



# Financial Report Fiscal Year-to-Date As of August 2015

Report to the City Council  
Prepared by City Treasurer  
September 25th, 2015



## FINANCIAL REPORT YEAR-TO-DATE AUGUST 2015

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. Additionally, the report includes a Statement of Operations for WestWorld. The statement summarizes operating revenue and expenses (before and after debt service).

Note: FY 2014/15 twelve month actuals are not available at this time. Once completed, they will be included within the report.

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**General Fund- Summary**

<b>FY 2015/16 - GENERAL FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable/(Unfavorable)	
			Amount	Percent
Sources	\$263.9	\$263.9	\$0.0	0%
Uses	263.8	263.8	-	0%
Change in Fund Balance	\$0.1	\$0.1	\$0.0	
Beginning Fund Balance	\$46.2	\$46.2	\$0.0	
Ending Fund Balance	\$46.3	\$46.3	\$0.0	
Reserved*	\$24.6	\$24.6	\$0.0	
Contingency	\$3.0	\$3.0	\$0.0	
Unreserved	\$18.7	\$18.7	\$0.0	

\*General Fund Reserved equals 10% of operating expenses for the General Fund per Financial Policy No. 36.

<b>August 2015: Current Month and YTD</b>						
(\$ in millions: Rounding differences may occur)						
	August Actual	August Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$15.7	\$18.6	\$40.5	\$39.7	\$0.8	2%
Uses	20.7	19.7	46.7	48.1	1.5	3%
Change in Fund Balance	(\$5.0)	(\$1.2)	(\$6.2)	(\$8.4)	\$2.2	

## Sources

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted	Revised
	Actual	Actual	Budget	Budget
1.1% Sales Taxes	\$104.9	n/a	\$110.0	\$110.0
State-Shared Revenues	50.9	n/a	55.5	55.5
Property Taxes	25.3	n/a	26.0	26.0
Franchise Fees/In-Lieu Taxes	12.2	n/a	12.0	12.0
Charges for Services/Other	24.3	n/a	30.1	30.1
Building Permit Fees & Charges	14.4	n/a	14.3	14.3
Interest Earnings *	0.8	n/a	0.9	0.9
Indirect/Direct Cost Allocation	6.6	n/a	6.0	6.0
Total Revenue	\$239.4	n/a	\$254.8	\$254.8
Transfers In	12.5	n/a	9.1	9.1
Total Sources	\$251.9	n/a	\$263.9	\$263.9
% Change vs. Prior Year	-5%	n/a	n/a	n/a

	One Month: August 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised	Amount	Percent
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$7.2	\$7.8	\$8.3	\$7.6	\$0.7	9%
State-Shared Revenues	4.6	4.2	4.5	4.6	(0.1)	(1%)
Property Taxes	0.1	0.1	0.1	0.1	-	(29%)
Franchise Fees/In-Lieu Taxes	-	-	(1.0)	1.8	(2.8)	nm
Charges for Services/Other	1.5	1.4	1.3	2.1	(0.7)	(36%)
Building Permit Fees & Charges	1.2	1.5	1.2	1.1	0.1	7%
Interest Earnings *	0.1	0.2	(0.0)	0.1	(0.1)	nm
Indirect/Direct Cost Allocation	0.5	0.5	0.5	0.5	-	0%
Total Revenue	\$15.2	\$15.7	\$15.0	\$17.9	(\$2.9)	(16%)
Transfers In	0.7	2.2	0.7	0.6	0.1	13%
Total Sources	\$15.9	\$17.9	\$15.7	\$18.6	(\$2.8)	(15%)
% Change vs. Prior Year	1%	12%	-12%	4%		

