

# **Monthly Financial Report**

**Fiscal Year to Date as  
of September 30, 2020**

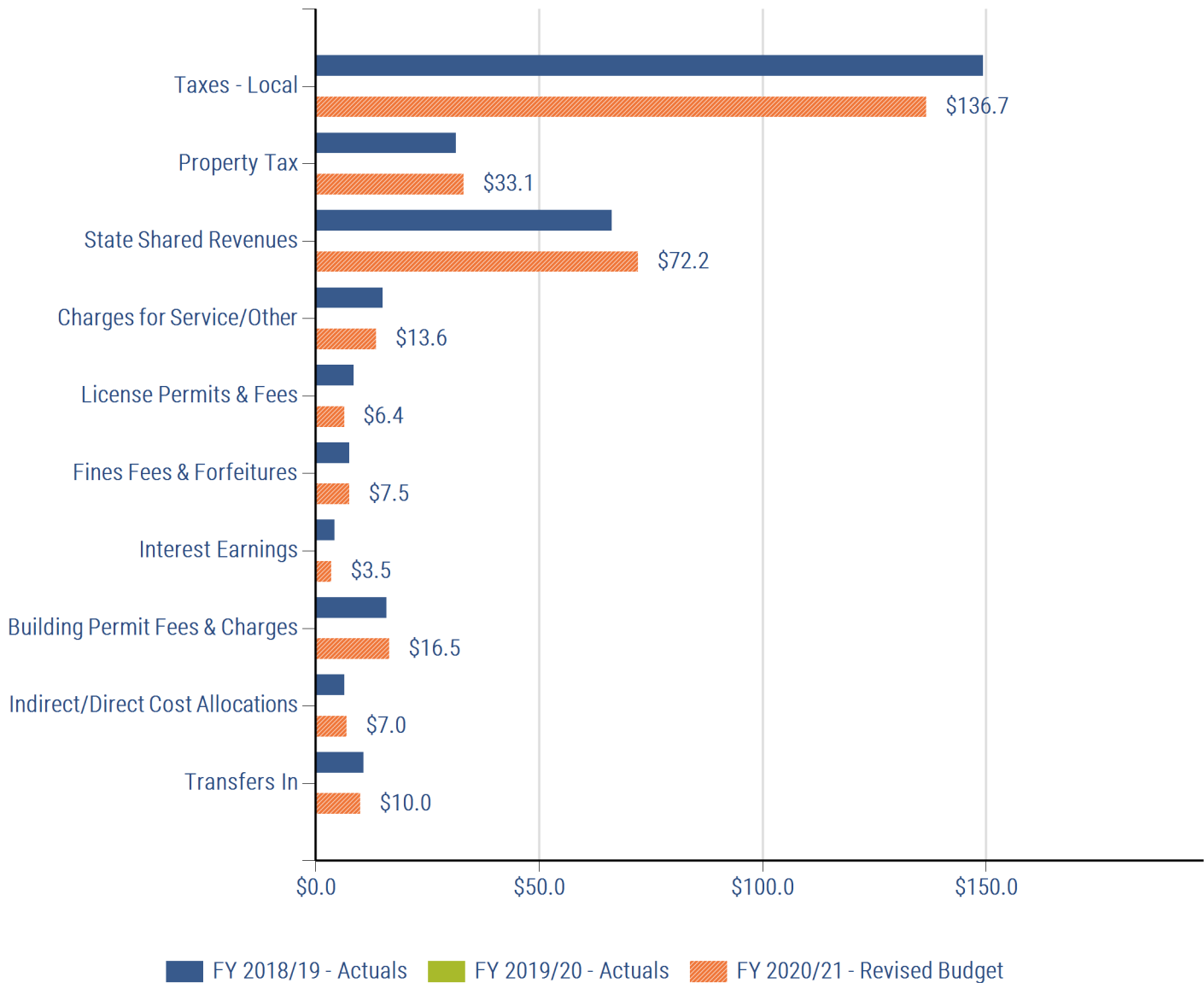
Report to the City Council  
Prepared by the City Treasurer  
November 23, 2020



# Sources

## General Fund

### Twelve Months: Fiscal Year



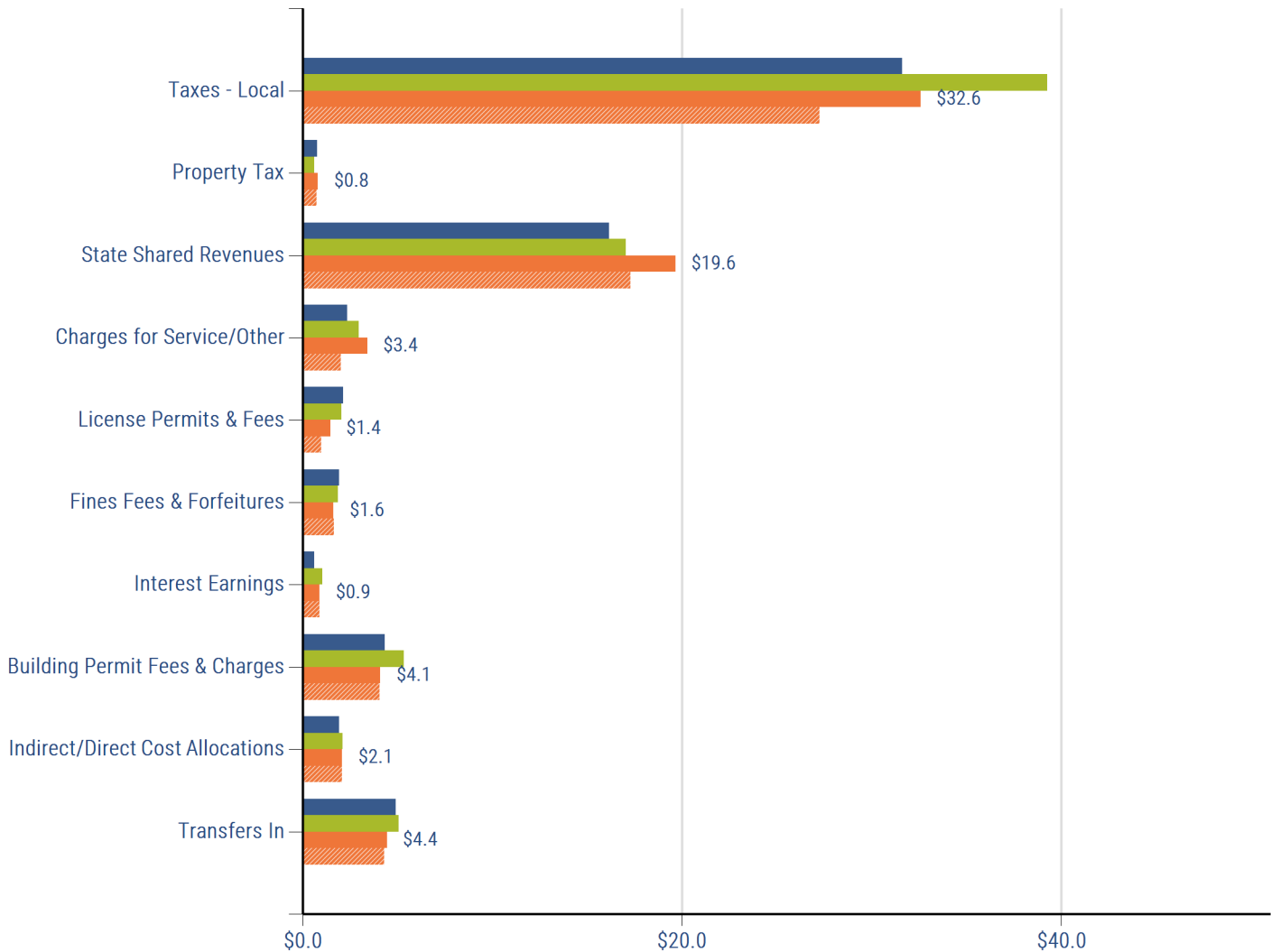
	FY 2018/19 <u>Actuals</u>	FY 2019/20 <u>Actuals</u>	FY 2020/21 <u>Revised Budget</u>
Taxes - Local	\$149.3	n/a	\$136.7
Property Tax	31.4	n/a	33.1
State Shared Revenues	66.2	n/a	72.2
Charges for Service/Other	14.9	n/a	13.6
License Permits & Fees	8.5	n/a	6.4
Fines Fees & Forfeitures	7.5	n/a	7.5
Interest Earnings	4.3	n/a	3.5
Building Permit Fees & Charges	15.9	n/a	16.5
Indirect/Direct Cost Allocations	6.5	n/a	7.0
Transfers In	10.7	n/a	10.0
<b>Total Sources</b>	<b>\$315.2</b>	<b>n/a</b>	<b>\$306.4</b>

Note: FY 2019/20 twelve month actuals are not available at this time. Once completed, they will be included within the report.

\$ in millions / rounding differences may occur



Sources (Fiscal Year to Date: September 2020)

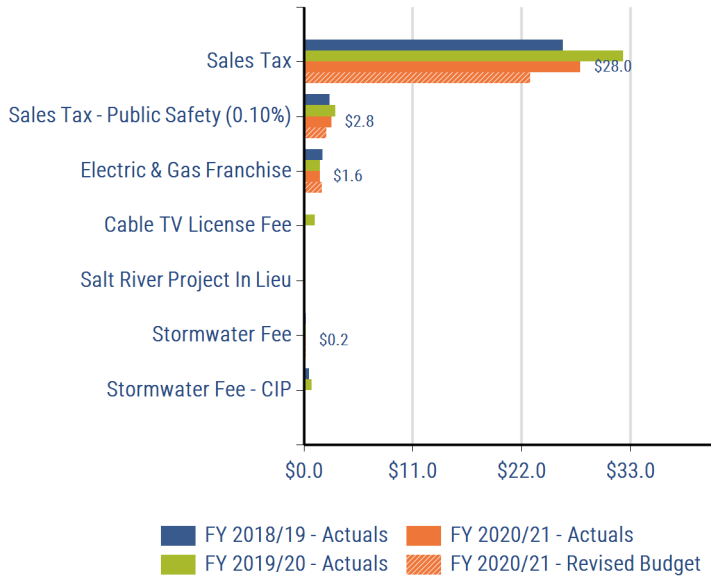


■ FY 2018/19 - Actuals  
 ■ FY 2019/20 - Actuals  
 ■ FY 2020/21 - Actuals  
 ■ FY 2020/21 - Revised Budget

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Taxes - Local	\$31.6	\$39.3	\$32.6	\$27.2	\$5.3	20%
Property Tax	0.8	0.6	0.8	0.7	0.1	10%
State Shared Revenues	16.2	17.1	19.6	17.3	2.4	14%
Charges for Service/Other	2.3	2.9	3.4	2.0	1.4	69%
License Permits & Fees	2.1	2.0	1.4	1.0	0.5	49%
Fines Fees & Forfeitures	1.9	1.9	1.6	1.6	-	-
Interest Earnings	0.6	1.0	0.9	0.9	-	-
Building Permit Fees & Charges	4.3	5.3	4.1	4.1	-	-
Indirect/Direct Cost Allocations	1.9	2.1	2.1	2.1	-	-
Transfers In	4.9	5.1	4.4	4.3	0.2	4%
<b>Total Sources</b>	<b>\$66.6</b>	<b>\$77.3</b>	<b>\$71.0</b>	<b>\$61.2</b>	<b>\$9.8</b>	<b>16%</b>



Taxes - Local (Fiscal Year to Date: September 2020)

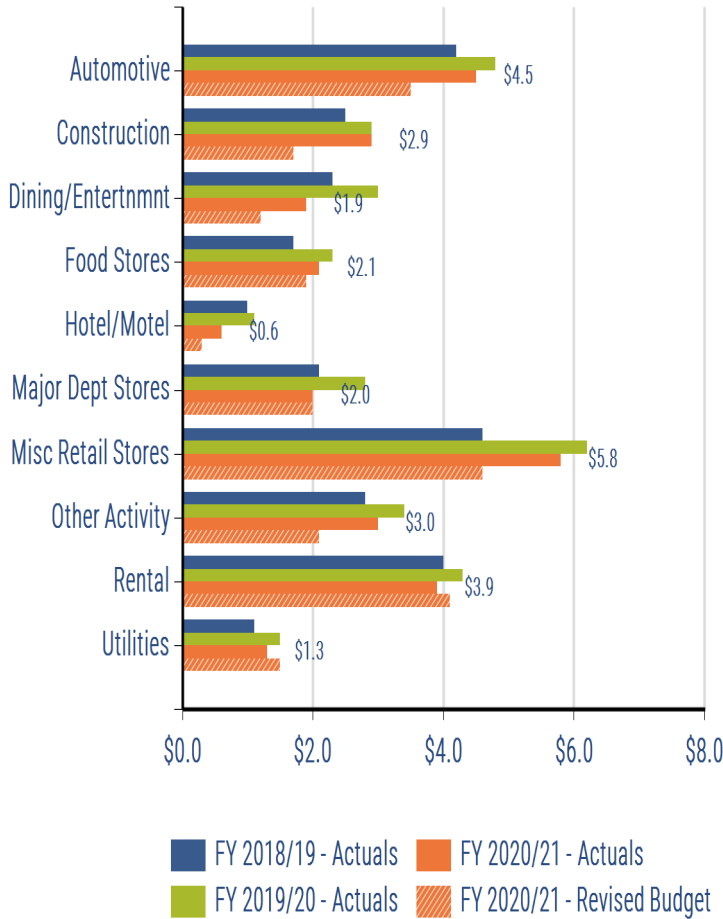


Actual to Revised Budget variance of \$5.3 million or 20%:  
 The favorable variance is primarily due to Sales Tax. See detailed Sales Tax information on page 5. Electric & Gas Franchise is unfavorable due an APS quarterly franchise payment coming in lower than expected.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sales Tax	\$26.2	\$32.3	\$28.0	\$22.9	\$5.0	22%
Sales Tax - Public Safety (0.10%)	2.6	3.2	2.8	2.3	0.5	21%
Electric & Gas Franchise	1.9	1.6	1.6	1.8	(0.2)	(12%)
Cable TV License Fee	-	1.1	-	-	-	-
Salt River Project In Lieu	0.1	-	-	-	-	-
Stormwater Fee	0.2	0.2	0.2	0.2	-	-
Stormwater Fee - CIP	0.5	0.8	-	-	-	-
<b>Taxes - Local Total</b>	<b>\$31.6</b>	<b>\$39.3</b>	<b>\$32.6</b>	<b>\$27.2</b>	<b>\$5.3</b>	<b>20%</b>



Sales Tax (Fiscal Year to Date: September 2020)

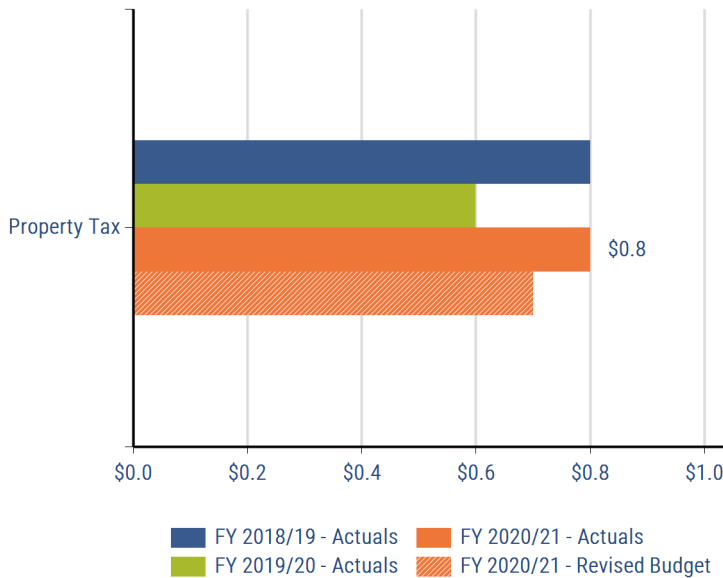


**Actual to Revised Budget variance of \$5.0 million or 22%:** While variances are now more often derived from revenue fluctuations within individual Sales Tax categories, Sales Tax can still be influenced by the unpredictability of the timing in collection by Arizona Department of Revenue. The favorable variance is primarily the result of the following: 1) Automotive – car dealers doing better than expected; 2) Construction – unanticipated increases in construction and speculative sale activity; 3) Dining/Entertainment – restaurants doing better than anticipated with their reduced capacity as a result of the COVID-19 pandemic; 4) Food Stores – more people eating at home due to the COVID-19 pandemic; 5) Hotel/Motel - hotels doing better than anticipated with less people traveling, and an increase in bookings with short term vacation rental properties; 6) Major Dept Stores – normal business fluctuations; 7) Misc Retail Stores - increased software sales and additional revenue from online marketplace facilitators and remote sellers; and 8) Other Activity – increase in taxable sales from computer software and hardware wholesalers and manufacturers. The favorable variance would have been greater but is being offset by: 1) Rental - less rents being collected by commercial and residential properties due to the COVID-19 pandemic. Additionally, personal property rentals are showing a decrease when compared to a year ago and there was also a one-time taxable speculative sale of an apartment complex last year which is not included in this year’s budget; and 2) Utilities – decreases in revenue from the telecommunications sector.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Automotive	\$4.2	\$4.8	\$4.5	\$3.5	\$1.0	29%
Construction	2.5	2.9	2.9	1.7	1.2	72%
Dining/Entertainment	2.3	3.0	1.9	1.2	0.7	63%
Food Stores	1.7	2.3	2.1	1.9	0.2	8%
Hotel/Motel	1.0	1.1	0.6	0.3	0.3	nm
Major Dept Stores	2.1	2.8	2.0	2.0	-	-
Misc Retail Stores	4.6	6.2	5.8	4.6	1.2	25%
Other Activity	2.8	3.4	3.0	2.1	0.9	41%
Rental	4.0	4.3	3.9	4.1	(0.2)	(5%)
Utilities	1.1	1.5	1.3	1.5	(0.2)	(16%)
<b>Sales Tax Total</b>	<b>\$26.2</b>	<b>\$32.3</b>	<b>\$28.0</b>	<b>\$22.9</b>	<b>\$5.0</b>	<b>22%</b>



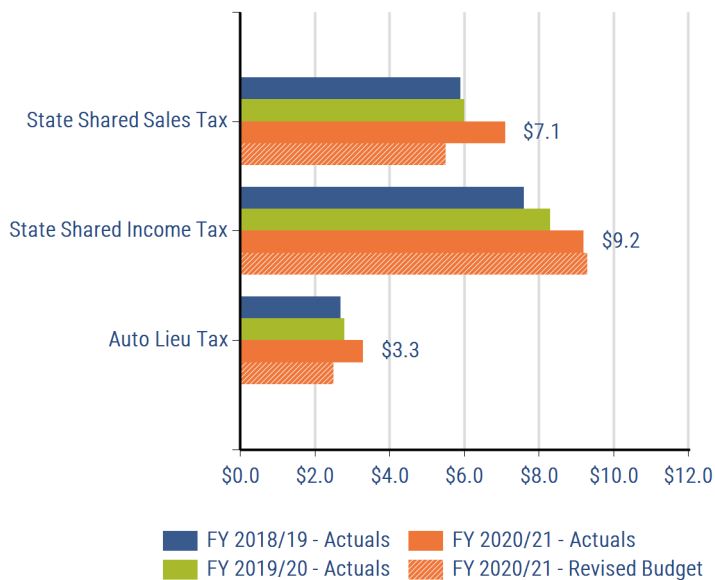
Property Tax (Fiscal Year to Date: September 2020)



