

# MEMORANDUM



TO: Mayor and Council  
FROM: Tom Duensing, Chief Deputy City Manager  
DATE: April 29, 2024  
SUBJECT: Quarterly Financial Report for FY 2023-24 Q2

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Attached is the Quarterly Financial Report for the second quarter of Fiscal Year 2023-24, the quarter ending December 31, 2023. The Municipal Budget Office prepares quarterly financial reports for all the major operating funds, revenue sources and departments that reflect budget to actual comparisons and highlight major variances that may require additional monitoring or action.

Although revenues and expenditures are not budgeted on a quarterly basis, the report applies a three-year historical average to the annual budget to gain insight into revenue and expenditure actual performance versus the estimated budget for the quarter.

We have included a quick-reference Table of Contents on the following page that will allow you to quickly navigate to areas of interest by clicking on titles or page numbers. The *table of contents* link at the bottom of every page will return you to the Table of Contents. The report can also be found on the Municipal Budget Office's Internet page.

Please let me know if you have questions about the information contained in this report.



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## Quarterly Financial Performance Report

Through the Second Quarter Ended December 31, 2023

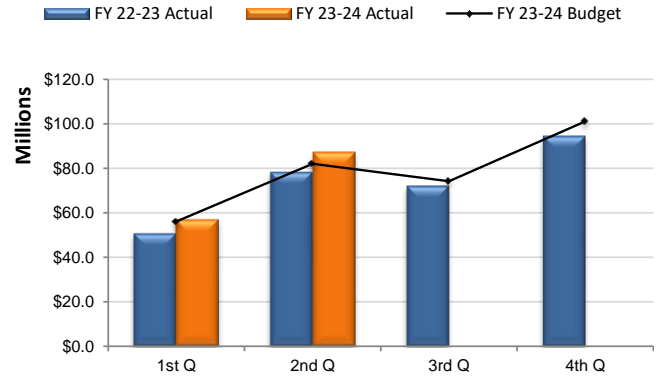
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### Performance Ratings Key

- Positive** = A positive variance, or a negative variance of less than 2%, which shows the category is performing close to historical trends.
- Watch** = A negative variance between 2-5%, compared to historical trends.
- Negative** = A negative variance of greater than 5%, compared to historical trends.



		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 56,122,777	\$ 56,888,625	18.1%	17.9%
2nd Q	Oct-Dec 23	82,023,022	87,091,110	27.8%	26.2%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 138,145,799</b>	<b>\$ 143,979,736</b>	<b>45.9%</b>	<b>44.1%</b>
Variance from Budget			\$ 5,833,937	1.8%	



**Positive**

Through the second quarter of FY 2023-24, General Fund revenue is 45.9% of budget, compared with a historical percentage of 44.1%. In terms of budget-to-actual variance, total collections through the second quarter are \$5.8 million above the anticipated revenue target. The scope of budget-to-actual variance for each category can be seen in the table and graph at the bottom-right corner of this page. Quarterly collection detail by category can be found on pages 2 through 6 of this reports.



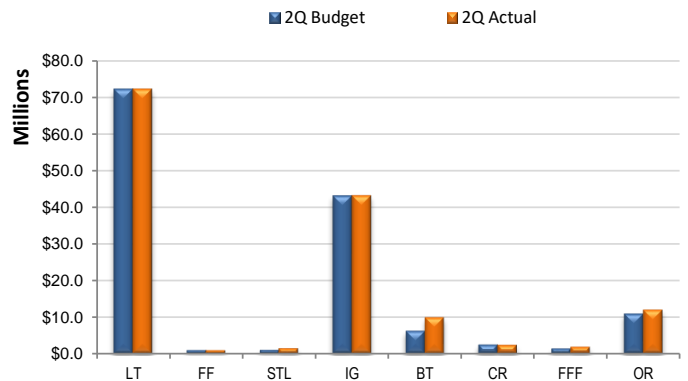
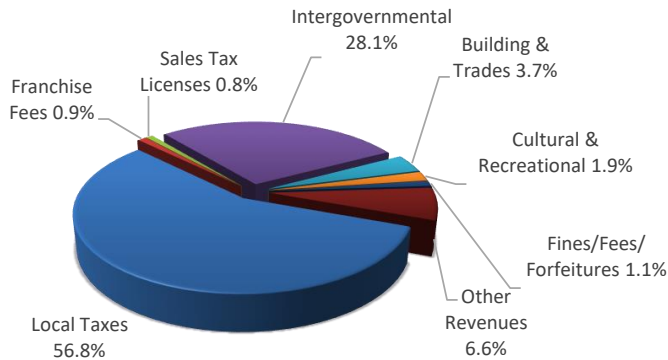
## General Fund Revenue by Category

Revenue Categories	FY 23-24 Annual Budget	% of Annual Budget
Local Taxes	\$ 177,975,209	56.8%
Franchise Fees	2,909,996	0.9%
Sales Tax Licenses	2,589,500	0.8%
Intergovernmental	88,020,345	28.1%
Building & Trades	11,721,500	3.7%
Cultural & Recreational	6,037,538	1.9%
Fines/Fees/ Forfeitures	3,392,474	1.1%
Other Revenues	20,796,362	6.6%
<b>Total</b>	<b>\$ 313,442,924</b>	<b>100.0%</b>

Cumulative Revenue through 2Q 2023-2024

	2Q Budget Target	2Q Actual Revenue	% of Budget Target
Local Taxes (LT)	\$ 72,215,926	\$ 72,319,304	100%
Franchise Fees (FF)	893,369	903,272	101%
Sales Tax Licenses (STL)	942,578	1,466,666	156%
Intergovernmental (IG)	43,129,969	43,240,536	100%
Building & Trades (BT)	6,212,395	9,893,237	159%
Cultural & Recreational (CR)	2,439,165	2,373,902	97%
Fines/Fees/Forfeitures (FFF)	1,394,307	1,782,196	128%
Other Revenues (OR)	10,918,090	12,000,623	110%
<b>Total</b>	<b>\$ 138,145,799</b>	<b>\$ 143,979,736</b>	<b>104%</b>

FY 23-24 Budget

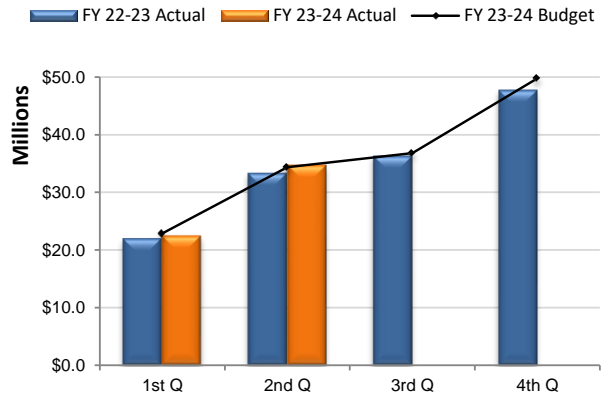


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**Sales Tax**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 22,875,618	\$ 22,443,818	15.6%	15.9%
2nd Q	Oct-Dec 23	34,385,363	34,658,780	24.1%	23.9%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 57,260,981</b>	<b>\$ 57,102,598</b>	<b>39.7%</b>	<b>39.8%</b>
Variance from Budget			\$ (158,383)	-0.1%	



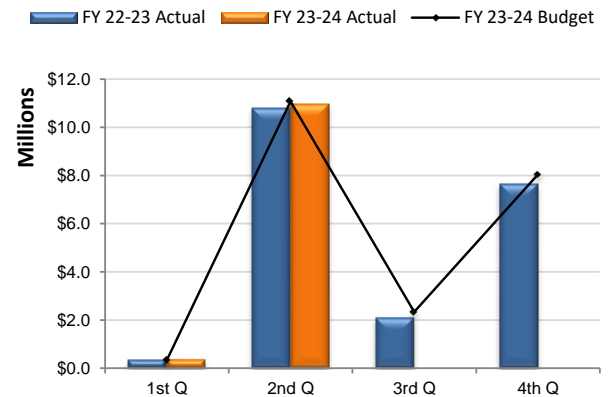
**Positive**

City Sales Taxes are generated by a 1.8% levy on sales transactions in the city. Of the total 1.8% rate, 1.2% is deposited in the General Fund, 0.5% is dedicated for Transit purposes, and the remaining 0.1% is deposited in the Arts & Culture Fund. The amount deposited in the General Fund is depicted in the table and graph above. This revenue source contributes 45.9% of the General Fund budget in FY 2023-24 making it the City's largest revenue source. Through the second quarter of FY 2023-24, Sales Tax collections are 39.7% of budget, which is slightly below the historical average of 39.8%. In terms of budget-to-actual variance, collections are \$158 thousand below the budgeted value.



**Property Tax**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 348,845	\$ 387,217	1.8%	1.6%
2nd Q	Oct-Dec 23	11,075,835	10,959,037	50.3%	50.8%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 11,424,680</b>	<b>\$ 11,346,253</b>	<b>52.0%</b>	<b>52.4%</b>
Variance from Budget			\$ (78,427)	-0.4%	

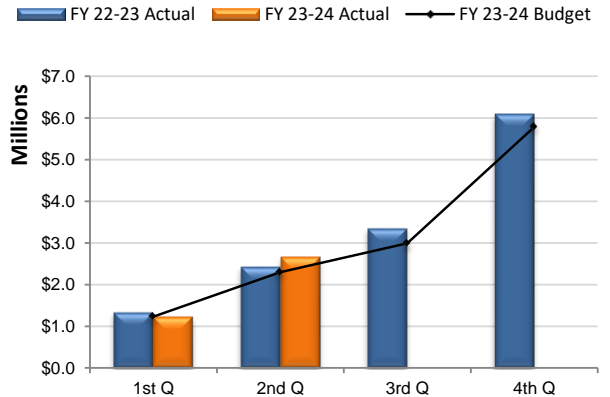


**Positive**

Property Tax revenue in the General Fund is generated by a \$0.87 charge per \$100 of the primary assessed valuation of real and personal property. In FY 2023-24, Property Tax contributes 7.0% of budgeted General Fund revenue. Through the second quarter of FY 2023-24, Property Tax collections are 52.0% of budget, slightly below the historical average of 52.4%. In terms of budget-to-actual variance, Property Tax is \$78 thousand below the budgeted value.

