

CITY COUNCIL REPORT



Meeting Date: January 27, 2026
Charter Provision: *Provide for the orderly government and administration of the affairs of the City*
Objective: *Adopt Budgets*

ACTION

Accept the Fiscal Year 2025/26 Monthly Financial Report showing activity through November 2025.

BACKGROUND

Each month, the Treasurer's Office publishes a year-to-date financial summary of the city for the General Fund. Quarterly, the summary is expanded to include the Transportation Fund, Tourism Development Fund, Enterprise Funds, Fleet Management Fund, Fleet Replacement Fund, Risk Management Fund, and Healthcare Self Insurance Fund.

The Monthly Financial Report includes a summary of revenues and expenditures by major categories, highlighting significant variances.

The FY 2025/26 budget was adopted June 10, 2025, by Ordinance No. 4670 and No. 4671.

A summarized monthly update comparing General Fund actual results for fiscal year-to-date through November 2025 to prior years was sent in an email by the City Treasurer to the City Council on December 19, 2025.

ANALYSIS & ASSESSMENT

There are no proposed FY 2025/26 budget adjustments or use of contingency requested for the November 2025 Monthly Financial Report.

OPTIONS & STAFF RECOMMENDATION

Staff recommends the acceptance of the Fiscal Year 2025/26 Monthly Financial Report as of November 2025.

Action Taken Approved on consent

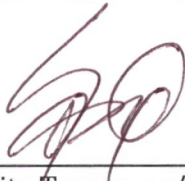
RESPONSIBLE DIVISION(S)

City Treasurer

STAFF CONTACT(S)

