



Financial Report Fiscal Year-to-Date As of November 2012

Report to the City Council

Prepared by City Treasurer – Finance and Accounting Division

December 27, 2012



FINANCIAL REPORT YEAR-TO-DATE NOVEMBER 2012

The following report is a summary of financial results for the City's General Fund (which is the primary operating fund of the City), Transportation Fund, Tourism Development Fund, major Enterprise Funds, Fleet Fund, Risk Fund and Benefits Self-Insurance Fund. The report also includes detailed information on the City's privilege (sales) tax by major category.

Financial statements summarize sources and uses by major categories. Significant budget to actual variances are highlighted and explained.

On May 8, 2012, City Council authorized the creation of the Tourism Development Fund. The Tourism Development Fund is a Special Revenue Fund consisting of Bed Tax, Princess Hotel lease revenue and Hospitality Trolley sponsorships. This fund was established to account for all revenues and expenditures related to tourism. Beginning August 2012, revenue collections, revenue and expenditure budgets, and expenditure activity was transferred to the newly created Tourism Development Fund.

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General Fund- Summary**FY 2012/13 - GENERAL FUND**

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable/(Unfavorable)	
			Amount	Percent
Sources	\$242.0	\$229.7	(\$12.3)	-5%
Uses	250.3	240.2	10.1	4%
Change in Fund Balance	(\$8.4)	(\$10.5)	(\$2.2)	
Beginning Fund Balance	\$39.4	\$44.8	\$5.4	
Ending Fund Balance	\$31.1	\$34.3	\$3.2	
Reserved*	\$24.7	\$24.6	(\$0.2)	
Contingency	\$5.0	\$5.0	-	
Unreserved	\$1.3	\$4.7	\$3.4	

*General Fund Reserved equals 10% of operating expenses for the General Fund plus Transportation Fund.

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$22.6	\$21.0	\$91.0	\$89.2	\$1.8	2%
Uses	16.8	17.0	94.2	95.7	1.5	2%
Change in Fund Balance	\$5.8	\$4.0	(\$3.2)	(\$6.5)	\$3.3	

Sources

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
1.1% Sales Taxes	\$87.9	\$92.9	\$97.3	\$97.3
State-Shared Revenues	48.4	42.3	47.6	47.6
Property Taxes	24.6	24.8	25.3	25.3
Bed Taxes*	13.1	13.4	13.4	-
Franchise Fees/In-Lieu Taxes	11.2	11.8	11.5	11.5
Charges for Services/Other*	24.5	25.9	23.3	21.7
Building Permit Fees & Charges	6.9	8.4	8.7	8.7
Interest Earnings	1.2	1.5	1.1	1.1
Indirect/Direct Cost Allocation**	13.9	8.6	6.7	7.1
Total Revenue	\$231.7	\$229.7	\$234.9	\$220.2
Transfers In	12.2	9.9	7.1	9.5
Total Sources	\$243.9	\$239.6	\$242.0	\$229.7
% Change vs. Prior Year	-3%	-2%	1%	-4%

	One Month: November 2012				Actual vs. Budget	
	2010/11	2011/12	2012/13	2012/13	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$6.7	\$7.0	\$7.5	\$7.5	-	-
State-Shared Revenues	3.9	3.4	3.8	3.9	-	-
Property Taxes	6.0	6.1	7.3	6.2	1.1	18%
Bed Taxes*	1.5	1.1	-	-	-	-
Franchise Fees/In-Lieu Taxes	-	2.4	-	0.0	-	-
Charges for Services/Other*	2.0	1.7	1.8	1.5	0.2	15%
Building Permit Fees & Charges	0.8	0.6	0.8	0.6	0.2	34%
Interest Earnings	0.1	0.0	0.1	0.1	-	-
Indirect/Direct Cost Allocation	1.1	0.8	0.6	0.6	-	-
Total Revenue	\$22.1	\$23.4	\$21.9	\$20.4	\$1.5	7%
Transfers In	1.6	0.6	0.6	0.6	-	-
Total Sources	\$23.7	\$24.0	\$22.6	\$21.0	\$1.6	7%
% Change vs. Prior Year		1%	-6%	-12%		

	Fiscal Year-to-Date: November 2012				Actual vs. Budget	
	2010/11	2011/12	2012/13	2012/13	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$32.1	\$34.6	\$35.6	\$36.2	(\$0.6)	-2%
State-Shared Revenues	19.9	17.5	19.3	19.6	(0.3)	-2%
Property Taxes	9.4	9.4	10.4	9.7	0.7	8%
Bed Taxes*	3.5	3.6	-	-	n/a	n/a
Franchise Fees/In-Lieu Taxes	5.1	5.2	5.4	5.2	0.2	5%
Charges for Services/Other*	8.7	8.8	7.8	7.6	0.2	3%
Building Permit Fees & Charges	3.4	3.4	4.5	3.2	1.3	39%
Interest Earnings	0.7	0.3	0.5	0.5	0.1	12%
Indirect/Direct Cost Allocation	5.6	3.5	2.9	2.9	-	-
Total Revenue	\$88.4	\$86.2	\$86.5	\$84.9	\$1.6	2%
Transfers In	7.9	5.6	4.5	4.3	0.2	5%
Total Sources	\$96.2	\$91.8	\$91.0	\$89.2	\$1.8	2%
% Change vs. Prior Year		-5%	-1%	-3%		

* Beginning in August 2012, the budget and collection of Bed Tax and Princess Hotel Lease revenues have been moved to the newly created Tourism Development Fund authorized by City Council on May 8, 2012.

** Direct Cost Allocation for Fire included in Indirect Cost Allocation amounts for all years except Adopted FY 2012/13, where it was adopted as a Transfer In. FY 2012/13 budget has since been revised to provide consistent annual comparisons.

Sales Taxes

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
1.00% General Purpose Sales Tax	\$80.1	84.6	\$88.7	\$88.7
0.10% Public Safety Sales Tax	7.8	8.2	8.6	8.6
Total General Fund Sales Taxes	\$87.9	\$92.9	\$97.3	\$97.3
% Change vs. Prior Year	2%	6%	5%	5%

	Fiscal Year-to-Date: November 2012					
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
1.00% General Purpose Sales Tax	\$29.3	\$31.5	\$32.5	\$33.0	(\$0.6)	-2%
0.10% Public Safety Sales Tax	2.9	3.1	3.2	3.2	-	-
Total General Fund Sales Taxes	\$32.1	\$34.6	\$35.6	\$36.2	(\$0.6)	-2%
% Change vs. Prior Year		7%	3%	5%		

Actual to Revised Budget variance of (\$0.6) million or (2%):

The unfavorable variance is attributed to a decline in the major department store category as a result of two stores closing, as well as construction sales tax coming in lower than anticipated. The amount of sales tax per \$1 of building permit valuation has been lower than the amount used in the budget calculation. See Appendix 1 for further information about results by sales tax categories.

State-Shared Revenues

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
State Revenue Sharing	\$22.8	\$18.3	\$22.2	\$22.2
State Shared Sales Tax	17.8	17.0	18.2	18.2
Auto Lieu Tax	7.7	7.0	7.2	7.2
Total State Shared Revenues	\$48.4	\$42.3	\$47.6	\$47.6
% Change vs. Prior Year	-13%	-13%	12%	12%

	Fiscal Year-to-Date: November 2012					
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
State Revenue Sharing	\$9.5	\$7.6	\$9.3	\$9.3	-	-
State Shared Sales Tax	7.0	6.9	7.0	7.2	(0.1)	-2%
Auto Lieu Tax	3.3	3.0	3.0	3.1	(0.2)	-6%
Total State Shared Revenues	\$19.9	\$17.5	\$19.3	\$19.6	(\$0.3)	-2%
% Change vs. Prior Year		-12%	10%	12%		

Actual to Revised Budget variance of (\$0.3) million or (2%):

The Auto Lieu Tax actuals continue to perform under the Arizona Department of Transportation's (ADOT) forecast.

Property Taxes

Actual to Revised Budget variance of \$0.7 million or 8%:

The favorable variance is a timing issue and is not indicative of annual results.

Bed Taxes

Actual to Revised Budget variance of n/a or n/a:

With the creation of the Tourism Development Fund, bed tax revenue budgets were moved out of the General Fund to the new fund; all revenues collected year to date are now reported in the new fund.

Franchise Fees and In-Lieu Taxes

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
Electric and Gas Franchise	\$7.8	\$8.1	\$8.2	\$8.2
Cable TV License Fee	3.2	3.4	3.0	3.0
Salt River Project Lieu Tax	0.2	0.2	0.2	0.2
Total Franchise Fees/In-Lieu Taxes	\$11.2	\$11.8	\$11.5	\$11.5
% Change vs. Prior Year	-2%	5%	-3%	-3%

	Fiscal Year-to-Date: November 2012					Actual vs. Budget	
	2010/11	2011/12	2012/13	2012/13	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
Electric and Gas Franchise	\$4.3	\$4.3	\$4.6	\$4.4	\$0.2	4%	
Cable TV License Fee	0.7	0.8	0.8	0.8	0.1	7%	
Salt River Project Lieu Tax	0.1	-	-	-	-	-	
Total Franchise Fees/In-Lieu Taxes	\$5.1	\$5.2	\$5.4	\$5.2	0.2	5%	
% Change vs. Prior Year		2%	5%	1%			

Actual to Revised Budget variance of \$0.2 million or 5%:

The favorable variance in Electric and Gas Franchise is likely the result of increased utility revenues due to either new customer connections and/or higher customer usage. The favorable variance for Cable TV License Fee is the result of an increase in cable vendor gross revenues.