	Fiscal Year-to-Date: August 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised	Amount	Percent
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$15.1	\$16.0	\$17.1	\$15.9	\$1.1	7%
State-Shared Revenues	8.5	8.7	9.2	9.2	0.1	1%
Property Taxes	0.4	0.4	0.4	0.4	-	2%
Franchise Fees/In-Lieu Taxes	2.0	1.7	1.7	2.0	(0.3)	(16%)
Charges for Services/Other	3.0	4.0	5.9	5.6	0.3	6%
Building Permit Fees & Charges	2.6	3.4	2.1	2.7	(0.6)	(22%)
Interest Earnings *	0.3	0.2	0.1	0.1	-	(28%)
Indirect/Direct Cost Allocation	1.1	1.1	1.0	1.0	-	0%
Total Revenue	\$33.0	\$35.6	\$37.5	\$36.9	\$0.6	2%
Transfers In	1.4	3.0	2.9	2.8	0.2	7%
Total Sources	\$34.4	\$38.5	\$40.5	\$39.7	\$0.8	2%
% Change vs. Prior Year	5%	12%	5%	3%		

\* Beginning in September 2014, the timing when gains/losses on investments were recognized was retrospectively changed.

### Sales Taxes

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
1.00% General Purpose Sales Tax	\$95.6	n/a	\$100.2	\$100.2
0.10% Public Safety Sales Tax	9.3	n/a	9.8	9.8
Total General Fund Sales Taxes	\$104.9	n/a	\$110.0	\$110.0
% Change vs. Prior Year	7%	n/a	n/a	n/a

	Fiscal Year-to-Date: August 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.00% General Purpose Sales Tax	\$13.7	\$14.6	\$15.5	\$14.5	\$1.0	7%
0.10% Public Safety Sales Tax	1.4	1.4	1.5	1.4	0.1	8%
Total General Fund Sales Taxes	\$15.1	\$16.0	\$17.1	\$15.9	\$1.1	7%
% Change vs. Prior Year	8%	6%	6%	-1%		

**Actual to Revised Budget variance of \$1.1 million or 7%:**

The favorable variance is due to increased sales in home furnishings, building supplies, and computer software/hardware (small retail stores); increased sales of new and used motor vehicles in addition to a new Mazda dealership (automotive); and to several large one-time audit payments (construction).

### State-Shared Revenues

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
State Shared Sales Tax	\$18.9	n/a	\$20.8	\$20.8
State Shared Income Tax	24.2	n/a	26.2	26.2
Auto Lieu Tax	7.8	n/a	8.6	8.6
Total State Shared Revenues	\$50.9	n/a	\$55.5	\$55.5
% Change vs. Prior Year	8%	n/a	n/a	n/a

	Fiscal Year-to-Date: August 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
State Shared Sales Tax	\$3.1	\$3.2	\$3.4	\$3.4	\$ -	0%
State Shared Income Tax	4.0	4.4	4.4	4.4	-	0%
Auto Lieu Tax	1.4	1.1	1.5	1.4	0.1	4%
Total State Shared Revenues	\$8.5	\$8.7	\$9.2	\$9.2	\$0.1	1%
% Change vs. Prior Year	9%	2%	6%	6%		

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

The favorable variance is due to timing of receipts, which should come in as expected at year end.

### Property Taxes

**Actual to Revised Budget variance of \$0.0 million or 2%:**

No explanation is necessary.

### Franchise Fees and In-Lieu Taxes

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
Electric and Gas Franchise	\$8.2	n/a	\$8.3	\$8.3
Cable TV License Fee	3.7	n/a	3.4	3.4
Salt River Project Lieu Tax	0.3	n/a	0.2	0.2
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$12.2</b>	<b>n/a</b>	<b>\$12.0</b>	<b>\$12.0</b>
% Change vs. Prior Year	1%	n/a	n/a	n/a

	Fiscal Year-to-Date: August 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
Electric and Gas Franchise	\$2.0	\$1.7	\$1.7	\$2.0	(\$0.3)	(16%)
Cable TV License Fee	-	-	-	-	-	-
Salt River Project Lieu Tax	-	-	-	-	-	-
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$2.0</b>	<b>\$1.7</b>	<b>\$1.7</b>	<b>\$2.0</b>	<b>(\$0.3)</b>	<b>(16%)</b>
% Change vs. Prior Year	1%	-12%	-2%	17%		

**Actual to Revised Budget variance of (\$0.3) million or (16%):**

Unfavorable variance due to timing. Payments were received differently than expected.