Scott Selin, Budget Director, (480) 312-2603, sselin@scottsdaleaz.gov

APPROVED BY



Sonia Andrews, City Treasurer/Chief Financial Officer

(480) 312-2364, sandrews@scottsdaleaz.gov

1/12/26

Date

ATTACHMENTS

1. Monthly Financial Report Fiscal Year-to-Date as of November 2025.

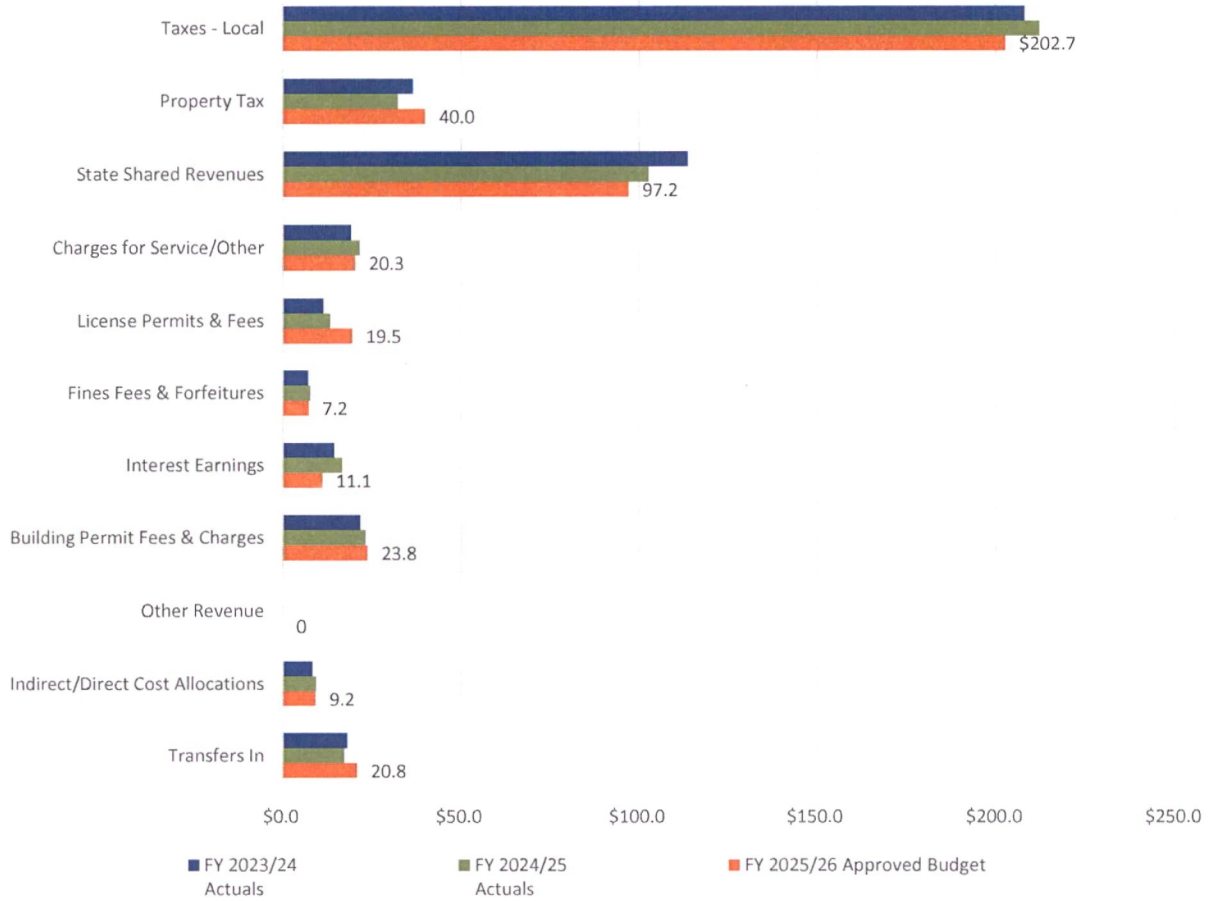
Monthly Financial Report

**Fiscal Year to Date as of
November 30, 2025**

Report to the City Council
Prepared by the City Treasurer
January 27, 2026

Sources

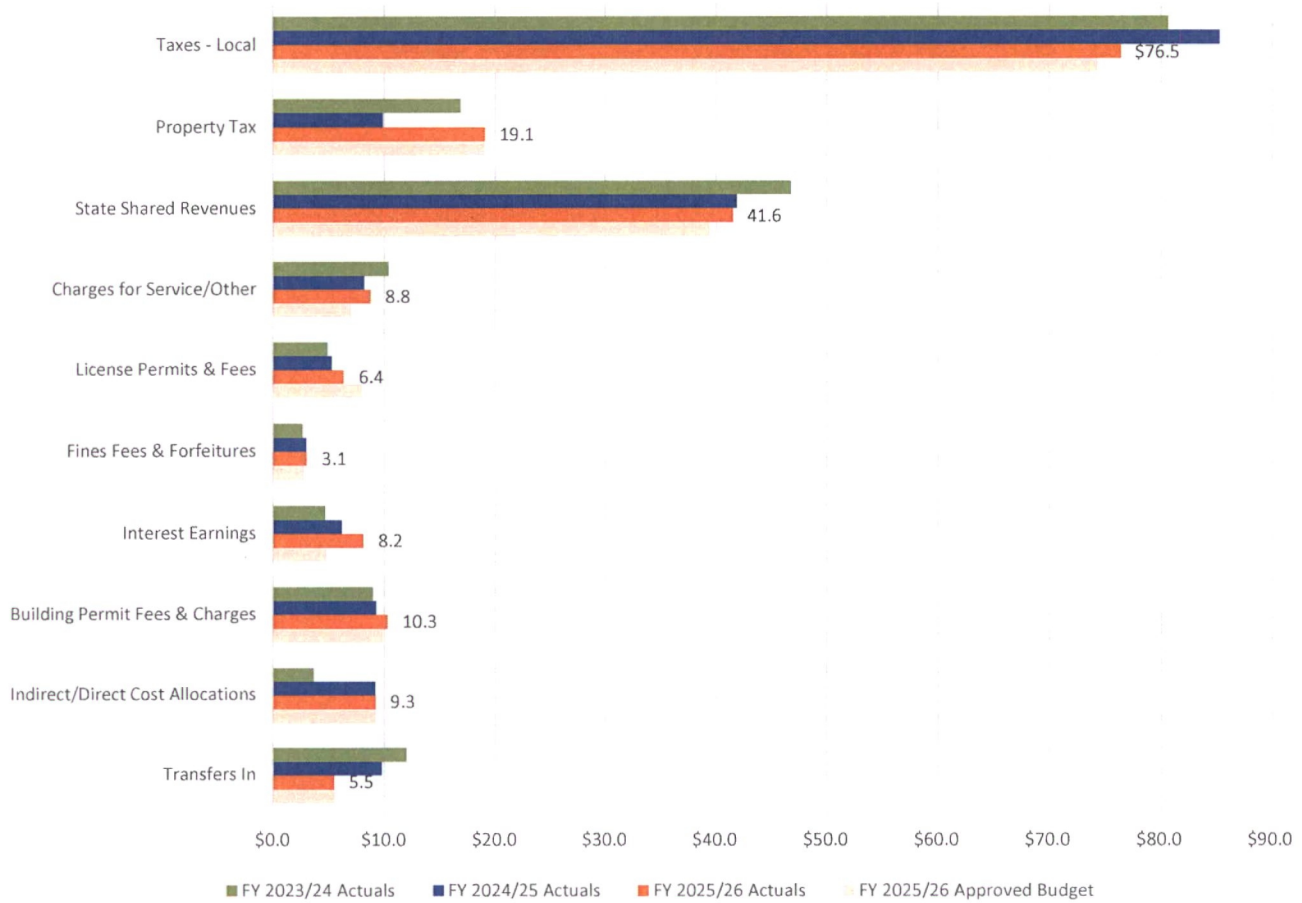
Twelve Months: Fiscal Year



	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Approved Budget
Taxes - Local	\$208.0	\$212.1	\$202.7
Property Tax	36.5	32.3	40.0
State Shared Revenues	113.7	102.7	97.2
Charges for Service/Other	19.2	21.6	20.3
License Permits & Fees	11.3	13.3	19.5
Fines Fees & Forfeitures	7.1	7.7	7.2
Interest Earnings	14.4	16.6	11.1
Building Permit Fees & Charges	21.7	23.2	23.8
Other Revenue	0.1	-	-
Indirect/Direct Cost Allocations	8.3	9.3	9.2
Transfers In	18.0	17.2	20.8
Total Sources	\$458.3	\$456.1	\$451.9

Note: \$ in millions/rounding differences and blank lines may occur.

Sources (Fiscal Year to Date: November 2025)



	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Taxes - Local	\$80.7	\$85.3	\$76.5	\$74.4	\$2.1	3%
Property Tax	16.9	9.9	19.1	19.1	0.0	0%
State Shared Revenues	46.8	41.9	41.6	39.5	2.1	5%
Charges for Service/Other	10.4	8.2	8.8	7.1	1.8	25%
License Permits & Fees	4.9	5.3	6.4	8.0	(1.6)	(20%)
Fines Fees & Forfeitures	2.7	3.0	3.1	2.9	0.2	8%
Interest Earnings	4.7	6.2	8.2	4.9	3.3	68%
Building Permit Fees & Charges	9.0	9.3	10.3	10.0	0.4	4%