**Bed Tax**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,230,057	\$ 1,228,090	10.0%	10.0%
2nd Q	Oct-Dec 23	2,300,207	2,642,362	21.5%	18.7%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 3,530,264</b>	<b>\$ 3,870,452</b>	<b>31.5%</b>	<b>28.7%</b>
Variance from Budget			\$ 340,188	2.8%	

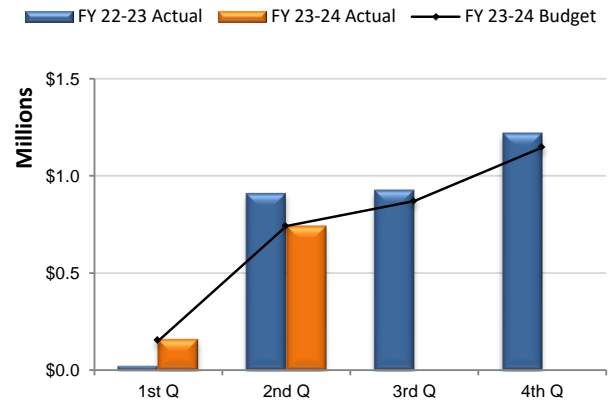


**Positive**

The Transient Lodging Tax, or Bed Tax, is a 5.0% levy on hotel and motel sales that contributes approximately 3.9% of budgeted General Fund revenue in FY 2023-24. Bed Tax collections through the second quarter of FY 2023-24 are 31.5% of budget, which is higher than the historical average of 28.7%. In terms of budget-to-actual variance, collections are \$341 thousand above the budgeted value.

**Franchise Fees**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 151,320	\$ 161,022	5.5%	5.2%
2nd Q	Oct-Dec 23	742,049	742,251	25.5%	25.5%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 893,369</b>	<b>\$ 903,272</b>	<b>31.0%</b>	<b>30.7%</b>
Variance from Budget			\$ 9,903	0.3%	



**Positive**

Franchise Fee revenues are collected based on specific agreements with service providers in the city, including Arizona Public Service (2.0% of revenue), Cox Communications (5.0% of gross revenue), and Southwest Gas (2.0% of gross revenue). These fees contribute 0.9% of annual General Fund revenue. Franchise Fee payments are 31.0% of the budgeted amount through the second quarter of FY 2023-24, compared to 30.7% historically. In terms of budget-to-actual variance, collections are \$10 thousand above the expected amount.

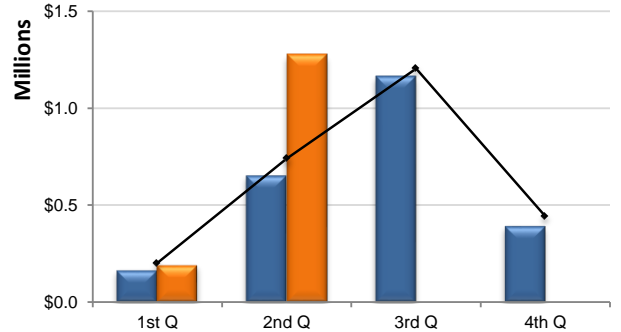


**Sales Tax Licenses**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 201,981	\$ 190,961	7.4%	7.8%
2nd Q	Oct-Dec 23	740,597	1,275,705	49.3%	28.6%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 942,578	\$ 1,466,666	56.6%	36.4%
Variance from Budget			\$ 524,088	20.2%	

**Positive**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget



The City requires taxable business activities to be licensed, with the annual licensing fee amount varying by business type. Starting in 2017, the Arizona Department of Revenue (ADOR) began collecting the fees for Tempe's Sales Tax Licenses. Sales Tax License collections through the second quarter of FY 2023-24 were 56.6% of budget, compared to the historical average of 36.4%. Sales Tax Licenses contribute 0.8% of annual General Fund revenue. In terms of budget-to-actual variance, collections are 20.2% above budget, or \$524 thousand.

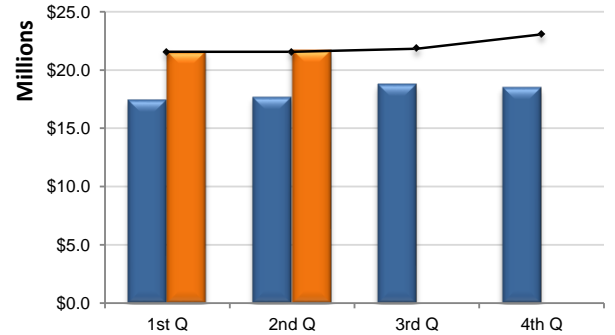


**Intergovernmental**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 21,564,985	\$ 21,560,069	24.5%	24.5%
2nd Q	Oct-Dec 23	21,564,985	21,680,467	24.6%	24.5%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 43,129,969	\$ 43,240,536	49.1%	49.0%
Variance from Budget			\$ 110,567	0.1%	

**Positive**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

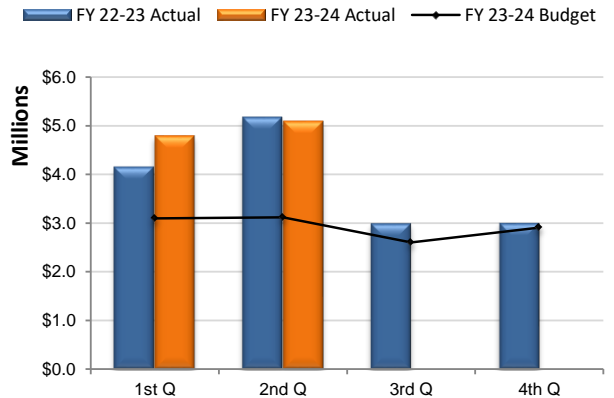


Intergovernmental revenue includes distributions of State Income Taxes, State Sales Taxes, and State Vehicle License Taxes. These revenues are distributed based on Tempe's share of the state urban population as determined by the U.S. Census. In total, these revenues constitute 28.1% of budgeted revenue for FY 2023-24, making this the second largest General Fund revenue source after Sales Taxes. Through the second quarter of FY 2023-24, actual collections are 49.1% of budget, compared to a historical average of 49.0%. In terms of budget-to-actual variance, collections are \$111 thousand or 0.1% above budget.



**Building & Trades**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 3,094,476	\$ 4,798,173	40.9%	26.4%
2nd Q	Oct-Dec 23	3,117,919	5,095,064	43.5%	26.6%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 6,212,395	\$ 9,893,237	84.4%	53.0%
Variance from Budget			\$ 3,680,842	31.4%	



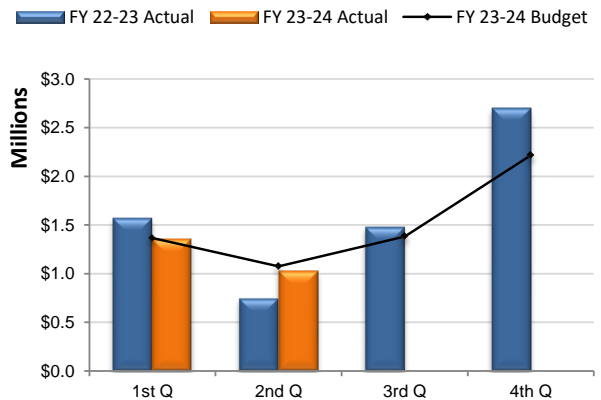
**Positive**

Building and Trade revenues consist of Building Permit Fees, Plan Check Fees, and other miscellaneous engineering and permitting fees generated by development. These fees are charged to recover a portion of the cost of regulating development. In FY 2023-24, this revenue source contributes 3.7% of budgeted General Fund revenue. Through the second quarter of FY 2023-24, actual collections are 84.4% of budget, compared to a historical average of 53.0%. Thus far, in terms of budget-to-actual variance, collections are 31.4% above the budgeted estimate, or \$3.7 million.



**Cultural & Recreational**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,364,484	\$ 1,348,993	22.3%	22.6%
2nd Q	Oct-Dec 23	1,074,682	1,024,909	17.0%	17.8%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 2,439,165	\$ 2,373,902	39.3%	40.4%
Variance from Budget			\$ (65,263)	-1.1%	



**Positive**

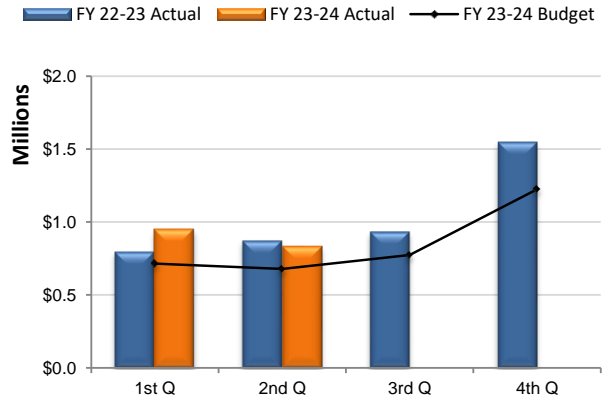
Cultural and Recreational revenues include fees and charges to recover a portion of the costs of providing the City's cultural and recreational programs. The majority of this revenue source is generated from fees charged for the City's Kid Zone program. In total, Cultural and Recreational fees represent 1.9% of total budgeted General Fund revenue for FY 2023-24. Through the second quarter of FY 2023-24, Cultural and Recreational fee collections are 39.3% of budget, compared to the historical average of 40.4%. In terms of budget-to-actual variance, collections are \$65 thousand or 1.1% below the budgeted estimate.



**Fines, Fees & Forfeitures**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 715,812	\$ 949,023	28.0%	21.1%
2nd Q	Oct-Dec 23	678,495	833,173	24.6%	20.0%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 1,394,307</b>	<b>\$ 1,782,196</b>	<b>52.5%</b>	<b>41.1%</b>
Variance from Budget			\$ 387,889	11.4%	

**Positive**



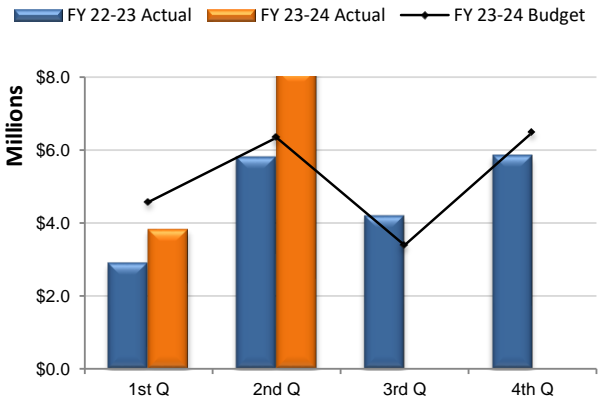
Fines, Fees, and Forfeiture revenue derives from fines and other payments related to violations of state laws and local ordinances, including parking, traffic, and criminal enforcement activities. In total, Fines, Fees, and Forfeitures represent 1.1% of total budgeted General Fund revenue for FY 2023-24. Through the second quarter of FY 2023-24, 52.5% of budgeted revenues have been collected, compared to a historical average of 41.1%. In terms of budget-to-actual variance, this category is 11.4% above the expected value through the second quarter.