Charges for Services/Other

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
<i>Licenses, Permits & Fees</i>				
Recreation Fees	\$3.6	\$3.8	\$3.7	\$3.7
WestWorld	2.6	2.6	2.7	2.7
Fire Service Charges	0.8	0.5	0.5	0.5
Business Licenses & Fees	1.7	1.8	1.8	1.8
<i>Fines & Forfeitures</i>				
Court Fines	4.3	4.5	4.3	4.3
Photo Enforcement Revenue	2.0	2.3	2.1	2.1
Parking Fines	0.3	0.3	0.3	0.3
Library Fines & Fees	0.4	0.4	0.3	0.3
<i>Miscellaneous</i>				
Stormwater Water Quality Charge	0.8	0.9	0.9	0.9
Property Rental	3.2	3.6	3.3	1.8
Intergovernmental Revenue	0.9	0.8	0.9	0.9
Contributions/Donations	-	-	0.1	-
Miscellaneous	0.5	1.1	0.7	0.7
Reimbursements	3.4	3.2	1.8	1.8
Total Charges for Services/Other	\$24.5	\$25.9	\$23.3	\$21.7
% Change vs. Prior Year	-8%	6%	-10%	-16%

	Fiscal Year-to-Date: November 2012					Actual vs. Budget	
	2010/11	2011/12	2012/13	2012/13	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
<i>Licenses, Permits & Fees</i>							
Recreation Fees	\$1.3	\$1.4	\$1.4	\$1.4	-	-	
WestWorld	0.4	0.4	0.3	0.4	(0.1)	-23%	
Fire Service Charges	0.3	0.2	0.2	0.2	-	-	
Business Licenses & Fees	0.6	0.6	0.6	0.6	-	-	
<i>Fines & Forfeitures</i>							
Court Fines	1.8	1.8	1.6	1.7	(0.1)	-7%	
Photo Enforcement Revenue	0.8	0.9	1.0	0.9	0.1	8%	
Parking Fines	0.1	0.1	0.1	0.1	-	-	
Library Fines & Fees	0.2	0.1	0.1	0.1	-	-	
<i>Miscellaneous</i>							
Stormwater Water Quality Charge	0.4	0.4	0.4	0.4	-	-	
Property Rental	1.0	0.8	0.5	0.3	0.2	60%	
Intergovernmental Revenue	0.4	0.5	0.6	0.4	0.2	47%	
Contributions/Donations	-	-	-	-	-	-	
Miscellaneous	0.2	0.5	0.4	0.3	0.1	33%	
Reimbursements	1.2	1.2	0.6	0.8	(0.1)	-17%	
Total Charges for Services/Other	\$8.7	\$8.8	\$7.8	\$7.6	\$0.2	3%	
% Change vs. Prior Year		2%	-11%	-14%			

Actual to Revised Budget variance of \$0.2 million or 3%:

The unfavorable variance in Court Fines is the result a decline of 9 percent in criminal citations, which is being offset by a 22 percent increase in Photo Enforcement citations. The favorable variance in Property Rental is the result of increased activity at the Stadium related to a new summer baseball league that rented the Stadium in July and August as well as rents received that were not budgeted. The favorable variance in Intergovernmental revenue is the result of \$0.1 million in School Resource Officer reimbursements for FY 2011/12 recorded in FY 2012/13, as well as \$0.1 million attributed to favorable Civic Center Library reciprocal borrowing revenues potentially as a result of surrounding community library cutbacks. The unfavorable variance in Reimbursements is the result of a decrease in Jail Fees collected; recent boost in collection activity based on interception program has likely caught up with outstanding fees.

Building Permit Fees and Charges

Actual to Revised Budget variance of \$1.3 million or 39%:

The favorable variance is attributable to large projects coming in, such as Broadstone Lincoln and SkySong apartment complex.

Interest Earnings

Actual to Revised Budget variance of \$0.1 million or 12%:

Additional investment sales were processed, resulting in a higher rate of return. In addition, a change in the interest allocation process has resulted in the interest earned by internal service funds now being credited to the General Fund.

Indirect/Direct Cost Allocations

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

No explanation necessary.

Transfers In

	Twelve Months: Fiscal Year			
	2010/11	2011/12	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget
CIP	\$3.6	\$0.9	\$0.0	\$0.0
Tourism Development - Bed Tax	-	-	-	2.7
Direct Cost Allocation - Fire*	-	-	0.3	-
30 Day Tow	-	0.3	0.3	0.3
Fleet Transfer	-	1.0	-	-
Special Programs	-	0.2	-	-
Enterprise In Lieu Franchise Fees	6.4	6.7	6.4	6.4
Enterprise In Lieu Property Tax	1.8	0.9	-	-
Water Campus Security	0.5	-	-	-
Total Transfers In	\$12.2	\$9.9	\$7.1	\$9.5
% Change vs. Prior Year	-37%	-15%	-28%	-5%

	Fiscal Year-to-Date: November 2012				Actual vs. Budget	
	2010/11	2011/12	2012/13	2012/13	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
CIP	\$4.4	\$0.9	\$0.0	\$0.0	-	-
Tourism Development - Bed Tax	-	-	1.2	1.2	-	-
30 Day Tow	-	0.2	0.1	0.1	-	-
Fleet Transfer	-	1.0	-	-	-	-
Special Programs	-	0.1	-	-	-	-
Enterprise In Lieu Franchise Fees	2.6	3.1	3.2	3.0	0.2	7%
Enterprise In Lieu Property Tax	0.7	0.4	-	-	-	-
Water Campus Security	0.2	-	-	-	-	-
Total Transfers In	\$7.9	\$5.6	\$4.5	\$4.3	\$0.2	5%
% Change vs. Prior Year		-29%	-19%	-22%		

* FY 2012/13 Budget moved to Indirect/Direct Cost Allocations category.

Actual to Revised Budget variance of \$0.2 million or 5%:

The favorable variance in Enterprise In Lieu Franchise Fees is due to a favorable variance in revenues from water service charges and water reclamation charges in the Water and Water Reclamation funds. Water sales have been higher than anticipated and are being favorably affected by rate structural changes. Water reclamation revenues are experiencing favorable results due to higher than anticipated seasonal adjustments, which are based on water sales for the prior winter period.

Uses

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year				
	2010/11	2011/12	2012/13	2012/13	2012/13
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Expenses:*					
Personnel Services	\$158.0	\$154.2	\$157.8 **	\$157.5 **	(\$0.2)
Contractual	48.6	45.2	51.6	50.1	(1.5)
Commodities	7.4	7.3	7.9	7.8	-
Capital Outlays	0.5	0.2	1.1	1.1	-
Total Operating Expenses	\$214.5	\$206.9	\$218.3	\$216.6	(\$1.7)
Debt Service & Contracts Payable	12.2	17.8	18.0	15.1	(2.9)
Transfers Out	11.5	14.8	14.0	8.5	(5.5)
Total Uses	\$238.3	\$239.4	\$250.3 **	\$240.2 **	(\$10.1)
% Change vs. Prior Year	-6%	0%	5%	0%	

	One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Expenses:*							
Personnel Services	\$11.5	\$11.7	\$11.9	\$12.0	\$ -	-	
Contractual	4.1	4.1	4.2	3.8	(0.4)	-11%	
Commodities	0.5	0.6	0.5	0.7	0.2	34%	
Capital Outlays	0.1	-	-	0.1	0.1	93%	
Total Operating Expenses	\$16.2	\$16.4	\$16.6	\$16.6	(\$0.1)	0%	
Debt Service & Contracts Payable	1.0	0.5	0.1	0.4	0.3	74%	
Transfers Out	1.4	0.6	-	-	-	-	
Total Uses	\$18.5	\$17.4	\$16.8	\$17.0	\$0.2	1%	
% Change vs. Prior Year		-6%	-4%	-3%			

	Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Expenses:*							
Personnel Services	\$65.7	\$64.4	\$66.8	\$66.3	(\$0.5)	-1%	
Contractual	20.0	19.3	20.4	21.6	1.2	5%	
Commodities	2.5	2.2	2.5	3.0	0.5	17%	
Capital Outlays	0.1	-	0.4	0.4	0.1	13%	
Total Operating Expenses	\$88.2	\$86.0	\$90.0	\$91.3	\$1.2	1%	
Debt Service & Contracts Payable	1.6	1.3	1.1	1.4	0.3	22%	
Transfers Out	2.6	1.5	3.0	3.0	-	-	
Total Uses	\$92.5	\$88.8	\$94.2	\$95.7	\$1.5	2%	
% Change vs. Prior Year		-4%	6%	8%			

	Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Expenses:							
Mayor & Council and Charter Officers	\$7.8	\$7.1	\$7.2	\$7.7	\$0.5	7%	
Administrative Services	6.1	6.0	6.4	6.6	0.1	2%	
Community & Economic Dev	11.6	10.3	10.0	10.0	0.1	1%	
Community Services	14.3	12.8	13.9	14.3	0.4	3%	
Public Safety - Fire	10.6	11.0	12.1	12.4	0.4	3%	
Public Safety - Police	31.9	32.4	33.7	33.0	(0.7)	-2%	
Public Works	5.9	6.4	6.7	7.2	0.4	6%	
Total Operating Expenses	\$88.2	\$86.0	\$90.0	\$91.3	\$1.2	1%	

*Beginning in August 2012, the Bed Tax budget and expenditures have moved to the newly created Tourism Development Fund authorized by City Council on May 8, 2012.

**Includes budgeted vacancy savings net of leave accrual payouts, 2% pay for performance and compensation adjustments.

Personnel Services					
Twelve Months: Fiscal Year					
	2010/11	2011/12	2012/13	2012/13	2012/13
	Actual	Actual	Adopted Budget	Revised Budget	Approved Adjustments
Salaries and Wages	\$118.4	\$112.0	\$112.9 *	\$112.7 *	(\$0.2)
Overtime	5.7	6.6	5.8	5.9	0.1
FICA	8.1	7.8	7.9	7.9	-
Retirement	13.2	14.1	15.8	15.9	0.1
Health/Dental/Miscellaneous	12.7	13.8	15.3	15.1	(0.2)
Total Personnel Services	\$158.0	\$154.2	\$157.8 *	\$157.5 *	(\$0.2)
% Change vs. Prior Year		-2%	2%	2%	

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Salaries and Wages	\$50.2	\$47.7	\$48.0	\$48.1	\$0.1	0%
Overtime	2.0	2.2	2.7	2.1	(0.7)	-31%
FICA	3.4	3.3	3.3	3.3	-	-
Retirement	5.6	5.7	6.6	6.5	(0.1)	-1%
Health/Dental/Miscellaneous	4.4	5.6	6.2	6.3	0.1	2%
Total Personnel Services	\$65.7	\$64.4	\$66.8	\$66.3	(\$0.5)	-1%
% Change vs. Prior Year		-2%	4%	3%		
Pay Periods YTD	11	11	11			

*Includes budgeted vacancy savings net of leave accrual payouts, 2% pay for performance and compensation adjustments.

Actual to Revised Budget variance of (\$0.5) million or (1%): The unfavorable variance in Personnel Services continues to be driven by overtime. Per the Police Department, the overtime unfavorable variance is largely due to increased vacancies or not fully trained employees within the Police Department specifically in Communication, Patrol and Detention Officer positions, which is resulting in additional overtime to ensure minimum staffing levels are maintained.