Indirect/Direct Cost Allocations	3.7	9.2	9.3	9.3	-	-
Transfers In	12.0	9.8	5.5	5.6	(0.1)	(1%)
Total Sources	\$191.8	\$188.1	\$188.8	\$180.5	\$8.2	5%

Note: \$ in millions/rounding differences and blank lines may occur.

Taxes - Local (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Sales Tax 1.10%	\$74.2	\$78.2	\$69.6	\$68.0	\$1.6	2%
Electric & Gas Franchise	5.4	5.8	5.7	5.2	0.5	10%
Cable TV License Fee	0.8	0.8	0.7	0.7	-	-
Salt River Project In Lieu	-	-	-	-	-	-
Stormwater Fee	0.4	0.4	0.4	0.4	-	-
Taxes - Local Total	\$80.7	\$85.3	\$76.5	\$74.4	\$2.1	3%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$2.1 million or 3%:

The favorable variance is primarily due to Sales Tax. See detailed information regarding Sales Tax in the Sales Tax 1.10% section. The favorable variance in Electric & Gas Franchises Fees is due to higher than anticipated electricity usage; the positive variance is partially offset by the lower than anticipated gas usage.

Sales Tax 1.10% (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Automotive	\$8.7	\$9.5	\$8.3	\$9.0	(\$0.6)	(7%)
Construction	8.4	8.7	8.9	8.1	0.8	10%
Dining/Entertainment	6.9	6.6	6.3	5.5	0.8	14%
Food Stores	4.0	4.0	3.3	3.3	-	-
Hotel/Motel	3.3	3.4	2.9	3.1	(0.2)	(6%)
Major Dept Stores	5.1	5.6	4.4	5.2	(0.8)	(16%)
Misc Retail Stores	15.7	17.7	15.7	16.0	(0.2)	(1%)
Other Activity*	9.2	9.9	10.8	8.5	2.4	28%
Rental	10.5	10.1	6.5	6.7	(0.2)	(3%)
Utilities	2.5	2.8	2.3	2.6	(0.3)	(11%)
Sales Tax Total	\$74.2	\$78.2	\$69.6	\$68.0	\$1.6	2%

Note: \$ in millions/rounding differences and blank lines may occur.