**Other Revenues**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Revenue	% of Budget Rec'd.	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 4,575,200	\$ 3,821,261	18.4%	22.0%
2nd Q	Oct-Dec 23	6,342,890	8,179,362	39.3%	30.5%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 10,918,090</b>	<b>\$ 12,000,623</b>	<b>57.7%</b>	<b>52.5%</b>
Variance from Budget			\$ 1,082,533	5.2%	

**Positive**



Other revenues include collections from a variety of sources not otherwise accounted for in the major revenue categories. Primary components of Other Revenues are Land Sales, Interest Earnings, Land and Building Facility Rental, and SRP In-Lieu Payments. In FY 2023-24, this revenue source contributes 6.6% of budgeted General Fund revenue. Through the second quarter of the fiscal year, collections of Other Revenue are 57.7% of the FY 2023-24 budget, compared to a historical tracking percentage of 52.5%. In terms of budget-to-actual variance, this category is 5.2% above the expected value through the second quarter.



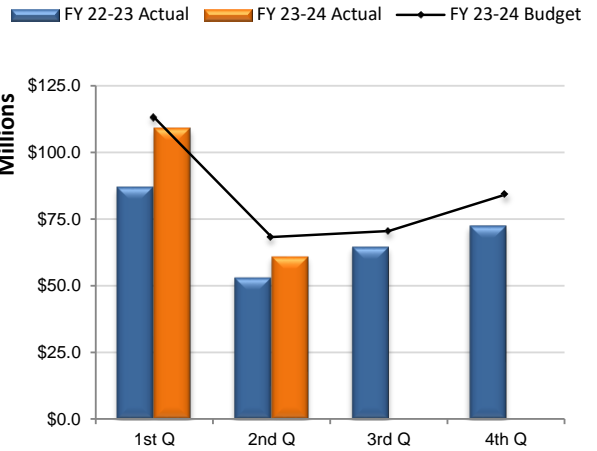


## General Fund Expenditures Quarterly Analysis

		FY 23-24 Year to Date Budget*	FY 23-24 Actual Expense	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 113,068,881	\$ 109,013,953	32.4%	33.6%
2nd Q	Oct-Dec 23	68,249,631	60,886,460	18.1%	20.3%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 181,318,513</b>	<b>\$ 169,900,413</b>	<b>50.5%</b>	<b>53.9%</b>
Variance from Budget			\$ 11,418,099	3.4%	

\*Budget excludes contingency appropriation

**Positive**



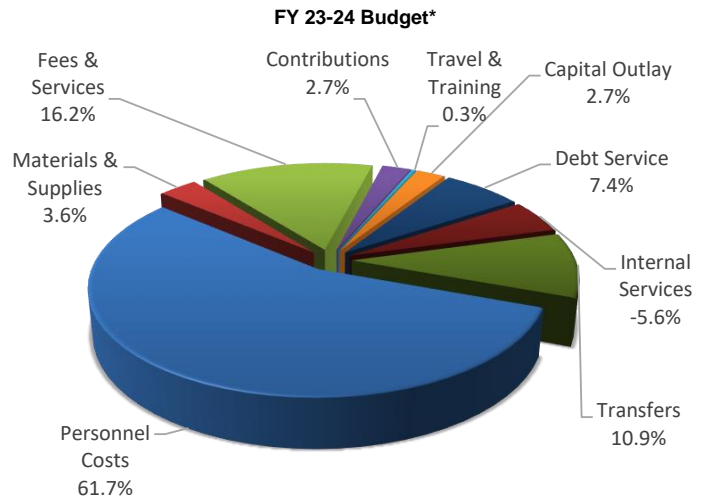
Through the second quarter of FY 2023-24, General Fund expenditures are 50.5% of budget, compared with a historical percentage of 53.9%. In terms of budget-to-actual variance, General Fund expenditures are 3.4% or \$11.4 million below budget through the second quarter. Departmental quarterly expenditure tracking data can be found on pages 8 through 17 of this report.



## General Fund Expenditures By Category

Categories	FY 23-24 Year to Date Budget*	% of Year to Date Budget
Personnel Costs	\$ 207,546,524	61.7%
Materials & Supplies	12,156,077	3.6%
Fees & Services	54,482,044	16.2%
Contributions	9,028,772	2.7%
Travel & Training	1,167,783	0.3%
Capital Outlay	9,034,078	2.7%
Debt Service	24,772,360	7.4%
Internal Services	(18,693,830)	-5.6%
Transfers	36,630,264	10.9%
<b>Total Budget</b>	<b>\$ 336,124,072</b>	<b>100.0%</b>

\*Budget excludes contingency appropriation





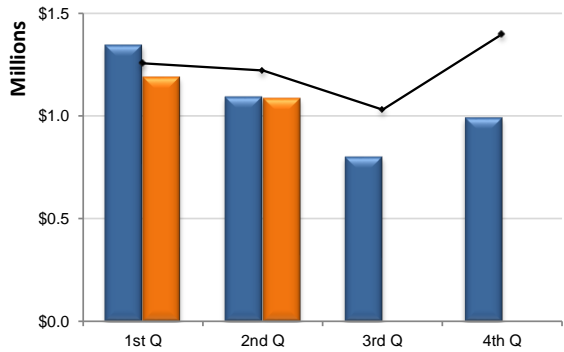
**City Attorney's Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,256,740	\$ 1,187,741	24.2%	25.6%
2nd Q	Oct-Dec 23	1,222,376	1,085,191	22.1%	24.9%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 2,479,115</b>	<b>\$ 2,272,932</b>	<b>46.3%</b>	<b>50.5%</b>

Variance from Budget \$ 206,183 4.2%

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual FY 23-24 Actual FY 23-24 Budget



**Positive**

The City Attorney's Office spent 46.3% of its FY 2023-24 budget through the second quarter, compared to a historical average of 50.5%. In terms of budget-to-actual variance, expenditures are \$206 thousand or 4.2% less than budgeted through the second quarter.



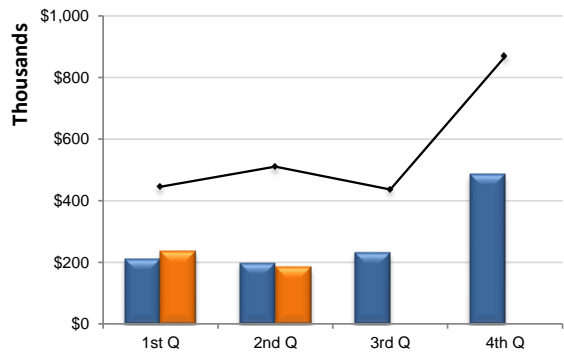
**City Clerk's Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 445,354	\$ 234,087	10.4%	19.7%
2nd Q	Oct-Dec 23	510,914	184,179	8.1%	22.6%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 956,268</b>	<b>\$ 418,266</b>	<b>18.5%</b>	<b>42.3%</b>

Variance from Budget \$ 538,002 23.8%

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual FY 23-24 Actual FY 23-24 Budget



**Positive**

The City Clerk's Office has spent 18.5% of its FY 2023-24 budget through the second quarter, compared to a historical average of 42.3%. In terms of variance from the budget through the second quarter, expenditures are \$538 thousand or 23.8% below the expected amount.

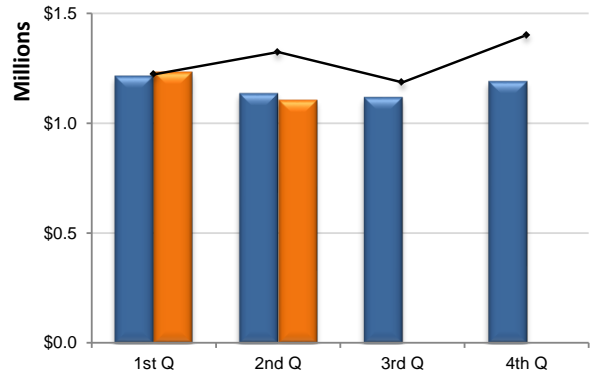


**City Court**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,221,615	\$ 1,229,798	24.0%	23.8%
2nd Q	Oct-Dec 23	1,324,272	1,102,869	21.5%	25.8%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 2,545,887</b>	<b>\$ 2,332,667</b>	<b>45.4%</b>	<b>49.6%</b>
Variance from Budget			\$ 213,220	4.2%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget



**Positive**

The City Court has spent 45.4% of its FY 2023-24 budget through the second quarter compared to the historical average of 49.6%. In terms of variance from the budget through the second quarter, expenditures are \$213 thousand or 4.2% below the budgeted amount.

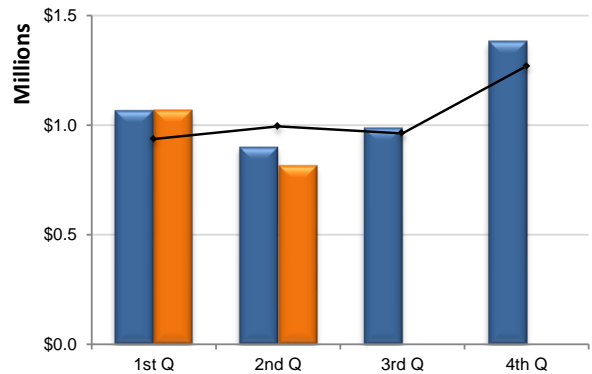


**City Manager's Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 936,704	\$ 1,067,937	25.7%	22.5%
2nd Q	Oct-Dec 23	994,988	815,812	19.6%	23.9%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 1,931,692</b>	<b>\$ 1,883,749</b>	<b>45.2%</b>	<b>46.4%</b>
Variance from Budget			\$ 47,943	1.2%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget



**Positive**

The City Manager's Office has spent 45.2% of its FY 2023-24 budget through the second quarter, compared to the historical average of 46.4%. In terms of budget-to-actual variance, expenditures are \$48 thousand or 1.2% less than budgeted through the second quarter.