Macro Personnel Adjustments					
	2010/11	2011/12	2012/13	2012/13	
	Actual	Actual	Adopted Budget	Year-To-Date	
				Saved/(Used)	Remaining
2% Pay for Performance	-	-	2.7	(2.7)	-
Compensation Adjustments	-	-	0.6	-	0.6
Vacancy Savings	(4.0)	(3.8)	(3.3)	1.5	(1.8)
Vacation Leave Payouts	0.7	0.6	0.8	(0.5)	0.3
Medical Leave Payouts	1.1	0.9	1.1	(0.7)	0.3
Reclassifications	-	-	-	-	-
Total Vacancy Savings/Payouts	(\$2.3)	(\$2.3)	\$1.9	(\$2.4)	(\$0.5)

Total Saved/(Used) YTD of (\$2.4) million: The city has achieved \$1.5 million in vacancy savings largely offset by \$1.2 million of vacation and medical leave payouts. The annual amount for the 2 percent pay for performance was transferred to the division budgets and spread based on payroll dates. The pay for performance payouts paid year-to-date are reflected in the personnel services actual expenditures within the divisions. The \$0.6 million for compensation adjustments has not been transferred to division budgets, pending Council acceptance of the comprehensive compensation study.

Contractual Services

Actual to Revised Budget variance of \$1.2 million or 5%: The favorable variance in Contractual Services continues to be attributable largely to the jail services contract versus budget. Budget was based on prior year activity. In addition, the favorable variance is also related to less maintenance and repair activity for the city's fleet.

Commodities

Actual to Revised Budget variance of \$0.5 million or 17%: The favorable variance is attributable to a timing issue for clothing, personal protection equipment, and radio equipment purchases in the Fire Department.

Capital Outlays

Actual to Revised Budget variance of \$0.1 million or 13%: No explanation necessary.

Debt Service & Contracts Payable					
Twelve Months: Fiscal Year					
	2010/11	2011/12	2012/13	2012/13	2012/13
	Actual	Actual	Adopted	Revised	Approved
			Budget	Budget	Adjustments
MPC Excise Debt Fund	\$6.7	\$7.6	\$10.3	\$8.9	(\$1.4)
MPC Excise Debt Fund - Bed Tax*	0.6	0.6	1.5	-	(1.5)
Certificates of Participation (COP)	0.9	3.5	-	-	-
Contracts Payable	3.5	3.6	6.2	3.7	(2.5)
COP - Radio Financing	0.5	2.5	-	2.5	2.5
Debt Service & Contracts Payable	\$12.2	\$17.8	\$18.0	\$15.1	(\$2.9)
% Change vs. Prior Year	36%	45%	1%	-15%	

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-
MPC Excise Debt Fund - Bed Tax*	-	-	-	-	-	-
Certificates of Participation (COP)	-	-	-	-	-	-
Contracts Payable	1.6	1.3	1.1	1.4	0.3	22%
COP - Radio Financing	-	-	-	-	-	-
Debt Service & Contracts Payable	\$1.6	\$1.3	\$1.1	\$1.4	\$0.3	22%
% Change vs. Prior Year		-17%	-19%	4%		

Actual to Revised Budget variance of \$0.3 million or 22%: The favorable variance relates to the city's Nordstrom lease agreement. Actual tax collections for the contract year October 2011 through September 2012 were less than originally estimated. An adjustment to the current payment was posted in November resulting in a positive variance.

Transfers-Out					
Twelve Months: Fiscal Year					
	2010/11	2011/12	2012/13	2012/13	2012/13
	Actual	Actual	Adopted	Revised	Approved
			Budget	Budget	Adjustments
CIP - Stadium	\$ -	\$0.3	\$ -	\$ -	\$ -
CIP - PAYGO	2.0	2.0	5.4	5.4	-
CIP - Bed Tax*	2.8	0.5	1.8	-	(1.8)
Health Care Reserve Fund	-	3.0	-	-	-
Spec Pgms Fund - Art In Public Places	-	0.9	-	-	-
Bed Tax Fund*	6.7	6.7	6.7	3.0	(3.7)
Spec Pgms Fund - Comm Svcs	-	0.1	-	-	-
Spec Pgms Fund - Planning & Dev	0.1	0.1	0.1	0.1	-
PC Replacement Fund	-	1.2	-	-	-
Total Transfers Out	\$11.5	\$14.8	\$14.0	\$8.5	(\$5.5)
% Change vs. Prior Year	-43%	28%	-5%	-42%	

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
CIP - Stadium	\$ -	\$ -	\$ -	\$ -	\$ -	-
CIP - PAYGO	0.8	-	-	-	-	-
CIP - Bed Tax*	-	-	-	-	-	-
Health Care Reserve Fund	-	-	-	-	-	-
Spec Pgms Fund - Art In Public Places	-	-	-	-	-	-
Bed Tax Fund*	1.8	1.5	3.0	3.0	-	-
Spec Pgms Fund - Comm Svcs	-	-	-	-	-	-
Spec Pgms Fund - Planning & Dev	-	-	-	-	-	-
PC Replacement Fund	-	-	-	-	-	-
Total Transfers Out	\$2.6	\$1.5	\$3.0	\$3.0	\$ -	-
% Change vs. Prior Year		-44%	105%	105%		

Actual to Revised Budget variance of \$0.0 million or 0%: No explanation is necessary.

*Beginning in August 2012, the Bed Tax budget and expenditures have moved to the newly created Tourism Development Fund authorized by City Council on May 8, 2012.

FY 2012/13 - TRANSPORTATION FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$31.4	\$31.4	\$ -	-
Uses	31.2	31.2	-	-
Change in Fund Balance	\$0.2	\$0.2	\$ -	
Beginning Fund Balance	\$4.3	\$5.0	\$0.7	
Ending Fund Balance	<u>\$4.5</u>	<u>\$5.2</u>	<u>\$0.7</u>	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
HURF Taxes	\$13.4	\$10.9	\$12.2	\$12.2	\$ -
0.20% City Sales Tax	15.0	16.0	16.8	16.8	-
Other	6.1	3.3	1.9	2.4	0.6
Total Revenues	<u>\$34.5</u>	<u>30.2</u>	<u>\$30.9</u>	<u>\$31.4</u>	<u>\$0.6</u>
Transfers In ^(a)	0.6	1.2	0.6	-	(0.6)
Total Sources	<u>\$35.1</u>	<u>\$31.4</u>	<u>\$31.4</u>	<u>\$31.4</u>	<u>\$ -</u>
% Change vs. Prior Year	0%	-11%	0%	0%	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$6.3	\$5.1	\$5.4 *	\$5.4 *	\$ -
Contractual	15.4	14.7	16.6	16.6	-
Commodities	0.6	0.6	0.7	0.7	-
Capital Outlays	3.0	0.2	0.1	0.1	-
Total Operating Expenses	<u>\$25.2</u>	<u>\$20.6</u>	<u>\$22.8</u>	<u>\$22.8</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	7.6	8.0	8.4	8.4	-
Total Uses	<u>\$32.8</u>	<u>\$28.7</u>	<u>\$31.2 *</u>	<u>\$31.2 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-5%	-13%	9%	9%	

^(a) Direct Cost Allocations for Alley Maintenance moved from Transfers In to Other revenue for reporting consistency.

* Includes budgeted vacancy savings net of leave accrual payouts, 2% pay for performance and compensation adjustments.

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.2	\$2.4	\$12.2	\$12.5	(\$0.3)	-2%
Uses	1.3	2.3	6.6	8.3	1.7	21%
Change in Fund Balance	\$0.9	\$ -	\$5.6	\$4.1	\$1.5	

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.0	\$0.8	\$0.9	\$1.0	(\$0.1)	-15%
0.20% City Sales Tax	1.1	1.2	1.3	1.3	-	-
Other	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$2.3	\$2.1	\$2.2	\$2.4	(\$0.1)	-5%
Transfers In ^(a)	-	-	-	-	-	-
Total Sources	\$2.3	\$2.1	\$2.2	\$2.4	(\$0.1)	-5%
% Change vs. Prior Year		-7%	7%	12%		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$5.4	\$4.4	\$4.7	\$5.1	(\$0.4)	-8%
0.20% City Sales Tax	5.6	6.0	6.2	6.3	(0.1)	-1%
Other	2.4	0.4	1.3	1.1	0.2	19%
Total Revenues	\$13.4	10.8	\$12.2	\$12.5	(\$0.3)	-2%
Transfers In ^(a)	0.6	1.1	-	-	-	-
Total Sources	\$14.0	\$11.8	\$12.2	\$12.5	(\$0.3)	-2%
% Change vs. Prior Year		-16%	3%	5%		

^(a) Direct Cost Allocations for Alley Maintenance moved from Transfers In to Other revenue for reporting consistency.

Actual to Revised Budget variance of (\$0.3) million or (2%):

HURF Taxes continue to struggle to recover from the economic downturn as unstable gas prices are having an effect on consumer confidence, leading consumers to continue to drive less. Sales tax is experiencing unfavorable results due to store closings, and construction sales tax not coming in as expected. See Appendix 1 for further details by category. The favorable variance in Other revenue is related to developer deposits received for a traffic impact study as well as intergovernmental revenue received in excess of budget.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$0.5	\$0.4	\$0.4	\$0.4	\$ -	-
Contractual	1.0	1.6	0.9	1.9	1.0	53%
Commodities	-	0.1	-	0.1	-	-
Capital Outlays	1.2	-	-	-	-	-
Total Operating Expenses	\$2.7	\$2.0	\$1.3	\$2.3	\$1.0	43%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$2.7	\$2.0	\$1.3	\$2.3	\$1.0	43%
% Change vs. Prior Year		-23%	-35%	15%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$2.6	\$2.1	\$2.3	\$2.3	\$0.1	2%
Contractual	3.7	4.7	4.1	5.6	1.5	26%
Commodities	0.2	0.2	0.2	0.4	0.2	46%
Capital Outlays	2.7	0.1	-	-	-	-
Total Operating Expenses	\$9.2	\$7.2	\$6.6	\$8.3	\$1.7	21%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$9.2	\$7.2	\$6.6	\$8.3	\$1.7	21%
% Change vs. Prior Year		-22%	-8%	16%		

Actual to Revised Budget variance of \$1.7 million or 21%:

The favorable variance in Contractual is primarily attributable to the invoice timing for Transportation's transit contracts with the Regional Public Transportation Authority (RPTA), which was approved by Council in November. In addition, the favorable variance in Contractual is attributable to street overlay projects and dust palliative projects which were completed; however, invoices have not been received.