*Other Activity includes Amusement, Manufacturing, Wholesale and Services with Retail.

Actual to Approved Budget variance of \$1.6 million or 2%:

The favorable variance primarily is due to 1) Other Activity - businesses in this category are doing better than anticipated and new businesses have been established during the Fiscal Year; 2) Construction - this Fiscal Year has seen an increase in residential/commercial construction as well as some one-time audit payments; and 3) Dining/Entertainment - restaurant sales are performing better than anticipated. The favorable variance is offset by 1) Automotive - timing difference in tax filing by tax payer this year versus last year and some car dealers reporting a decrease in sales; and 2) Major Department Stores - timing differences in tax filing by tax payer this year versus last year.

Property Tax (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Property Tax	\$16.9	\$9.9	\$19.1	\$19.1	-	-
Property Tax Total	\$16.9	\$9.9	\$19.1	\$19.1	-	-

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$0 million or 0%:

The Property Tax revenues are level with budget through November 2025.

State Shared Revenues (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
State Shared Sales Tax	\$15.0	\$15.0	\$16.1	\$15.2	\$0.9	6%
State Shared Income Tax	26.8	21.7	20.0	19.3	0.7	4%
Auto Lieu Tax	5.0	5.2	5.4	4.9	0.5	11%
State Shared Revenues Total	\$46.8	\$41.9	\$41.6	\$39.5	\$2.1	5%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$2.1 million or 5%:

The favorable variance is primarily due to 1) Stated Shared Sales Tax and Auto Lieu Tax - the amount of revenue the State of Arizona has collected and distributed is higher than originally budgeted; and 2) State Shared Income Tax - the final calculation of State Shared Income Tax distribution resulted in revenues to Scottsdale being higher than originally budgeted by a total of \$1.7 million during FY 2025/26.

Charges for Service/Other (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Westworld Equestrian Facility Fees	\$1.8	\$2.2	\$2.4	\$1.1	\$1.3	>100%
Intergovernmental	2.1	2.5	2.2	2.7	(0.4)	(16%)
Miscellaneous	4.2	0.9	0.9	0.4	0.5	>100%
Property Rental	2.2	2.7	3.2	2.9	0.4	12%
Charges for Service/Other Total	\$10.4	\$8.2	\$8.8	\$7.1	\$1.8	25%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$1.8 million or 25%:

The favorable variance is primarily due to: 1) WestWorld Equestrian Facility Fees - revenues for events during year-end were recognized in a different fiscal year than originally budgeted; 2) Miscellaneous - unexpected revenue from vehicle sale in Fire Department; and 3) Property Rental – higher than anticipated cell tower lease payments and increased golf course revenues. The favorable variance is offset by Intergovernmental - delays in receiving a quarterly payment for services due to the timing in contract renewal in Police Department.

License Permits & Fees (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Business & Liquor Licenses	\$1.5	\$1.5	\$1.7	\$1.5	\$0.2	14%
Fire Charges For Services	1.2	1.4	2.4	4.3	(1.9)	(44%)
Recreation Fees	2.2	2.3	2.3	2.3	0.1	2%
License Permits & Fees Total	\$4.9	\$5.2	\$6.4	\$8.0	(\$1.6)	(20%)

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of (\$1.6) million or (20%):

The unfavorable variance is due to Fire Charges For Services - Ambulance Services Program revenues budget were spread evenly through the fiscal year; the year to date revenue has come in lower than budgeted, due to a delay between billing and cash receipts.

Fines Fees & Forfeitures (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Court Fines	\$1.4	\$1.7	\$1.7	\$1.7	\$ -	-
Library	-	-	-	-	-	-
Parking Fines	0.1	0.1	0.1	0.1	-	-
Photo Radar	1.1	1.1	1.2	1.0	0.2	15%
Jail Dormitory	0.1	0.1	0.1	-	0.1	>100%
Fines Fees & Forfeitures Total	\$2.7	\$3.0	\$3.1	\$2.9	\$0.2	8%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$0.2 million or 8%:

The favorable variance is due to 1) Photo Radar - higher than anticipated revenue from traffic ticket filings and defensive driving fees and 2) Jail Dormitory - higher than anticipated participants in City Jail Dormitory program.

Interest Earnings (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Interest Earnings	\$4.7	\$6.2	\$8.2	\$4.9	\$3.3	68%
Interest Earnings Total	\$4.7	\$6.2	\$8.2	\$4.9	\$3.3	68%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$3.3 million or 68%:

The favorable variance in Interest Earnings is due to the invested amount being greater than budgeted.