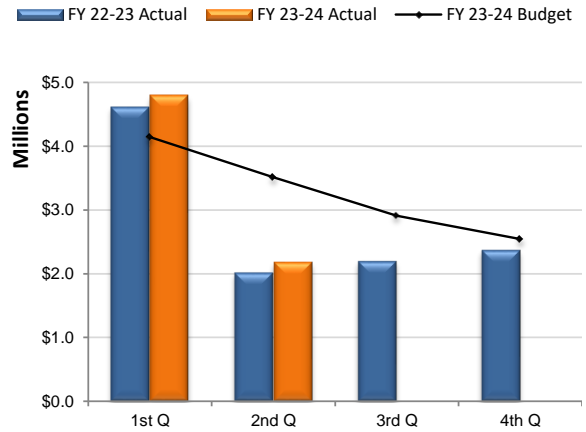
**Community Health & Human Services**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 4,142,918	\$ 4,789,046	36.5%	31.6%
2nd Q	Oct-Dec 23	3,513,614	2,180,186	16.6%	26.8%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 7,656,531	\$ 6,969,233	53.2%	58.4%
Variance from Budget			\$ 687,299	5.2%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Community Health and Human Services Department has spent 53.2% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 58.4%. In terms of variance from the budget through the second quarter, expenditures are \$687 thousand or 5.2% below the expected amount.



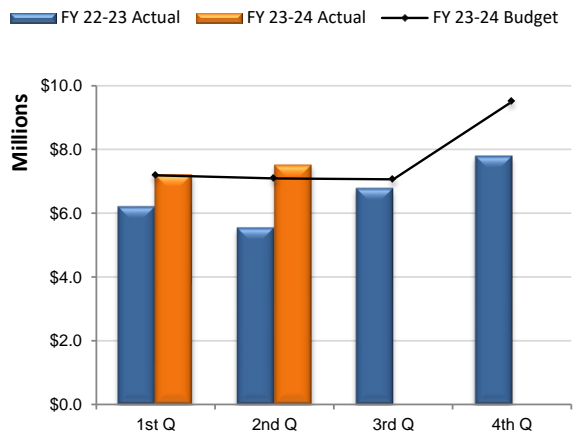
**Community Services**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 7,187,870	\$ 7,217,384	23.4%	23.3%
2nd Q	Oct-Dec 23	7,095,322	7,517,854	24.4%	23.0%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 14,283,192	\$ 14,735,238	47.8%	46.3%
Variance from Budget			\$ (452,046)	-1.5%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Community Services Department spent 47.8% of its FY 2023-24 budget through the second quarter, compared to the historical average of 46.3%. In terms of variance from the budget through the second quarter, expenditures are \$452 thousand or 1.5% above the expected amount.



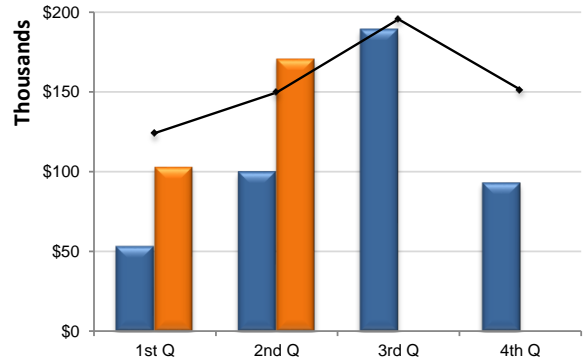


**Diversity, Equity & Inclusion**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 124,191	\$ 102,775	16.6%	20.0%
2nd Q	Oct-Dec 23	149,650	170,435	27.4%	24.1%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 273,841</b>	<b>\$ 273,211</b>	<b>44.0%</b>	<b>44.1%</b>
Variance from Budget			\$ 630	0.1%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget



**Positive**

The Diversity, Equity and Inclusion Department has spent 44.0% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 44.1%. In terms of variance from the budget through the second quarter, expenditures are \$1 thousand or 0.1% below the expected amount.

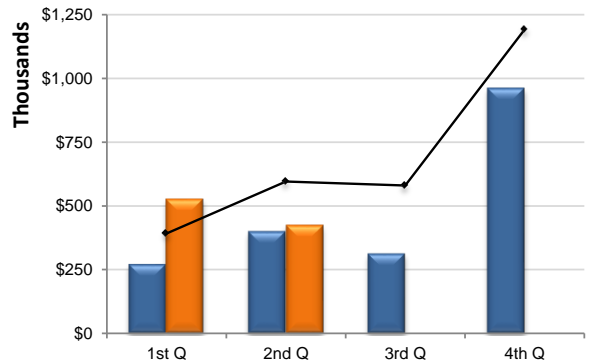


**Economic Development Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 391,796	\$ 525,398	19.0%	14.2%
2nd Q	Oct-Dec 23	595,971	423,329	15.3%	21.6%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 987,767</b>	<b>\$ 948,727</b>	<b>34.4%</b>	<b>35.8%</b>
Variance from Budget			\$ 39,040	1.4%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget



**Positive**

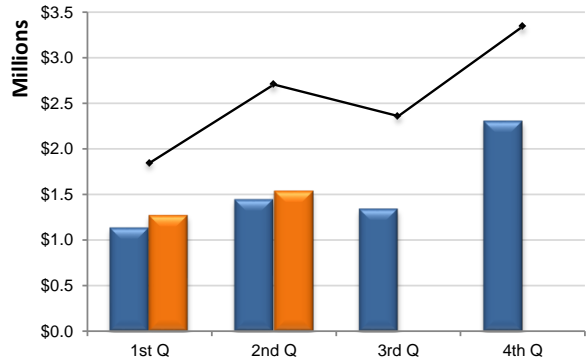
The Economic Development Office has spent 34.4% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 35.8%. In terms of variance from the budget through the second quarter, expenditures are \$39 thousand or 1.4% below the expected amount.



**Education, Career & Family Services**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,845,967	\$ 1,271,490	12.4%	18.0%
2nd Q	Oct-Dec 23	2,707,418	1,536,666	15.0%	26.4%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 4,553,384</b>	<b>\$ 2,808,156</b>	<b>27.4%</b>	<b>44.4%</b>
Variance from Budget			\$ 1,745,228	17.0%	



\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

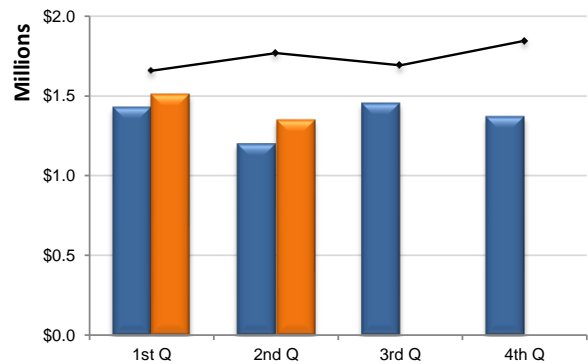
The Education, Career and Family Services Department has spent 27.4% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 44.4%. In terms of variance from the budget through the second quarter, expenditures are \$1.7 million or 17.0% below the expected amount.



**Engineering & Transportation**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,658,137	\$ 1,512,377	21.7%	23.8%
2nd Q	Oct-Dec 23	1,769,608	1,350,497	19.4%	25.4%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 3,427,745</b>	<b>\$ 2,862,874</b>	<b>41.1%</b>	<b>49.2%</b>
Variance from Budget			\$ 564,871	8.1%	



\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

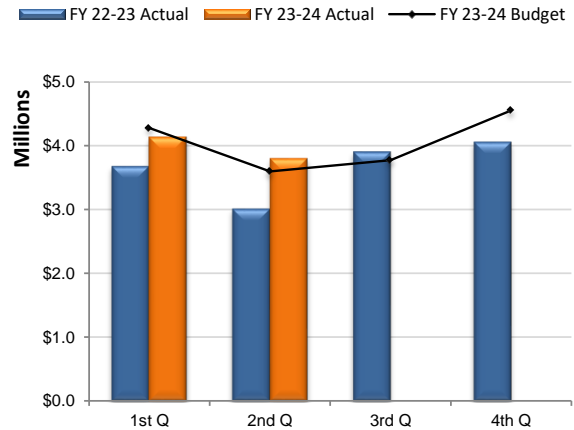
The Engineering and Transportation Department has spent 41.1% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 49.2%. In terms of variance from the budget through the second quarter, expenditures are \$565 thousand or 8.1% below the expected amount.



**Financial Services**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 4,278,628	\$ 4,134,214	25.5%	26.4%
2nd Q	Oct-Dec 23	3,597,937	3,799,571	23.4%	22.2%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 7,876,566	\$ 7,933,785	49.0%	48.6%
Variance from Budget			\$ (57,220)	-0.4%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Positive**

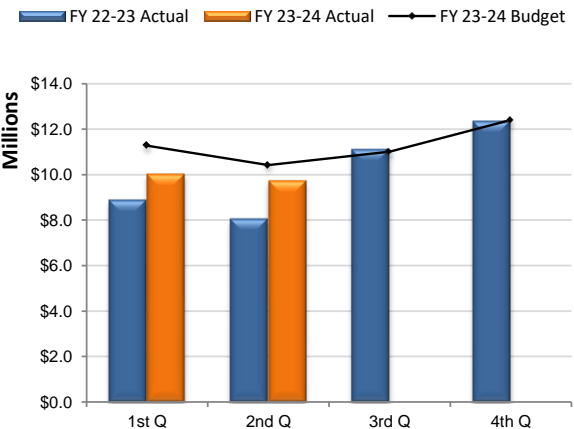
The Financial Services Department has spent 49.0% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 48.6%. In terms of variance from the budget through the second quarter, expenditures are \$57 thousand or 0.4% above the expected amount.



**Fire Medical Rescue**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 11,279,472	\$ 10,022,440	22.2%	25.0%
2nd Q	Oct-Dec 23	10,422,232	9,732,774	21.6%	23.1%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
Total		\$ 21,701,705	\$ 19,755,214	43.8%	48.1%
Variance from Budget			\$ 1,946,491	4.3%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Positive**

The Fire Medical Rescue Department has spent 43.8% of its FY 2023-24 budget through the second quarter, compared with a historical percentage of 48.1%. In terms of variance from the budget through the second quarter, expenditures are \$1.9 million or 4.3% below the expected amount.