FY 2012/13 - TOURISM DEVELOPMENT FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$ -	\$18.0	\$18.0	n/a
Uses	-	14.0	(14.0)	n/a
Change in Fund Balance	\$ -	\$4.0	\$4.0	
Beginning Fund Balance	\$ -	\$ -	\$ -	
Ending Fund Balance	\$ -	\$4.0	\$4.0	

Twelve Months: Fiscal Year					
	2010/11 Actual*	2011/12 Actual*	2012/13 Adopted Budget *	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Bed Taxes	\$ -	\$ -	\$ -	\$13.4	\$13.4
Hospitality Trolley Sponsorship	-	-	-	0.1	0.1
Princess Hotel Lease	-	-	-	1.5	1.5
Total Revenues	\$ -	\$ -	\$ -	\$15.0	\$15.0
Transfers In	-	-	-	3.0	3.0
Total Sources	\$ -	\$ -	\$ -	\$18.0	\$18.0
% Change vs. Prior Year			n/a	n/a	

Twelve Months: Fiscal Year					
	2010/11 Actual*	2011/12 Actual*	2012/13 Adopted Budget *	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Marketing (CVB)	\$ -	\$ -	\$ -	\$6.7	\$6.7
Events & Event Development	-	-	-	1.1	1.1
Hospitality Trolley	-	-	-	0.2	0.2
Admin/Research	-	-	-	0.5	0.5
Total Operating Expenses	\$ -	\$ -	\$ -	\$8.4	\$8.4
Transfers Out					
Debt Service	-	-	-	4.1	4.1
General Fund	-	-	-	1.5	1.5
Total Uses	\$ -	\$ -	\$ -	\$14.0	\$14.0
% Change vs. Prior Year			n/a	n/a	

* New fund established for Tourism Development after the adoption of the FY 2012/13 budget.

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.3	\$1.3	\$7.0	\$6.9	\$ -	-
Uses	0.7	0.6	4.5	4.6	-	-
Change in Fund Balance	\$0.6	\$0.7	2.4	2.4	\$0.1	

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$ -	\$ -	\$1.2	\$1.2	\$ -	-
Hospitality Trolley Sponsorship	-	-	-	-	-	-
Princess Hotel Lease	-	-	0.1	0.1	-	-
Total Revenues	\$ -	\$ -	\$1.3	\$1.3	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$ -	\$ -	\$1.3	\$1.3	\$ -	-
% Change vs. Prior Year			n/a	n/a		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$ -	\$ -	\$3.5	\$3.5	\$ -	-
Hospitality Trolley Sponsorship	-	-	0.1	0.1	-	-
Princess Hotel Lease	-	-	0.3	0.3	-	-
Total Revenues	\$ -	\$ -	\$4.0	\$3.9	\$ -	-
Transfers In	-	-	3.0	3.0	-	-
Total Sources	\$ -	\$ -	\$7.0	\$6.9	\$ -	-
% Change vs. Prior Year			n/a	n/a		

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

No explanation necessary.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Marketing (CVB)	\$ -	\$ -	\$0.6	\$0.6	-	-
Events & Event Development	-	-	0.1	-	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	-	-	-	-	-	-
Total Operating Expenses	\$ -	\$ -	\$0.7	\$0.6	\$ -	-
Transfers Out						
Debt Service	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
Total Uses	\$ -	\$ -	\$0.7	\$0.6	\$ -	-
% Change vs. Prior Year			n/a	n/a		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Marketing (CVB)	\$ -	\$ -	\$2.8	\$2.8	-	-
Events & Event Development	-	-	0.4	0.4	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	-	-	0.2	0.2	0.1	28%
Total Operating Expenses	\$ -	\$ -	\$3.3	\$3.4	\$ -	-
Transfers Out						
Debt Service	-	-	1.2	1.2	-	-
General Fund	-	-	-	-	-	-
Total Uses	\$ -	\$ -	\$4.5	\$4.6	\$ -	-
% Change vs. Prior Year			n/a	n/a		

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

No explanation necessary.

FY 2012/13 - WATER AND WATER RECLAMATION FUNDS				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$149.7	\$149.7	\$ -	-
Uses	148.8	148.8	-	-
Change in Fund Balance	<u>\$0.9</u>	<u>\$0.9</u>	<u>\$ -</u>	
Beginning Fund Balance	<u>\$51.7</u>	<u>\$59.7</u>	<u>\$8.0</u>	
Ending Fund Balance	<u><u>\$52.7</u></u>	<u><u>\$60.6</u></u>	<u><u>\$7.9</u></u>	
60 to 90 Day Operating	\$14.4	\$13.9	(\$0.5)	
Repair/Replacement Reserve	28.6	28.2	(0.4)	
Revenue Bond Debt Reserve	5.0	5.4	0.4	
Special Contractual	4.7	4.2	(0.5)	
Unreserved Fund Balance	-	8.9	8.9	
Ending Fund Balance	<u><u>\$52.7</u></u>	<u><u>\$60.6</u></u>	<u><u>\$7.9</u></u>	

Twelve Months: Fiscal Year					
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Water Service Charges	\$86.7	\$89.2	\$86.5	\$86.5	\$ -
Water Reclamation Charges	34.5	35.2	34.1	34.1	-
Non-Potable Water Fees	8.5	10.7	10.4	10.4	-
Interest Earnings	1.3	0.6	0.4	0.4	-
Miscellaneous Revenue	2.1	11.2	1.7	1.7	-
Total Revenues	<u>\$133.1</u>	<u>\$146.9</u>	<u>\$133.1</u>	<u>\$133.1</u>	<u>\$ -</u>
Bond Proceeds	-	-	-	-	-
Transfers In	17.4	16.9	16.6	16.6	-
Total Sources	<u><u>\$150.6</u></u>	<u><u>\$163.8</u></u>	<u><u>\$149.7</u></u>	<u><u>\$149.7</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-34%	9%	-9%	-9%	

Twelve Months: Fiscal Year					
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$15.5	\$16.1	\$17.6	\$17.6	\$ -
Contractual	22.2	25.1	28.1	28.1	-
Commodities	22.1	23.4	24.6	24.6	-
Capital Outlays	0.2	0.1	0.2	0.2	-
Total Operating Expenses	<u>\$59.9</u>	<u>\$64.6</u>	<u>\$70.5</u>	<u>\$70.5</u>	<u>\$ -</u>
Debt Service & Contracts Payable	29.8	29.1	28.7	28.7	-
Transfers Out					
Bond Proceeds	29.1	11.4	-	-	-
CIP Fund	11.4	53.1	37.7	37.7	-
Franchise Fees	6.4	6.7	6.4	6.4	-
In Lieu Property Tax Fees	1.7	0.9	-	-	-
Indirect/Direct Charges	10.1	6.5	5.4	5.4	-
Total Uses	<u><u>\$148.6</u></u>	<u><u>\$172.4</u></u>	<u><u>\$148.8</u></u>	<u><u>\$148.8</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-30%	16%	-14%	-14%	

November 2012: Current Month and YTD						
(\$ in millions: Rounding differences may occur)						
	November	November	YTD	YTD	Actual	vs. Budget
	Actual	Revised	Actual	Revised	Favorable /	(Unfavorable)
		Budget		Budget	Amount	Percent
Sources	\$13.1	\$11.7	\$66.6	\$61.7	\$5.0	8%
Uses	6.5	6.8	30.0	31.2	1.3	4%
Change in Fund Balance	\$6.7	\$4.9	\$36.7	\$30.4	\$6.2	

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Revenues:						
Water Service Charges	\$7.6	\$7.8	\$8.4	\$7.6	\$0.8	11%
Water Reclamation Charges	2.8	2.9	3.0	2.8	0.2	7%
Non-Potable Water Fees	0.9	1.1	1.3	1.0	0.4	40%
Interest Earnings	-	-	0.1	-	-	-
Miscellaneous Revenue	0.4	0.1	0.2	0.2	-	-
Total Revenues	\$11.6	\$12.0	\$13.0	\$11.6	\$1.5	13%
Bond Proceeds	-	-	-	-	-	-
Transfers In	0.1	0.1	0.1	0.1	-	-
Total Sources	\$11.7	\$12.1	\$13.1	\$11.7	\$1.5	13%
% Change vs. Prior Year		3%	9%	-3%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Revenues:						
Water Service Charges	\$43.7	\$43.9	\$45.1	\$41.1	\$4.0	10%
Water Reclamation Charges	14.3	14.7	14.8	14.2	0.6	4%
Non-Potable Water Fees	4.5	4.9	5.6	5.1	0.5	10%
Interest Earnings	0.5	0.2	0.3	0.2	0.2	nm
Miscellaneous Revenue	0.9	0.4	0.4	0.7	(0.3)	-39%
Total Revenues	\$63.9	\$64.1	\$66.2	\$61.3	\$5.0	8%
Bond Proceeds	-	-	-	-	-	-
Transfers In	0.4	0.5	0.4	0.4	-	-
Total Sources	\$64.3	\$64.6	\$66.6	\$61.7	\$5.0	8%
% Change vs. Prior Year		0%	3%	-5%		

Actual to Revised Budget variance of \$5.0 million or 8%:

The favorable variance in Water Service Charges is driven by changes in the water rate structure, i.e. deliveries shifting within the revised tiers and higher rates for higher tiers. The favorable variance in Non-potable Water Fees is driven by higher water deliveries to the golf courses. The favorable variance in Water Reclamation Charges is due to higher than anticipated seasonal adjustments which are based on water sales for the prior winter average period. The unfavorable variance in Miscellaneous Revenue is driven by lower than anticipated development fee administration charges driven by development.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable /	(Unfavorable)
Expenses:					Amount	Percent
Personnel Services	\$1.2	\$1.2	\$1.3	\$1.3	\$ -	-
Contractual	2.2	1.7	1.8	2.2	0.4	19%
Commodities	2.0	2.6	2.3	2.2	(0.1)	-6%
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$5.3	\$5.5	\$5.4	\$5.7	\$0.3	6%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
Bond Proceeds	2.8	0.4	-	-	-	-
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.6	0.6	0.6	0.6	-	-
In Lieu Property Tax Fees	0.1	0.1	-	-	-	-
Indirect/Direct Charges	0.8	0.5	0.5	0.5	-	-
Total Uses	\$9.7	\$7.1	\$6.5	\$6.8	\$0.3	4%
% Change vs. Prior Year		-27%	-9%	-5%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable /	(Unfavorable)
Expenses:					Amount	Percent
Personnel Services	\$6.5	\$6.7	\$7.3	\$7.4	\$0.1	2%
Contractual	8.6	8.7	9.0	10.2	1.2	12%
Commodities	6.7	7.7	8.2	8.4	0.3	3%
Capital Outlays	0.1	-	0.1	-	(0.1)	n/a
Total Operating Expenses	\$21.8	\$23.1	\$24.5	\$26.0	\$1.5	6%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
Bond Proceeds	5.7	7.4	-	-	-	-
CIP Fund	-	-	-	-	-	-
Franchise Fees	2.6	3.1	3.2	3.0	(0.2)	-7%
In Lieu Property Tax Fees	0.7	0.4	-	-	-	-
Indirect/Direct Charges	4.2	2.7	2.3	2.3	-	-
Total Uses	\$35.1	\$36.8	\$30.0	\$31.2	\$1.3	4%
% Change vs. Prior Year		5%	-19%	-15%		

Actual to Revised Budget variance of \$1.3 million or 4%:

The favorable variance in Contractual is due to less contracted maintenance and repairs of equipment, lower costs for multi-city water reclamation, electric and gas fuel due to lower collections and deliveries, delayed payment of licenses and permits and less contracted sewer cleaning than forecasted. The favorable variance in Commodities is driven by lower than forecasted treatment filter media costs which are partially offset by higher than forecasted treated reverse osmosis water costs. The unfavorable variance in Capital Outlays is driven by the unbudgeted purchase of HVAC equipment for an electrical room. The unfavorable variance in Transfers Out Franchise Fees is driven by higher than forecasted revenues.