Building Permit Fees & Charges (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Building Permit Fees & Charges	\$9.0	\$9.3	\$10.3	\$10.0	\$0.4	4%
Building Permit Fees & Charges Total	\$9.0	\$9.3	\$10.3	\$10.0	\$0.4	4%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$0.4 million or 4%:

The favorable variance is due to higher than anticipated revenues from building permits and encroachment permits as a result of increased construction activities, but partially offset by lower plan review fees in the Planning Department and budget timing of special events fees in Police Department, due to special events mostly occurring in the later months.

Indirect/Direct Cost Allocations (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Indirect Costs	\$3.2	\$8.8	\$8.8	\$8.8	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.5	0.5	-	-
Indirect/Direct Cost Allocations Total	\$3.7	\$9.2	\$9.3	\$9.3	\$ -	-

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$0.0 million or 0%:

Indirect/Direct Cost Allocation are level with budget through November 2025.

Transfers In (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Operating	\$7.5	\$4.8	\$0.5	\$0.5	\$ -	-
Enterprise Franchise Fees	4.5	4.9	5.0	5.0	(0.1)	(1%)
Transfers In Total	\$12.0	\$9.8	\$5.5	\$5.6	(\$0.1)	(1%)

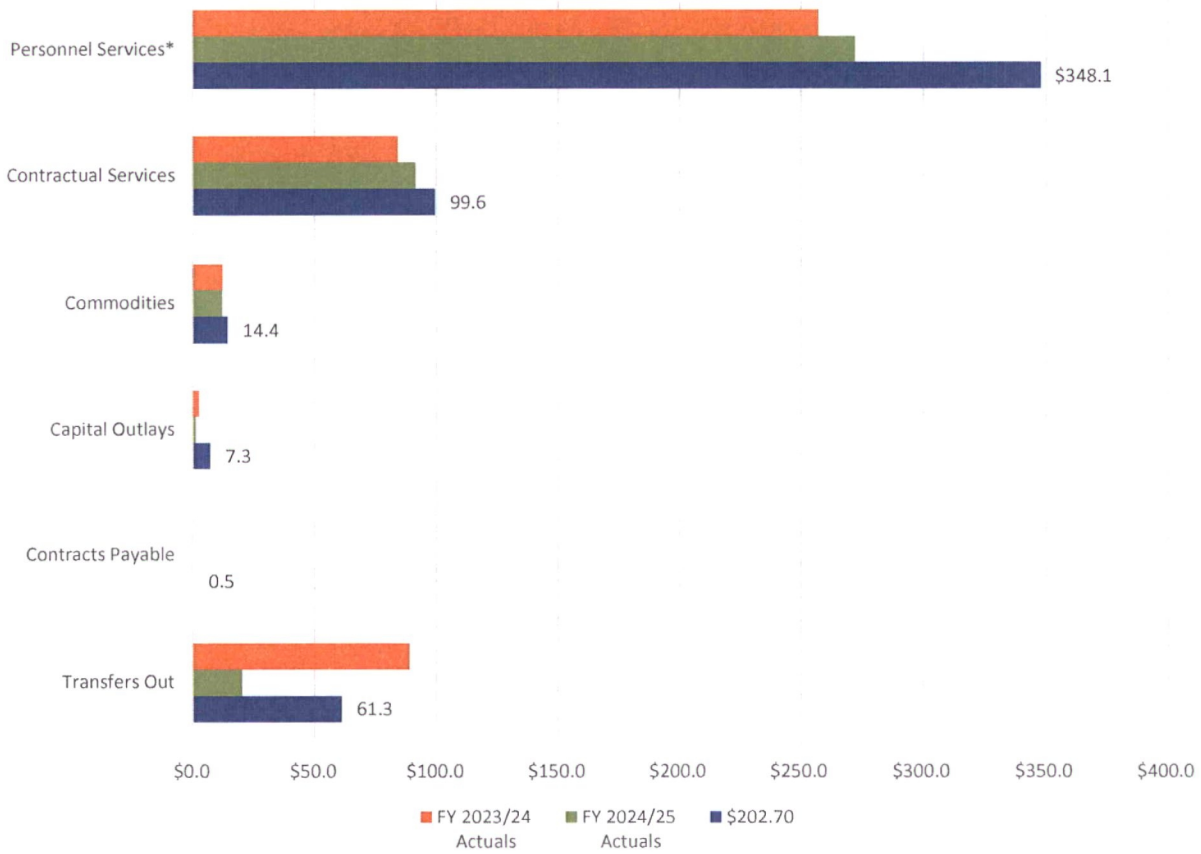
Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of (\$0.1) million or (1%):

Transfers In is very slightly below budget.