Actual to Revised Budget variance of \$0.1 million or 10%. Favorable variance is due to the budget spread, which is based on the way people paid last year and may vary year over year.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Property Tax	\$0.8	\$0.6	\$0.8	\$0.7	\$0.1	10%
Property Tax Total	\$0.8	\$0.6	\$0.8	\$0.7	\$0.1	10%

State Shared Revenues (Fiscal Year to Date: September 2020)

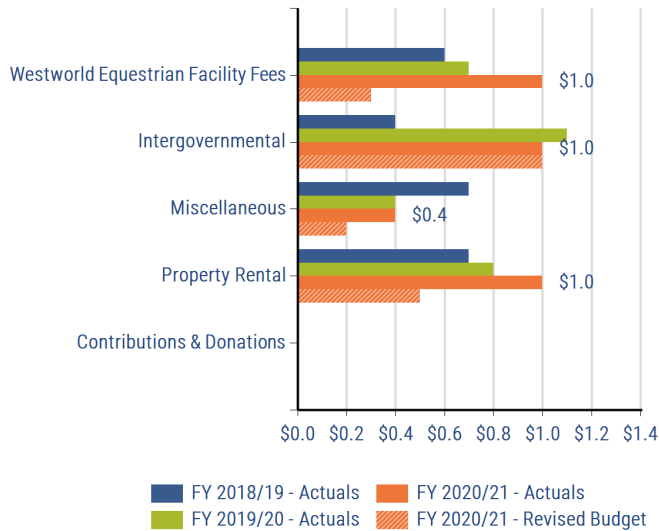


Actual to Revised Budget variance of \$2.4 million or 14%. State Shared Sales tax is favorable due to better than expected state shared sales tax revenue brought in and shared with cities than originally expected based on the expected economic conditions caused by the COVID-19 virus. This is mainly due to Scottsdale starting to see the effects of the 2019 Wayfair Bill on online sales and higher overall online shopping than in previous years due to the pandemic. Auto Lieu Tax is favorable due to higher than expected vehicle sales as a result of aggressive promotions by auto dealers.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
State Shared Sales Tax	\$5.9	\$6.0	\$7.1	\$5.5	\$1.6	29%
State Shared Income Tax	7.6	8.3	9.2	9.3	-	-
Auto Lieu Tax	2.7	2.8	3.3	2.5	0.8	32%
State Shared Revenues Total	\$16.2	\$17.1	\$19.6	\$17.3	\$2.4	14%



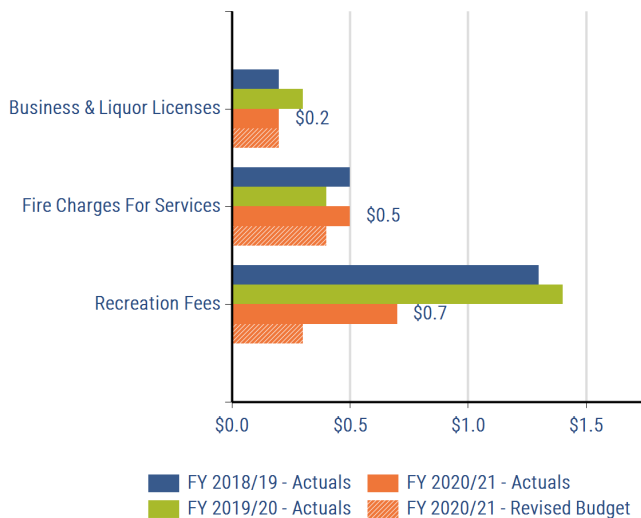
Charges for Service/Other (Fiscal Year to Date: September 2020)



**Actual to Revised Budget variance of \$1.4 million or 69%:** Westworld Equestrian Facility Fees is favorable due to Scottsdale hosting a much larger AZ Fall Championship (equestrian national show) in WestWorld since it absorbed the participants from another state's event that was canceled, and to payments from FY 2019/20 events that were received in FY 2020/21. Miscellaneous is favorable due to recovery reimbursements for Public Safety – Fire from the state and county for costs related to assistance the Division provided in response to fires around Arizona. Property Rental is favorable due to advanced billings for cell tower leases and because the fourth quarter FY 2019/20 Tournament Player's Club payment was paid in FY 2020/21.

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2020/21	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Westworld Equestrian Facility Fees	\$0.6	\$0.7	\$1.0	\$0.3	\$0.7	nm
Intergovernmental	0.4	1.1	1.0	1.0	-	-
Miscellaneous	0.7	0.4	0.4	0.2	0.2	73%
Property Rental	0.7	0.8	1.0	0.5	0.5	nm
Contributions & Donations	-	-	-	-	-	-
<b>Charges for Service/Other Total</b>	<b>\$2.3</b>	<b>\$2.9</b>	<b>\$3.4</b>	<b>\$2.0</b>	<b>\$1.4</b>	<b>69%</b>

License Permits & Fees (Fiscal Year to Date: September 2020)

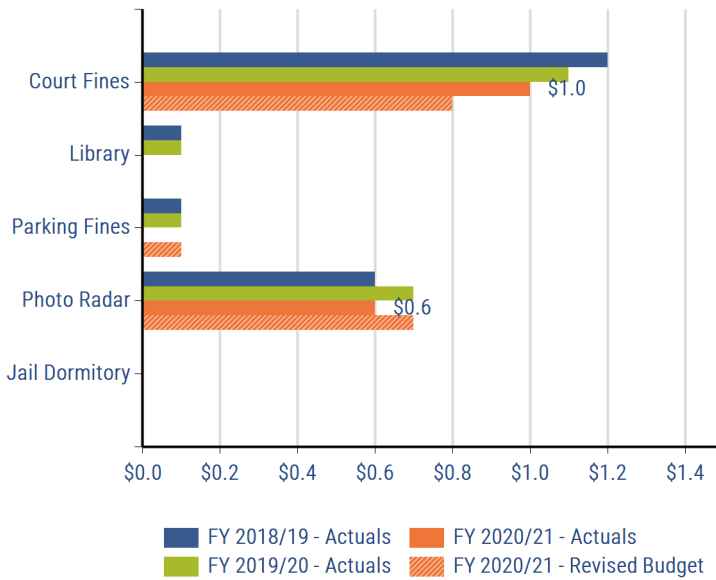


**Actual to Revised Budget variance of \$0.5 million or 49%:** Fire Charges For Services is favorable due to an FY 2019/20 ambulance contract payment received and recorded in FY 2020/21. Recreation Fees is favorable due to challenges by Community Services to accurately predict how the occupancy status of recreation facilities would be affected for FY 2020/21 by the COVID-19 pandemic during budget development, increased lessons offered and pool “drop-in” activity than anticipated at aquatic facilities, and a higher than expected number of summer camp sessions offered and total registrations received for those sessions.

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2020/21	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Business & Liquor Licenses	\$0.2	\$0.3	\$0.2	\$0.2	\$ -	-
Fire Charges For Services	0.5	0.4	0.5	0.4	0.1	26%
Recreation Fees	1.3	1.4	0.7	0.3	0.4	nm
<b>License Permits &amp; Fees Total</b>	<b>\$2.1</b>	<b>\$2.0</b>	<b>\$1.4</b>	<b>\$1.0</b>	<b>\$0.5</b>	<b>49%</b>



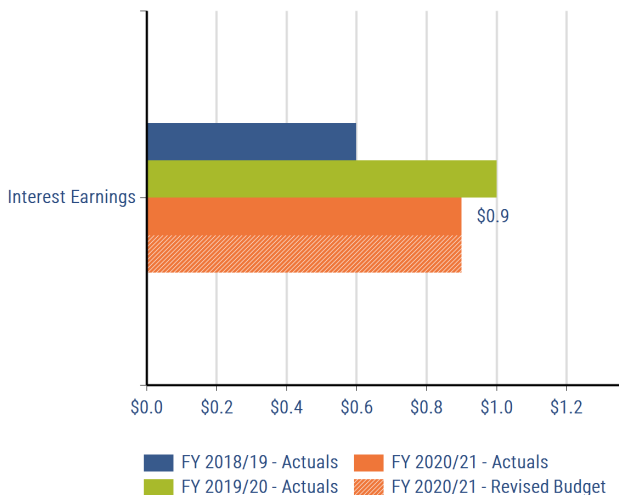
**Fines Fees & Forfeitures (Fiscal Year to Date: September 2020)**



**Actual to Revised Budget variance of \$0.0 million or 0%:**  
 Court Fines is favorable due to higher revenue being brought in when compared to the reduction in budget made as a result of the COVID-19 pandemic. Photo Radar is unfavorable due to less fine revenue being brought in as a result of the timing of people paying citations.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Court Fines	\$1.2	\$1.1	\$1.0	\$0.8	\$0.1	14%
Library	0.1	0.1	-	-	-	-
Parking Fines	0.1	0.1	-	0.1	-	-
Photo Radar	0.6	0.7	0.6	0.7	(0.1)	(10%)
Jail Dormitory	-	-	-	-	-	-
<b>Fines Fees &amp; Forfeitures Total</b>	<b>\$1.9</b>	<b>\$1.9</b>	<b>\$1.6</b>	<b>\$1.6</b>	<b>\$ -</b>	<b>-</b>

**Interest Earnings (Fiscal Year to Date: September 2020)**



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

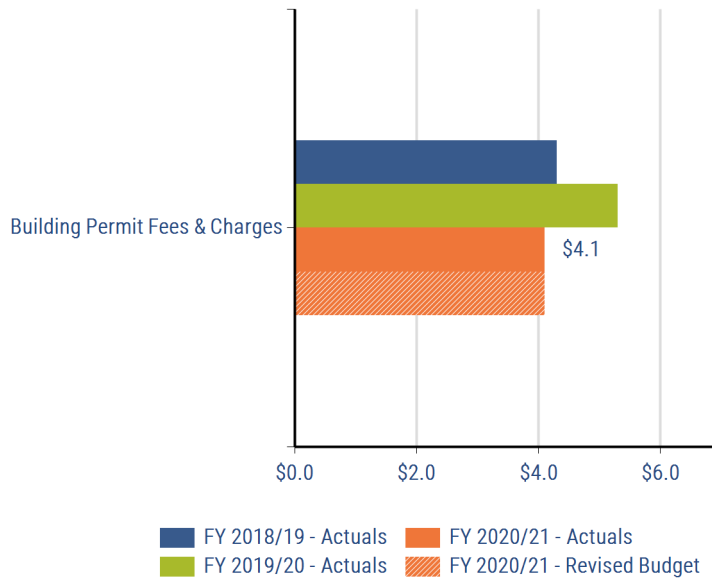
	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Interest Earnings	\$0.6	\$1.0	\$0.9	\$0.9	\$ -	-
<b>Interest Earnings Total</b>	<b>\$0.6</b>	<b>\$1.0</b>	<b>\$0.9</b>	<b>\$0.9</b>	<b>\$ -</b>	<b>-</b>





**Building Permit Fees & Charges (Fiscal Year to Date: September 2020)**

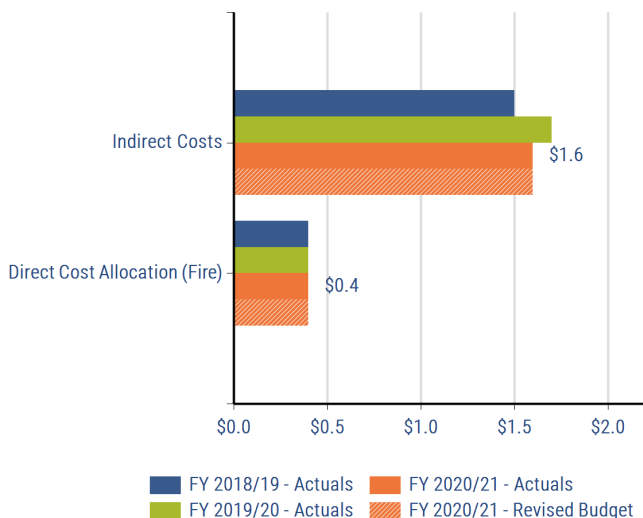
Actual to Revised Budget variance of \$0.0 million or 0%:  
While showing a net zero variance, there is an unfavorable variance as a result of major projects having completed their permit process for the year. This variance is almost completely offset by a change in the time permitted to record Right-of-Way fees.



	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Building Permit Fees & Charges	\$4.3	\$5.3	\$4.1	\$4.1	\$ -	-
<b>Building Permit Fees &amp; Charges Total</b>	<b>\$4.3</b>	<b>\$5.3</b>	<b>\$4.1</b>	<b>\$4.1</b>	<b>\$ -</b>	<b>-</b>

**Indirect/Direct Cost Allocations (Fiscal Year to Date: September 2020)**

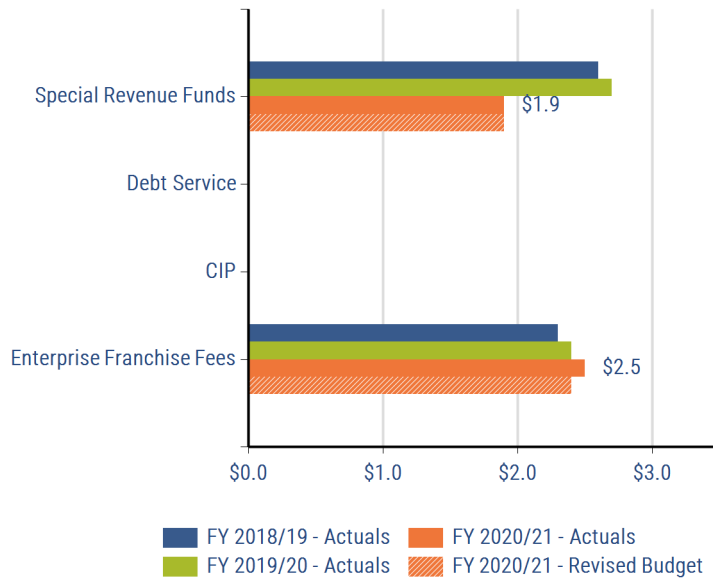
Actual to Revised Budget variance of \$0.0 million or 0%:  
No explanation necessary.



	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Indirect Costs	\$1.5	\$1.7	\$1.6	\$1.6	\$ -	-
Direct Cost Allocation (Fire)	0.4	0.4	0.4	0.4	-	-
<b>Indirect/Direct Cost Allocations Total</b>	<b>\$1.9</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$ -</b>	<b>-</b>



Transfers In (Fiscal Year to Date: September 2020)



Actual to Revised Budget variance of \$0.2 million or 4%: Favorable variance a result of higher enterprise franchise fees due to higher revenue collected in the Water & Water Reclamation Fund than anticipated, which consequently affects the transfers into the General Fund. The Increase is a result of greater water deliveries compared to the four-year running average due to the lack of rain and excessive temperatures Scottsdale faced during the summer.

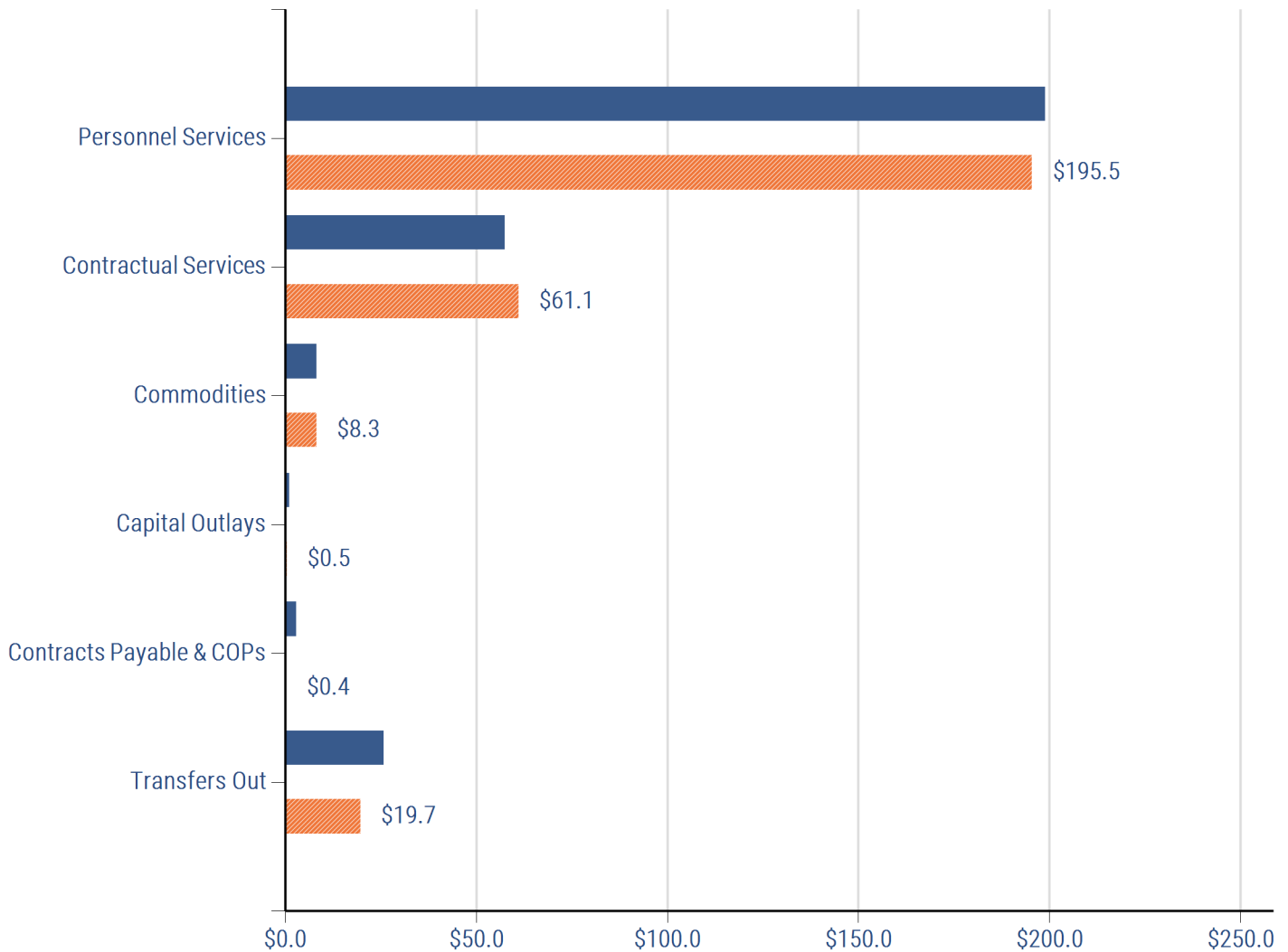
	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Special Revenue Funds	\$2.6	\$2.7	\$1.9	\$1.9	\$ -	-
Debt Service	-	-	-	-	-	-
CIP	-	-	-	-	-	-
Enterprise Franchise Fees	2.3	2.4	2.5	2.4	0.2	6%
<b>Transfers In Total</b>	<b>\$4.9</b>	<b>\$5.1</b>	<b>\$4.4</b>	<b>\$4.3</b>	<b>\$0.2</b>	<b>4%</b>



# Uses

## General Fund

### Twelve Months: Fiscal Year



■ FY 2018/19 - Actuals 
 ■ FY 2019/20 - Actuals 
 ■ \*FY 2020/21 - Revised Budget