FY 2012/13 - AVIATION FUND

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$3.1	\$3.1	\$ -	-
Uses	7.6	7.6	-	-
Change in Fund Balance	(\$4.5)	(\$4.5)	\$ -	
Beginning Fund Balance	\$5.8	\$5.9	\$0.1	
Ending Fund Balance	\$1.3	\$1.4	\$0.1	
60 to 90 Day Operating	\$0.6	\$0.6	\$ -	
Repair/Replacement Reserve	0.7	0.8	0.1	
Ending Fund Balance	\$1.3	\$1.4	\$0.1	

Twelve Months: Fiscal Year

	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Aviation Fees	\$2.8	\$3.2	\$3.0	\$3.0	\$ -
Privilege and Use Tax – Jet Fuel	0.1	0.1	0.1	0.1	-
Interest Earnings	0.1	-	-	-	-
Total Revenues	\$3.0	\$3.4	\$3.1	\$3.1	\$ -
Transfers In	-	-	-	-	-
Total Sources	\$3.0	\$3.4	\$3.1	\$3.1	\$ -
% Change vs. Prior Year	-3%	14%	-10%	-10%	

Twelve Months: Fiscal Year

	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$1.0	\$1.0	\$1.1	\$1.1	\$ -
Contractual	0.6	0.7	0.7	0.7	-
Commodities	-	-	0.1	0.1	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	\$1.7	\$1.8	\$1.9	\$1.9	\$ -
Transfers Out					
CIP Fund	1.6	0.7	5.2	5.2	-
Indirect/Direct Charges	0.7	0.6	0.5	0.5	-
Total Uses	\$3.9	\$3.1	\$7.6	\$7.6	\$ -
% Change vs. Prior Year	65%	-22%	nm	nm	

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.3	\$0.3	\$1.3	\$1.1	\$0.1	13%
Uses	0.2	0.2	0.9	1.1	0.2	19%
Change in Fund Balance	\$0.2	\$0.1	\$0.4	\$ -	\$0.4	

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
% Change vs. Prior Year		0%	0%	0%		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$1.1	\$1.1	\$1.2	\$1.1	\$0.1	12%
Privilege and Use Tax – Jet Fuel	-	0.1	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$1.1	\$1.2	\$1.3	\$1.1	\$0.1	13%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.1	\$1.2	\$1.3	\$1.1	\$0.1	13%
% Change vs. Prior Year		9%	0%	-9%		

Actual to Revised Budget variance of \$0.1 million or 13%:

The fiscal year to date favorable variance in Aviation Fees is due to higher than expected revenue in the areas of fuel and transient parking. Additionally, the annual reconciliation received by the Airport's two Fixed Base Operators yielded higher than expected revenue.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
Expenses:				Budget	Amount	Percent
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Indirect/Direct Charges	-	-	-	-	-	-
Total Uses	\$0.1	\$0.1	\$0.2	\$0.2	\$ -	-
% Change vs. Prior Year		57%	0%	0%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
Expenses:				Budget	Amount	Percent
Personnel Services	\$0.4	\$0.4	\$0.4	\$0.4	\$ -	-
Contractual	0.2	0.3	0.2	0.4	0.2	42%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.7	\$0.7	\$0.7	\$0.9	\$0.2	21%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.2	0.2	0.2	-	-
Total Uses	\$0.7	\$0.9	\$0.9	\$1.1	\$0.2	19%
% Change vs. Prior Year		31%	0%	17%		

Actual to Revised Budget variance of \$0.2 million or 19%:

The favorable variance in Contractual is attributed to misaligned budget spreads for professional services related to the Airfare, intergovernmental payments for U.S. Customs International Flight Clearing Services, and consultant services. Additionally, payment for insurance and bond premiums was budgeted in FY 2012/13 however the payment was processed in FY 2011/12; therefore no payment for insurance and bond premiums will be made in FY 2012/13.

FY 2012/13 - SOLID WASTE FUND
(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$20.3	\$20.3	\$ -	-
Uses	19.1	19.1	-	-
Change in Fund Balance	\$1.2	\$1.2	\$ -	
Beginning Fund Balance	\$8.8	\$10.5	\$1.7	
Ending Fund Balance	<u>\$10.0</u>	<u>\$11.7</u>	<u>\$1.7</u>	
60 to 90 Day Operating Unreserved Fund Balance	\$4.0 6.0	\$4.0 7.7	\$ - 1.7	
Ending Fund Balance	<u>\$10.0</u>	<u>\$11.7</u>	<u>\$1.7</u>	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Solid Waste Charges	\$20.9	\$20.7	\$20.2	\$20.2	\$ -
Interest Earnings	0.1	0.1	-	-	-
Total Revenues	\$21.0	\$20.8	\$20.3	\$20.3	\$ -
Transfers In	-	0.2	-	-	-
Total Sources	<u>\$21.0</u>	<u>\$21.0</u>	<u>\$20.3</u>	<u>\$20.3</u>	<u>\$ -</u>
% Change vs. Prior Year	2%	0%	-3%	-3%	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$5.9	\$6.6	\$6.5	\$6.5	\$ -
Contractual	9.7	9.0	10.1	10.1	-
Commodities	0.3	0.4	0.5	0.5	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	\$15.9	\$16.0	\$17.1	\$17.1	\$ -
Transfers Out					
CIP Fund	1.8	0.5	0.3	0.3	-
In Lieu Property Tax Fees	-	-	-	-	-
Indirect/Direct Charges	2.9	2.0	1.7	1.7	-
Total Uses	<u>\$20.6</u>	<u>\$18.5</u>	<u>\$19.1</u>	<u>\$19.1</u>	<u>\$ -</u>
% Change vs. Prior Year	4%	-10%	3%	3%	

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.7	\$1.7	\$8.4	\$8.4	\$ -	-
Uses	1.6	1.6	7.5	7.5	-	-
Change in Fund Balance	\$0.2	\$0.1	\$0.9	\$0.9	\$ -	-

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$1.7	\$1.6	\$1.7	\$1.7	\$ -	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.6	\$1.7	\$1.7	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$1.7	\$1.6	\$1.7	\$1.7	\$ -	-
% Change vs. Prior Year		-6%	5%	0%		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$8.6	\$8.4	\$8.4	\$8.4	\$ -	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$8.6	\$8.5	\$8.4	\$8.4	\$ -	-
Transfers In	-	0.2	-	-	-	-
Total Sources	\$8.6	\$8.7	\$8.4	\$8.4	\$ -	-
% Change vs. Prior Year		0%	-2%	-2%		

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

No explanation necessary.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable /</u>	<u>(Unfavorable)</u>
Expenses:					<u>Amount</u>	<u>Percent</u>
Personnel Services	\$0.4	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	1.1	0.8	0.9	0.8	-	-
Commodities	-	-	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	<u>\$1.5</u>	<u>\$1.3</u>	<u>\$1.4</u>	<u>\$1.4</u>	<u>\$ -</u>	<u>-</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.2	0.2	0.1	0.1	-	-
Total Uses	<u>\$1.7</u>	<u>\$1.5</u>	<u>\$1.6</u>	<u>\$1.6</u>	<u>\$ -</u>	<u>-</u>
% Change vs. Prior Year		-13%	4%	4%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable /</u>	<u>(Unfavorable)</u>
Expenses:					<u>Amount</u>	<u>Percent</u>
Personnel Services	\$2.4	\$2.8	\$2.7	\$2.7	\$ -	-
Contractual	3.7	3.4	3.8	3.9	-	-
Commodities	0.1	0.2	0.3	0.2	(0.1)	-31%
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	<u>\$6.1</u>	<u>\$6.3</u>	<u>\$6.9</u>	<u>\$6.8</u>	<u>\$ -</u>	<u>-</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	1.4	0.8	0.7	0.7	-	-
Total Uses	<u>\$7.6</u>	<u>\$7.1</u>	<u>\$7.5</u>	<u>\$7.5</u>	<u>\$ -</u>	<u>-</u>
% Change vs. Prior Year		-6%	6%	5%		

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

No explanation necessary.

FY 2012/13 - FLEET FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$18.4	\$18.4	\$ -	-
Uses	19.5	19.5	-	-
Change in Fund Balance	(\$1.0)	(\$1.0)	\$ -	
Beginning Fund Balance	\$7.7	\$9.3	\$1.6	
Ending Fund Balance	<u>\$6.7</u>	<u>\$8.3</u>	<u>\$1.6</u>	
Contingency Reserve	\$0.5	\$0.5	\$ -	
Future Acquisition	4.9	4.9	-	
Unreserved, Undesignated	1.3	2.9	1.6	
Ending Fund Balance	<u>\$6.7</u>	<u>\$8.3</u>	<u>\$1.6</u>	

Twelve Months: Fiscal Year					
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Maintenance/Operation Rates	\$11.2	\$11.8	\$12.5	\$12.5	\$ -
Replacement Rates	2.9	3.1	5.7	5.7	-
Interest Earnings	0.1	-	0.1	0.1	-
Other Revenue	0.1	0.6	0.2	0.2	-
Total Revenues	<u>\$14.4</u>	<u>\$15.5</u>	<u>\$18.4</u>	<u>\$18.4</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$14.4</u>	<u>\$15.5</u>	<u>\$18.4</u>	<u>\$18.4</u>	<u>\$ -</u>
% Change vs. Prior Year	4%	8%	19%	19%	

Twelve Months: Fiscal Year					
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$3.2	\$3.1	\$3.3 *	\$3.3 *	\$ -
Contractual	1.3	1.5	1.5	1.5	-
Commodities	6.4	7.0	8.3	8.3	-
Capital Outlays	1.6	5.0	5.6	5.6	-
Total Operating Expenses	<u>\$12.6</u>	<u>\$16.6</u>	<u>\$18.7</u>	<u>\$18.7</u>	<u>\$ -</u>
Transfers Out					
Transfers to Operating Funds	-	1.5	0.8	0.8	-
Total Uses	<u>\$12.6</u>	<u>\$18.0</u>	<u>\$19.5 *</u>	<u>\$19.5 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-8%	43%	8%	8%	

*Includes budgeted vacancy savings net of leave accrual payouts, 2% pay for performance and compensation adjustments.