Uses

Twelve Months: Fiscal Year

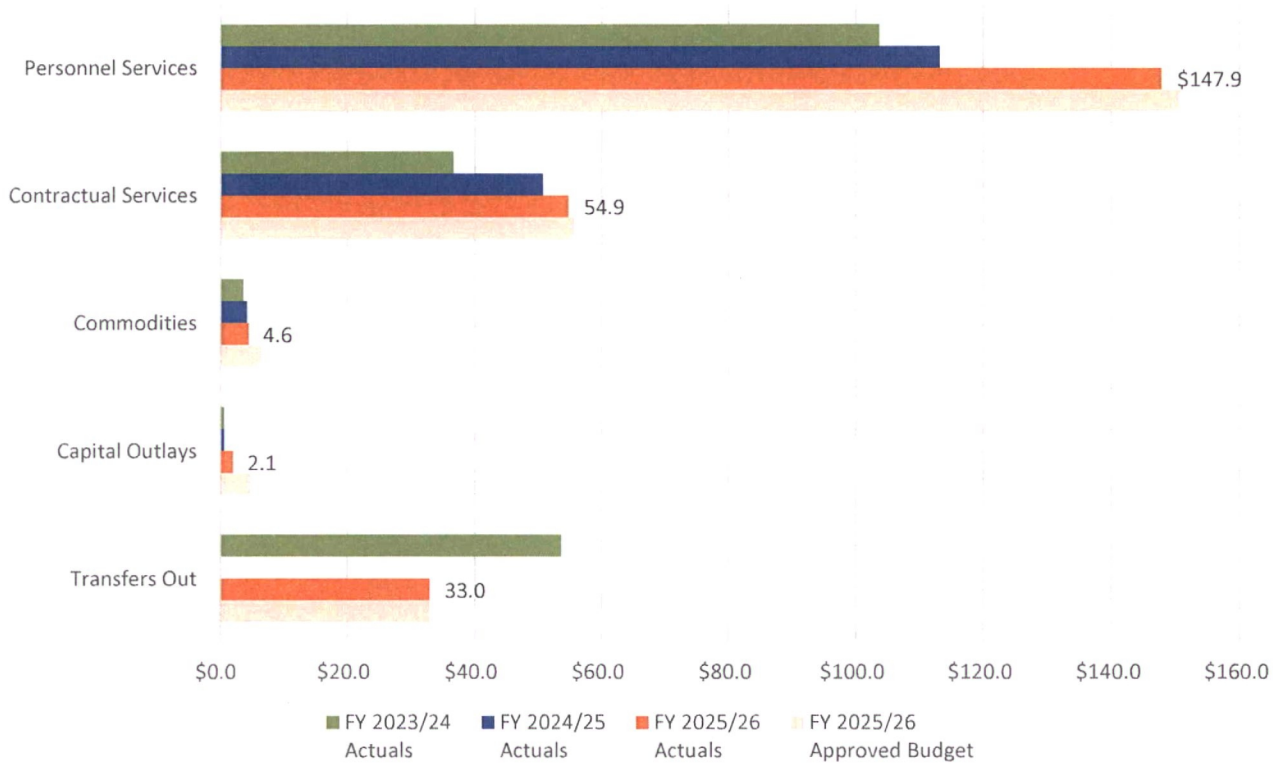


	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Adopted Budget
Personnel Services*	\$257.3	\$272.2	\$348.1
Contractual Services	84.4	91.7	99.6
Commodities	12.5	12.3	14.4
Capital Outlays	2.9	1.4	7.3
Contracts Payable	0.4	0.5	0.5
Transfers Out	89.1	64.7	61.3
Total Uses	\$446.7	\$442.8	\$531.2

Note: \$ in millions/rounding differences and blank lines may occur.

* FY 2025/26 Adopted Personnel Services includes a one-time \$50 million dollars PSPRS liability paydown.

Uses (Fiscal Year to Date: November 2025)



	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Personnel Services	\$103.7	\$113.2	\$147.9	\$150.8	\$2.9	2%
Contractual Services	36.7	50.8	54.9	55.9	1.0	2%
Commodities	3.7	4.3	4.6	6.6	2.0	30%
Capital Outlays	0.7	0.7	2.1	4.9	2.7	55%
Transfers Out	53.7	-	33.0	33.0	-	-
Total Uses	\$198.5	\$169.0	\$242.5	\$251.1	\$8.6	3%

Note: \$ in millions/rounding differences and blank lines may occur.