**Charges for Services/Other**

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
<i>Licenses, Permits &amp; Fees</i>				
Recreation Fees	\$3.7	n/a	\$3.6	\$3.6
WestWorld	3.4	n/a	5.1	5.1
Fire Service Charges	0.7	n/a	0.8	0.8
Business Licenses & Fees	1.8	n/a	1.8	1.8
<i>Fines &amp; Forfeitures</i>				
Court Fines	4.2	n/a	4.2	4.2
Photo Enforcement Revenue	1.9	n/a	2.9	2.9
Parking Fines	0.2	n/a	0.2	0.2
Library Fines & Fees	0.3	n/a	0.3	0.3
<i>Miscellaneous</i>				
Stormwater Water Quality Charge	0.9	n/a	0.9	0.9
Property Rental	2.2	n/a	3.0	3.0
Intergovernmental Revenue	1.2	n/a	1.2	1.2
Contributions/Donations	0.1	n/a	-	-
Miscellaneous	1.9	n/a	4.9	4.9
Reimbursements	1.8	n/a	1.1	1.1
Total Charges for Services/Other	\$24.3	n/a	\$30.1	\$30.1
% Change vs. Prior Year	-4%	n/a	n/a	n/a

	Fiscal Year-to-Date: August 2015					
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
<i>Licenses, Permits &amp; Fees</i>						
Recreation Fees	\$0.5	\$0.5	\$0.5	\$0.5	\$0.1	14%
WestWorld	0.0	0.2	0.4	0.5	(0.1)	(25%)
Fire Service Charges	0.1	0.1	0.2	0.1	0.1	88%
Business Licenses & Fees	0.1	0.2	0.2	0.2	-	10%
<i>Fines &amp; Forfeitures</i>						
Court Fines	0.7	0.6	0.6	0.6	-	(2%)
Photo Enforcement Revenue	0.3	0.5	0.6	0.5	0.1	25%
Parking Fines	0.0	0.0	0.0	0.0	-	(33%)
Library Fines & Fees	0.0	0.0	0.0	0.1	-	(3%)
<i>Miscellaneous</i>						
Stormwater Water Quality Charge	0.2	0.2	0.2	0.2	-	1%
Property Rental	0.2	0.4	0.5	0.4	0.1	25%
Intergovernmental Revenue	0.4	0.3	0.3	0.3	0.1	20%
Contributions/Donations	-	0.3	-	-	-	-
Miscellaneous	0.2	0.4	2.2	2.2	-	1%
Reimbursements	0.2	0.2	0.1	0.2	-	(14%)
Total Charges for Services/Other	\$3.0	\$4.0	\$5.9	\$5.6	\$0.3	6%
% Change vs. Prior Year	-2%	32%	46%	38%		

**Actual to Revised Budget variance of \$0.3 million or 6%:**

The favorable variance in Fire Service Charges is mainly due to alarm permits and false alarm fees which are higher at the beginning of the school year. Photo enforcement revenue continues trending upward. The favorable variance in Property Rental is due to revenues received earlier than expected.

### Building Permit Fees and Charges

**Actual to Revised Budget variance of (\$0.6) million or (22%):**

The unfavorable variance is due to the development review process being below projections. The variance is mainly attributable to the activity related to multi-family development which had a \$39 million decrease in building permit valuations for August 2015 compared to the same period last fiscal year.

### Interest Earnings

**Actual to Revised Budget variance of \$0.0 million or (28%):**

No explanation is necessary.

### Indirect/Direct Cost Allocations

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

No explanation is necessary.