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November	November	YTD	YTD	Actual vs. Budget	
	Actual	Revised Budget	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Sources	\$1.4	\$1.5	\$7.6	\$7.7	(\$0.1)	-1%
Uses	3.0	1.6	6.3	7.0	0.7	10%
Change in Fund Balance	(\$1.6)	(\$0.1)	\$1.3	\$0.7	\$0.6	

One Month: November 2012

	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$0.9	\$1.0	\$1.0	\$1.0	(\$0.1)	-8%
Replacement Rates	0.2	0.3	0.5	0.5	-	-
Interest Earnings	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	\$1.2	\$1.3	\$1.4	\$1.5	(\$0.1)	-6%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.2	\$1.3	\$1.4	\$1.5	(\$0.1)	-6%
% Change vs. Prior Year		9%	12%	19%		

Fiscal Year-to-Date: November 2012

	2010/11	2011/12	2012/13	2012/13	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$4.70	\$4.9	\$4.9	\$5.2	(\$0.3)	-5%
Replacement Rates	1.2	1.3	2.4	2.4	-	-
Interest Earnings	0.1	-	-	-	-	-
Other Revenue	-	0.1	0.3	0.1	0.2	nm
Total Revenues	\$6.0	\$6.3	\$7.6	\$7.7	(\$0.1)	-1%
Transfers In	-	-	-	-	-	-
Total Sources	\$6.0	\$6.3	\$7.6	\$7.7	(\$0.1)	-1%
% Change vs. Prior Year		6%	19%	21%		

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

No explanation necessary.

One Month: November 2012

	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.1	0.1	-	-
Commodities	0.7	0.6	0.7	0.7	-	-
Capital Outlays	-	0.8	1.9	0.5	(1.5)	nm
Total Operating Expenses	\$1.0	\$1.8	\$3.0	\$1.6	(\$1.4)	-88%
Transfers Out						
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$1.0	\$1.8	\$3.0	\$1.6	(\$1.4)	-88%
% Change vs. Prior Year		76%	65%	-12%		

Fiscal Year-to-Date: November 2012

	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$1.3	\$1.3	\$1.3	\$1.4	\$ -	-
Contractual	0.4	0.6	0.6	0.7	0.1	10%
Commodities	1.9	2.3	2.2	2.6	0.4	16%
Capital Outlays	0.2	2.8	2.1	2.3	0.2	8%
Total Operating Expenses	\$3.9	\$6.9	\$6.3	\$7.0	\$0.7	10%
Transfers Out						
Transfers to Operating Funds	-	1.5	-	-	-	-
Total Uses	\$3.9	\$8.4	\$6.3	\$7.0	\$0.7	10%
% Change vs. Prior Year		nm	-25%	-17%		

Actual to Revised Budget variance of \$0.7 million or 10%:

The favorable variance in Commodities is related to the budget spread for fuel. The favorable variance in Capital Outlays is a timing issue for the purchase of vehicles/equipment.

FY 2012/13 - RISK FUND
(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$4.8	\$4.8	\$ -	-
Uses	8.0	8.0	-	-
Change in Fund Balance	(\$3.1)	(\$3.1)	\$ -	
Beginning Fund Balance	\$17.0	\$15.4	(\$1.6)	
Ending Fund Balance	<u>\$13.9</u>	<u>\$12.3</u>	<u>(\$1.6)</u>	
Accruals (short term)	\$3.6	\$3.6	\$ -	
Accruals (long term)	5.6	5.6	-	
Unreserved Fund Balance	4.7	3.1	(1.6)	
Ending Fund Balance	<u>\$13.9</u>	<u>\$12.3</u>	<u>(\$1.6)</u>	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Property, Liability, Work Comp	\$5.1	\$4.1	\$4.0	\$4.0	\$ -
Unemployment Taxes	0.3	0.3	0.2	0.2	-
Interest Earnings	0.2	-	0.1	0.1	-
Property Tax (Tort Claims)	1.7	-	0.2	0.2	-
Insurance/Claims Recoveries	0.3	0.1	0.2	0.2	-
Other/Miscellaneous Revenue	0.1	0.1	0.1	0.1	-
Total Revenues	<u>\$7.7</u>	<u>\$4.6</u>	<u>\$4.8</u>	<u>\$4.8</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$7.7</u>	<u>\$4.6</u>	<u>\$4.8</u>	<u>\$4.8</u>	<u>\$ -</u>
% Change vs. Prior Year		-41%	5%	5%	

	Twelve Months: Fiscal Year				
	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services	\$0.6	\$0.7	\$0.8	\$0.8	\$ -
Contractual	4.6	6.5	7.1	7.1	-
Commodities	0.1	0.1	0.1	0.1	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	<u>\$5.3</u>	<u>\$7.3</u>	<u>\$8.0</u>	<u>\$8.0</u>	<u>\$ -</u>
Transfers Out					
Transfers to Operating Funds	-	1.0	-	-	-
Total Uses	<u>\$5.3</u>	<u>\$8.3</u>	<u>\$8.0</u>	<u>\$8.0</u>	<u>\$ -</u>
% Change vs. Prior Year		57%	-4%	-4%	

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.4	\$0.4	\$1.8	\$1.8	(\$0.1)	-4%
Uses	0.3	0.5	1.6	4.1	2.5	61%
Change in Fund Balance	\$0.1	\$ -	\$0.2	(\$2.3)	\$2.4	

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$0.4	\$0.3	\$0.3	\$0.3	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Property Tax (Tort Claims)	1.7	-	-	-	-	-
Insurance/Claims Recoveries	0.1	-	-	-	-	-
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$2.2	\$0.4	\$0.4	\$0.4	-	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.2	\$0.4	\$0.4	\$0.4	-	-
% Change vs. Prior Year		-84%	0%	0%		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$2.1	\$1.7	\$1.7	\$1.7	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Interest Earnings	0.1	-	-	-	-	-
Property Tax (Tort Claims)	1.7	-	-	-	-	-
Insurance/Claims Recoveries	0.2	0.1	0.1	0.1	-	-
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$4.2	\$1.9	\$1.8	\$1.8	(\$0.1)	-4%
Transfers In	-	-	-	-	-	-
Total Sources	\$4.2	\$1.9	\$1.8	\$1.8	(\$0.1)	-4%
% Change vs. Prior Year		-55%	-6%	-2%		

Actual to Revised Budget variance of (\$0.1) million or (4%):

No explanation necessary.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$ -	\$0.1	\$ -	\$0.1	\$ -	-
Contractual	0.2	0.3	0.3	0.4	0.2	38%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.3	\$0.4	\$0.3	\$0.5	\$0.2	36%
Transfers Out						
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$0.3	\$0.4	\$0.3	\$0.5	\$0.2	36%
% Change vs. Prior Year		43%	0%	35%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$0.3	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	2.0	2.2	1.3	3.8	2.5	66%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$2.3	\$2.6	\$1.6	\$4.1	\$2.5	61%
Transfers Out						
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$2.3	\$2.6	\$1.6	\$4.1	\$2.5	61%
% Change vs. Prior Year		10%	-37%	62%		

Actual to Revised Budget variance of \$2.5 million or 61%:

The favorable variance in Contractual continues to be primarily attributable to the insurance premiums of \$1.2 million processed in June 2012 and charged to FY 2011/12.

FY 2012/13 - BENEFITS SELF INSURANCE

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$28.5	\$28.5	\$ -	-
Uses	28.7	28.7	-	-
Change in Fund Balance	(\$0.1)	(\$0.1)	\$ -	
Beginning Fund Balance	\$5.0	\$5.0	\$ -	
Ending Fund Balance	<u>\$4.8</u>	<u>\$4.9</u>	<u>\$ -</u>	

Twelve Months: Fiscal Year

	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Revenues:					
Medical Premiums - COS	\$17.3	\$15.9	\$17.3	\$17.3	\$ -
Dental Premiums - COS	0.8	0.8	0.8	0.8	-
Medical Premiums - EE	4.8	4.5	5.1	5.1	-
Dental Premiums - EE	0.8	0.8	0.8	0.8	-
Premium Holiday	(4.0)	-	-	-	-
Medical Premiums - Retiree	-	2.1	4.1	4.1	-
Other Revenue	0.5	0.4	0.4	0.4	-
Total Revenues	<u>\$20.2</u>	<u>\$24.5</u>	<u>\$28.5</u>	<u>\$28.5</u>	<u>\$ -</u>
Transfers In	-	4.0	-	-	-
Total Sources	<u>\$20.2</u>	<u>\$28.5</u>	<u>\$28.5</u>	<u>\$28.5</u>	<u>\$ -</u>
% Change vs. Prior Year		41%	0%	0%	

Twelve Months: Fiscal Year

	2010/11 Actual	2011/12 Actual	2012/13 Adopted Budget	2012/13 Revised Budget	2012/13 Approved Adjustments
Expenses:					
Personnel Services - COS	\$ -	\$0.2	\$0.2	\$0.2	\$ -
Contractual - COS	-	0.1	0.1	0.1	-
Medical Claims	20.3	18.9	20.1	20.1	-
Medical Claims - Retirees	-	3.1	3.6	3.6	-
Dental Claims	1.5	1.4	1.5	1.5	-
Provider Admin Fees	1.8	1.7	1.7	1.7	-
Behavioral Health Claims	0.5	0.5	0.6	0.6	-
Stop Loss Insurance	0.4	0.5	0.6	0.6	-
Live Life Well	-	0.4	0.3	0.3	-
Commodities - COS	-	-	-	-	-
Short Term Disability	-	-	-	-	-
Total Operating Expenses	<u>\$24.5</u>	<u>\$26.9</u>	<u>\$28.7</u>	<u>\$28.7</u>	<u>\$ -</u>
Total Uses	<u>\$24.5</u>	<u>\$26.9</u>	<u>\$28.7</u>	<u>\$28.7</u>	<u>\$ -</u>
% Change vs. Prior Year		10%	7%	7%	

November 2012: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	November Actual	November Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.1	\$2.4	\$11.0	\$11.8	(\$0.8)	-7%
Uses	2.2	2.4	10.5	11.9	1.5	12%
Change in Fund Balance	(\$0.1)	\$ -	\$0.6	(\$0.1)	\$0.6	

One Month: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums -COS	\$1.4	\$1.3	\$1.5	\$1.4	\$ -	-
Dental Premiums - COS	0.1	0.1	0.1	0.1	-	-
Medical Premiums - EE	0.4	0.4	0.5	0.4	-	-
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Premium Holiday	(0.9)	-	-	-	-	-
Medical Premiums - Retiree	-	0.2	-	0.3	(0.3)	-86%
Other Revenue	-	-	-	-	-	-
Total Revenues	\$1.1	\$2.0	\$2.1	\$2.4	(\$0.2)	-10%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.1	\$2.0	\$2.1	\$2.4	(\$0.2)	-10%
% Change vs. Prior Year		84%	6%	18%		

Fiscal Year-to-Date: November 2012

	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums -COS	\$7.3	\$6.7	\$7.4	\$7.2	\$0.1	2%
Dental Premiums - COS	0.4	0.3	0.3	0.4	-	-
Medical Premiums - EE	2.0	2.0	2.3	2.1	0.2	9%
Dental Premiums - EE	0.3	0.3	0.3	0.3	-	-
Premium Holiday	(2.4)	-	-	-	-	-
Medical Premiums - Retiree	-	0.8	0.4	1.7	(1.3)	-76%
Other Revenue	0.2	0.2	0.3	0.1	0.2	nm
Total Revenues	\$7.8	\$10.2	\$11.0	\$11.8	(\$0.8)	-7%
Transfers In	-	-	-	-	-	-
Total Sources	\$7.8	\$10.2	\$11.0	\$11.8	(\$0.8)	-7%
% Change vs. Prior Year		32%	7%	15%		

Actual to Revised Budget variance of (\$0.8) million or (7%):

The unfavorable variance in Retiree Medical Premiums is the result of retirees electing out of city insurance coverage. The budget assumed no change in participation. This unfavorable variance is offset by favorable variances in active employee premiums, both the city portion as well as the employee portion. These favorable variances are attributed to less open enrollment migration to health plans with lower premiums than budgeted.