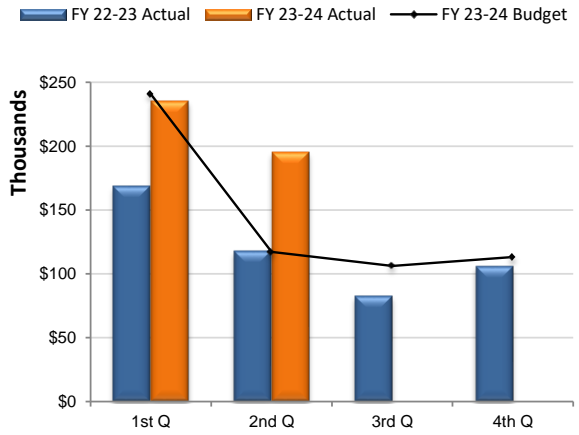




**Government Relations Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 240,615	\$ 235,100	40.7%	41.7%
2nd Q	Oct-Dec 23	117,134	195,161	33.8%	20.3%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 357,749</b>	<b>\$ 430,261</b>	<b>74.6%</b>	<b>62.0%</b>
Variance from Budget			\$ (72,512)	-12.6%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Negative**

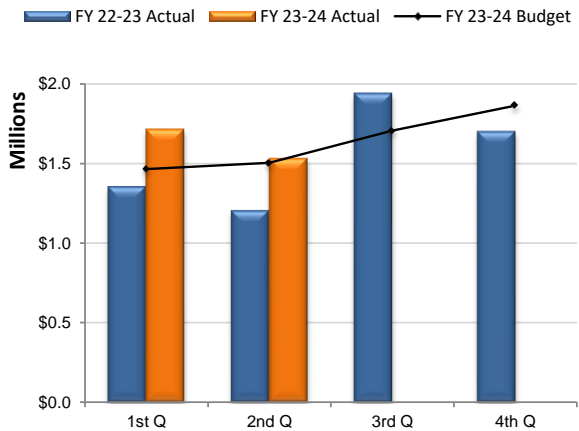
The Government Relations Office has spent 74.6% of its FY 2023-24 budget through the second quarter, compared with a historical average of 62.0%. In terms of variance from the budget through the second quarter, expenditures are \$73 thousand or 12.6% above the expected amount. The variance in expenses was due to a one-time payout of accrued benefits during the second quarter as a result of a personnel change.



**Human Resources**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 1,464,978	\$ 1,712,944	26.2%	22.4%
2nd Q	Oct-Dec 23	1,504,218	1,530,288	23.4%	23.0%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 2,969,196</b>	<b>\$ 3,243,232</b>	<b>49.6%</b>	<b>45.4%</b>
Variance from Budget			\$ (274,035)	-4.2%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Watch**

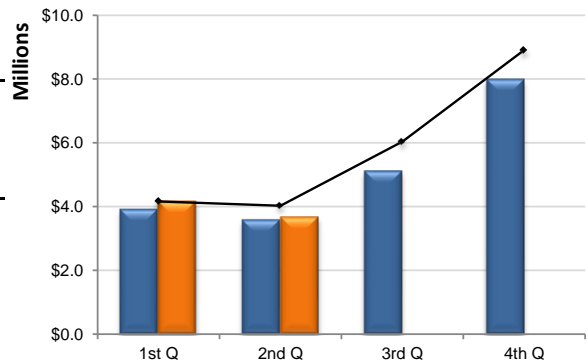
The Human Resources Department has spent 49.6% of its FY 2023-24 budget through the second quarter, compared with a historical average of 45.4%. In terms of variance from the budget through the second quarter, expenditures are \$274 thousand or 4.2% above the expected amount.



**Information Technology**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 4,165,912	\$ 4,166,202	18.0%	18.0%
2nd Q	Oct-Dec 23	4,027,049	3,672,277	15.9%	17.4%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 8,192,961</b>	<b>\$ 7,838,479</b>	<b>33.9%</b>	<b>35.4%</b>
Variance from Budget			\$ 354,482	1.5%	



\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

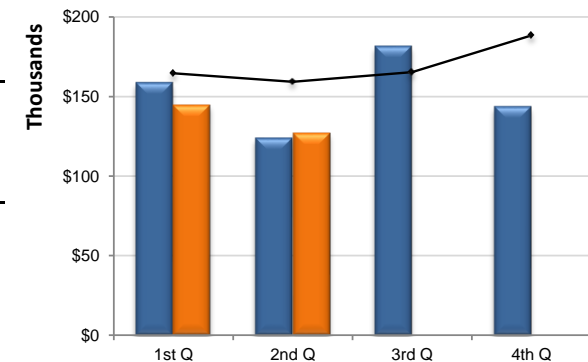
The Information Technology Department has spent 33.9% of its FY 2023-24 budget through the second quarter, compared with a historical average of 35.4%. In terms of variance from the budget in the second quarter, expenditures are \$354 thousand or 1.5% below the expected amount.



**Internal Audit Office**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 164,672	\$ 144,509	21.3%	24.3%
2nd Q	Oct-Dec 23	159,251	126,974	18.7%	23.5%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 323,923</b>	<b>\$ 271,484</b>	<b>40.1%</b>	<b>47.8%</b>
Variance from Budget			\$ 52,440	7.7%	



\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

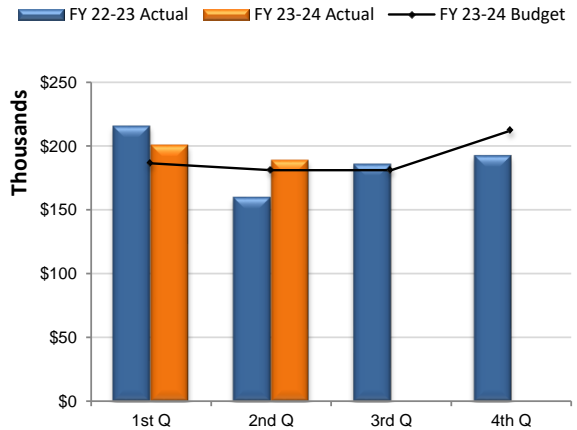
The Internal Audit Office has spent 40.1% of its FY 2023-24 budget through the second quarter, compared with a historical average of 47.8%. In terms of variance from the budget through the second quarter, expenditures are \$52 thousand or 7.7% below the expected amount.



**Mayor & Council**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 186,419	\$ 200,806	26.4%	24.5%
2nd Q	Oct-Dec 23	181,093	188,940	24.8%	23.8%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 367,512</b>	<b>\$ 389,747</b>	<b>51.2%</b>	<b>48.3%</b>
Variance from Budget			\$ (22,234)	-2.9%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Watch**

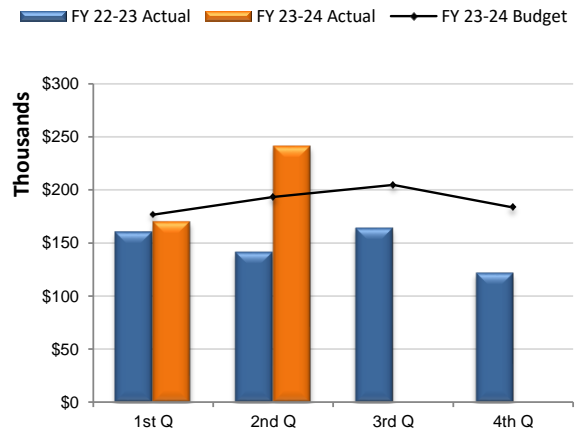
The Mayor and Council Department has spent 51.2% of its FY 2023-24 budget through the second quarter, compared with a historical average of 48.3%. In terms of variance from the budget in the second quarter, expenditures are \$22 thousand or 2.9% above the expected amount.



**Municipal Budget Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 176,677	\$ 169,909	22.4%	23.3%
2nd Q	Oct-Dec 23	193,359	240,912	31.8%	25.5%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 370,036</b>	<b>\$ 410,821</b>	<b>54.2%</b>	<b>48.8%</b>
Variance from Budget			\$ (40,785)	-5.4%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.



**Negative**

The Municipal Budget Office has spent 54.2% of its FY 2023-24 budget through the second quarter, compared to a historical average of 48.8%. In terms of variance from the budget through the second quarter, expenditures are \$41 thousand or 5.4% above the expected amount. The variance in expenses was due to a one-time payout of accrued benefits during the second quarter as a result of a personnel change.



**Municipal Utilities**

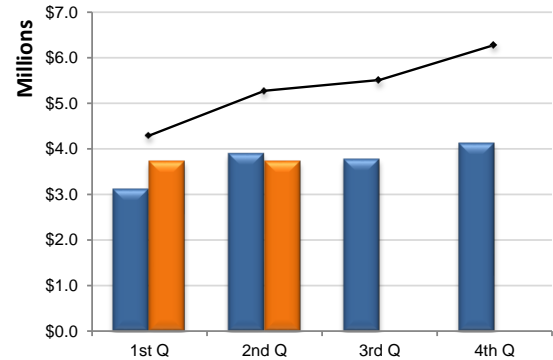
		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 4,295,145	\$ 3,723,955	17.4%	20.1%
2nd Q	Oct-Dec 23	5,278,114	3,722,742	17.4%	24.7%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 9,573,259</b>	<b>\$ 7,446,697</b>	<b>34.8%</b>	<b>44.8%</b>
Variance from Budget			\$ 2,126,562	10.0%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Municipal Utilities Department has spent 34.8% of its FY 2023-24 budget through the second quarter, compared to a historical average of 44.8%. In terms of variance from the budget through the second quarter, expenditures are \$2.1 million or 10.0% below the expected amount.

FY 22-23 Actual FY 23-24 Actual FY 23-24 Budget



**Police**

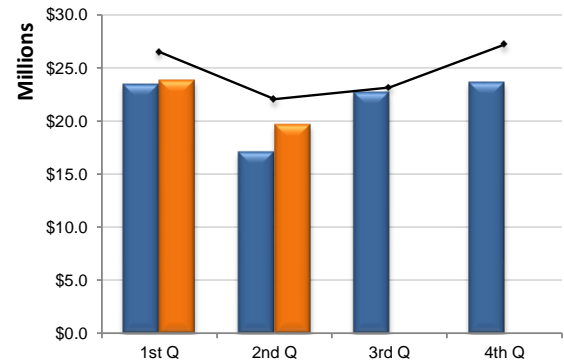
		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 26,515,101	\$ 23,867,391	24.1%	26.8%
2nd Q	Oct-Dec 23	22,062,939	19,706,723	19.9%	22.3%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 48,578,040</b>	<b>\$ 43,574,114</b>	<b>44.0%</b>	<b>49.1%</b>
Variance from Budget			\$ 5,003,925	5.1%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Police Department has spent 44.0% of its FY 2023-24 General Fund budget through the second quarter, compared with a historical average of 49.1%. In terms of variance from the budget through the second quarter, expenditures are \$5.0 million or 5.1% below the expected amount.

