track at Police and Fire Training Facility	Plans at 60% and 90% design; preparing GMP 1 for demolition work and long lead materials
27	Modernize and Expand the Police and Fire Training Facility	
38	Build a New Fire Department Training Facility	
33	Renovate Via Linda Police Station to Increase Efficiency	Portion is in design in support of Bond project 29
35	Install Bullet Proof Glass in Reception Areas of Police Department Facilities	Construction at PD Headquarters commencing
36	Provide Free Wi-Fi at the Civic Center Plaza	Being delivered with Civic Center Plaza
37	Implement an Inventory and Asset Control System for City Technology	Issued PO for equipment
40	Renovate & Expand Civic Center Jail and Downtown Police Facility to Meet Demand	Design progressing

Four question 3 projects are completed

38 - Build a New Fire Dept Training Facility

Project Description:

- Build new fire training facility
- Project is being delivered in conjunction with 27 – Modernize and Expand the Police and Fire Training Facility
- Located in the City of Tempe

Status:

- Working toward final plans for fire training facility
- Preparing GMP for demolition and long lead materials



Proposed Fire Training Academy – Aerial View from Southwest Looking Northeast

ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$23.3 M	\$885k	\$1.0 M	\$21.3 M

Totals for Fire Training Facility project

Completed Bond 2019 Projects

Question 1:

- 10 - Replace Tennis Court Surface at Indian School Park and Tennis Center
- 24 - Install High Efficiency Sports Lighting at 4 Facilities

Question 2:

- 47 - Replace WestWorld Arena Lights to Reduce Operating Costs
- 50 - Renovate Arena at WestWorld to Provide Flexible Event Space
- 52 - Expand Restrooms in WestWorld North Hall

Question 3:

- 4 - Replace Outdated Emergency Response Equipment for Fire Department
- 6 - Replace Emergency Power Source for Public Safety Radio Network
- 16 - Replace the City's Obsolete Training Software
- 44 - Replacement of Fire Utility truck to be used on Fire Ground Activity and Response to Hazard Materials and Technical Rescue Incidents

Other Projects: Projects In Design

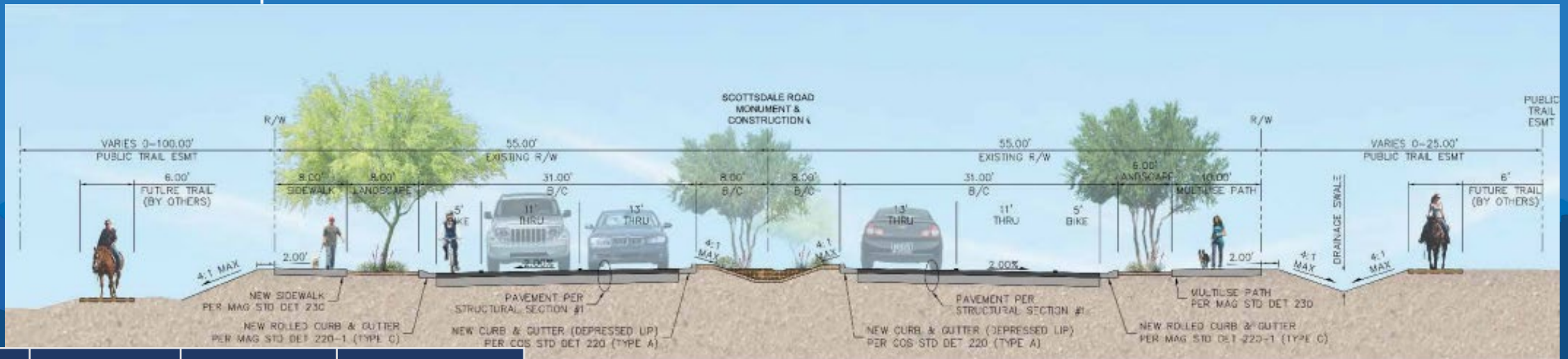
Scottsdale Road – Jomax Road to Dixileta Drive

Project Description:

- Build to a minor arterial cross section including landscaped median, bike lanes, sidewalks and trails
- Roundabout at Scottsdale and Dynamite
- Eliminate low flow crossings
- Includes ALCP funding (\$16.7 M) and federal grant (\$1.8M)

Status:

- Working on 90% design
- Construction anticipated to start Fall 2023



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$23.8 M	\$1.0 M	\$926k	\$21.8 M

Other Projects: Projects Under Construction

Osborn Road Complete Street

Project Description:

- Design and construct bicycle lanes and sidewalk segments along Osborn Road for Hayden Road to Scottsdale Road
- Includes an Indian Bend Wash path connection and a roundabout at Miller Road and Osborn Road

Status:

- Sidewalk north side of Osborn from Hayden to Osborn Park
- Retaining wall and path connection to connect Osborn Rd sidewalk to Indian Bend Wash Trail system
- ITS work from Hayden to Miller



ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$7.8M	\$2.1M	\$5.2M	\$0.5M

Dove Valley Waterline Replacement

Project Description:

- Replace failing 12" PVC waterline with new 12" DIP between 56th St and 67th St
- Section between 56th St and 60th St in front of Cactus Shadows High School needed to be completed between 5/23/22 and 7/29/22

Status:

- CMAR contract for procurement of material was authorized February 22
- CMAR contract for construction was authorized April 22
- Construction began 5/23/22 with road closed between 56th St and 60th St.
- Road reponed on 7/29/22 in time for first day of school

ITD Budget	ITD Actual	ITD Committed	Budget Balance
\$6.55M	\$2.1M	\$4.2M	\$250k



Questions and Comments?