### Transfers In

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
Tourism Development - Bed Tax	\$3.1	n/a	\$1.5	\$1.5
Tourism Development - WW	2.1	n/a	-	-
30 Day Tow	0.3	n/a	0.4	0.4
Enterprise In Lieu Franchise Fees	7.0	n/a	7.2	7.2
<b>Total Transfers In</b>	<b>\$12.5</b>	<b>n/a</b>	<b>\$9.1</b>	<b>\$9.1</b>
% Change vs. Prior Year	18%	n/a	n/a	n/a

	Fiscal Year-to-Date: August 2015					
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
Tourism Development - Bed Tax	\$ -	\$ -	\$1.5	\$1.5	\$ -	-
30 Day Tow	0.1	0.1	0.1	0.1	-	0%
Enterprise In Lieu Franchise Fees	1.3	1.3	1.4	1.2	0.2	15%
<b>Total Transfers In</b>	<b>\$1.4</b>	<b>\$3.0</b>	<b>\$2.9</b>	<b>\$2.8</b>	<b>\$0.2</b>	<b>7%</b>
% Change vs. Prior Year	-2%	nm	0%	-6%		

**Actual to Revised Budget variance of \$0.2 million or 7%:**

Favorable variance is due to the budget spread and will be revised to more appropriately reflect anticipated actual activity.



**Uses**

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year				
	2013/14	2014/15	2015/16	2015/16	2015/16
Expenses:	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Personnel Services	\$163.6	n/a	\$177.8 *	\$177.8 *	\$ -
Contractual	53.3	n/a	56.6	56.6	-
Commodities	7.6	n/a	7.9	7.9	-
Capital Outlays	0.6	n/a	0.5	0.5	-
Total Operating Expenses	\$225.0	n/a	\$242.8	\$242.8	\$ -
Debt Service & Contracts Payable	15.7	n/a	14.8	14.8	-
Transfers Out	6.3	n/a	6.2	6.2	-
Total Uses	\$247.0	n/a	\$263.8 *	\$263.8 *	\$ -
% Change vs. Prior Year	-8%	n/a	n/a	n/a	

	One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
Expenses:	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Personnel Services	\$18.0	\$18.7	\$13.4	\$13.4	\$ -	-	
Contractual	4.1	5.8	4.8	5.5	0.7	13%	
Commodities	0.4	0.5	0.4	0.6	0.2	29%	
Capital Outlays	0.1	-	-	0.2	0.2	96%	
Total Operating Expenses	\$22.5	\$25.0	\$18.7	\$19.7	\$1.0	5%	
Debt Service & Contracts Payable	0.3	-	-	-	-	-	
Transfers Out	-	-	2.0	-	( 2.0)	n/a	
Total Uses	\$22.8	\$25.0	\$20.7	\$19.7	(\$1.0)	-5%	
% Change vs. Prior Year	-5%	10%	-17%	-21%			

	Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
Expenses:	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Personnel Services	\$30.7	\$32.6	\$33.4	\$33.6	\$0.2	1%	
Contractual	9.4	11.0	10.5	11.3	0.8	7%	
Commodities	0.7	0.9	0.8	1.1	0.3	26%	
Capital Outlays	0.1	-	-	0.2	0.2	96%	
Total Operating Expenses	\$40.8	\$44.6	\$44.7	\$46.0	\$1.5	3%	
Debt Service & Contracts Payable	-	-	-	-	-	-	
Transfers Out	-	-	2.0	2.0	-	-	
Total Uses	\$40.9	\$44.6	\$46.7	\$48.1	\$1.5	3%	
% Change vs. Prior Year	-1%	9%	5%	8%			

	Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
Expenses:	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
Mayor & Council and Charter Officers	\$3.5	\$3.6	\$3.7	\$3.8	\$0.1	3%	
Administrative Services	3.0	3.6	3.4	3.8	0.4	10%	
Community & Economic Dev	4.7	5.5	5.0	5.1	0.1	1%	
Community Services	6.2	6.5	6.6	6.9	0.3	4%	
Public Safety - Fire	5.6	5.8	6.1	6.2	0.1	1%	
Public Safety - Police	15.6	17.0	17.3	17.6	0.4	2%	
Public Works	2.4	2.6	2.6	2.7	0.1	2%	
Total Operating Expenses	\$40.8	\$44.6	\$44.7	\$46.0	\$1.5	3%	

\*Includes budgeted vacancy savings net of leave accrual payouts, 3% pay for performance and compensation adjustments.