Personnel Services (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Salaries	\$68.1	\$74.1	\$81.3	\$83.8	\$2.5	3%
Overtime	5.1	6.0	6.4	5.6	(0.8)	(14%)
Health/Dental	9.3	10.1	11.1	11.4	0.3	2%
Fringe Benefits	4.6	5.0	5.4	5.6	0.2	4%
Retirement	16.2	17.7	43.4	44.3	0.9	2%
Contract Workers	0.4	0.3	0.4	0.2	(0.2)	>(100%)
Personnel Services Total	\$103.7	\$113.2	\$147.9	\$150.8	\$2.9	2%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$2.9 million or 2%:

The favorable variance is primarily in the Salaries and Retirement categories due to vacancy savings across city departments, mostly in the Police Department. The favorable variance is partially offset by higher than anticipated overtime and contract worker expenses resulting from the vacancies.

Contractual Services (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Professional Services	\$7.4	\$7.9	\$9.0	\$8.1	(\$0.8)	(10%)
Communications	2.2	2.5	2.3	2.7	0.3	13%
Travel Training and Conferences	0.4	0.5	0.5	0.9	0.4	45%
Printing Duplication and Filming	0.7	0.6	0.6	0.6	-	-
Maintenance and Repair	8.1	7.5	8.4	8.6	0.1	1%
Insurance	5.5	14.7	15.6	15.6	-	-
Rents	0.4	0.7	0.8	0.8	-	-
Transportation Services	6.0	10.3	11.2	11.2	-	-
Utilities	4.2	4.7	4.8	5.1	0.3	6%
Miscellaneous Services and Charges	1.8	1.5	1.7	2.2	0.5	24%
Fleet Replacement	-	-	-	-	-	-
Contractual Services Total	\$36.7	\$50.8	\$54.9	\$55.9	\$1.0	2%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$1.0 million or 2%:

The favorable variance is due to 1) Travel Training and Conferences - the paramedic training program in the Fire Department will not start until future months; and 2) Miscellaneous Services and Charges - timing of spending for contractual services related to elections in the City Clerk's Office and delay in receiving quarterly invoices for the dispatch contract in the Fire Department. The favorable variance is partially offset by a monthly payment for Scottsdale Arts is earlier than budgeted in the Enterprise Operations Department.

Commodities (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Operating Supplies	\$2.4	\$2.9	\$3.1	\$4.5	\$1.4	32%
Purchased for Resale	0.2	0.2	0.2	0.2	-	-
Library Materials	0.1	0.2	0.2	0.2	-	-
Maintenance and Repair Supplies	1.0	1.0	1.2	1.7	0.5	32%
Commodities Total	\$3.7	\$4.3	\$4.6	\$6.6	\$2.0	30%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$2.0 million or 30%:

The favorable variance is due to delays in receiving purchased operating equipment, supplies, personal protective uniforms and tools in the Fire Department. The variance should decrease in the next few month once items are received and payments are issued.

Capital Outlays (Fiscal Year to Date: November 2025)

	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Buildings and Improvements	\$0.2	\$0.1	\$ -	\$0.1	\$0.1	100%
Machinery and Equipment	0.5	0.6	2.1	4.7	2.6	55%
Capital Outlays Total	\$0.7	\$0.7	\$2.1	\$4.9	\$2.7	55%

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$2.7 million or 55%:

The favorable variance is due to Machinery and Equipment - delays in receiving invoices for the radio equipment for law enforcement communication and delays in spending for the laboratory equipment replacement, security camera and access control systems upgrade in the Police Department.