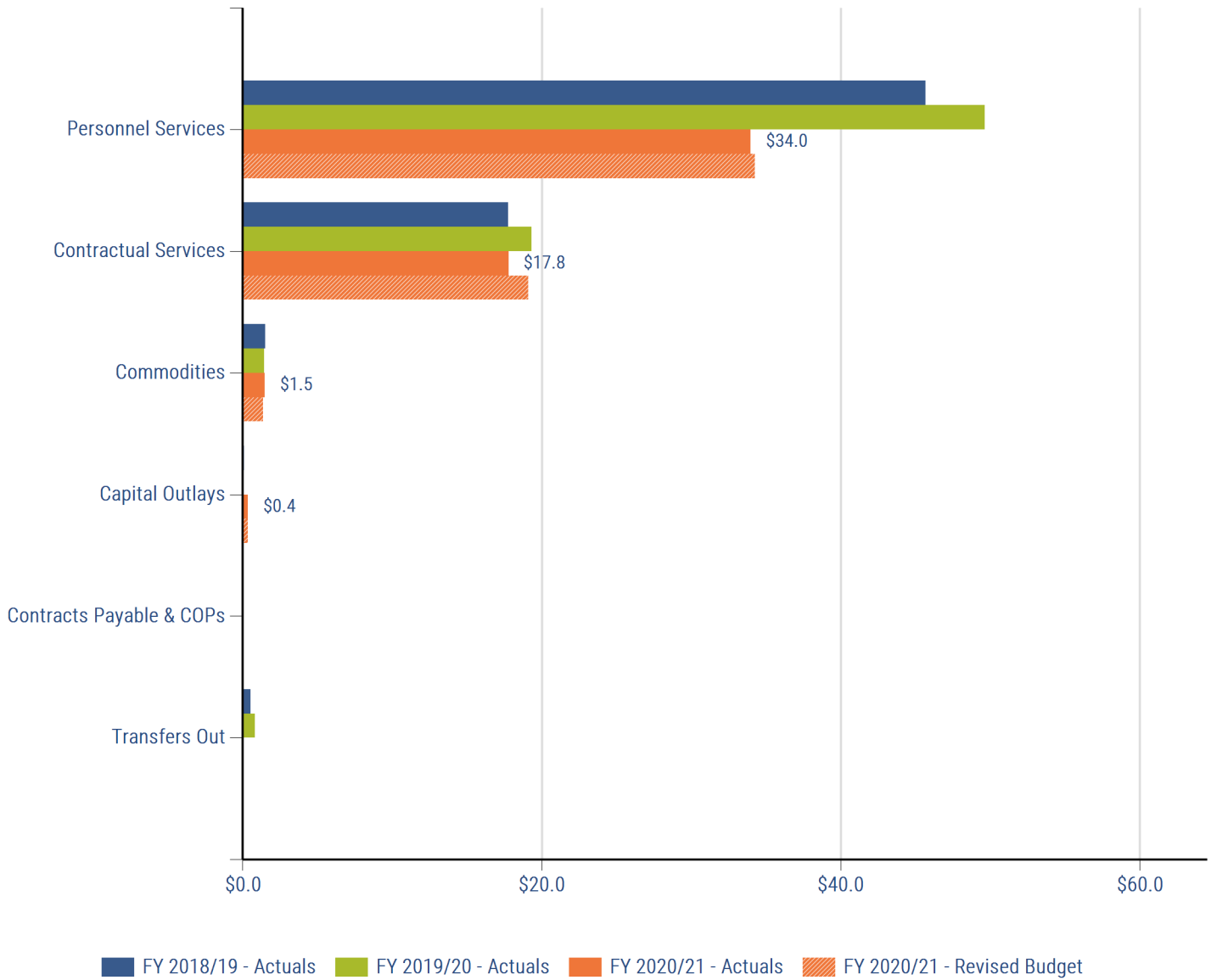
	FY 2018/19 <u>Actuals</u>	FY 2019/20 <u>Actuals</u>	FY 2020/21 <u>Revised Budget</u>
Personnel Services	\$198.9	n/a	\$195.5
Contractual Services	57.4	n/a	61.1
Commodities	8.3	n/a	8.3
Capital Outlays	1.0	n/a	0.5
Contracts Payable & COPs	2.9	n/a	0.4
Transfers Out	25.8	n/a	19.7
<b>Total Uses</b>	<b>\$294.3</b>	<b>n/a</b>	<b>\$285.4</b>

\*Includes budgeted vacancy savings net of Leave Accrual Payouts, Utilities, Fleet Maintenance and Fuel costs.

Note: FY 2019/20 twelve month actuals are not available at this time. Once completed, they will be included within the report.



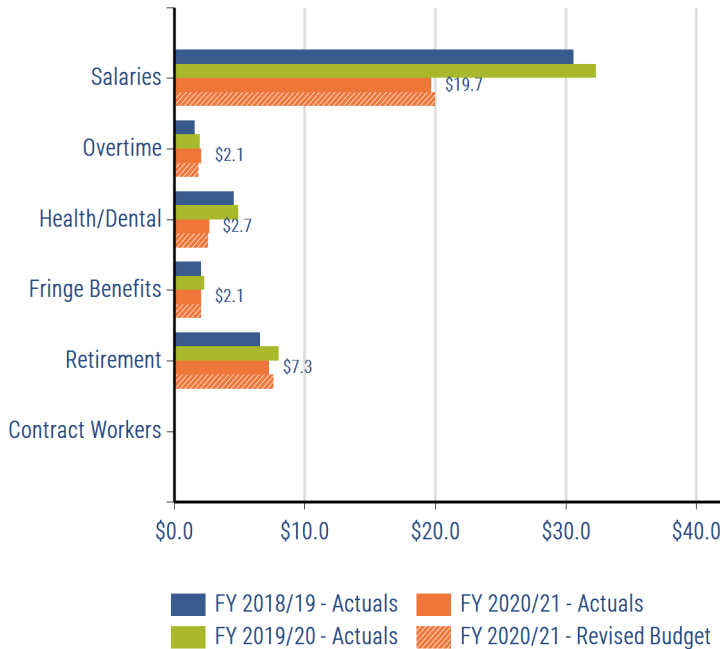
Uses (Fiscal Year to Date: September 2020)



	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Personnel Services	\$45.7	\$49.6	\$34.0	\$34.3	\$0.3	1%
Contractual Services	17.8	19.3	17.8	19.1	1.3	7%
Commodities	1.5	1.4	1.5	1.4	(0.1)	(9%)
Capital Outlays	0.1	0.1	0.4	0.3	-	-
Contracts Payable & COPs	-	-	-	-	-	-
Transfers Out	0.5	0.8	-	-	-	-
<b>Total Uses</b>	<b>\$65.6</b>	<b>\$71.3</b>	<b>\$53.6</b>	<b>\$55.1</b>	<b>\$1.4</b>	<b>3%</b>



Personnel Services (Fiscal Year to Date: September 2020)



**Actual to Revised Budget variance of \$0.3 million or 1%:** Salaries is favorable due to rank promotions in Public Safety - Police, with replacement employees coming in at a lower rate than the person who was promoted and less than estimated other compensations such as specialty pay and translator pay for Public Safety – Fire. The favorable variance would have been greater but is being offset by the greater number of part time hours needed to staff the opening of recreation facilities, learn to swim and other community programs than what was originally expected due to the COVID-19 pandemic and the timing of the Staffing for Adequate Fire and Emergency Response (SAFER) grants transfers to the General Fund. Overtime is unfavorable primarily due to 22 firefighters out of work as a result of COVID-19, workers comp, off duty injury and FMLA. Additionally, while firefighters were being tested, they were required to stay home, and overtime needed to be used to keep trucks staffed. It was also due to covering apparatuses while the wildland fire team prepared for the fire season which is worse than usual due to the dry conditions Scottsdale is currently facing.

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2020/21	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Salaries	\$30.6	\$32.3	\$19.7	\$20.0	\$0.3	1%
Overtime	1.6	2.0	2.1	1.9	(0.3)	(13%)
Health/Dental	4.6	4.9	2.7	2.6	-	-
Fringe Benefits	2.1	2.3	2.1	2.1	-	-
Retirement	6.6	8.0	7.3	7.6	0.2	3%
Contract Workers	0.1	0.1	-	-	-	-
<b>Personnel Services Total</b>	<b>\$45.7</b>	<b>\$49.6</b>	<b>\$34.0</b>	<b>\$34.3</b>	<b>\$0.3</b>	<b>1%</b>

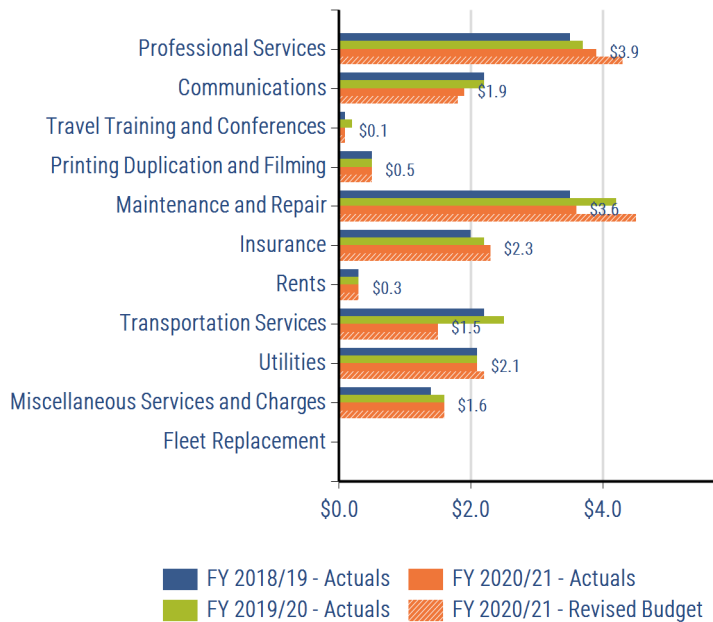
Personnel Services Macro Adjustments

	FY 2020/21	FY 2020/21	
	Adopted Budget	Year-To-Date Saved/(Used)	Remaining
Vacancy Savings	(4.0)	1.1	(2.9)
Medical Leave Payouts	1.2	(0.2)	1.0
Vacation Leave Payouts	0.7	(0.2)	0.6
PSPRS DROP Savings	-	0.1	0.1
<b>Personnel Services Macro Adjustments Total</b>	<b>(\$2.1)</b>	<b>\$0.8</b>	<b>(\$1.3)</b>

**Total Saved/(Used) YTD of \$0.8 million:** The city has achieved \$1.1 million in vacancy savings year-to-date offset by (\$0.4) million in vacation and medical leave payouts.



Contractual Services (Fiscal Year to Date: September 2020)



**Actual to Revised Budget variance of \$1.3 million or 7%:** Professional Services is favorable primarily due to savings in Leisure Education and Adult Sports as a result of lower operating costs due to facility closures and program cancellations related to the COVID-19 pandemic, less offenders arrested and sent to Maricopa County Jail in an attempt to mitigate the spread of COVID-19, and fewer successful dispositions from Photo Enforcement. Communications is unfavorable due to the timing of cell phone service and Regional Wireless Cooperative (RWC) invoices in Public Safety – Police and Public Safety - Fire. Travel Training and Conferences is favorable due to the cancellation of conferences and trainings due to the COVID-19 pandemic. Maintenance and Repair is favorable mainly due to the timing in receiving and processing of software and license invoices, as well as one-time savings in equipment maintenance. It is also due to the timing of subscriptions for Bibliotheca maintenance for Library Services and lower than expected costs for maintenance and mowing services.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)	
					Amount	Percent
Professional Services	\$3.5	\$3.7	\$3.9	\$4.3	\$0.5	11%
Communications	2.2	2.2	1.9	1.8	( 0.1)	(8%)
Travel Training and Conferences	0.1	0.2	0.1	0.1	0.1	42%
Printing Duplication and Filming	0.5	0.5	0.5	0.5	-	-
Maintenance and Repair	3.5	4.2	3.6	4.5	0.9	19%
Insurance	2.0	2.2	2.3	2.3	-	-
Rents	0.3	0.3	0.3	0.3	-	-
Transportation Services	2.2	2.5	1.5	1.5	-	-
Utilities	2.1	2.1	2.1	2.2	0.1	3%
Miscellaneous Services and Charges	1.4	1.6	1.6	1.6	-	-
Fleet Replacement	-	-	-	-	-	-
<b>Contractual Services Total</b>	<b>\$17.8</b>	<b>\$19.3</b>	<b>\$17.8</b>	<b>\$19.1</b>	<b>\$1.3</b>	<b>7%</b>

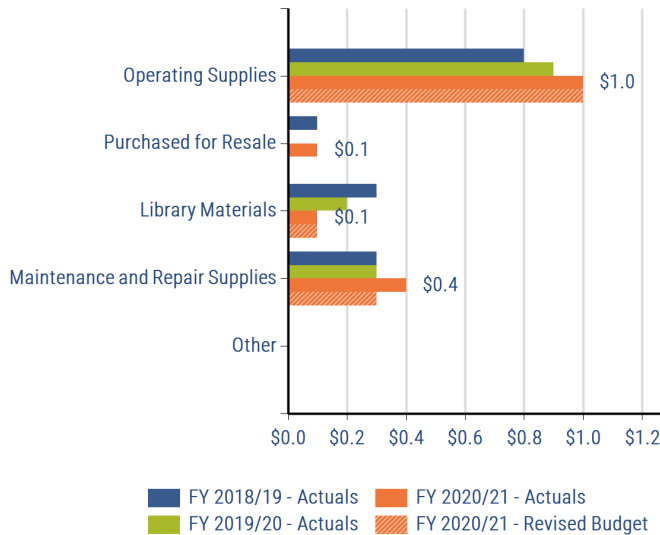
Contractual Services Macro Adjustments

	FY 2020/21 Adopted Budget	FY 2020/21 Year-To-Date	
		Used	Remaining
Fleet Replacement	\$1.7	(\$1.7)	\$ -
Fuel and Maint and Repair	4.5	( 1.1)	3.4
Utilities	8.6	( 2.2)	6.4
<b>Contractual Services Macro Adjustments Total</b>	<b>\$14.8</b>	<b>(\$4.9)</b>	<b>\$9.8</b>

**Total Saved/(Used) YTD of (\$4.9) million:** Fuel and Maint and Repair and Utilities are budgeted on a macro level. Budgeting on a macro level is a tool used by the Budget Department to more accurately track how expenses are occurring by each Division.



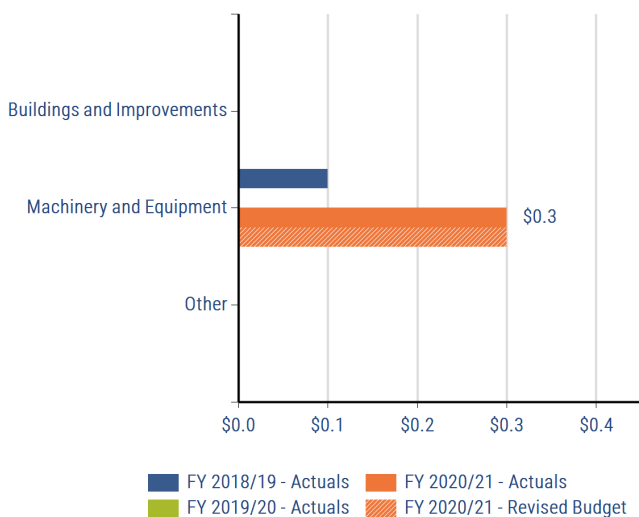
Commodities (Fiscal Year to Date: September 2020)



Actual to Revised Budget variance of (\$0.1) million or (9%): Operating Supplies is showing a net \$0 variance but really has an unfavorable variance due to the timing of ammunition purchases and the greater need to purchase access control supplies in Public Safety - Police being almost completely offset by there being a higher than expected stock of agricultural, irrigation and pool chemical supplies than expected due to the reduced use of recreational facilities as a result of the COVID-19 pandemic. Purchased for Resale is unfavorable due to the purchase of inventory for resale for a large event at WestWorld which doubled in size due to the cancellation of a similar event in another state.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating Supplies	\$0.8	\$0.9	\$1.0	\$1.0	\$ -	-
Purchased for Resale	0.1	-	0.1	-	( 0.1)	nm
Library Materials	0.3	0.2	0.1	0.1	-	-
Maintenance and Repair Supplies	0.3	0.3	0.4	0.3	-	-
Other	-	-	-	-	-	-
<b>Commodities Total</b>	<b>\$1.5</b>	<b>\$1.4</b>	<b>\$1.5</b>	<b>\$1.4</b>	<b>(\$0.1)</b>	<b>(9%)</b>

Capital Outlays (Fiscal Year to Date: September 2020)



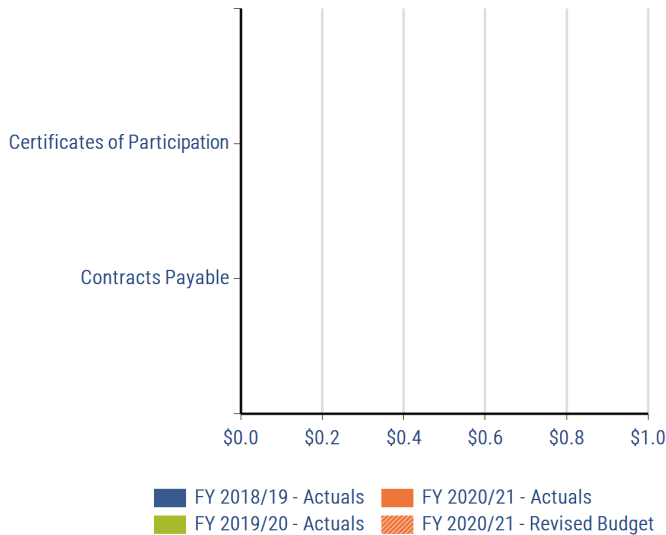
Actual to Revised Budget variance of \$0.0 million or 0%: No explanation necessary.

	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Buildings and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-
Machinery and Equipment	0.1	-	0.3	0.3	-	-
Other	-	-	-	-	-	-
<b>Capital Outlays Total</b>	<b>\$0.1</b>	<b>\$0.1</b>	<b>\$0.4</b>	<b>\$0.3</b>	<b>\$ -</b>	<b>-</b>



**Contracts Payable & COPs (Fiscal Year to Date: September 2020)**

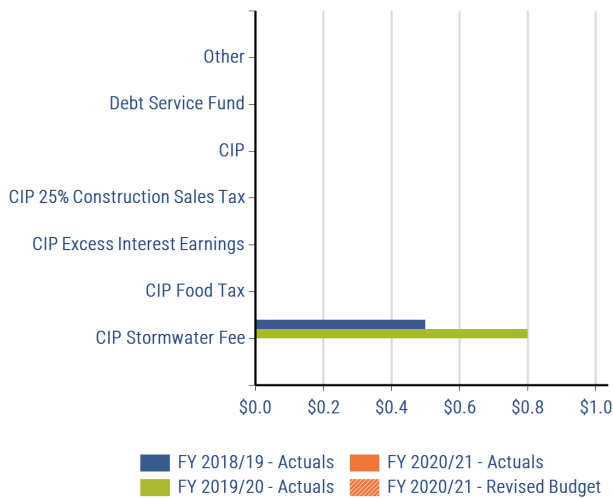
Actual to Revised Budget variance of \$0.0 million or 0%:  
No explanation necessary.