**Personnel Services**

	Twelve Months: Fiscal Year				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Salaries and Wages	\$115.6	n/a	\$122.3 *	\$122.0 *	(\$0.2)
Overtime	7.2	n/a	7.1	7.1	-
FICA	7.9	n/a	8.5	8.6	0.1
Retirement	17.2	n/a	22.3	22.5	0.2
Health/Dental/Miscellaneous	15.6	n/a	17.7	17.6	( 0.1)
Total Personnel Services	<u>\$163.6</u>	<u>n/a</u>	<u>\$177.8 *</u>	<u>\$177.8 *</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>4%</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	

	Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>	
Salaries and Wages	\$22.0	\$23.7	\$23.8	\$23.8	\$ -	-	
Overtime	1.4	1.1	1.2	1.2	( 0.1)	-5%	
FICA	1.5	1.6	1.6	1.6	-	-	
Retirement	3.2	3.5	4.0	4.2	0.2	5%	
Health/Dental/Miscellaneous	2.6	2.6	2.8	2.8	0.1	2%	
Total Personnel Services	<u>\$30.7</u>	<u>\$32.6</u>	<u>\$33.4</u>	<u>\$33.6</u>	<u>\$0.2</u>	<u>1%</u>	
% Change vs. Prior Year	<u>1%</u>	<u>6%</u>	<u>3%</u>	<u>3%</u>			
Pay Periods	5	5	5				

\*Includes budgeted vacancy savings net of leave accrual payouts, 3% pay for performance and compensation adjustments.

**Actual to Revised Budget variance of \$0.2 million or 1%:**

The favorable variance in Personnel Services is primarily driven by Retirement. The Arizona State Retirement System (ASRS) rates were budgeted higher than the actual rates due to the timing of receiving actual rates. Another driver of the Retirement favorable variance is Public Safety Personnel Retirement System (PSPRS), all 3 pay periods in July were budgeted at the new year rate of 35.53% when the first pay period should have been budgeted at 28.38%. The final driver of the Retirement favorable variance is the Deferred Retirement Option Plan (DROP) program within the Police Department. The City does not pay retirement for those sworn employees in the DROP program and, therefore, a retirement budget is not programmed for DROP employees. However, there was a larger number of employees who entered the DROP program after the budget was adopted than originally anticipated so for those DROP employees their retirement budget will go unspent and a favorable variance will result.

**Macro Personnel Adjustments**

	2013/14	2014/15	2015/16	2015/16	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Saved/(Used)</u>	<u>Remaining</u>
Retirement Savings	\$ -	n/a	\$ -	\$0.4	\$0.4
Pay for Performance	2.8	n/a	3.1	( 3.0)	0.1
Compensation Adjustments	0.6	n/a	-	-	-
Vacancy Savings	( 3.8)	n/a	( 3.8)	1.0	( 2.8)
Vacation Leave Payouts	0.5	n/a	0.9	( 0.1)	0.8
Medical Leave Payouts	0.8	n/a	1.0	( 0.3)	0.7
Total Vacancy Savings/Payouts	<u>\$0.9</u>	<u>n/a</u>	<u>\$1.2</u>	<u>(\$2.0)</u>	<u>(\$0.8)</u>

**Total Saved/(Used) YTD of (\$2.0) million:**

The City has achieved \$1.0 million in vacancy savings year-to-date offset by (\$0.4) million in vacation and medical leave payouts. In July the Citywide Pay Program was funded and implemented initiating the use of ongoing dollars for compensation. Additionally, Arizona State Retirement System (ASRS) rates were budgeted higher than the actual rates. Therefore, the ASRS budget within divisions was reduced to the actual need and the savings was placed in a macro holding account and will go unused for FY 2015/16. Similarly, for Public Safety Personnel Retirement System (PSPRS), all 3 pay periods in July were budgeted at the new year rate of 35.53% when the first pay period should have been budgeted at 28.38% so a budget transfer occurred to modify the month of July and to reduce division budgets.

**Contractual Services****Actual to Revised Budget variance of \$0.8 million or 7%:**

The favorable variance is attributable to not receiving the expected invoices during this period for communications specialty lines, maintenance of office equipment, and software maintenance/licensing. Additionally, costs for fuel are lower than originally budgeted and maintenance/repair of vehicles in Public Safety - Police are running favorable for the first two months due to fewer vehicles on the road temporarily due to a greater number of light duty and military deployment.