One Month: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	1.8	1.4	1.8	1.7	(0.1)	-5%
Medical Claims - Retirees	-	0.5	-	0.3	0.3	89%
Dental Claims	0.1	0.1	0.1	0.1	-	-
Provider Admin Fees	0.1	0.1	0.1	0.1	-	-
Behavioral Health Claims	-	-	-	-	-	-
Stop Loss Insurance	-	-	-	-	-	-
Live Life Well	-	-	-	-	-	-
Total Operating Expenses	<u>\$2.2</u>	<u>\$2.3</u>	<u>\$2.2</u>	<u>\$2.4</u>	<u>\$0.2</u>	<u>9%</u>
Total Uses	<u>\$2.2</u>	<u>\$2.3</u>	<u>\$2.2</u>	<u>\$2.4</u>	<u>\$0.2</u>	<u>9%</u>
% Change vs. Prior Year		4%	-4%	6%		

Fiscal Year-to-Date: November 2012						
	2010/11	2011/12	2012/13	2012/13	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services - COS	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	8.3	7.8	8.1	8.4	0.2	3%
Medical Claims - Retirees	-	1.6	0.5	1.5	1.0	64%
Dental Claims	0.7	0.6	0.6	0.6	-	-
Provider Admin Fees	0.7	0.7	0.6	0.7	0.1	17%
Behavioral Health Claims	0.2	0.2	0.2	0.2	-	-
Stop Loss Insurance	0.2	0.2	0.2	0.2	-	-
Live Life Well	-	0.1	-	-	-	-
Total Operating Expenses	<u>\$10.3</u>	<u>\$11.3</u>	<u>\$10.5</u>	<u>\$11.8</u>	<u>\$1.4</u>	<u>12%</u>
Total Uses	<u>\$10.3</u>	<u>\$11.3</u>	<u>\$10.5</u>	<u>\$11.8</u>	<u>\$1.4</u>	<u>12%</u>
% Change vs. Prior Year		9%	-7%	5%		

Actual to Revised Budget variance of \$1.4 million or 12%:

The favorable variance in Medical Claims - Retirees is the result of a significant number of retirees electing out of city insurance coverage.



Privilege (Sales) & Use Tax Collections For November 2012 (For Business Activity in October 2012)

Appendix 1 contains information regarding the “actual” revenue collections from the 1.0 percent Privilege and Use Tax reflected in the General Fund, 0.2 percent dedicated Transportation Privilege Tax, 0.2 percent dedicated Preserve Privilege and Use Taxes, 0.15 percent additional dedicated Preserve Privilege and Use Taxes, and 0.1 percent dedicated Public Safety Privilege and Use Taxes, including adjustments for related license revenues, late collections and audits. While the report includes the actual year-to-date tax collections for the funds previously noted, only the General Fund portion (1.0 percent) of the tax is unrestricted and available for general government purposes.

The report shows a fiscal year Privilege and Use Tax (1.00% General Purpose) collections decrease of 2 percent compared to the Budget, and an increase of 3 percent compared to the same period a year ago.

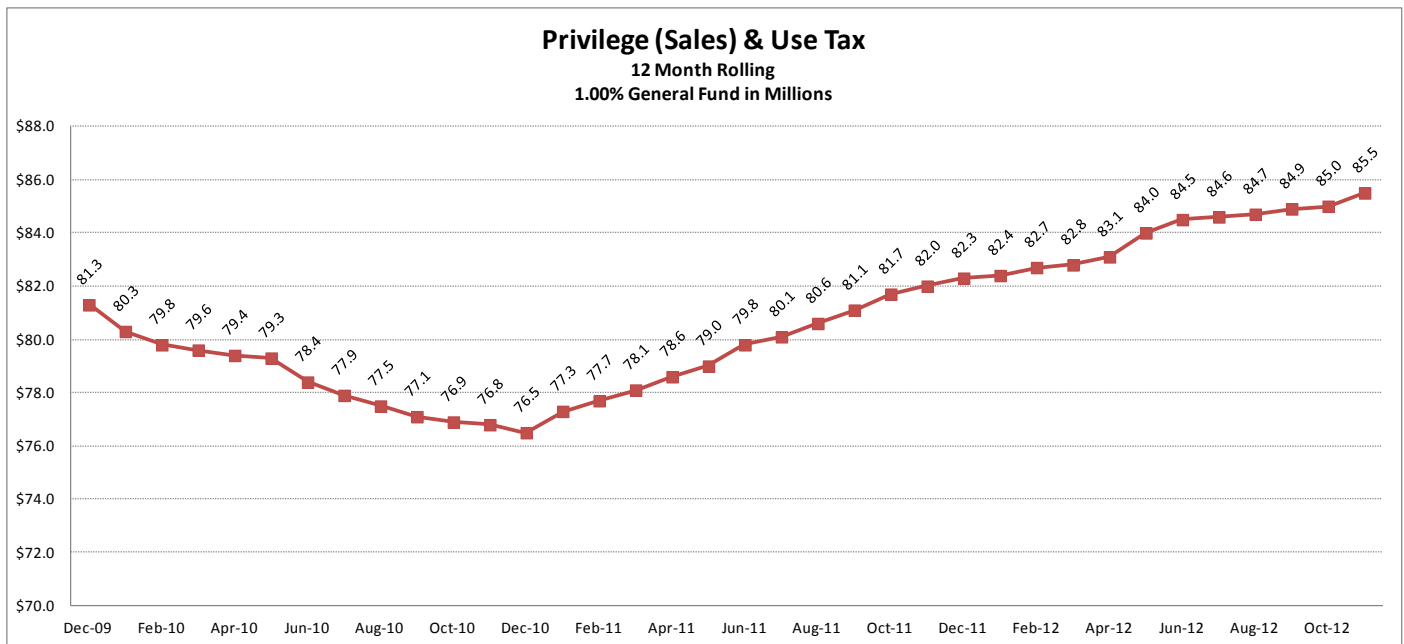
Privilege (Sales) & Use Tax by Category and Fund

	Fiscal Year: Twelve Months				
	2010/11 <u>Actual</u>	2011/12 <u>Actual</u>	2012/13 Adopted <u>Budget</u>	2012/13 Revised <u>Budget</u>	2012/13 Approved <u>Adjustments</u>
1.00% General Purpose					
Rentals	\$11.6	\$11.8	\$11.8	\$11.8	\$0.0
Misc. Retail Stores	13.0	14.1	15.4	15.4	0.0
Major Dept. Stores	8.9	9.1	9.6	9.6	0.0
Automotive	8.9	9.8	10.5	10.5	0.0
Food Stores	6.1	6.4	6.4	6.4	0.0
Construction	7.4	8.1	9.7	9.7	0.0
Dining/ Entertainment	7.3	7.7	8.3	8.3	0.0
Other Taxable Activity	5.7	5.9	6.1	6.1	0.0
Hotel/Motel	4.1	4.3	4.4	4.4	0.0
Utilities	4.4	4.4	4.3	4.3	0.0
License fees, Penalty & Interest	2.1	2.1	2.3	2.3	0.0
Subtotal	79.6	83.7	88.7	88.7	
Adjustments	0.5	1.0			
Subtotal after Adjustments	\$80.1	\$84.6	\$88.7	\$88.7	\$0.0
0.10% Public Safety	\$7.8	\$8.2	\$8.6	\$8.6	\$0.0
0.20% Transportation	15.0	16.0	16.8	16.8	0.0
0.20% McDowell Preserve 1995	15.5	16.5	17.3	17.3	0.0
0.15% McDowell Preserve 2004	11.7	12.3	12.9	12.9	0.0
Total	\$130.1	\$137.7	\$144.3	\$144.3	\$0.0
% Change vs. Prior Year		6%	5%	5%	

Rounding differences may occur.

Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: November 2012						
	2010/11 Actual	2011/12 Actual	2012/13 Actual	2012/13 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
1.00% General Purpose						
Rentals	\$4.7	\$4.8	\$5.0	\$4.9	\$0.1	2%
Misc. Retail Stores	4.5	4.9	5.2	5.4	(0.2)	-3%
Major Dept. Stores	3.2	3.4	3.4	3.6	(0.1)	-3%
Automotive	3.3	3.7	4.2	4.1	0.2	4%
Food Stores	2.3	2.3	2.4	2.4	0.0	0%
Construction	2.9	3.5	3.5	3.9	(0.5)	-12%
Dining/ Entertainment	2.5	2.7	2.8	2.9	(0.1)	-3%
Other Taxable Activity	1.8	2.1	2.0	2.1	(0.1)	-4%
Hotel/Motel	1.2	1.2	1.2	1.3	0.0	0%
Utilities	2.0	2.0	2.0	2.1	0.0	0%
License fees, Penalty & Interest	0.4	0.5	0.5	0.6	0.0	0%
Subtotal	28.9	31.1	32.3	33.0	(0.8)	-2%
Adjustments	0.4	0.4	0.2		0.2	
Subtotal after Adjustments	\$29.3	\$31.5	\$32.5	\$33.0	(\$0.6)	-2%
0.10% Public Safety	\$2.9	\$3.1	\$3.2	\$3.2	\$0.0	0%
0.20% Transportation	5.6	6.0	6.2	6.3	(0.1)	-1%
0.20% McDowell Preserve 1995	5.8	6.2	6.4	6.4	(0.1)	-1%
0.15% McDowell Preserve 2004	4.3	4.6	4.8	4.8	0.0	0%
Total	\$47.8	\$51.3	\$53.0	\$53.7	(\$0.9)	-2%
% Change vs. Prior Year		7%	3%	5%		



Rental Sales Taxes

The rental category includes rentals of commercial and residential real property and personal property rentals, (such as rentals of formal wear, DVD's, home health equipment, recreational goods, electronics, appliances, etc.)