	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Certificates of Participation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contracts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Contracts Payable &amp; COPs Total</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$ -</b>	<b>-</b>

**Transfers Out (Fiscal Year to Date: September 2020)**

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

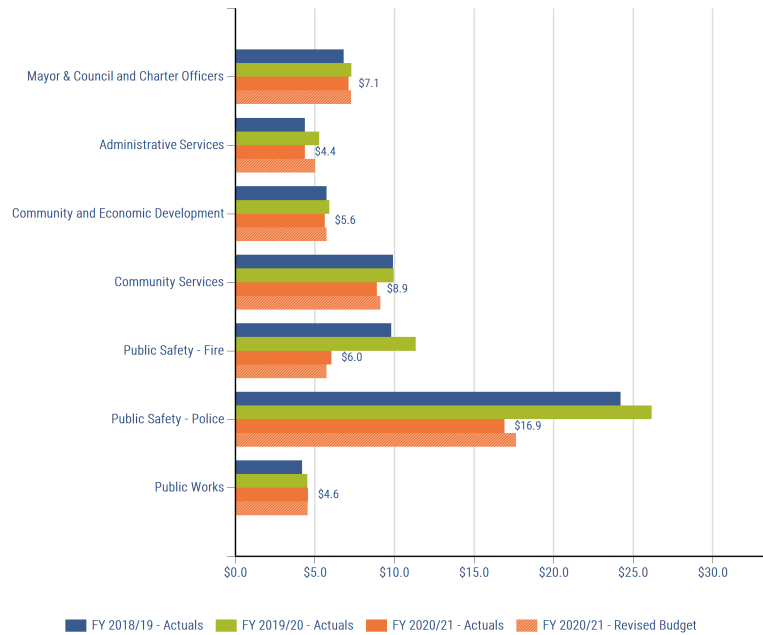


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Other	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service Fund	-	-	-	-	-	-
CIP	-	-	-	-	-	-
CIP 25% Construction Sales Tax	-	-	-	-	-	-
CIP Excess Interest Earnings	-	-	-	-	-	-
CIP Food Tax	-	-	-	-	-	-
CIP Stormwater Fee	0.5	0.8	0.0	0.0	-	-
<b>Transfers Out Total</b>	<b>\$0.5</b>	<b>\$0.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$ -</b>	<b>-</b>





### Division Expenditures (Fiscal Year to Date: September 2020)

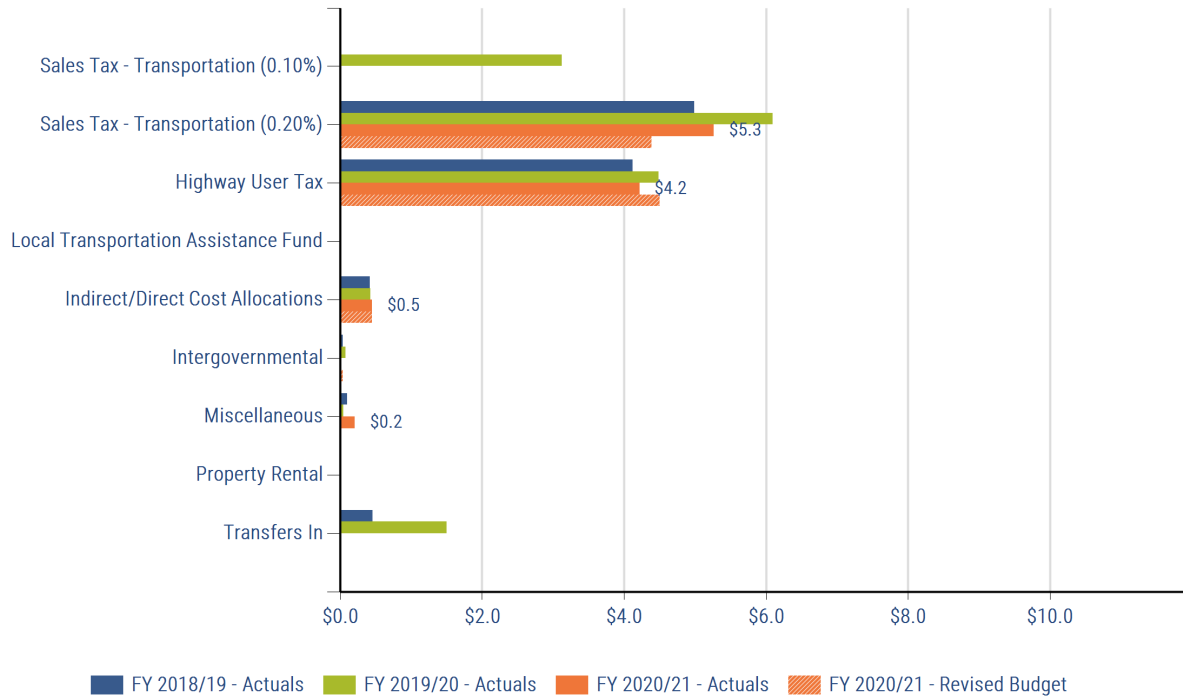


	FY 2018/19	FY 2019/20	FY 2020/21	FY 2020/21	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$6.8	\$7.3	\$7.1	\$7.3	\$0.1	2%
Administrative Services	4.4	5.3	4.4	5.0	0.6	13%
Community and Economic Development	5.7	5.9	5.6	5.7	0.1	2%
Community Services	9.9	10.0	8.9	9.1	0.2	2%
Public Safety - Fire	9.8	11.3	6.0	5.7	( 0.3)	(6%)
Public Safety - Police	24.2	26.2	16.9	17.7	0.7	4%
Public Works	4.2	4.5	4.6	4.6	-	-
<b>Total</b>	<b>\$65.0</b>	<b>\$70.5</b>	<b>\$53.6</b>	<b>\$55.1</b>	<b>\$1.5</b>	<b>3%</b>

**Actual to Revised Budget variance of \$1.5 million or 3%:** Administrative Services is favorable due to timing in receiving and processing software and license invoices, as well as one-time savings in equipment maintenance. Community Services is favorable due to savings in Leisure Education and Adult Sports as a result of lower operating costs due to facility closures and program cancellations related to the COVID-19 pandemic, the timing of subscriptions for Library Services software maintenance, lower than expected costs for physical maintenance and mowing services and the retention of greater stock of supplies due to facility closures as a result of the pandemic. The favorable variance would have been greater but is being offset by a greater number of part time hours needed to staff the opening of recreation facilities, learn to swim and other community programs than what was originally expected due to the COVID-19 pandemic and the purchase of inventory for resale for a large event at WestWorld which doubled in size due to the cancellation of a similar event in another state. Public Safety – Fire is unfavorable primarily due unexpected overtime costs as a result of 22 firefighters out of work as a result of COVID-19, workers comp, off duty injury and FMLA. Additionally, while firefighters were being tested, they were required to stay home, and overtime needed to be used to keep trucks staffed. It was also due to covering apparatuses while the wildland fire team prepared for the fire season which is worse than usual due to the dry conditions Scottsdale is currently facing. It is also due to the timing of the Staffing for Adequate Fire and Emergency Response (SAFER) grants transfers to the General Fund. The unfavorable variance would have been greater but is being partially offset by a less than budgeted cost in other compensations such as holiday pay and translator pay. Public Safety – Police is favorable due to rank promotions with replacement employees coming in at a lower rate than the person who was promoted, lower Jail Services contract costs as a result of fewer offenders being arrested and sent to Maricopa County Jail in an attempt to mitigate the spread of COVID-19 and fewer Photo Enforcement dispositions. The favorable variance would have been greater but is being partially offset by the timing of cell phone service and Regional Wireless Cooperative (RWC) invoices, the purchase of ammunition and a higher than expected need to purchase citywide access control supplies.



Sources (Fiscal Year to Date: September 2020)

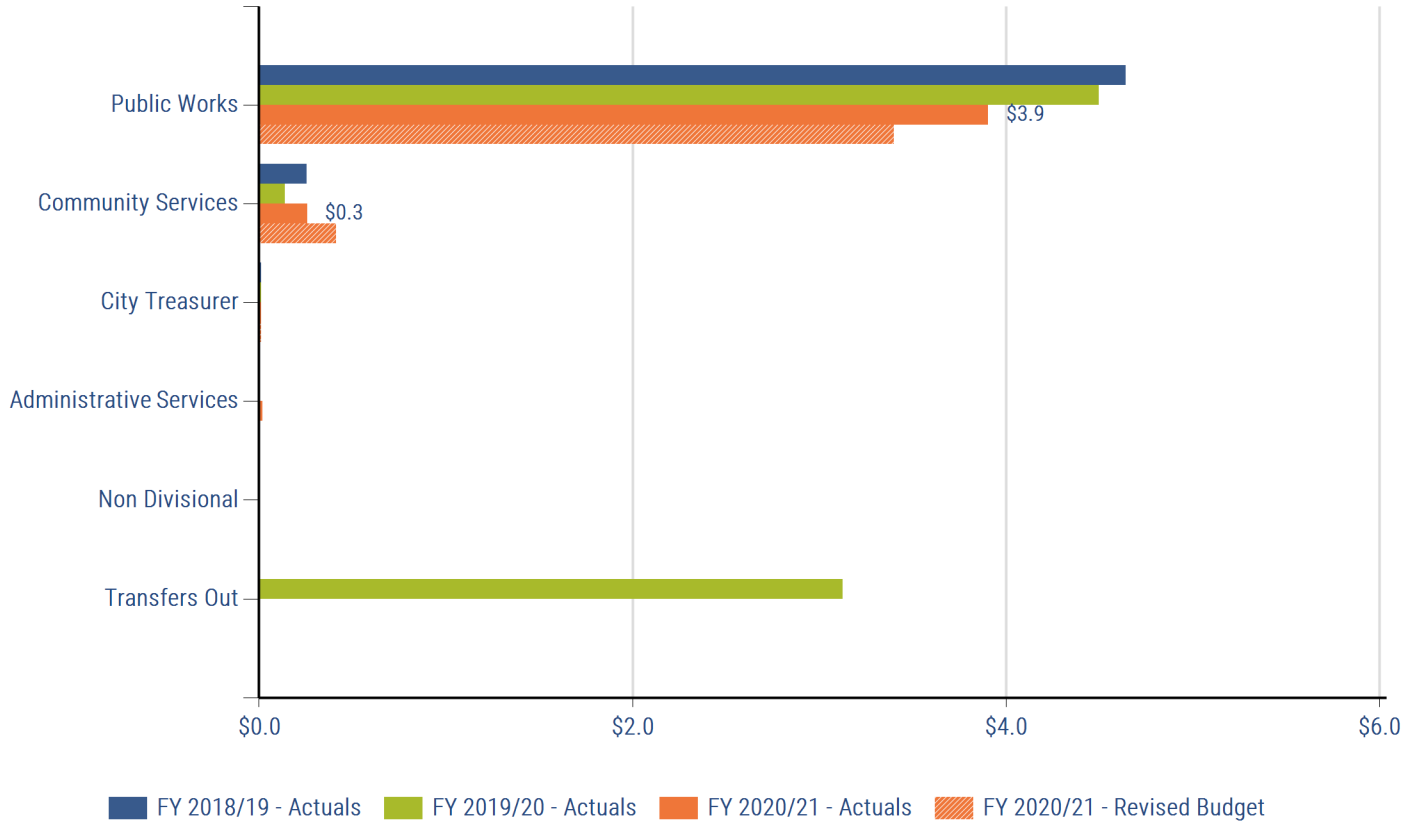


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual Favorable / (Unfavorable) Amount	vs. Budget (Unfavorable) Percent
Sales Tax - Transportation (0.10%)	\$ -	\$3.1	\$ -	\$ -	\$ -	-
Sales Tax - Transportation (0.20%)	\$5.0	\$6.1	\$5.3	\$4.4	\$0.9	20%
Highway User Tax	4.1	4.5	4.2	4.5	( 0.3)	(6%)
Local Transportation Assistance Fund	-	-	-	-	-	-
Indirect/Direct Cost Allocations	0.4	0.4	0.5	0.5	-	-
Intergovernmental	-	0.1	-	-	-	-
Miscellaneous	0.1	-	0.2	-	0.2	
Property Rental	-	-	-	-	-	-
Transfers In	0.5	1.5	-	-	-	-
<b>Total Sources</b>	<b>\$10.1</b>	<b>\$15.8</b>	<b>\$10.1</b>	<b>\$9.4</b>	<b>\$0.8</b>	<b>8%</b>

**Actual to Revised Budget variance of \$0.8 million or 8%:** The favorable variance in Sales Tax - Transportation (0.20%) is the result of better than expected revenue from hotel, motel, and short-term occupancy, automotive sales performance, construction activity, and restaurants operating at better than expected levels in their reduced activity. Offsetting the favorable variance are the lower amount of rents collected by tenants and other telecommunication revenue. The unfavorable variance in the Highway User Tax is due to the reduced amount of vehicular traffic on city streets. Components of this this tax include gasoline and use-fuel taxes, motor-carrier taxes, vehicle-license taxes, motor vehicle registration fees, and other miscellaneous fees. The favorable variance in Miscellaneous is the result of a Regional Public Transportation Authority (RPTA) Alternative Transportation (RideChoice) refund to the City of Scottsdale for FY 2019/20 received in FY 2020/21. The refund was primarily due to lower passenger demand than planned.



Uses (Fiscal Year to Date: September 2020)

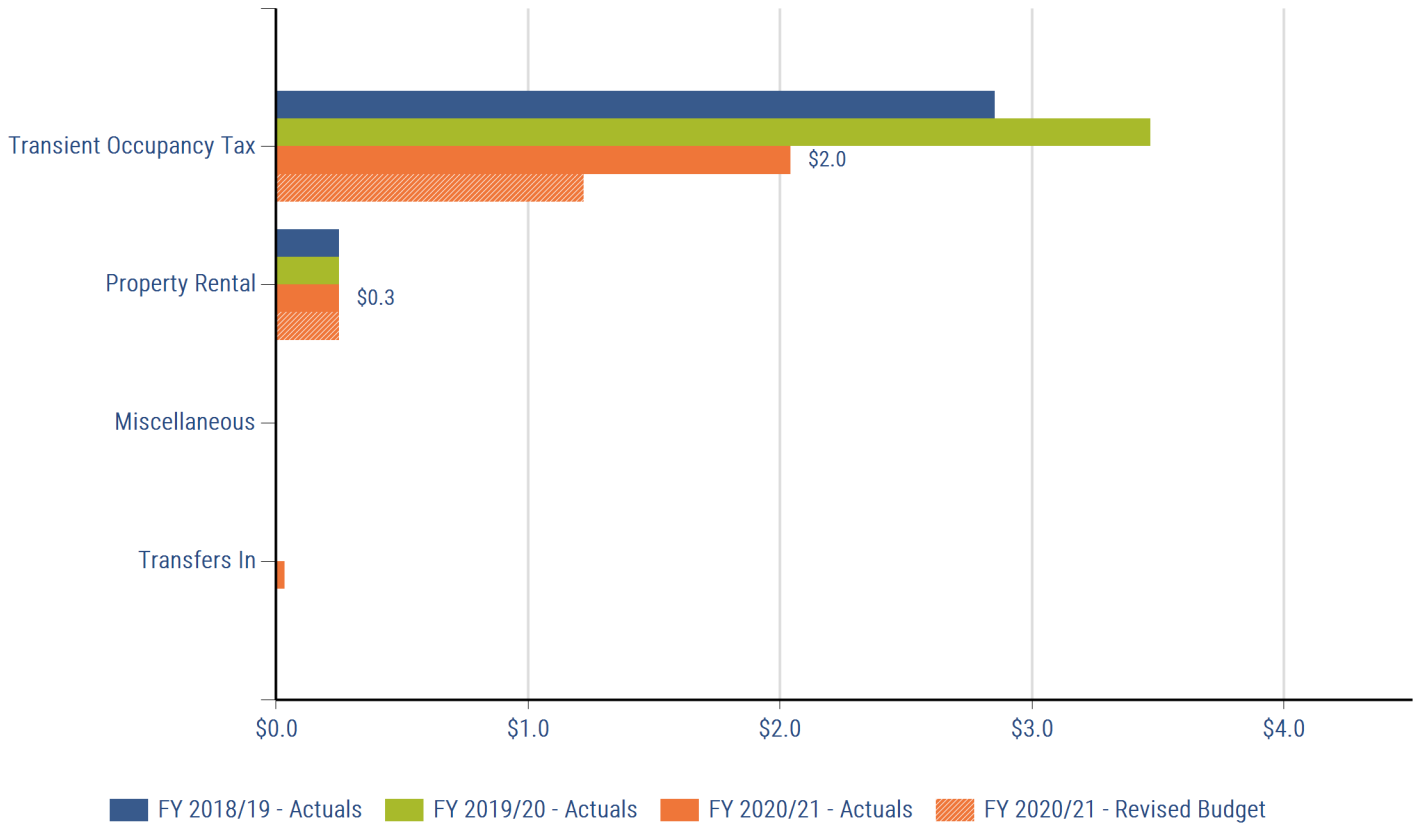


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Public Works	\$4.6	\$4.5	\$3.9	\$3.4	(\$0.5)	(15%)
Community Services	0.3	0.1	0.3	0.4	0.2	38%
City Treasurer	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Non Divisional	-	-	-	-	-	-
Transfers Out	-	3.1	-	-	-	-
<b>Total Uses</b>	<b>\$4.9</b>	<b>\$7.8</b>	<b>\$4.2</b>	<b>\$3.8</b>	<b>(\$0.4)</b>	<b>(10%)</b>

**Actual to Revised Budget variance of (\$0.4) million or (10%):** The unfavorable variance in Public Works is the result of street overlay projects starting earlier than scheduled given availability of the vendor. This variance is expected to continue into October 2020 as paving projects continue to move forward. Adding to the unfavorable variance is the neighborhood trolley routes resuming service earlier than projected and custodial service expenses posting to the incorrect fund. A correction will be completed in October 2020. The favorable variance in Community Services is due to a lack of contracted staff for right-of-way maintenance, median landscaping, tree pruning & removal, and storm drain clean-up throughout Scottsdale.