FY 22-23 Actual FY 23-24 Actual FY 23-24 Budget





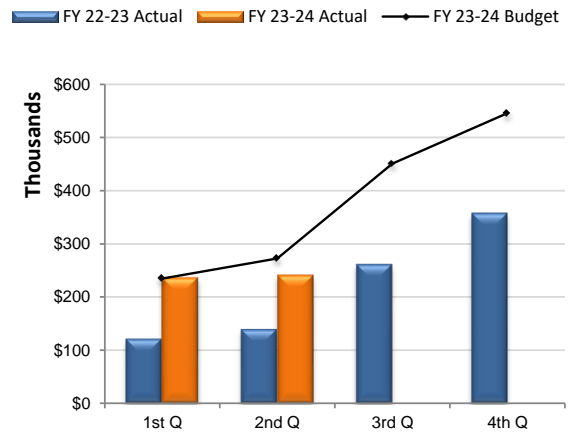
**Strategic Management & Innovation Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 234,611	\$ 236,667	15.7%	15.6%
2nd Q	Oct-Dec 23	272,209	241,516	16.1%	18.1%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 506,820</b>	<b>\$ 478,183</b>	<b>31.8%</b>	<b>33.7%</b>
Variance from Budget			\$ 28,638	1.9%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Strategic Management and Innovation Office has spent 31.8% of its FY 2023-24 budget through the second quarter, compared with a historical average of 33.7%. In terms of variance from the budget through the second quarter, expenditures are \$29 thousand or 1.9% below the expected amount.



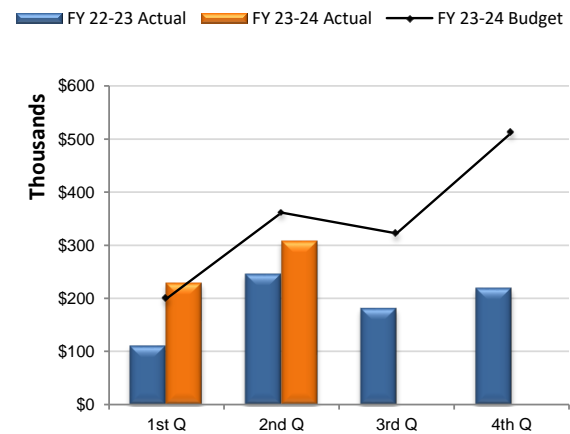
**Sustainability Office**

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 199,503	\$ 228,978	16.4%	14.3%
2nd Q	Oct-Dec 23	361,338	307,573	22.0%	25.9%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 560,841</b>	<b>\$ 536,551</b>	<b>38.5%</b>	<b>40.2%</b>
Variance from Budget			\$ 24,290	1.7%	

\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Sustainability Office has spent 38.5% of its FY 2023-24 budget through the second quarter, compared to a historical average of 40.2%. In terms of variance from the budget through the second quarter, expenditures are \$24 thousand or 1.7% below the expected amount.

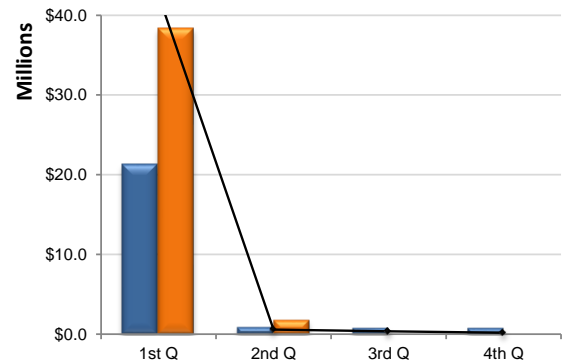




**Non-Departmental**

FY 22-23 Actual    FY 23-24 Actual    FY 23-24 Budget

		FY 23-24 Year to Date Budget	FY 23-24 Actual Expense*	% of Budget Used	% of Budget 3yr. Avg.
1st Q	Jul-Sep 23	\$ 42,489,759	\$ 38,325,546	87.9%	97.5%
2nd Q	Oct-Dec 23	566,530	1,822,181	4.2%	1.3%
3rd Q	Jan-Mar 24				
4th Q	Apr-Jun 24				
<b>Total</b>		<b>\$ 43,056,289</b>	<b>\$ 40,147,727</b>	<b>92.1%</b>	<b>98.8%</b>
Variance from Budget			\$ 2,908,562	6.7%	



\*Actual amounts exclude internal service charges, inventory and encumbrances.

**Positive**

The Non-Departmental category of the budget includes items not directly related to the operations of any one City operating department. One example includes the payment of the Tempe Tourism Office's portion of the Bed Tax. Through the second quarter of FY 2023-24, Non-Departmental expenditures are 92.1% of the budget compared to the historical pattern of 98.8%. In terms of variance from the budget through the second quarter, expenditures are \$2.9 million or 6.7% below budget.

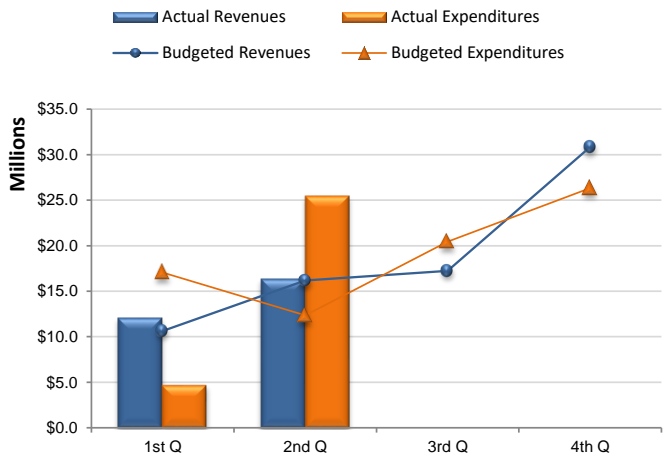
**Transit Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 26,817,061	\$ 28,364,682	37.9%	35.8%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 26,817,061</b>	<b>\$ 28,364,682</b>	<b>37.9%</b>	<b>35.8%</b>
Operating	\$ 17,873,223	\$ 22,549,459	35.7%	28.3%
Capital	50,175	52,813	58.0%	55.1%
Debt Service	3,243,322	5,700	0.1%	69.0%
Transfers Out	8,233,091	7,608,937	92.4%	100.0%
<b>Total Expenses</b>	<b>\$ 29,399,811</b>	<b>\$ 30,216,910</b>	<b>39.7%</b>	<b>38.6%</b>
<b>Net Rev/Exp</b>	<b>\$ (2,582,750)</b>	<b>\$ (1,852,228)</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Transit Fund accounts for the receipt of the Mass Transit Tax, a 0.5% tax on sales. Fund resources are dedicated to transit system planning, design, and operations, community outreach, and debt service. Through the end of the second quarter, there is an operating deficit in the Transit Fund of \$1.8 million. Transit Fund revenue is at 37.9% of budget which is above the historical tracking percentage of 35.8%. Expenditures are 39.7% of budget while the historical tracking percentage is 38.6%. The net result is an operating shortfall through the second quarter of the fiscal year. It is anticipated that both revenues and expenditures will normalize in subsequent quarters of the fiscal year.



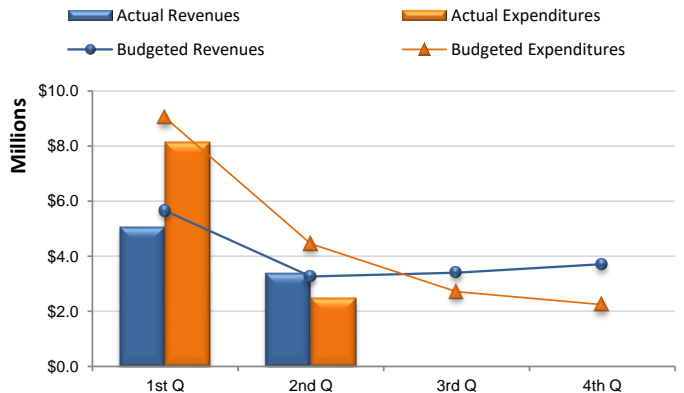
**Highway User Revenue Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 7,414,609	\$ 6,952,602	47.8%	51.0%
Transfers In	1,500,000	1,500,000	100.0%	100%
<b>Total Revenues</b>	<b>\$ 8,914,609</b>	<b>\$ 8,452,602</b>	<b>52.7%</b>	<b>55.6%</b>
Operating	\$ 5,859,199	\$ 4,924,268	44.9%	53.4%
Capital	1,994,336	74,509	4.0%	107.9%
Debt Service	-	-	0.0%	0.0%
Transfers Out	5,629,547	5,629,547	100.0%	100.0%
<b>Total Expenses</b>	<b>\$ 13,483,082</b>	<b>\$ 10,628,324</b>	<b>57.6%</b>	<b>73.1%</b>
<b>Net Rev/Exp</b>	<b>\$ (4,568,474)</b>	<b>\$ (2,175,722)</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

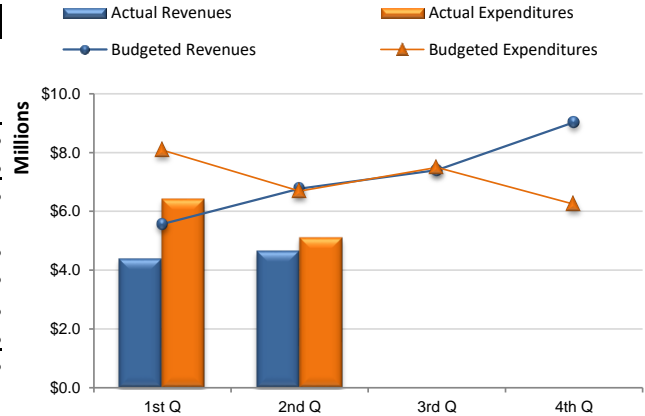
The Highway User Revenue Fund (HURF) accounts for the receipt of HURF distributions from the state. These revenues are derived largely from fuel taxes and vehicle registration fees and are allocated based on Tempe's share of state population as well as other factors. HURF resources are dedicated to Street and Traffic Operations, Maintenance, and Construction activities in the City. Revenues are 52.7% of budget compared to a historical average of 55.6%, and expenditures are 57.6% of budget compared to the three year historical trend of 73.1%. The net result is an operating deficit through the second quarter of \$2.2 million.