Actual to Revised Budget variance of \$0.1 million or 2%: Normal business fluctuations.

Miscellaneous Retail Stores Sales Taxes

This category includes small clothing stores, art galleries, luggage stores, home furnishing stores, jewelry stores, drug stores, hobby stores, household appliance stores, sporting goods stores, florists, computer stores, hardware stores, and pet supply stores.

Actual to Revised Budget variance of (\$0.2) million or (3%): This is due in part to the All-Star game that was played in Phoenix last year and a decrease in spending.

Major Department Stores Sales Taxes

This category includes large department stores, warehouse clubs, supercenters, and discount department stores.

Actual to Revised Budget variance of (\$0.1) million or (3%): This is due in part to the All-Star game that was played in Phoenix last year and two stores closing.

Automotive Sales Taxes

The automotive category includes automobile dealers, motorcycle dealers, automotive repair shops, tire shops, car washes, and car leasing companies.

Actual to Revised Budget variance of \$0.2 million or 4%: This is due to continued increased sales of new and used motor vehicles.

Food Stores Sales Taxes

This category includes grocery stores, candy stores, meat markets and convenience stores.

Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

Construction Sales Taxes

The construction tax is collected on all construction activity; commercial and residential; new and re-model. It also includes landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, electrical, framing, drywall, infrastructure, masonry, finish carpentry, etc.

Actual to Revised Budget variance of (\$0.5) million or (12%): Collections from construction activity have not yet caught up to the recent increase in permits issued.

Dining/Entertainment Sales Taxes

The restaurant category includes restaurants, bars, cafeterias, mobile food vendors, and caterers.

Actual to Revised Budget variance of (\$0.1) million or (3%): No specific identifiable reason for the variance.

Other Taxable Activity Sales Taxes

This category includes movie theatres, golf courses, gyms, bowling centers, amusement arcades, interior designers, publishers, banks, doctors, lawyers, accountants, beauty salons, barber shops, personal goods repair shops, photographers, advertising, wholesalers, and manufacturers.

Actual to Revised Budget variance of (\$0.1) million or (4%): This is due in part to decreases in taxable sales from computer hardware/software wholesalers.

Hotel/Motel Sales Taxes

This category includes lodging space rental on a short-term basis and other activities provided at the hotel/motel.

Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

Utilities Sales Taxes

This category includes businesses that provide telecommunication (landlines and cellular), electricity, gas, or water services.

Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

License Fees, Penalty & Interest

This category consists of application and license fees for Transaction Privilege (sales) tax licenses, interest, and penalties.

Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

Adjustments

The adjustments consist of large audit payments received in the rental, construction, automotive and other categories. The adjustments also include some large refunds in the other taxable activity and rental categories. There was also a large late payment for the food store category that was received in November instead of October.

Glossary

To ensure legal compliance and financial management for the various restricted revenues and program expenditures, the city's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. Fund accounting segregates functions and activities into separate self-balancing funds that are created and maintained for specific purposes.

A **fund** is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The city, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The General Fund is the city's chief operating fund and is used to account for all financial resources, except those that are legally required to be accounted for in another fund.

GENERAL FUND SOURCES

Sales Tax - Scottsdale's total city sales tax rate is 1.65 percent. Of that amount, 0.55 percent is dedicated to the specific purposes related to transportation and preservation (which are accounted for in Special Revenue Funds) and 0.10 percent is dedicated to public safety (accounted for in the General Fund). The remaining 1.0 percent of the sales tax is also accounted for in the General Fund and is available to fund basic municipal services such as police, fire, libraries, and parks. Sales tax receipts received in the current month are based on prior month activity. This general-purpose sales tax is the city's single largest revenue source. The sales tax category results can be found in Appendix 1.

State Shared Revenues - These revenues are derived from state shared sales taxes, income taxes (revenue sharing), and vehicle license taxes (auto lieu). On a per capita basis, state sales taxes generated in Scottsdale tend to be higher than most other cities/towns due to higher wealth, consumer spending habits, and larger amounts of visitor/tourist spending. As directed by statute, the State distributes the shared portion of State sales taxes back to local governments based on population, not by the amount of sales taxes collected within the local jurisdiction.

Charges for Services/Other - Charges for Services include numerous revenues such as building permits, recreation fees, fire department fees, WestWorld fees, interest income, and property rentals. Also included are cost allocations from the General Fund to the enterprise funds.

Property Taxes - Property taxes are comprised only of the "Primary" property taxes levied on the assessed value of all property within the city to help pay for basic operations of the City. Secondary property taxes are not included in the General Fund as they must be used solely for General Obligation bond debt service payments. Increases in revenue from year to year reflect new property additions to the tax roll and Council actions to increase total revenue as legally allowed.

Franchise Fees and In-Lieu Taxes - This category represents revenues from utility and cable providers for their permitted use of the city's Rights-of-Way.

Bed Taxes - A transient lodging tax (bed tax) is applied to lodging room charges for stays of 29 days or less in hotels or short-term rentals. Effective July 1, 2010, the bed tax rate was increased from 3 percent to 5 percent, half of which must be spent on destination marketing and half of which remains in the General Fund to be used for Capital, Events Development, Administration and other. A new fund was established for Tourism Development after the adoption of the FY 2012/13 budget to account for this revenue.

Transfers In - Transfers in reflects funds received from the Enterprise Funds (In-Lieu Franchise Fees and In-Lieu Property Tax) and Special Programs (30 Day Tow).

GENERAL FUND USES

Personnel Services include the salaries and wages (pay for time worked, overtime premium, vacation, and sick leave) plus the city's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance. It is reduced by vacancy savings, but increased for medical and vacation leave accrual payouts that are made at the time of separation from the city.

Contractual Services category includes expenditures for services performed by firms, individuals, or other city divisions.

Commodities includes supplies, repair and replacement parts, small tools, and maintenance and repairs.

Glossary

Capital outlays include the purchase of land, the purchase or construction of buildings, structures, and facilities, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as capital outlay the expenditure must meet all of the following requirements: (1) have an estimated useful life of more than two years; (2) have a unit cost of \$10,000 or more; and (3) be betterment or improvement.

Debt Service & Contracts Payable is primarily debt payments related to Municipal Property Corporation (MPC) bonds where the city's excise taxes are pledged to meet debt service. It also includes contractual obligations related to development agreements (funded by sales tax rebates) which vary based on the actual sales tax collections.

Transfers-Out represents the authorized transfer of cash to other funds, divisions, departments and/or capital projects.

OTHER FUNDS

Transportation Fund is considered a Special Revenue Fund, which is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Transportation Fund receives and expends the city's allocation of the Arizona Highway User Revenue Tax (HURF) as well as other transportation related revenues. The amount of HURF available to each city is allocated based on population. These monies must be used for street construction, reconstruction, maintenance, or transit. The State of Arizona requires the city to establish and maintain an accounting for Highway User Revenue Funds. The fund also accounts for the 1989 voter approved Transportation Privilege (Sales) Tax of 0.20 percent which is dedicated to funding transportation improvements and operations. Fifty percent of the Transportation Sales Tax is transferred to the Capital Improvement Fund for transportation related capital improvement projects.

Tourism Development Fund is a Special Revenue Fund to account for the sources and uses related to tourism. Revenues consist of transient lodging tax (bed tax), lease rental earnings from the Fairmont-Princess Hotel and hospitality trolley sponsorships. Bed tax is the largest portion of this fund and is derived from lodging room charges for stays of 29 days or less in hotels or short-term rentals.

Enterprise Funds are used to account for operations, which are financed and operated similarly to private businesses, where the intent is that the service is self-sufficient, with all costs including debt service supported predominantly by user charges. The city maintains three Enterprise Funds to account for Water & Water Reclamation, Aviation, and Solid Waste activities.

Water & Water Reclamation Funds

This fund accounts for the transactions related to the city's water and water reclamation business activities, including operating revenue, expenditures and debt service payments.

- Water Service Rates are monthly water billings which consist of a base charge according to meter size and a variable charge for the amount of water consumed.
- Water Reclamation Service Rates are monthly charges based on the volume and strength of the sewage discharge.
- Non-Potable Water Rates includes the sale of surface water, reverse osmosis (RO) and effluent treated to irrigation standards. These different water types are delivered to 23 Reclaimed Water Distribution System (RWDS) golf courses, 3 Irrigation Water Distribution System (IWDS) golf courses, the Gainey Ranch Golf Club, the WestWorld golf course and the Inlet/Silverado golf course.
- Miscellaneous Revenue includes rental income, miscellaneous reimbursements and other minor fees.

Aviation Fund

This fund accounts for the transactions related to the city's aviation business activity at the Scottsdale Airport.

- Aviation Rates are charges for a variety of services provided to airport customers including Landing Fees, Airport/Airpark Fuel Fees, Transient Parking Fees, Fixed Tenant Rents, Percentage Fees for Aeronautical Business Permits (ABPs), Custom Fees and miscellaneous other charges.
- Privilege and Use Tax-Jet Fuel are charges earned from jet fuel sales by Fixed Based Operators (FBOs) in accordance with the Scottsdale Revised Code, Article IV, Section 422.

Glossary

Solid Waste Fund

This fund accounts for the transactions related to the city's solid waste and recycling business activities.

- Solid Waste Rates include residential charges which are a flat fee per month and commercial charges which are based on the size of the container and the number of pickups per month. Additionally Solid Waste Rates include roll-off charges, uncontained service charges, recycling program charges, and household hazardous waste collection charges.

Internal Service Funds are used to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the city. The report includes three Internal Service Funds to account for Fleet, Risk, and Benefits activities.

Fleet Fund

This fund is used to account for the expenditures associated with purchasing and maintaining the city's vehicles. Replacement and operation of vehicles are charged to the city departments as internal operating costs to each program based on the quantity and type of vehicle used. The department charges become revenue to the Fleet Fund.

Risk Fund

This fund is used to account for the city's self-insurance, safety and risk management functions. Revenue to this fund is derived from internal charges to division programs and is captured as internal rates. Payments for unemployment, workers' compensation, and property and liability claims are made from this fund

Benefits Self Insurance Fund

This fund is used to account for the city's self-insured medical and dental benefits. Revenue to this fund is derived from premiums collected through charges to division programs, which consists of both city and employee components. Revenue is also collected through premium charges to retirees as well as pharmacy rebates and stop loss insurance recoveries. This fund provides payment of actual healthcare expenses (medical, prescription and dental claims) as well as claims administration and other benefit plan expenses.