Sources (Fiscal Year to Date: September 2020)

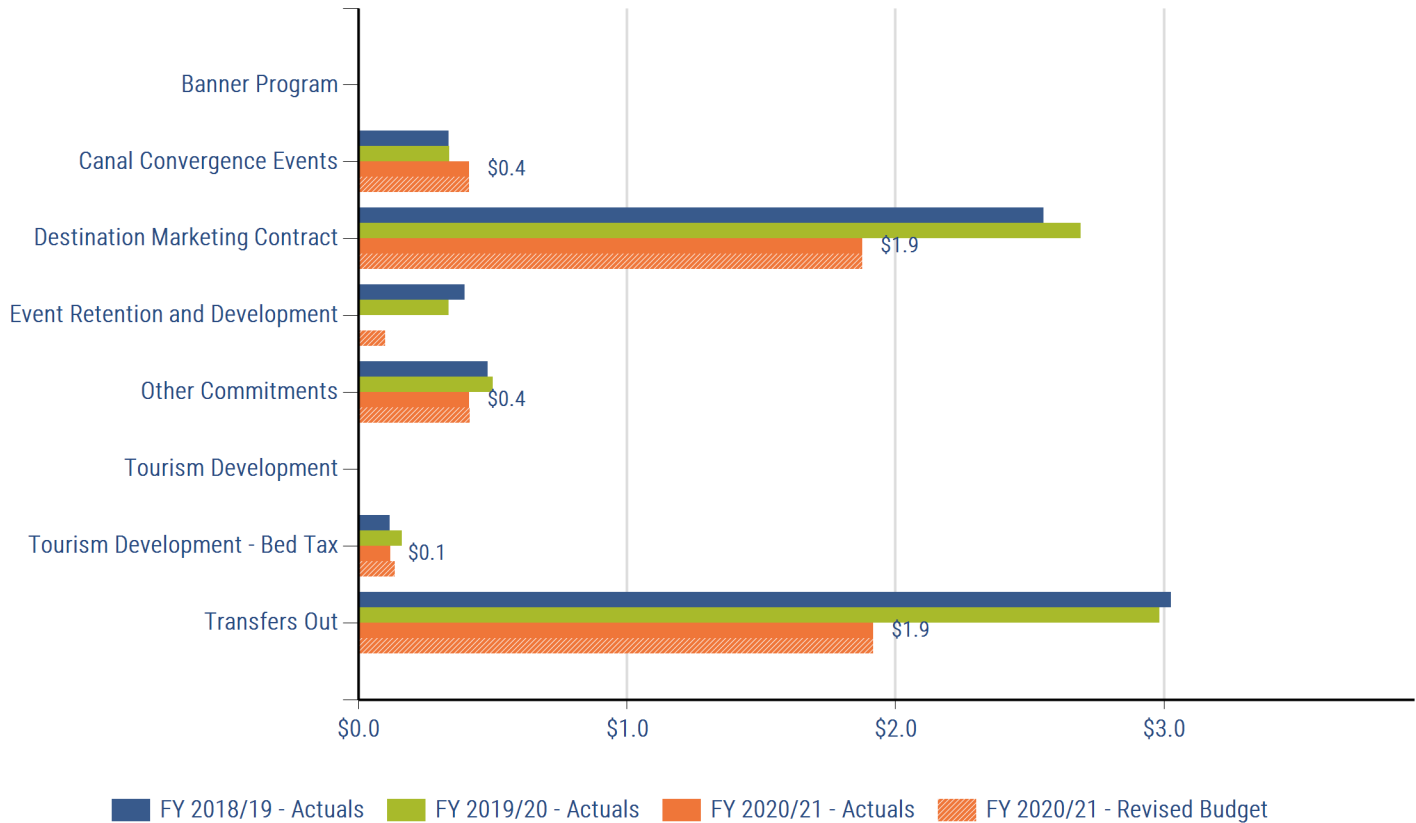


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Transient Occupancy Tax	\$2.9	\$3.5	\$2.0	\$1.2	\$0.8	67%
Property Rental	0.3	0.3	0.3	0.3	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$3.1</b>	<b>\$3.7</b>	<b>\$2.3</b>	<b>\$1.5</b>	<b>\$0.9</b>	<b>58%</b>

**Actual to Revised Budget variance of \$0.9 million or 58%:** Favorable variance in Transient Occupancy Tax is due to higher than anticipated Transient Occupancy Tax (Bed Tax) collections mostly driven by non-hotel collections (i.e. on-line lodging, hotel alternatives) and the upward trend in the average daily hotel rate.



Uses (Fiscal Year to Date: September 2020)

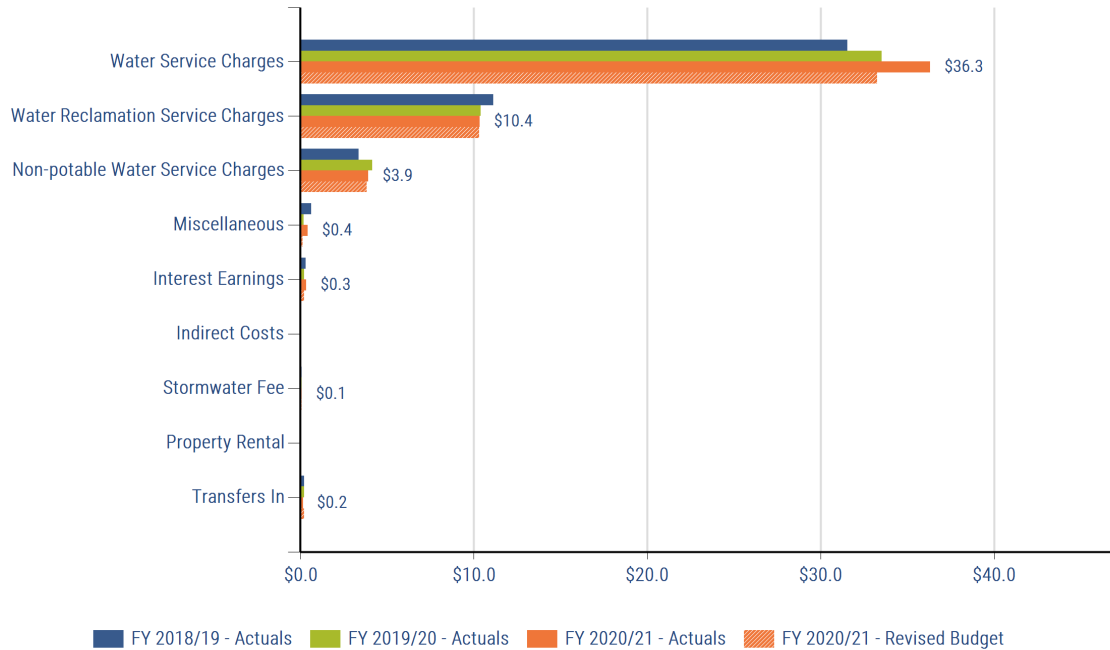


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Banner Program	\$ -	\$ -	\$ -	\$ -	\$ -	-
Canal Convergence Events	0.3	0.3	0.4	0.4	-	-
Destination Marketing Contract	2.6	2.7	1.9	1.9	-	-
Event Retention and Development	0.4	0.3	-	0.1	0.1	100%
Other Commitments	0.5	0.5	0.4	0.4	-	-
Tourism Development	-	-	-	-	-	-
Tourism Development - Bed Tax	0.1	0.2	0.1	0.1	-	-
Transfers Out	3.0	3.0	1.9	1.9	-	-
<b>Total Uses</b>	<b>\$6.9</b>	<b>\$7.0</b>	<b>\$4.7</b>	<b>\$4.9</b>	<b>\$0.1</b>	<b>2%</b>

**Actual to Revised Budget variance of \$0.1 million or 2%:** The favorable variance in Event Retention and Development is due to the unpredictability of timing of reimbursement requests from event producers.



Sources (Fiscal Year to Date: September 2020)

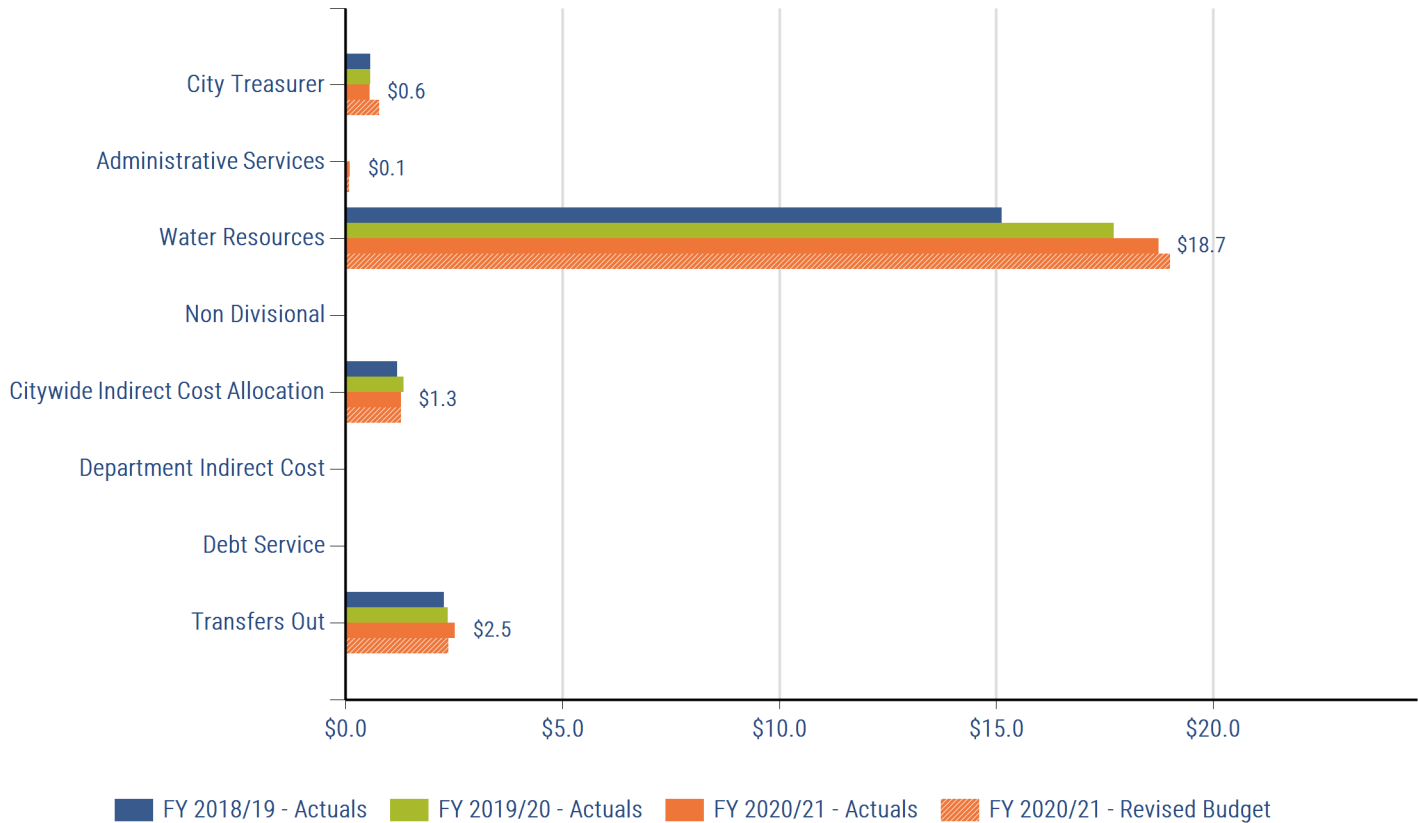


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Water Service Charges	\$31.5	\$33.5	\$36.3	\$33.3	\$3.1	9%
Water Reclamation Service Charges	11.1	10.4	10.4	10.3	-	-
Non-potable Water Service Charges	3.4	4.1	3.9	3.8	0.1	3%
Miscellaneous	0.6	0.2	0.4	0.1	0.3	nm
Interest Earnings	0.3	0.2	0.3	0.2	0.1	49%
Indirect Costs	-	-	-	-	-	-
Stormwater Fee	0.1	0.1	0.1	0.1	-	-
Property Rental	-	-	-	-	-	-
Transfers In	0.2	0.2	0.2	0.2	(0.1)	(33%)
<b>Total Sources</b>	<b>\$47.3</b>	<b>\$48.8</b>	<b>\$51.6</b>	<b>\$48.1</b>	<b>\$3.6</b>	<b>7%</b>

**Actual to Revised Budget variance of \$3.6 million or 7%:** Water Service Charges is showing a favorable variance primarily due to a high demand for water as a result of record temperatures and little to no monsoon activity. Non-potable Water Service Charges is favorable due to Reclaimed Water Distribution System (RWDS) deliveries being greater when compared to the three-year running average due to the hot and dry summer which recently occurred and unexpected contractual settlements received. The favorable variance would have been greater but is being partially offset by an incorrect budget spread for July related to the the resale of treated Advanced Water Treatment Reverse Osmosis (AWT RO) and Effluent being delivered to users. Miscellaneous is favorable primarily due the reimbursement of expenditures related to the rehabilitation of the Ground Water Treatment facility which began in FY 2019/20 and has continued into FY 2020/21. Reimbursements for this purpose are not included in the budget as they can drastically vary year over year. Interest Earnings is favorable due to yields coming in above what was budgeted at this point in the fiscal year due to higher than anticipated interest rates in the fixed income market. Transfers In is unfavorable due to the timing of the RWDS transfer, which is budgeted for July, but which will actually occur in October.



**Uses (Fiscal Year to Date: September 2020)**

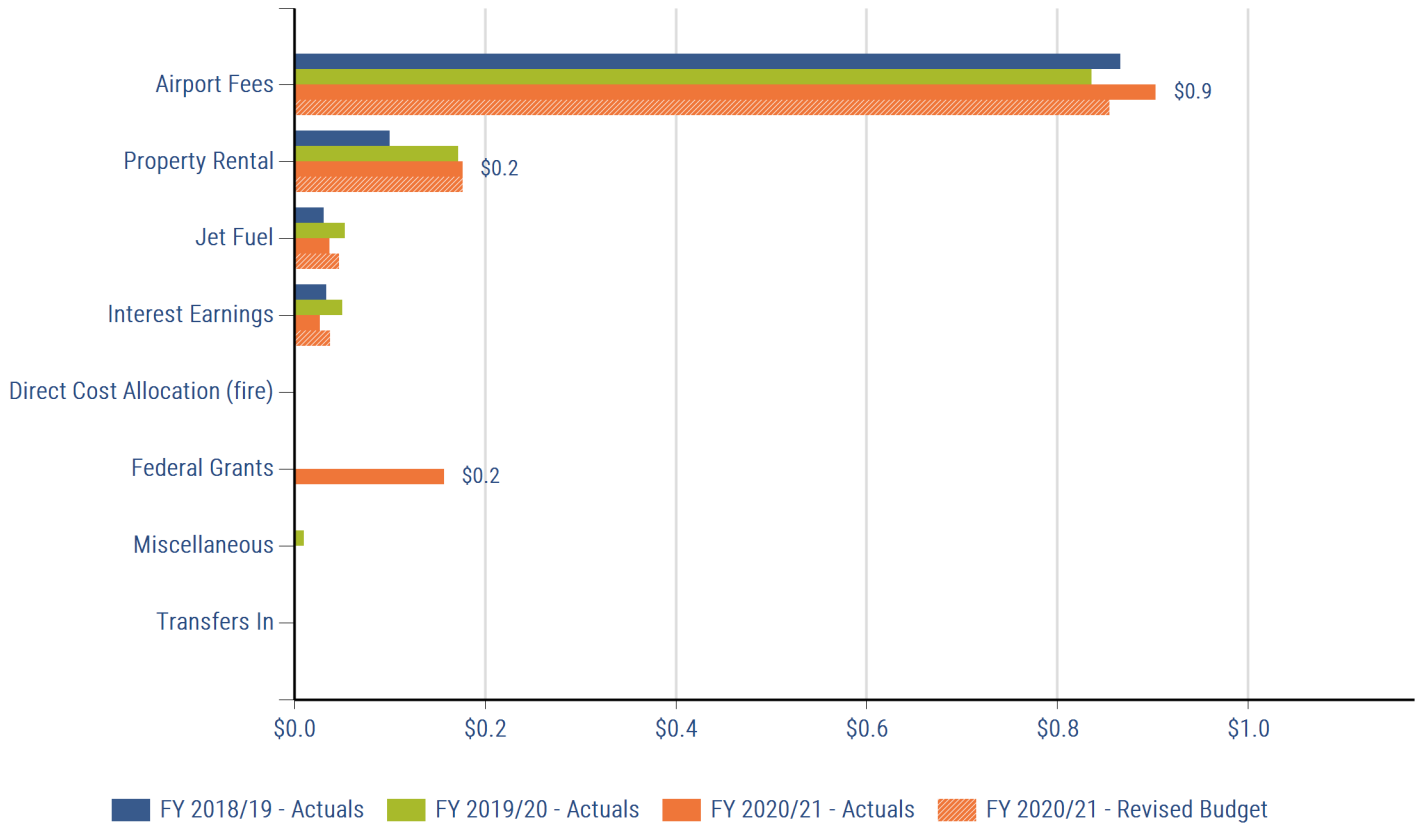


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
City Treasurer	\$0.6	\$0.6	\$0.6	\$0.8	\$0.2	28%
Administrative Services	-	-	0.1	0.1	-	-
Water Resources	15.1	17.7	18.7	19.0	0.3	1%
Non Divisional	-	-	-	-	-	-
Citywide Indirect Cost Allocation	1.2	1.3	1.3	1.3	-	-
Department Indirect Cost	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Transfers Out	2.3	2.4	2.5	2.4	(0.2)	(6%)
<b>Total Uses</b>	<b>\$19.2</b>	<b>\$22.0</b>	<b>\$23.2</b>	<b>\$23.5</b>	<b>\$0.3</b>	<b>1%</b>

**Actual to Revised Budget variance of \$0.3 million or 1%:** City Treasurer is favorable primarily due to the timing of software maintenance and licensing and lower workorder credit contractual costs. Water Resources is favorable primarily due to the way Purchased Water is recovered through contractual agreements. The favorable variance would have been greater but is being offset by the Central Arizona Project (CAP) reconciliation expense not being taken into account when the budget spread was calculated. This will be corrected going forward. Transfers Out is unfavorable due to higher revenue collected in the Water & Water Reclamation Fund than anticipated, which consequently affects the transfers into the General Fund. The increase is a result of greater water deliveries compared to the three-year running average.