**CDBG/Section 8 Funds**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 12,340,304	\$ 9,016,246	31.3%	42.9%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 12,340,304</b>	<b>\$ 9,016,246</b>	<b>31.3%</b>	<b>42.9%</b>
Operating	\$ 14,262,175	\$ 10,999,198	39.4%	51.1%
Capital	2,414	2,675	4.7%	4.2%
Debt Service	509,372	529,534	96.3%	92.6%
Transfers Out	-	-	0.0%	0.0%
<b>Total Expenses</b>	<b>\$ 14,773,961</b>	<b>\$ 11,531,407</b>	<b>40.4%</b>	<b>51.8%</b>
<b>Net Rev/Exp</b>	<b>\$ (2,433,657)</b>	<b>\$ (2,515,161)</b>		



\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

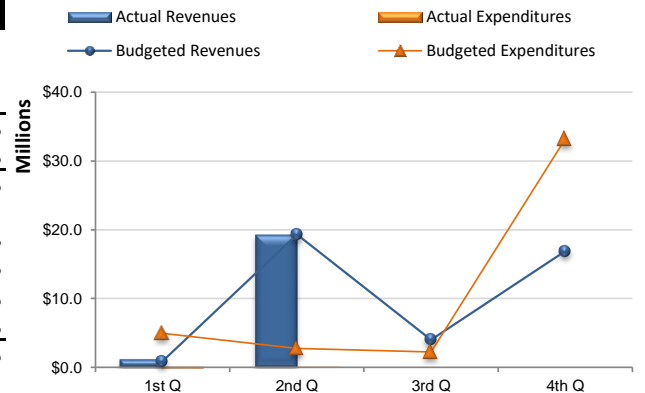
**Watch**

The Community Development Block Grant (CDBG) and Section 8 Funds are established to account for the receipt and expenditure of federal grants for redevelopment and rental subsidies for low income residents. Revenues through the second quarter total 31.3% of the FY 2023-24 budget, compared to the historical percentage of 42.9%. Expenditures through the second quarter total 40.4% of the FY 2023-24 budget, compared to the historical percentage of 51.8%. The net effect on the fund status through the second quarter is an operating deficit of \$2.5 million. This is largely due to the timing of grant revenue receipts from the federal government.



**Debt Service Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 19,918,663	\$ 19,862,814	52.3%	52.4%
Transfers In	295,850	530,365	17.1%	10%
<b>Total Revenues</b>	<b>\$ 20,214,512</b>	<b>\$ 20,393,179</b>	<b>49.6%</b>	<b>49.2%</b>
Operating	\$ -	\$ -	0.0%	0.0%
Capital	-	-	0.0%	0.0%
Debt Service	5,290,014	(116,981)	-0.3%	13.0%
Transfers Out	2,402,989	-	0.0%	100.0%
<b>Total Expenses</b>	<b>\$ 7,693,003</b>	<b>\$ (116,981)</b>	<b>-0.3%</b>	<b>17.8%</b>
<b>Net Rev/Exp</b>	<b>\$ 12,521,510</b>	<b>\$ 20,510,160</b>		



\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

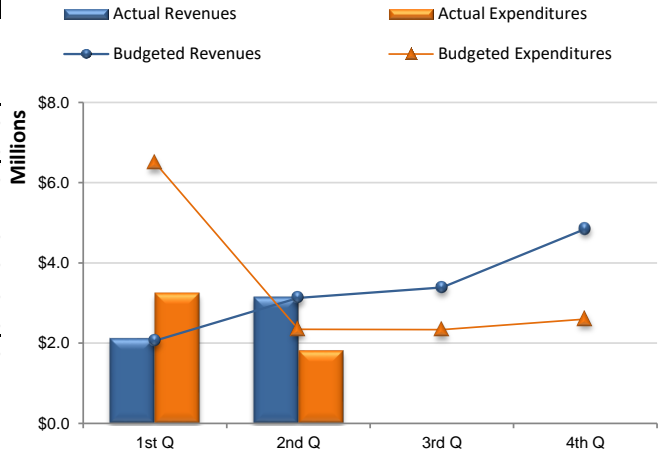
The Debt Service Fund accounts for the receipt of secondary property taxes to be used for payment of debt service on the City's tax supported debt. The City receives significant revenue from the Maricopa County Treasurer's Office in October and May, coinciding with the property tax due dates. The annual secondary tax levy includes the amount necessary to make the annual payments of principal and interest on existing bonds, payments of principal and interest on new debt planned for the ensuing year, plus a reasonable delinquency factor. The majority of the debt service payments as well as all transfers out occur during the last quarter of the fiscal year. Actual revenues through the second quarter are 49.6% of budget compared to the historical tracking percentages of 49.2%. Actual expenditures through the second quarter are -(0.3)% of budget, compared to the historical tracking percentages of 17.8%. The net result is an operating surplus of \$20.5 million. The variances in both revenues and expenditures are primarily due to the timing of receipts and bond payments.





**Arts & Cultural Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 5,188,712	\$ 5,267,514	40.0%	39.4%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 5,188,712</b>	<b>\$ 5,267,514</b>	<b>39.2%</b>	<b>38.6%</b>
Operating	\$ 4,394,918	\$ 3,669,601	41.8%	50.1%
Capital	16,017	23,763	33.2%	22.4%
Debt Service	78,089	1,500	0.3%	13.4%
Transfers Out	4,354,000	1,354,000	31.1%	100.0%
<b>Total Expenses</b>	<b>\$ 8,843,023</b>	<b>\$ 5,048,865</b>	<b>36.6%</b>	<b>64.2%</b>
<b>Net Rev/Exp</b>	<b>\$ (3,654,311)</b>	<b>\$ 218,650</b>		



\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

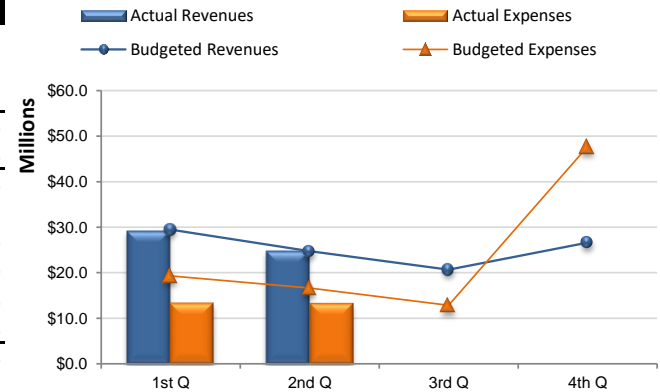
**Positive**

The Arts & Culture Fund accounts for the receipt of the 0.1% Arts & Cultural Sales Tax, which is used to fund operating expenses associated with the Tempe Center for the Arts (TCA), Tempe History Museum, Edna Vihel Arts Center and other arts and cultural programming. Revenues through the second quarter of FY 2023-24 are 39.2% of budget, compared to the historical tracking percentage of 38.6%. Total expenditures are 36.6% of budget, compared to a historical average of 64.2%. The net result is an operating surplus of \$219 thousand.



**Water/Wastewater Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 54,210,933	\$ 53,934,764	54.5%	54.8%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 54,210,933</b>	<b>\$ 53,934,764</b>	<b>53.1%</b>	<b>53.4%</b>
Operating	\$ 25,822,173	\$ 22,538,381	48.8%	55.9%
Capital	940,712	613,463	28.8%	44.1%
Debt Service	3,681,609	71,762	0.2%	8.6%
Transfers Out	5,524,735	3,463,390	62.7%	100.0%
<b>Total Expenses</b>	<b>\$ 35,969,229</b>	<b>\$ 26,686,997</b>	<b>27.6%</b>	<b>37.3%</b>
<b>Net Rev/Exp</b>	<b>\$ 18,241,704</b>	<b>\$ 27,247,767</b>		



\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Water/Wastewater Fund is an enterprise fund used to account for all water and wastewater treatment operations in the City. Total revenues through the second quarter of FY 2023-24 are 53.1%, compared to the historical tracking percentage of 53.4%. Total expenses through the second quarter are 27.6% of budget compared to 37.3% historically. Through the second quarter, the fund posted a \$27.2 million surplus.



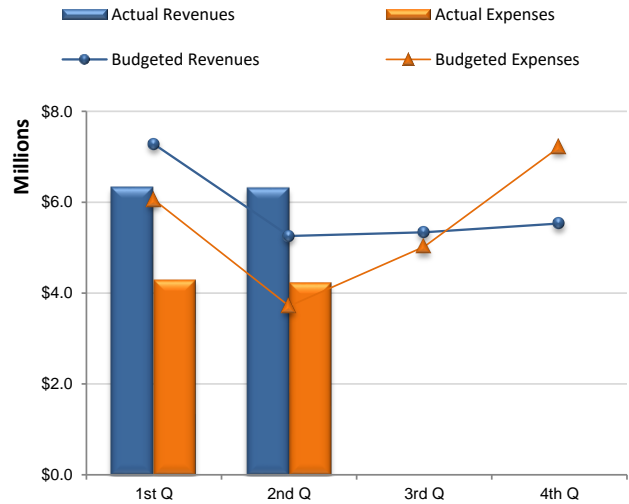
**Solid Waste Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 10,652,878	\$ 10,740,273	49.9%	49.5%
Transfers In	1,879,652	1,879,652	100.0%	100%
<b>Total Revenues</b>	<b>\$ 12,532,530</b>	<b>\$ 12,619,925</b>	<b>53.9%</b>	<b>53.6%</b>
Operating	\$ 5,400,323	\$ 5,270,056	41.5%	42.5%
Capital	4,289,966	3,178,224	34.4%	46.5%
Debt Service	-	-	0.0%	0.0%
Transfers Out	74,676	74,676	100.0%	100.0%
<b>Total Expenses</b>	<b>\$ 9,764,965</b>	<b>\$ 8,522,956</b>	<b>38.7%</b>	<b>44.4%</b>
<b>Net Rev/Exp</b>	<b>\$ 2,767,565</b>	<b>\$ 4,096,969</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Solid Waste Fund is an enterprise fund that accounts for the operating, maintenance, and capital costs of providing residential and commercial solid waste services. Total revenues through the second quarter of FY 2023-24 are 53.9% of budget compared to 53.6% historically. Total expenses through the second quarter are 38.7% of budget compared to 44.4% historically. Through the second quarter, the fund posted a \$4.1 million surplus.