Transfers Out (Fiscal Year to Date: November 2025)

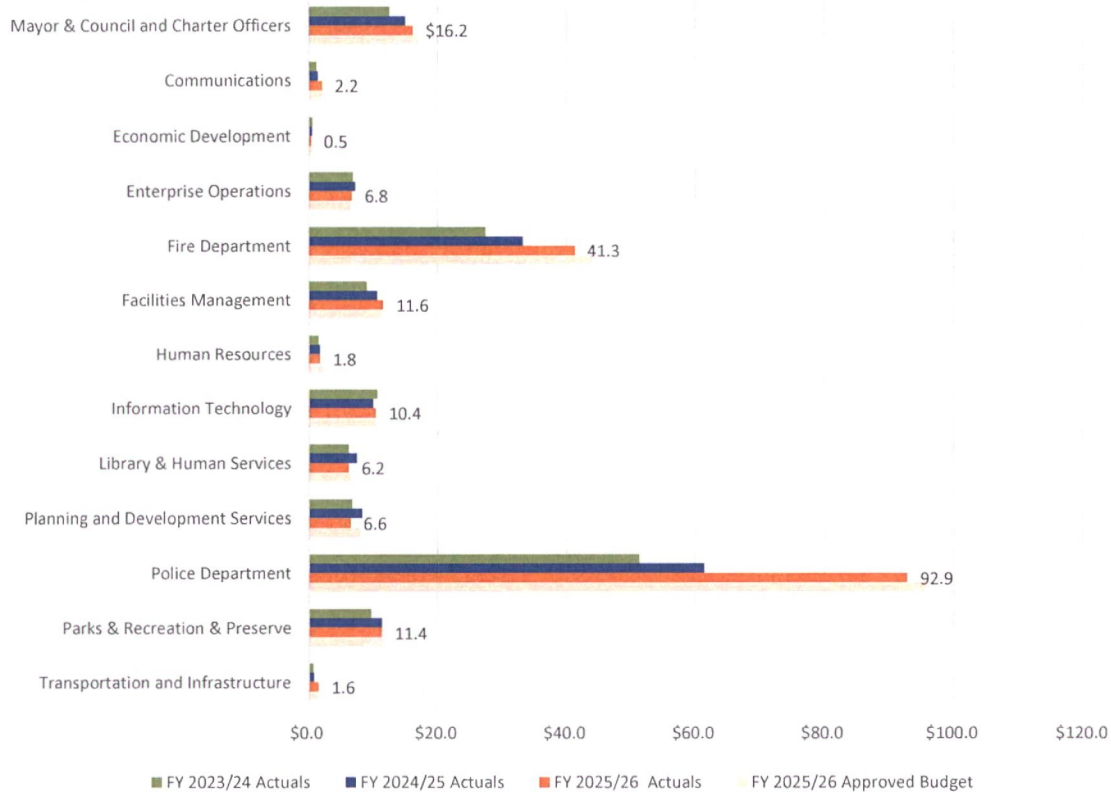
	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Other	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service Fund	-	-	-	-	-	-
CIP	53.7	-	33.0	33.0	-	-
CIP Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
Transfers Out Total	\$53.7	\$ -	\$33.0	\$33.0	\$ -	-

Note: \$ in millions/rounding differences and blank lines may occur.

Actual to Approved Budget variance of \$0.0 million or 0%:

Transfers out are within budget.

Department Expenditures (Fiscal Year to Date: November 2025)



	FY 2023/24 Actuals	FY 2024/25 Actuals	FY 2025/26 Actuals	FY 2025/26 Approved Budget	Variance Amount	Variance Percent
Mayor & Council and Charter Officers	\$12.6	\$15.0	\$16.2	\$17.1	\$0.8	5%
Communications	1.2	1.4	2.2	2.2	-	-
Economic Development	0.6	0.5	0.5	0.6	0.1	18%
Enterprise Operations	6.9	7.2	6.8	6.6	(0.2)	(3%)
Fire Department	27.5	33.2	41.3	44.2	2.9	6%
Facilities Management	9.1	10.6	11.6	11.3	(0.3)	(3%)
Human Resources	1.5	1.8	1.8	2.2	0.4	18%
Information Technology	10.7	9.9	10.4	10.5	-	-
Library & Human Services	6.2	7.4	6.2	6.6	0.4	5%
Planning and Development Services	6.8	8.3	6.6	8.1	1.5	19%
Police Department	51.4	61.5	92.9	95.9	3.0	3%
Parks & Recreation & Preserve	9.7	11.3	11.4	11.6	0.2	2%
Transportation and Infrastructure	0.7	0.8	1.6	1.4	(0.2)	(15%)
Total	\$144.7	\$169.0	\$209.5	\$218.1	\$8.6	4%

Note: \$ in millions/rounding differences and blank lines may occur.

*Includes the portion of Tourism and Events, WestWorld, professional baseball, and the Enterprise Operations department administration funded by the General Fund. Does not include Enterprise Funds (Water and Water Reclamation Funds, Solid Waste Fund and Aviation Fund)

Actual to Approved Budget variance of \$8.6 million or 4%.