Sources (Fiscal Year to Date: September 2020)



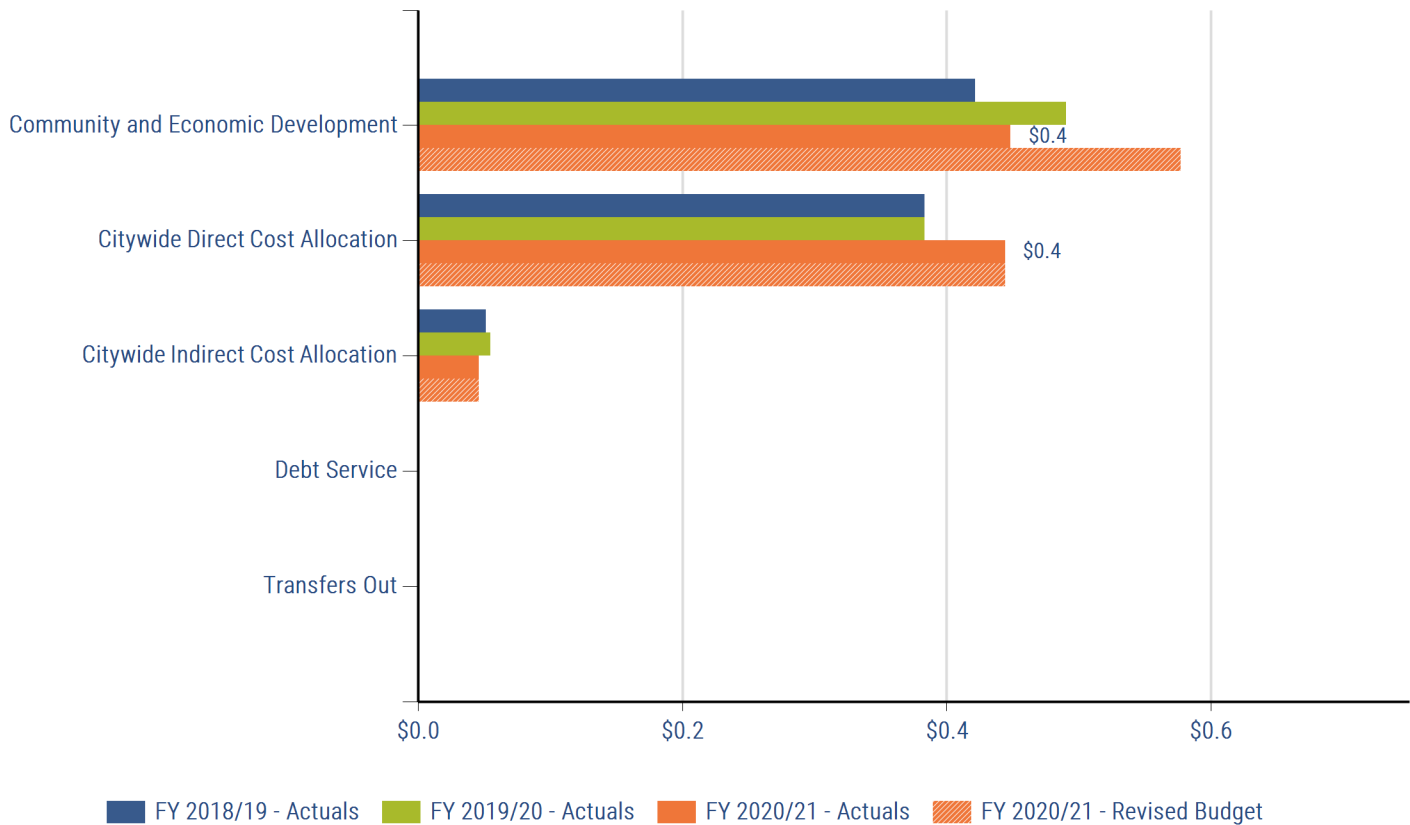
	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Airport Fees	\$0.9	\$0.8	\$0.9	\$0.9	\$ -	-
Property Rental	0.1	0.2	0.2	0.2	-	-
Jet Fuel	-	0.1	-	-	-	-
Interest Earnings	-	0.1	-	-	-	-
Direct Cost Allocation (fire)	-	-	-	-	-	-
Federal Grants	-	-	0.2	-	0.2	
Miscellaneous	-	-	-	-	-	
Transfers In	-	-	-	-	-	
<b>Total Sources</b>	<b>\$1.0</b>	<b>\$1.1</b>	<b>\$1.3</b>	<b>\$1.1</b>	<b>\$0.2</b>	<b>17%</b>

**Actual to Revised Budget variance of \$0.2 million or 17%:** The favorable variance in Federal Grants is due to the Airport receiving an economic relief grant from the Federal Aviation Administration, which will be used to pay debt service.





Uses (Fiscal Year to Date: September 2020)

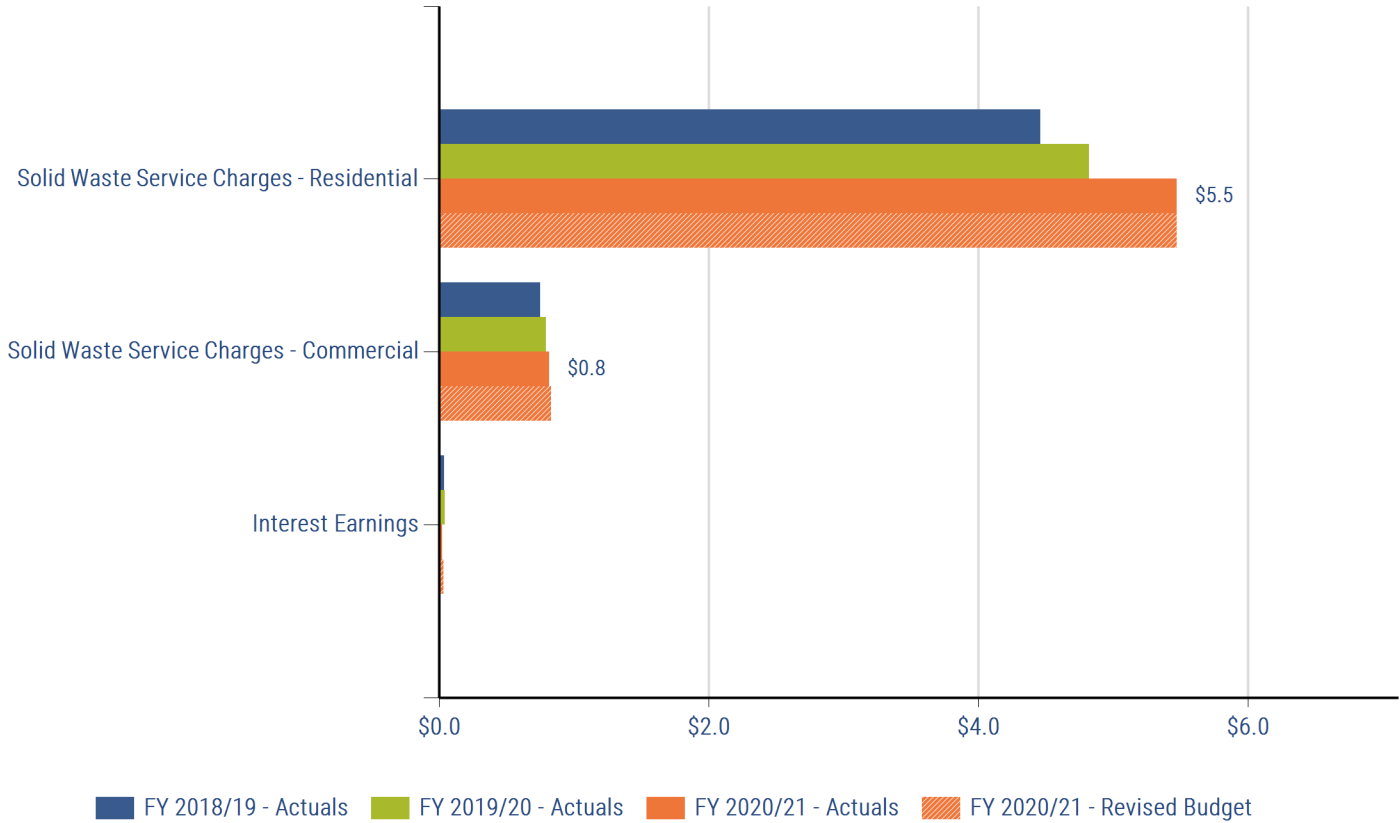


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Community and Economic Development	\$0.4	\$0.5	\$0.4	\$0.6	\$0.1	22%
Citywide Direct Cost Allocation	0.4	0.4	0.4	0.4	-	-
Citywide Indirect Cost Allocation	0.1	0.1	-	-	-	-
Debt Service	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$0.9</b>	<b>\$0.9</b>	<b>\$0.9</b>	<b>\$1.1</b>	<b>\$0.1</b>	<b>12%</b>

**Actual to Revised Budget variance of \$0.1 million or 12%:** The favorable variance in Community and Economic Development is mostly due to timing in receiving the Customs and Border Patrol quarterly statement for the Customs and Border Patrol officers at the Airport, and to delaying the purchase of new marketing booth items due to the uncertainty of trade shows occurring in the near future. The favorable variance could have been greater, but is partially offset by software purchases that were completed in August, but budgeted later in the year.



Sources (Fiscal Year to Date: September 2020)

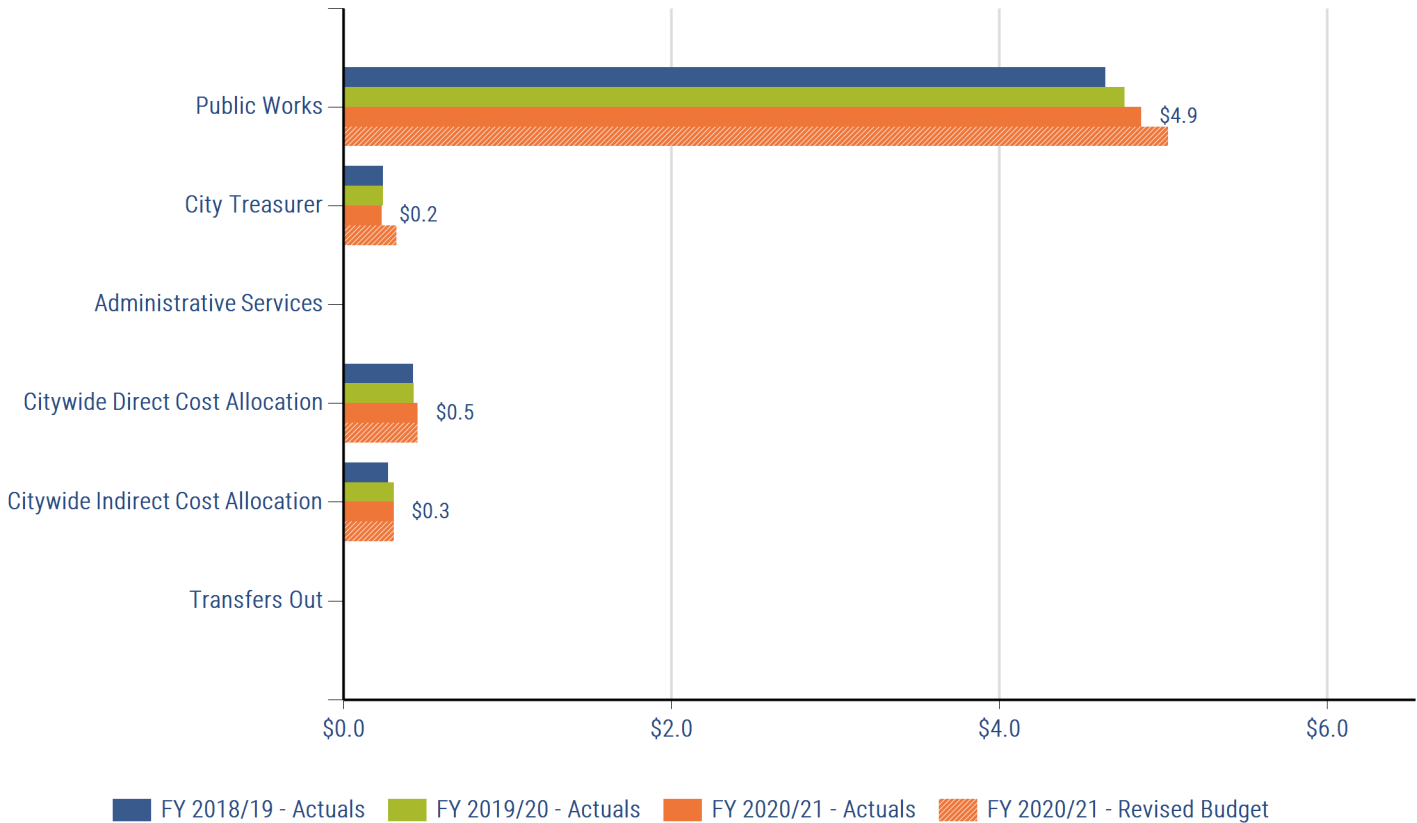


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Solid Waste Service Charges - Residential	\$4.5	\$4.8	\$5.5	\$5.5	\$ -	-
Solid Waste Service Charges - Commercial	0.7	0.8	0.8	0.8	-	-
Interest Earnings	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$5.2</b>	<b>\$5.7</b>	<b>\$6.3</b>	<b>\$6.3</b>	<b>\$ -</b>	<b>-</b>

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



Uses (Fiscal Year to Date: September 2020)

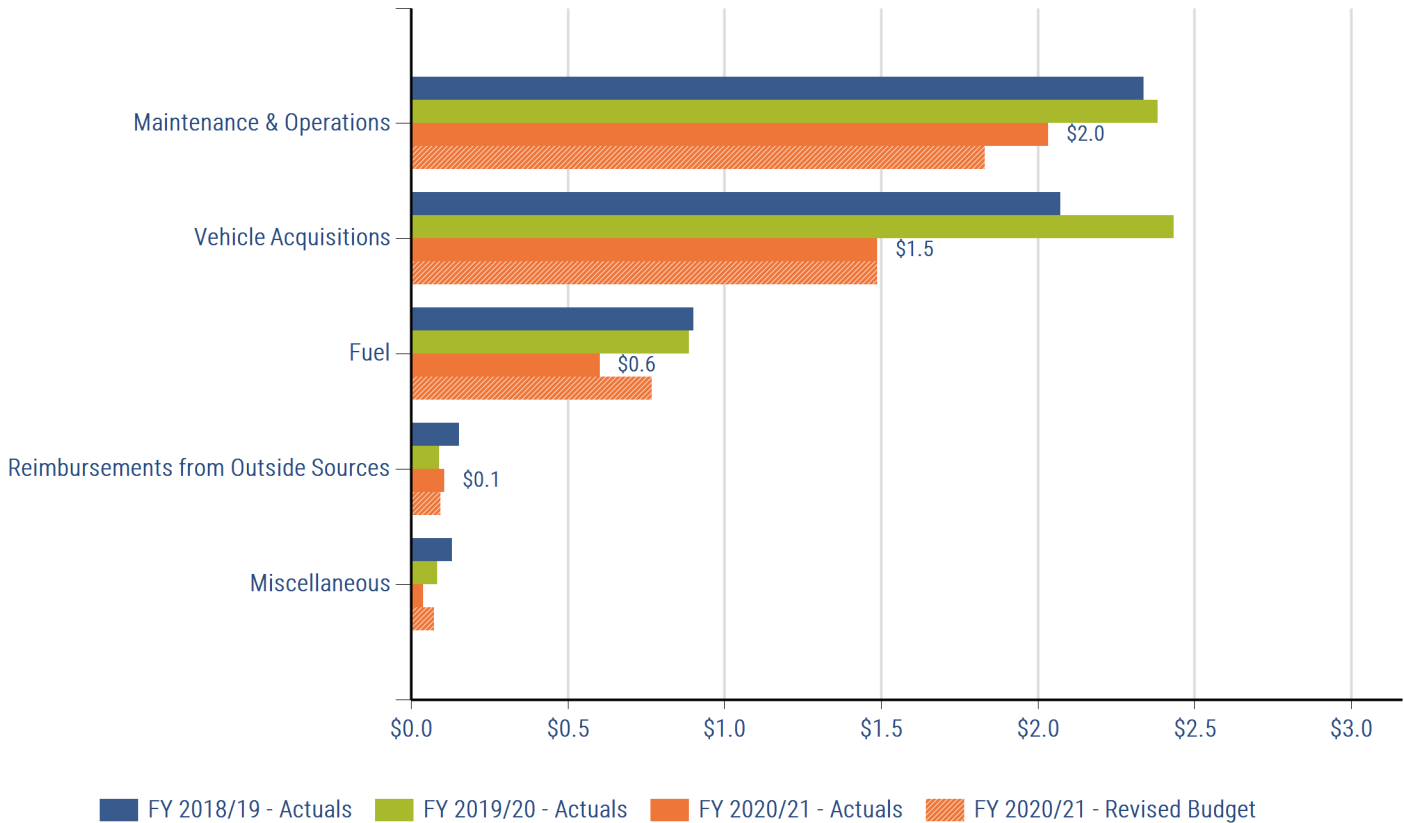


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Public Works	\$4.6	\$4.8	\$4.9	\$5.0	\$0.2	3%
City Treasurer	0.2	0.2	0.2	0.3	0.1	28%
Administrative Services	-	-	-	-	-	-
Citywide Direct Cost Allocation	0.4	0.4	0.5	0.5	-	-
Citywide Indirect Cost Allocation	0.3	0.3	0.3	0.3	-	-
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$5.6</b>	<b>\$5.7</b>	<b>\$5.9</b>	<b>\$6.1</b>	<b>\$0.2</b>	<b>4%</b>

**Actual to Revised Budget variance of \$0.2 million or 4%:** The favorable variance in Public Works is due to the fees associated with diverting a higher ratio of recyclable materials to the landfill as the contracted recycling vendor does not have capacity to process the city's recycling load. The favorable variance in City Treasurer is due to lower workorder credit contractual costs.



Sources (Fiscal Year to Date: September 2020)

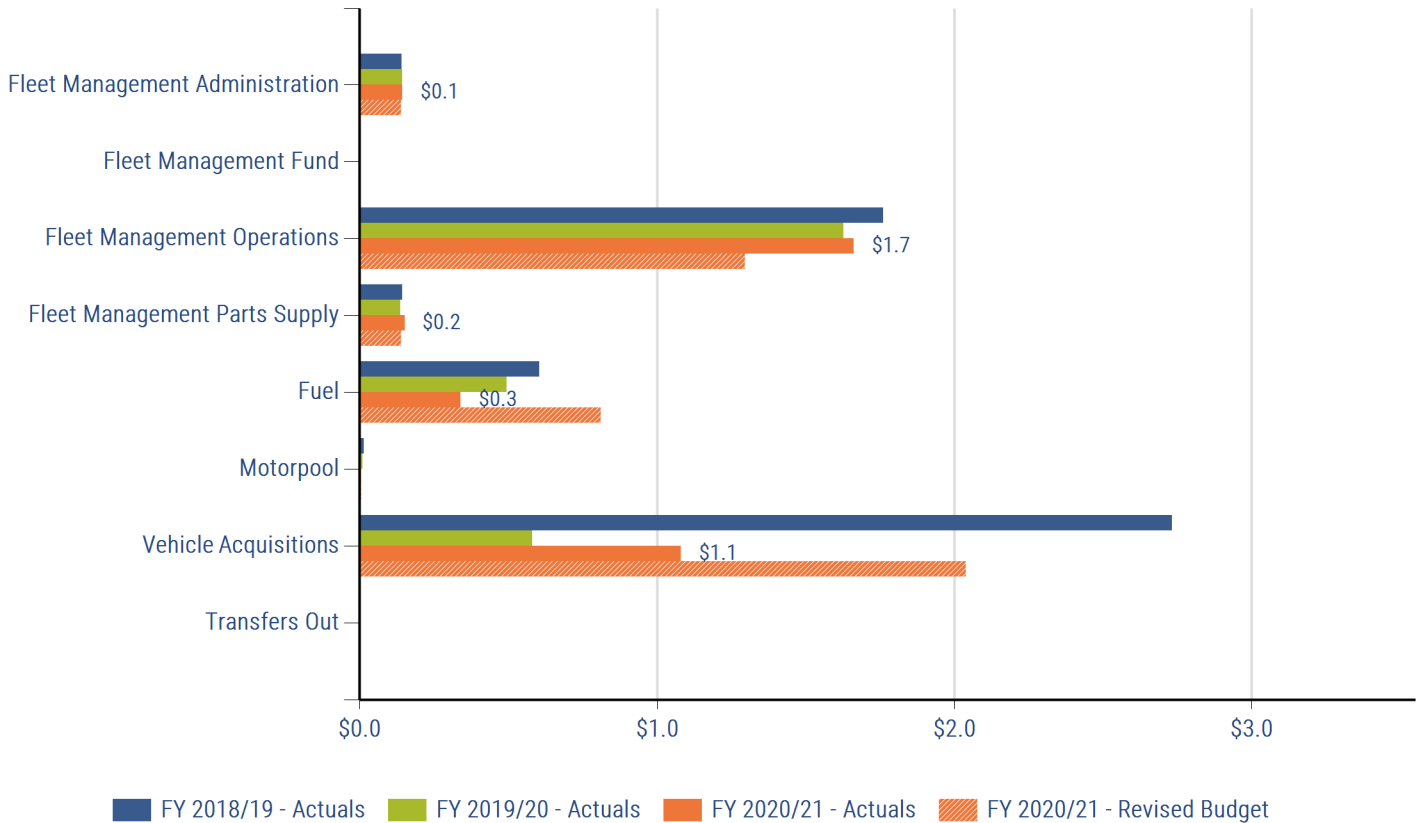


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Maintenance & Operations	\$2.3	\$2.4	\$2.0	\$1.8	\$0.2	11%
Vehicle Acquisitions	2.1	2.4	1.5	1.5	-	-
Fuel	0.9	0.9	0.6	0.8	( 0.2)	(22%)
Reimbursements from Outside Sources	0.2	0.1	0.1	0.1	-	-
Miscellaneous	0.1	0.1	-	0.1	-	-
<b>Total Sources</b>	<b>\$5.6</b>	<b>\$5.9</b>	<b>\$4.3</b>	<b>\$4.3</b>	<b>\$ -</b>	<b>-</b>

**Actual to Revised Budget variance of \$0.0 million or 0%:** The favorable variance in Maintenance & Operations is due to Fleet focusing their maintenance efforts on newer/more expensive maintenance and repairs (and charging divisions accordingly) versus older items that are expected to be replaced in the short term. The unfavorable variance in Fuel is due to lower projected fuel expenses being charged to divisions.