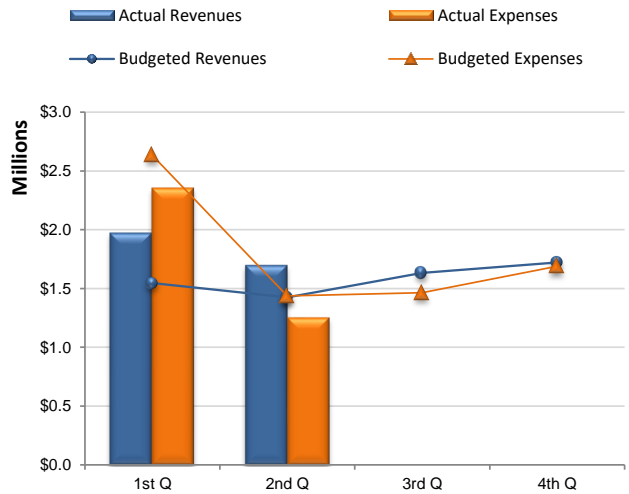
**Emergency Medical Transport**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 2,971,306	\$ 3,671,023	58.0%	47.0%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 2,971,306</b>	<b>\$ 3,671,023</b>	<b>58.0%</b>	<b>47.0%</b>
Operating	\$ 2,638,447	\$ 2,493,450	44.7%	47.3%
Capital	281,503	33,966	6.9%	57.5%
Debt Service	-	-	0.0%	0.0%
Transfers Out	1,148,756	1,084,776	94.4%	100.0%
<b>Total Expenses</b>	<b>\$ 4,068,706</b>	<b>\$ 3,612,192</b>	<b>50.0%</b>	<b>56.3%</b>
<b>Net Rev/Exp</b>	<b>\$ (1,097,401)</b>	<b>\$ 58,830</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Emergency Medical Transport Fund is an enterprise fund that provides for operation, maintenance, and debt service costs associated with providing an ambulance service for medical emergencies within the community. Total revenues through the second quarter of FY 2023-24 are 58.0% of budget compared to the historical average of 47.0%. Total expenses through the second quarter are 50.0% of budget compared to the historical average of 56.3%. Through the second quarter, the fund has an operating surplus of \$59 thousand.





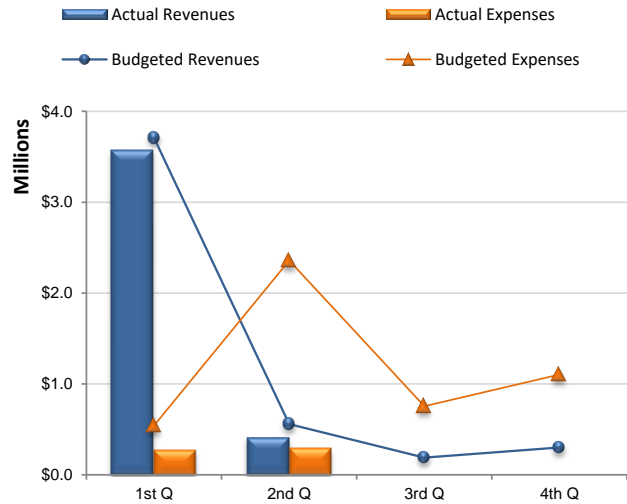
**Restricted Revenue and Donations**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 4,267,745	\$ 3,988,650	83.8%	89.7%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 4,267,745</b>	<b>\$ 3,988,650</b>	<b>83.8%</b>	<b>89.7%</b>
Operating	\$ 2,900,465	\$ 558,334	11.7%	61.0%
Capital	-	4,230	0.0%	0.0%
Debt Service	-	-	0.0%	0.0%
Transfers Out	-	-	0.0%	0.0%
<b>Total Expenses</b>	<b>\$ 2,900,465</b>	<b>\$ 562,564</b>	<b>11.8%</b>	<b>61.0%</b>
<b>Net Rev/Exp</b>	<b>\$ 1,367,279</b>	<b>\$ 3,426,086</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Restricted Revenue and Donations Fund accounts for the receipt and expenditure of restricted revenue and donations related to general governmental activities. Revenues through the second quarter total 83.8%, while expenditures total 11.8% of budget. The \$3.4 million surplus through the second quarter is mostly due to timing of receipt of funds vs. incurred expenses. It is anticipated that the variance will normalize as the fiscal year progresses.



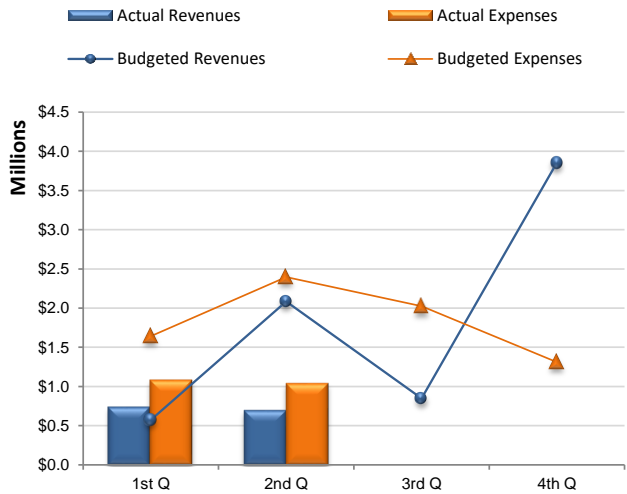
**Police Dept-RICO & Grants**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 2,656,839	\$ 1,438,134	19.5%	36.1%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 2,656,839</b>	<b>\$ 1,438,134</b>	<b>19.5%</b>	<b>36.1%</b>
Operating	\$ 4,036,425	\$ 2,019,681	27.4%	54.8%
Capital	-	91,230	0.0%	0.0%
Debt Service	-	-	0.0%	0.0%
Transfers Out	-	-	0.0%	0.0%
<b>Total Expenses</b>	<b>\$ 4,036,425</b>	<b>\$ 2,110,911</b>	<b>28.6%</b>	<b>54.8%</b>
<b>Net Rev/Exp</b>	<b>\$ (1,379,586)</b>	<b>\$ (672,777)</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Police Dept-RICO & Grants Fund accounts for the receipt and expenditure of grants, donations, asset forfeitures, and tow hearing fines associated with Police Department activities. Revenues through the second quarter total 19.5% of the FY 2023-24 budget, compared to the historical percentage of 36.1%. Expenditures through the second quarter total 28.6% of the FY 2023-24 budget, compared to the historical percentage of 54.8%. The net result of the fund's status through the second quarter is an operating deficit of \$673 thousand. The deficit is due largely to the timing of receipt of grant revenue for reimbursement of expended funds.





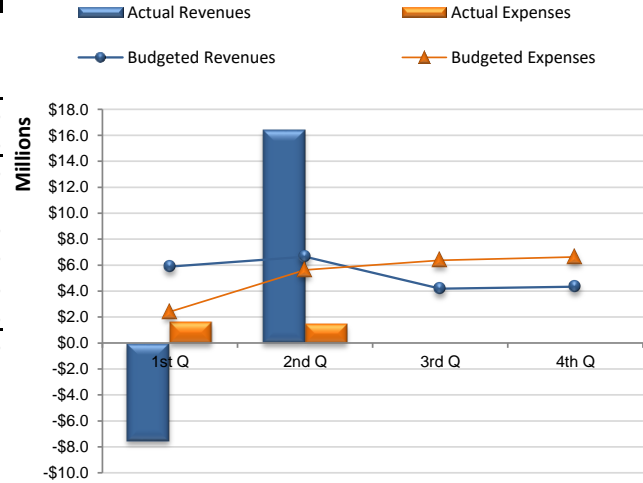
**Governmental Grants**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 12,526,929	\$ 8,855,728	42.1%	59.5%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 12,526,929</b>	<b>\$ 8,855,728</b>	<b>42.1%</b>	<b>59.5%</b>
Operating	\$ 8,038,721	\$ 3,059,225	14.5%	38.2%
Capital	-	39,745	0.0%	0.0%
Debt Service	-	-	0.0%	0.0%
Transfers Out	-	-	0.0%	0.0%
<b>Total Expenses</b>	<b>\$ 8,038,721</b>	<b>\$ 3,098,970</b>	<b>14.7%</b>	<b>38.2%</b>
<b>Net Rev/Exp</b>	<b>\$ 4,488,207</b>	<b>\$ 5,756,758</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Governmental Grants Fund accounts for the receipt and expenditure of grants related to general governmental activities. Revenues through the second quarter of FY 2023-24 total 42.1%, compared to the historical percentage of 59.5%. Expenditures through the second quarter total 14.7% of the FY 2023-24 budget, compared to the historical percentage of 38.2%.



**Court Enhancement Fund**

	FY 23-24 YTD Budget	FY 23-24 2Q Actual*	% Budget Actual	% Budget 3yr. Avg.
Revenues	\$ 498,560	\$ 1,163,417	200.3%	85.9%
Transfers In	-	-	0.0%	0%
<b>Total Revenues</b>	<b>\$ 498,560</b>	<b>\$ 1,163,417</b>	<b>200.3%</b>	<b>85.9%</b>
Operating	\$ 290,297	\$ 40,519	7.0%	50.0%
Capital	-	-	0.0%	0.0%
Debt Service	-	-	0.0%	0.0%
Transfers Out	-	-	0.0%	0.0%
<b>Total Expenses</b>	<b>\$ 290,297</b>	<b>\$ 40,519</b>	<b>7.0%</b>	<b>50.0%</b>
<b>Net Rev/Exp</b>	<b>\$ 208,262</b>	<b>\$ 1,122,898</b>		

\*Actual amounts exclude internal service charges, inventory, contingency and encumbrances.

**Positive**

The Court Enhancement Fund is established to account for fine, fee and forfeiture revenues dedicated for City Court purposes pursuant to state statute and city code. Revenues through the second quarter total 200.3% of the FY 2023-24 budget, compared to the historical percentage of 85.9%. Expenditures through the second quarter total 7.0% of the FY 2023-24 budget, compared to the historical percentage of 50.0%. This results in a surplus of \$1.1 million.