Uses (Fiscal Year to Date: September 2020)

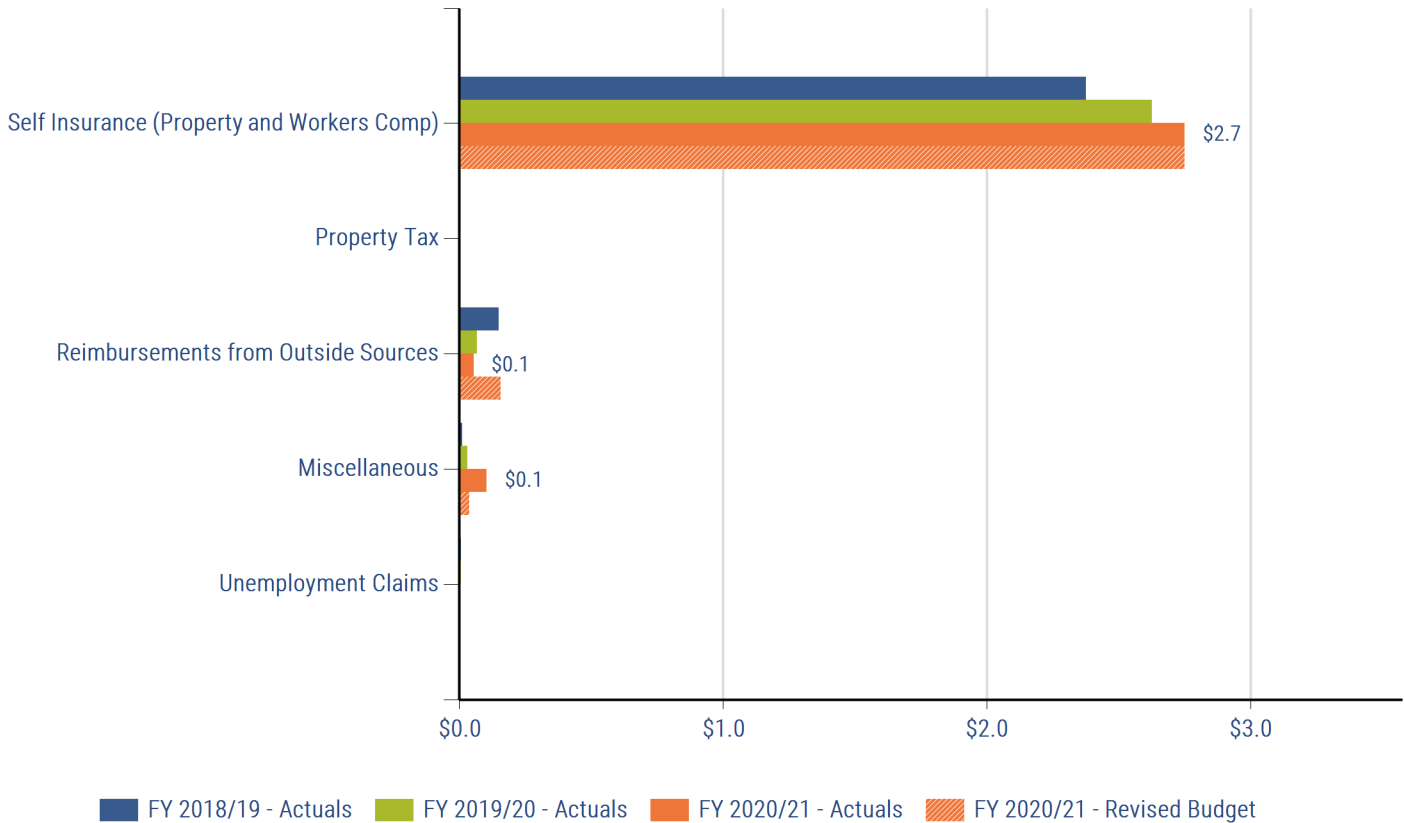


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Fleet Management Administration	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Fleet Management Fund	-	-	-	-	-	-
Fleet Management Operations	1.8	1.6	1.7	1.3	( 0.4)	(28%)
Fleet Management Parts Supply	0.1	0.1	0.2	0.1	-	-
Fuel	0.6	0.5	0.3	0.8	0.5	58%
Motorpool	-	-	-	-	-	-
Vehicle Acquisitions	2.7	0.6	1.1	2.0	1.0	47%
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$5.4</b>	<b>\$3.0</b>	<b>\$3.4</b>	<b>\$4.4</b>	<b>\$1.0</b>	<b>24%</b>

**Actual to Revised Budget variance of \$1.0 million or 24%:** The unfavorable variance in Fleet Management Operations is due to the higher than expected cost of parts required for repairs for vehicles. The favorable variance in Fuel is due to lower than projected fuel costs. The favorable variance of Vehicle Acquisitions is due to delays in taking delivery of vehicles and equipment as a result of factory shut downs due to the COVID-19 pandemic.



Sources (Fiscal Year to Date: September 2020)

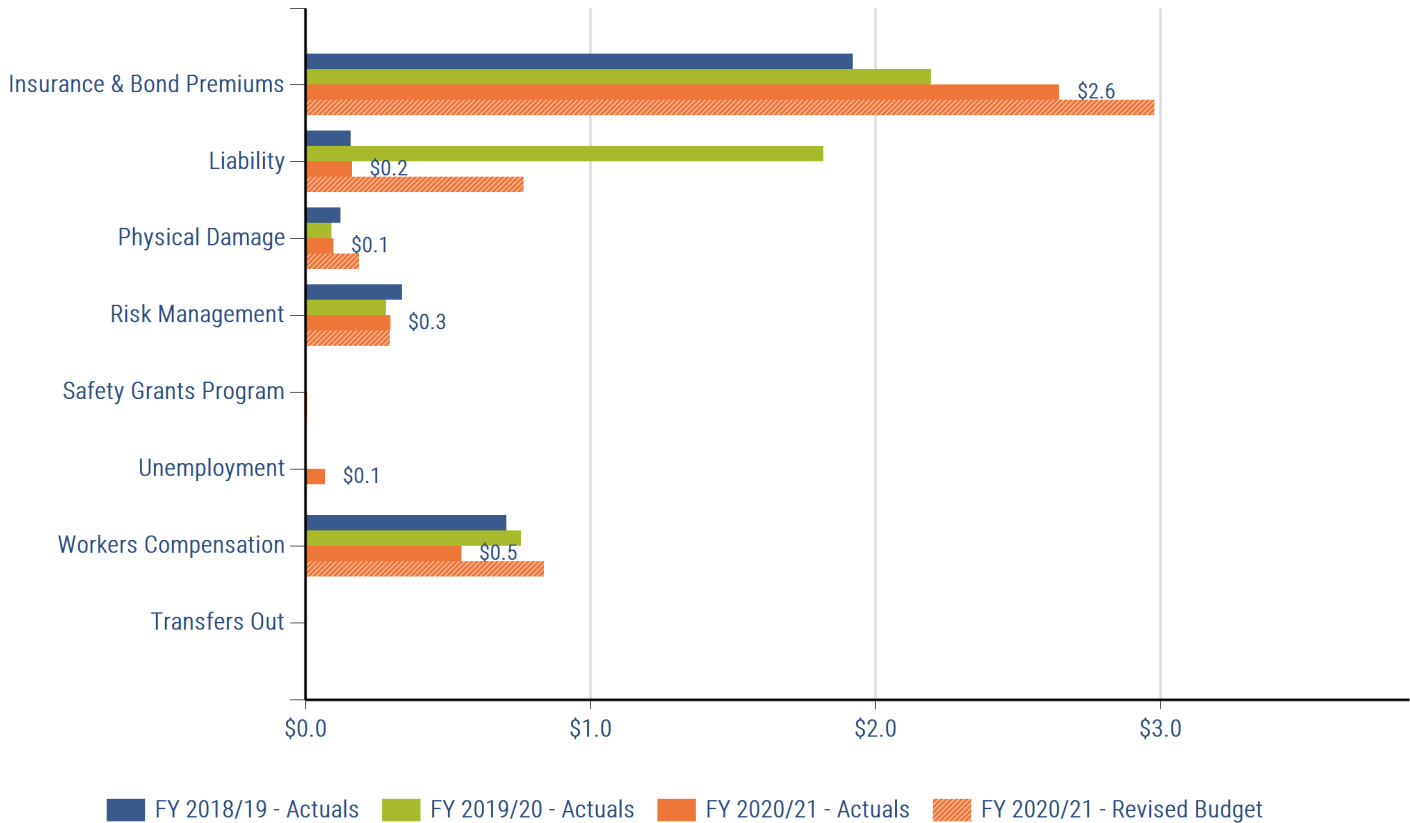


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
Self Insurance (Property and Workers Comp)	\$2.4	\$2.6	\$2.7	\$2.7	\$ -	-
Property Tax	-	-	-	-	-	-
Reimbursements from Outside Sources	0.1	0.1	0.1	0.2	( 0.1)	(65%)
Miscellaneous	-	-	0.1	-	0.1	nm
Unemployment Claims	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$2.5</b>	<b>\$2.7</b>	<b>\$2.9</b>	<b>\$2.9</b>	<b>\$ -</b>	<b>-</b>

**Actual to Revised Budget variance of \$0.0 million or 0%:** The unfavorable variance for Reimbursement from Outside Sources is due to lower than budgeted Insurance Reimbursements, which are difficult to predict. The favorable variance in Miscellaneous is due to unexpected subrogation payments received.



Uses (Fiscal Year to Date: September 2020)

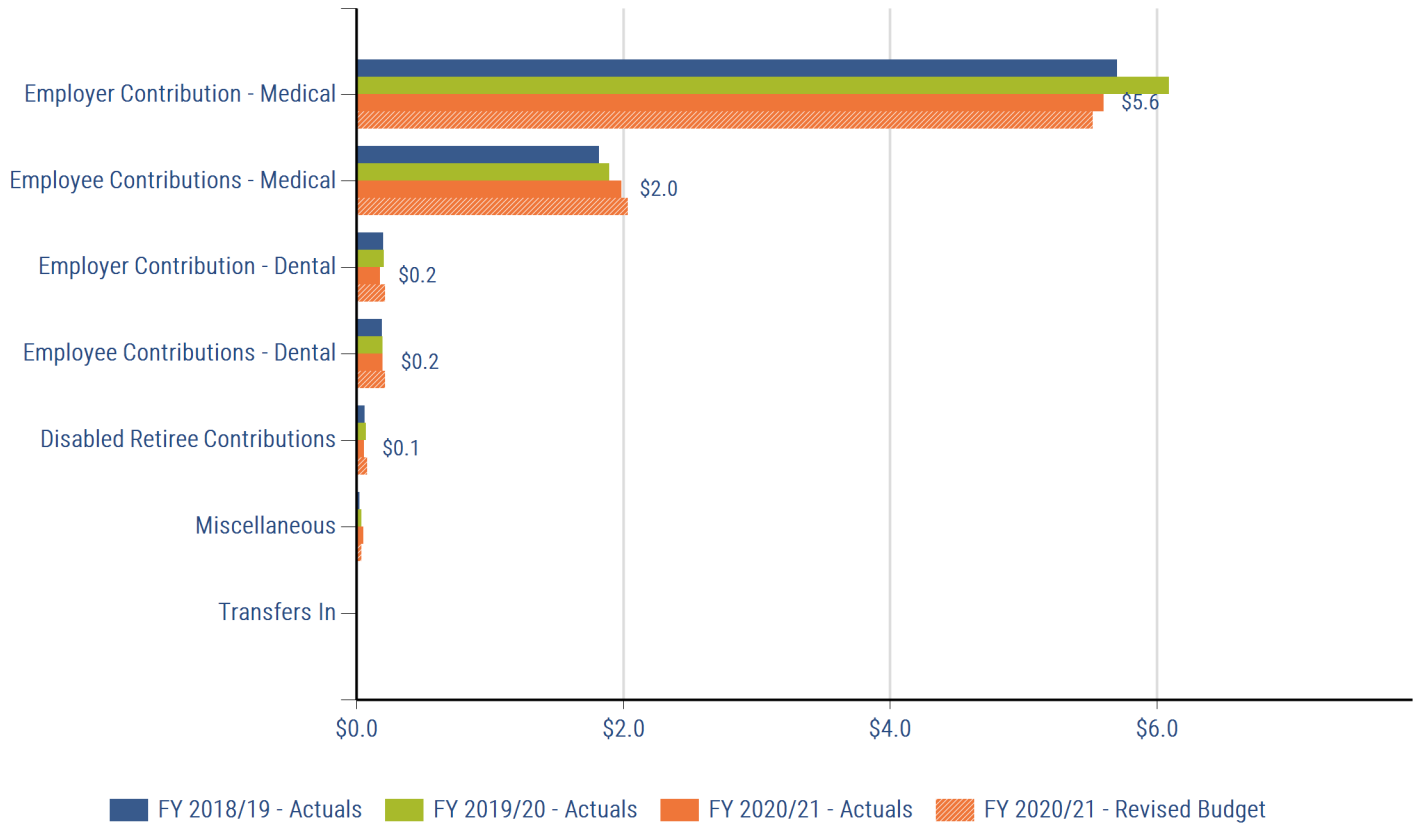


	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Insurance & Bond Premiums	\$1.9	\$2.2	\$2.6	\$3.0	\$0.3	11%
Liability	0.2	1.8	0.2	0.8	0.6	79%
Physical Damage	0.1	0.1	0.1	0.2	0.1	48%
Risk Management	0.3	0.3	0.3	0.3	-	-
Safety Grants Program	-	-	-	-	-	-
Unemployment	-	-	0.1	-	(0.1)	nm
Workers Compensation	0.7	0.8	0.5	0.8	0.3	35%
Transfers Out	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$3.3</b>	<b>\$5.1</b>	<b>\$3.8</b>	<b>\$5.1</b>	<b>\$1.3</b>	<b>25%</b>

**Actual to Revised Budget variance of \$1.3 million or 25%:** The favorable variance in Insurance & Bond Premiums is due to lower than anticipated cost of liability policies. The unfavorable variance in Unemployment is due to higher than anticipated unemployment tax costs. The favorable variance in Liability, Physical Damage and Workers Compensation is due to the unpredictable nature of these expenses.



Sources (Fiscal Year to Date: September 2020)



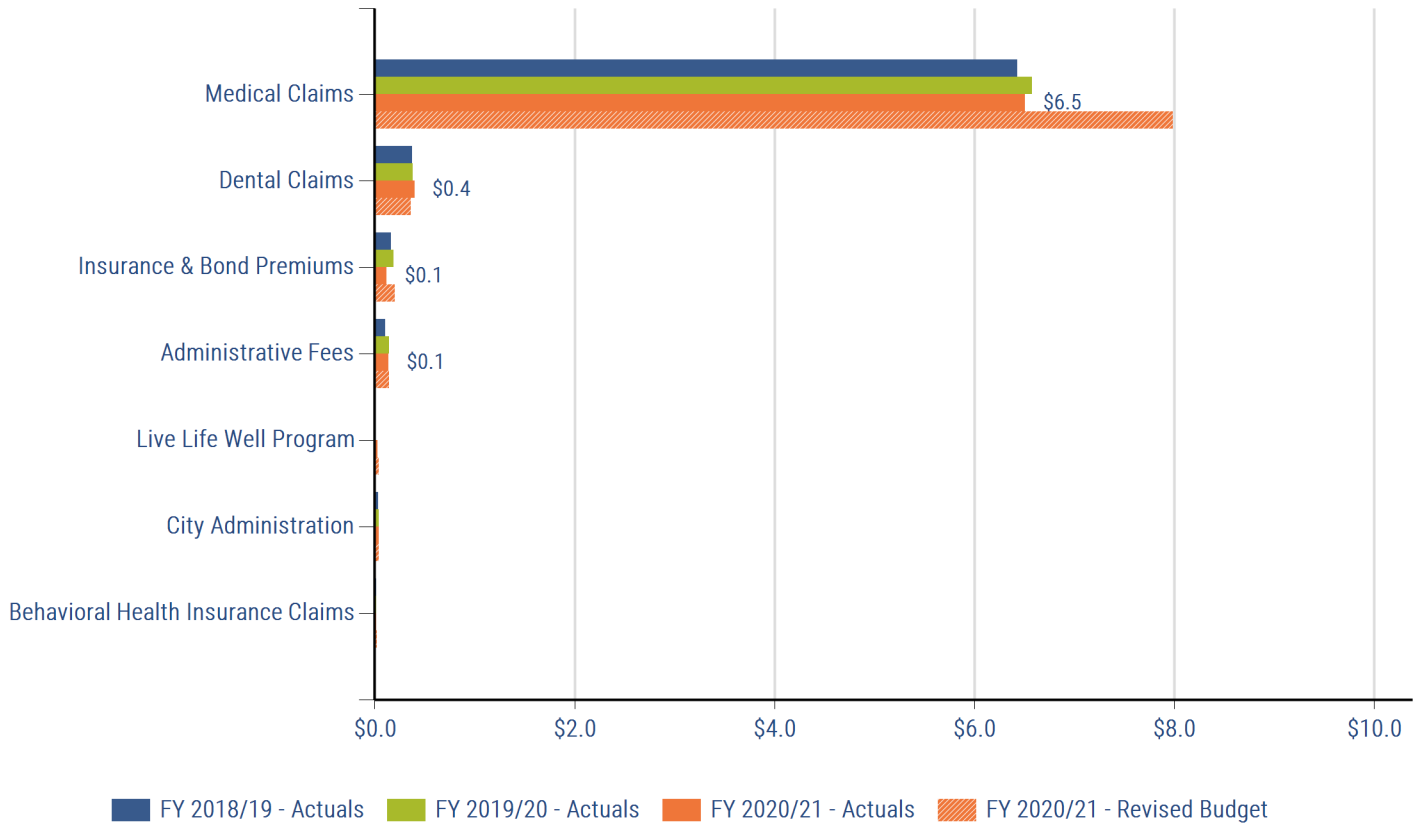
	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Employer Contribution - Medical	\$5.7	\$6.1	\$5.6	\$5.5	\$0.1	1%
Employee Contributions - Medical	1.8	1.9	2.0	2.0	-	-
Employer Contribution - Dental	0.2	0.2	0.2	0.2	-	-
Employee Contributions - Dental	0.2	0.2	0.2	0.2	-	-
Disabled Retiree Contributions	0.1	0.1	0.1	0.1	-	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$8.0</b>	<b>\$8.5</b>	<b>\$8.1</b>	<b>\$8.1</b>	<b>\$ -</b>	<b>-</b>

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





Uses (Fiscal Year to Date: September 2020)



	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Actuals	FY 2020/21 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget Percent
Medical Claims	\$6.4	\$6.6	\$6.5	\$8.0	\$1.5	19%
Dental Claims	0.4	0.4	0.4	0.4	-	-
Insurance & Bond Premiums	0.2	0.2	0.1	0.2	0.1	39%
Administrative Fees	0.1	0.1	0.1	0.1	-	-
Live Life Well Program	-	-	-	-	-	-
City Administration	-	-	-	-	-	-
Behavioral Health Insurance Claims	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$7.1</b>	<b>\$7.4</b>	<b>\$7.3</b>	<b>\$8.8</b>	<b>\$1.6</b>	<b>18%</b>

**Actual to Revised Budget variance of \$1.6 million or 18%:** The favorable variance in Medical Claims is due in part to lower primary care office visits and to the difficulty in the predicting and timing of claims. Insurance & Bond Premiums is favorable due to lower than expected stop loss premium expenses.



# WestWorld Statement of Operations

	Twelve Months: Fiscal Year						
	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted Budget	2020/21 Approved Budget	2020/21 Forecast Budget
<b>Operating Revenue</b>							
Rental Facilities	\$2,604,680	\$2,542,842	\$2,329,364	n/a	\$2,448,611	\$2,448,611	\$2,448,611
RV Rental	297,593	355,601	375,447	n/a	400,898	400,898	400,898
Feed/Bedding Sales	463,286	523,261	557,581	n/a	550,000	550,000	550,000
Labor Fees	352,088	404,957	394,745	n/a	424,328	424,328	424,328
Concession Fees	392,106	472,875	717,558	n/a	650,000	650,000	650,000
Parking	88,280	108,994	90,583	n/a	175,000	175,000	175,000
Other Income	155,990	130,453	134,511	n/a	66,690	66,690	66,690
Equidome Project Use Fee	360,000	360,000	360,000	n/a	360,000	360,000	360,000
Operating Transfer In <sup>(a)</sup>	-	100,000	100,000	n/a	100,000	100,000	100,000
<b>Operating Revenue</b>	<b>\$4,714,023</b>	<b>\$4,998,983</b>	<b>\$5,059,788</b>	n/a	<b>\$5,175,527</b>	<b>\$5,175,527</b>	<b>\$5,175,527</b>
<b>Operating Expenses</b>							
<b>Personnel Services</b>							
Wages/Salaries/Benefits	\$1,954,437	\$1,934,800	\$2,005,230	n/a	\$2,272,910	\$2,269,338	\$2,269,338
Overtime	36,574	31,817	33,067	n/a	44,023	44,023	44,023
<b>Contractual Services</b>							
Contractual Workers	114,025	139,522	133,369	n/a	-	-	155,014
Telephone	28,381	34,182	36,989	n/a	16,498	16,498	16,498
Utilities <sup>(b)</sup>	1,247,702	1,354,976	1,271,518	n/a	-	164,734	164,734
Maintenance & Equipment Rental & Fleet	724,550	710,237	723,231	n/a	295,300	384,083	384,083
License and Permits	158,548	160,727	142,826	n/a	221,649	221,649	221,649
Property, Liability & Workers' Comp	62,401	76,025	69,772	n/a	110,087	110,087	110,087
Advertising/Marketing Contract	194,294	327,544	365,148	n/a	250,000	250,000	250,000
Other	343,819	308,750	261,188	n/a	384,387	384,387	384,387
<b>Commodities and Capital Outlays</b>							
Agriculture & Horticulture & Other Supply	137,506	114,194	163,735	n/a	163,545	163,545	163,545
Maintenance & Repairs Supply, Equipment	125,083	83,417	144,340	n/a	174,774	174,774	174,774
Inventory Purchased for Resale	273,513	259,279	326,497	n/a	330,410	330,410	330,410
Construction - Other	-	21,126	20,483	n/a	-	-	-
Other Expenses	76,182	39,036	36,372	n/a	44,295	44,295	44,295
<b>BOR Admin</b>							
BOR Admin/WestWorld	155,133	162,889	171,034	n/a	188,565	188,565	188,565
<b>Allocated Expenses <sup>(c)</sup></b>							
COS Indirect Costs	370,385	430,425	378,803	n/a	371,073	371,073	371,073
<b>Operating Expenses</b>	<b>\$6,002,533</b>	<b>\$6,188,946</b>	<b>\$6,283,602</b>	n/a	<b>\$4,867,516</b>	<b>\$5,117,461</b>	<b>\$5,272,475</b>
<b>Operating Income</b>	<b>(\$1,288,511)</b>	<b>(\$1,189,963)</b>	<b>(\$1,223,814)</b>	n/a	<b>\$308,011</b>	<b>\$58,066</b>	<b>(\$96,948)</b>
<b>Debt Service (Less contributions)</b>							
Debt Service - (52 & 17 acres)	\$2,304,207	\$2,314,216	\$2,334,637	n/a	\$2,331,449	\$2,331,449	\$2,331,449
Debt Service - TNEC (\$41.935M)	1,506,875	1,479,375	1,461,375	n/a	1,457,125	1,457,125	1,457,125
Debt Service - TNEC Tourism Funded	1,200,000	1,200,000	1,200,000	n/a	1,200,000	1,200,000	1,200,000
Bed Tax Contributions - TNEC	(1,200,000)	(1,200,000)	(1,200,000)	n/a	(1,200,000)	(1,200,000)	(1,200,000)
<b>Net Debt Service</b>	<b>\$3,811,082</b>	<b>\$3,793,591</b>	<b>\$3,796,012</b>	n/a	<b>\$3,788,574</b>	<b>\$3,788,574</b>	<b>\$3,788,574</b>
<b>Operating Income After Debt Service</b>	<b>(\$5,099,593)</b>	<b>(\$4,983,554)</b>	<b>(\$5,019,826)</b>	n/a	<b>(\$3,480,563)</b>	<b>(\$3,730,508)</b>	<b>(\$3,885,522)</b>

<sup>(a)</sup> Beginning in FY 2017/18 a transfer from the Tourism Development Fund covers a portion of the marketing contract since tourism benefits from WestWorld's activity. The

<sup>(b)</sup> adopted budget is zero because beginning in FY 2017/18 utilities charges are budgeted at a citywide macro level. Monthly, as expenditures occur, a budget transfer will be completed to move the needed budget from the macro level holding account to the department. The revised budget is an estimate of expected utilities costs at fiscal year-end.

<sup>(c)</sup> Allocated expenses are not budgeted for in nor expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations. This report does not include Facilities Maintenance expenses.



# WestWorld Statement of Operations

## Statement of Operations for September 2020 / 3 Months YTD

	FY 2016/17 YTD Actual	FY 2017/18 YTD Actual	FY 2018/19 YTD Actual	FY 2019/20 YTD Actual	FY 2020/21 YTD Actual	FY 2020/21 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
<b>Operating Revenue</b>								
Rental Facilities	\$277,168	\$445,702	\$436,875	\$507,681	\$704,305	\$220,134	\$484,171	nm
RV Rental	3,780	18,949	16,619	28,335	13,170	6,500	6,670	nm
Feed/Bedding Sales	17,331	53,028	66,726	82,041	188,250	5,000	183,250	nm
Labor Fees	8,257	21,696	25,329	22,756	41,660	4,935	36,725	nm
Concession Fees	( 6,620)	( 5,452)	( 7,194)	( 20,898)	( 1,378)	-	( 1,378)	
Parking	4,012	27,219	16,712	33,240	-	29,499	( 29,499)	(100%)
Other Income	6,938	12,932	12,224	24,559	22,670	1,100	21,570	nm
Equidome Project Use Fee	45,000	-	-	-	-	-	-	
Operating Transfer In <sup>(a)</sup>	-	-	100,000	100,000	100,000	100,000	-	
<b>Operating Revenue</b>	<b>\$355,867</b>	<b>\$574,074</b>	<b>\$667,291</b>	<b>\$777,714</b>	<b>\$1,068,676</b>	<b>\$367,168</b>	<b>\$701,508</b>	<b>nm</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$461,009	\$443,967	\$451,705	\$470,443	\$449,856	\$483,759	\$33,903	7%
Overtime	1,128	4,131	1,741	13,651	2,162	3,838	1,676	44%
<b>Contractual Services</b>								
Contractual Workers	4,810	7,475	9,274	4,007	3,885	-	( 3,885)	n/a
Telephone	7,235	7,843	20,915	25,084	16,197	14,013	( 2,184)	(16%)
Utilities <sup>(b)</sup>	225,393	234,722	220,143	206,090	129,598	164,734	35,136	21%
Maintenance & Equipment Rental & Fleet	152,612	119,687	118,656	145,028	81,060	76,867	( 4,193)	(5%)
License and Permits	77,460	161,361	142,364	156,283	218,334	218,354	20	0%
Property, Liability & Workers' Comp	15,600	19,005	17,442	18,987	27,522	27,522	-	-
Advertising/Marketing Contract	109,349	216,320	58,402	120,224	40,996	40,800	( 196)	(0%)
Other	18,987	65,039	22,846	32,496	16,600	100,987	84,387	84%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	25,647	30,611	67,640	18,994	14,381	10,332	( 4,049)	(39%)
Maintenance & Repairs Supply, Equipment	20,344	30,290	41,415	49,334	40,234	22,234	( 18,000)	(81%)
Inventory Purchased for Resale	90,767	73,136	80,048	45,019	70,315	-	( 70,315)	n/a
Construction - Other	-	6,908	-	2,220	-	-	-	-
Other Expenses	7,922	7,057	11,101	3,358	6,537	10,828	4,291	40%
<b>BOR Admin</b>								
BOR Admin/WestWorld	-	-	-	-	-	-	-	-
<b>Allocated Expenses <sup>(c)</sup></b>								
COS Indirect Costs	92,595	107,606	94,701	99,675	92,766	92,766	-	-
<b>Operating Expenses</b>	<b>\$1,310,858</b>	<b>\$1,535,157</b>	<b>\$1,358,392</b>	<b>\$1,410,894</b>	<b>\$1,210,442</b>	<b>\$1,267,034</b>	<b>\$56,592</b>	<b>4%</b>
<b>Operating Income</b>	<b>(\$954,991)</b>	<b>(\$961,083)</b>	<b>(\$691,101)</b>	<b>(\$633,180)</b>	<b>(\$141,766)</b>	<b>(\$899,866)</b>	<b>\$758,100</b>	<b>nm</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service - TNEC (\$41.935M)	-	-	-	-	-	-	-	-
Debt Service - TNEC Tourism Funded	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
<b>Net Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Operating Income After Debt Service</b>	<b>(\$954,991)</b>	<b>(\$961,083)</b>	<b>(\$691,101)</b>	<b>(\$633,180)</b>	<b>(\$141,766)</b>	<b>(\$899,866)</b>	<b>\$758,100</b>	<b>nm</b>

<sup>(a)</sup> Beginning in FY 2017/18 a transfer from the Tourism Development Fund covers a portion of the marketing contract since tourism benefits from WestWorld's activity.

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<sup>(c)</sup> Allocated expenses are not budgeted for in nor expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations. This report does not include Facilities Maintenance expenses.



To ensure legal compliance and financial management for the various restricted revenues and 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

**Taxes - Local** - Encompasses a series of local taxes. The largest component of this source includes a 1.10 percent sales tax, of which 0.10 percent is dedicated to public safety. The remaining 1.0 percent of the sales tax 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 the Appendix. Other revenue sources that make up this category include electric and gas franchise fees and cable TV license fees, which are revenues from utility and cable providers for their permitted use of the city's rights-of-way; a stormwater quality charge, which is a fee to help pay a portion of the city's stormwater management program and the Salt River Project (SRP) in lieu tax.

**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.

**State Shared Revenues** - These revenues are derived from state shared sales taxes, income taxes, 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 miscellaneous charges that do not fall into any other category such as property rentals, cell tower leases and stadium usage fees.

**License Permits & Fees** - These charges include those for fees and licenses associated with specific services and programs offered by the city.

**Fines Fees & Forfeitures** - These are charges penalizing individuals for violating a law or policy of the city or paying for services and facilities designed to support this punishment, such as the Court and Public Safety - Police.

**Interest Earnings** - Revenues generated through the use of various investment vehicles on General Fund cash balances throughout the year.

**Building Permit Fees & Charges** - These charges include the licensing of business activity and the associated fees relating to the licensure and regulation of specific activities.

**Indirect/Direct Cost Allocations** - Indirect cost allocations charged to the Enterprise Funds for specific central administrative functions which benefit the Enterprise operations (e.g. Information Technology, Payroll and Human Resources). Direct cost allocations represent Aviation Fund charges for the direct cost of fire service at the airport performed by General Fund personnel.

**Transfers In** - Transfers in reflects funds received from the Enterprise Funds (Franchise Fees), Special Programs Fund (30 Day Tow) and Tourism Development Fund (comply with financial policy #21A).



### GENERAL FUND USES

**Personnel Services** includes the salaries and wages 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. Personnel services also include pay-for-performance and compensation adjustments.

**Contractual Services** 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.

**Capital Outlays** includes 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 increases 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 higher than \$10,000; and (3) be betterment or improvement.

**Contracts Payable & COPs** includes contractual obligations related to development agreements (funded by sales tax rebates) which vary based on the actual sales tax collections and certificates of participation which are a funding mechanism similar to bonds utilized for the purchase of capital items.

**Transfers Out** represents the authorized transfer of cash to other funds 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 Sales Tax - Transportation (0.20%) is transferred to the Capital Improvement Plan (CIP) for transportation related capital improvement projects, while 100 percent of the Sales Tax - Transportation (0.10%) is collected and reported in the CIP.

**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) and lease rental earnings from the Princess Hotel. 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 Charges 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 Charges are monthly charges based on the volume and strength of the sewage discharge.
- Non-Potable Water Fees include the sale of surface water, reverse osmosis (RO) and effluent treated to irrigation standards. These different water types are delivered to 22 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**

Uijt!gvoe!bddpvout!gps!uif!usbotbdujpot!sfmbufe!up!uif!djuz!t!bwjbujo!cvtjof!t!bdujwuz!bu!uif!Tdpuutebmf!Bjsqpsu/

- Bwjbujo!Gfft!bsf!di bshft!gps!b!wbsjfuz!pg!t fswjdf!t!qspwje!fe!up!bjsqpsu!dvtupn!fst!jodnvejoh!Mboejoh!Gfft!-!Bjsqpsu!Bjsqbs!Gvf!Gfft!-!Usbotjfo!Qbs!joh!Gfft!-!Gjyfe!Ufobou!Sfout!-!Qfsdfoubhf!Gfft!gps!Bfspobvujdbm!Cvtjof!t!Qfsnjut!BCQt\*-!Dvtupn!Gfft!boe!njtdfmmbof!pvt!pui!fs!di bshft/
- Qsjwnfhf!boe!Vtf!Uby.Kfu!Gvf!bsf!di bshft! fbofe!gspn!kfu!gvf!t!bmf!t!cz!Gjyfe!Cbtfe!Pqfsbupst!)GCPt\*!joi bddpsebodf!xju!i!uif!Tdpuutebmf!Sfwjfe!Dpef!-!Bsjdmf!JW!-!Tfdujpo!533/

**Solid Waste Fund**

Uijt!gvoe!bddpvout!gps!uif!usbotbdujpot!sfmbufe!up!uif!djuz!t!tpnje!xbutf!boe!sfdzdrjoh!cvtjof!t!bdujwujft/

- Tpje!Xbutf!Gfft!jodnvef!stje!foujbm!di bshft!xjdi!bsf!b!gmbu!gff!qfs!n!poui!boe!dpn!n!fsdjb!di bshft!xjdi!bsf!cbtfe!po!uif!tj!f!pg!uif!dpoubjof!boe!uif!ovncfs!pg!qjd!vqt!qfs!n!poui!Beejupobmz!Tpje!Xbutf!Sbutf!jodnvef!spm.pgg!dibshft!-!vodpoubjof!t fswjdf! dibshft!-!sfdzdrjoh! qsphbn! dibshft!-! boe! ipvtf!ipne! ib{bsepvt! xbutf! dpmfdujpo!di bshft!/

**Internal Service Funds** bsf!vtfe!up!bddpvou!gps!uif!gjobodjoh!po!b!dptu.sfjncvstfnfou!cbtjt!pg!dpn!n!pejuff!ps!t fswjdf!t!qspwje!fe!cz!pof!qsphbn!gps!uif!cfogju!pg!pui!fs!qsphbn!t!xju!jo!uif!djuz!Uif!sfqpsu!jodnvef!uisff!Joufsobm!Tfswjdf!Gvoet!up!bddpvou!gps!Gmfu!Sjt!-!boe!Cfofgjut!bdujwujft!/

**Fleet Fund**

Uijt!gvoe!jt!vtfe!up!bddpvou!gps!uif!fyqfoejvsvft!bt!tpdjbufe!xju!i!qvsvdi!btjoh!boe!n!bjoubjoh!uif!djuz!t!wf!jdmft!Sfqmbdfnfou!boe!pqfsbujpo!pg!wf!jdmft!bsf!dibshfe!up!uif!djuz!efqbsunfou!bt!joufsobm!pqfsbujoh!dptut!up!fbd!i!qsphbn!cbtfe!po!uif!rvboujuz!boe!uzqf!pg!wf!jdmft!vtfe!Uif!efqbsunfou!di bshft!cdfpn!f!sfwfov!up!uif!Gmfu!Gvoe!/

**Risk Fund**

Uijt!gvoe!jt!vtfe!up!bddpvou!gps!uif!djuz!t!t!fng.jotvsbodf!-!tbgfuz!boe!sjt!l!n!bobhfnfou!gvodujpot!Sfwfov!up!uijt!gvoe!jt!efsjwfe!gspn!joufsobm!dibshft!up!ejwtjpo!qsphbn!t!boe!jt!dbquvsfe!bt!joufsobm!sbutf!Qbznfout!gps!vofn!qmpznfou!xps!fst!dpn!qfotbujpo!-!boe!qspqfsuz!boe!mjbcjnjuz!dmbjnt!bsf!n!bef!gspn!uijt!gvoe!

**Healthcare Self Insurance Fund**

Uijt!gvoe!jt!vtfe!up!bddpvou!gps!uif!djuz!t!t!fng.jotvsfe!n!fejdbm!boe!efoubm!cfogjut!Sfwfov!up!uijt!gvoe!jt!efsjwfe!gspn!qsfnjvnt!dpmfdufe!uispvhi!dibshft!up!ejwtjpot!-!xjdi!dptjtut!pg!cpui!djuz!boe!fn!qmpzff!dpn!qpfout!Sfwfov!jt!bntp!dpmfdufe!uispvhi!q!bsn!bdz!sfcbuft!boe!tupq!nptt!jotvsbodf!sfdpwfsjft!Uijt!gvoe!qspwje!t!qbznfou!pg!bduvbm!ifb!u!dbsf!fyqfotft!)n!fejdbm!qsf!tdsjqujpo!boe!efoubm!dmbjnt!bt!x!fm!bt!dmbjnt!benjojtusbujpo!boe!pui!fs!cfogjut!qmb!fyqfotft!/