**Commodities**

**Actual to Revised Budget variance of \$0.3 million or 26%:**

The favorable variance is primarily attributable to the timing and receipt of pending invoices during the period. In some instances, budget adjustments have occurred to minimize the variance moving forward. Additionally the favorable variance is the result of accounts, such as operating supplies, education and recreation supplies, and office supplies which are difficult to budget in the appropriate period as there is not a predicatable spending pattern across all periods throughout the year.

**Capital Outlays**

**Actual to Revised Budget variance of \$0.2 million or 96%:**

The favorable variance is attributable to the acquisition of parks and recreation equipment. Budget adjustments have occurred to minimize the variance and better match when the purchases will take place.

**Debt Service & Contracts Payable**

	Twelve Months: Fiscal Year						
	2013/14	2014/15	2015/16	2015/16	2015/16		
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>		
MPC Excise Debt Fund	\$12.8	n/a	\$11.9	\$11.9	\$ -		
Contracts Payable	0.3	n/a	0.3	0.3	-		
COP - Radio Financing	2.5	n/a	2.5	2.5	-		
Debt Service & Contracts Payable	<u>\$15.7</u>	<u>n/a</u>	<u>\$14.8</u>	<u>\$14.8</u>	<u>\$ -</u>		
% Change vs. Prior Year	4%	n/a	n/a	n/a			

	Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Contracts Payable	-	-	-	-	-	-	-
COP - Radio Financing	-	-	-	-	-	-	-
Debt Service & Contracts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-
% Change vs. Prior Year	-94%	0%	0%	0%			

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

No explanation is necessary.

**Transfers-Out**

	Twelve Months: Fiscal Year						
	2013/14	2014/15	2015/16	2015/16	2015/16		
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>		
CIP - Stadium	\$0.1	n/a	\$0.1	\$0.1	\$ -		
CIP - PAYGO	5.8	n/a	6.1	6.1	-		
Spec Pgms Fund - Planning & Dev	0.1	n/a	0.1	0.1	-		
Grants Fund - CDBG	0.4	n/a	-	-	-		
Total Transfers Out	<u>\$6.3</u>	<u>n/a</u>	<u>\$6.2</u>	<u>\$6.2</u>	<u>\$ -</u>		
% Change vs. Prior Year	-28%	n/a	n/a	n/a			

	Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	Amount	Percent
CIP - Stadium	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
CIP - PAYGO	-	-	2.0	2.0	-	-	-
Spec Pgms Fund - Planning & Dev	-	-	-	-	-	-	-
Grants Fund - CDBG	-	-	-	-	-	-	-
Total Transfers Out	<u>\$ -</u>	<u>\$ -</u>	<u>\$2.0</u>	<u>\$2.0</u>	<u>\$ -</u>	-	\$ -
% Change vs. Prior Year	0%	0%	0%	0%			

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

No explanation is necessary.

**FY 2015/16 - TRANSPORTATION FUND**

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$35.1	\$35.1	\$ -	-
Uses	39.1	39.1	-	-
Change in Fund Balance	(\$4.0)	(\$4.0)	\$ -	
Beginning Fund Balance	\$9.2	\$9.2	\$ -	
Ending Fund Balance	<u>\$5.1</u>	<u>\$5.1</u>	<u>\$ -</u>	
Reserved *	\$2.6	\$2.6	\$ -	
Unreserved Fund Balance	2.1	2.1	-	
Contingency	0.5	0.5	-	
Ending Fund Balance	<u>\$5.1</u>	<u>\$5.1</u>	<u>\$ -</u>	

\* Transportation Fund Stabilization Reserve equals 10% of operating expenses per Financial Policy No.36.

Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
HURF Taxes	\$12.3	n/a	\$13.6	\$13.6	\$ -
0.20% City Sales Tax	18.1	n/a	19.0	19.0	-
Other	2.3	n/a	2.5	2.5	-
Total Revenues	<u>\$32.7</u>	<u>n/a</u>	<u>\$35.1</u>	<u>\$35.1</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$32.7</u>	<u>n/a</u>	<u>\$35.1</u>	<u>\$35.1</u>	<u>\$ -</u>
% Change vs. Prior Year	1%	n/a	n/a	n/a	

Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$5.4	n/a	\$6.0 **	\$6.0 **	\$ -
Contractual	15.7	n/a	18.4	18.4	-
Commodities	0.8	n/a	0.9	0.9	-
Capital Outlays	-	n/a	0.3	0.3	-
Total Operating Expenses	<u>\$21.9</u>	<u>n/a</u>	<u>\$25.6</u>	<u>\$25.6</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	9.1	n/a	13.6	13.6	-
Total Uses	<u>\$31.0</u>	<u>n/a</u>	<u>\$39.1 **</u>	<u>\$39.1 **</u>	<u>\$ -</u>
% Change vs. Prior Year	6%	n/a	n/a	n/a	

\*\*Includes budgeted vacancy savings net of leave accrual payouts, 3% pay for performance and compensation adjustments.

**August 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.9	\$2.5	\$5.7	\$5.1	\$0.6	12%
Uses	1.8	1.8	3.1	3.4	0.3	10%
Change in Fund Balance	\$1.1	\$0.7	\$2.7	\$1.7	\$1.0	

One Month: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.0	\$1.1	\$1.1	\$1.1	\$ -	-
0.20% City Sales Tax	1.3	1.4	1.5	1.3	0.1	10%
Other	0.1	-	0.3	-	0.3	nm
Total Revenues	\$2.3	\$2.5	\$2.9	\$2.5	\$0.4	15%
Transfers In	-	-	-	-	-	-
Total Sources	\$2.3	\$2.5	\$2.9	\$2.5	\$0.4	15%
% Change vs. Prior Year	-22%	7%	16%	0%		

Fiscal Year-to-Date: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$2.1	\$2.2	\$2.4	\$2.3	\$0.1	4%
0.20% City Sales Tax	2.6	2.8	3.0	2.8	0.2	8%
Other	0.2	0.1	0.4	0.1	0.3	nm
Total Revenues	\$4.9	\$5.1	\$5.7	\$5.1	\$0.6	12%
Transfers In	-	-	-	-	-	-
Total Sources	\$4.9	\$5.1	\$5.7	\$5.1	\$0.6	12%
% Change vs. Prior Year	-9%	5%	12%	0%		

**Actual to Revised Budget variance of \$0.6 million or 12%:**

The favorable variances in HURF Taxes and 0.20% City Sales Tax revenues are due to continued improvement in the local economy. See Appendix 1 for a breakdown by Sales Tax category. The favorable variance in Other is primarily due to timing issues with the reimbursement from Maricopa County for the one-time purchase of three REACT vehicles that were adopted in the FY 2015/16 budget.

One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	(Unfavorable)
Expenses:					Amount	Percent
Personnel Services	\$0.8	\$0.7	\$0.5	\$0.5	\$ -	-
Contractual	0.8	0.8	1.0	1.2	0.2	17%
Commodities	0.1	0.1	0.1	0.1	-	-
Capital Outlays	-	-	0.2	-	( 0.2)	n/a
Total Operating Expenses	<u>\$1.7</u>	<u>\$1.6</u>	<u>\$1.8</u>	<u>\$1.8</u>	<u>\$ -</u>	<u>-</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	<u>\$1.7</u>	<u>\$1.6</u>	<u>\$1.8</u>	<u>\$1.8</u>	<u>\$ -</u>	<u>-</u>
% Change vs. Prior Year	<u>28%</u>	<u>-6%</u>	<u>10%</u>	<u>12%</u>		

Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	(Unfavorable)
Expenses:					Amount	Percent
Personnel Services	\$1.2	\$1.3	\$1.3	\$1.3	\$ -	-
Contractual	1.2	1.2	1.5	2.0	0.5	25%
Commodities	0.1	0.1	0.1	0.1	-	-
Capital Outlays	-	-	0.2	-	( 0.2)	n/a
Total Operating Expenses	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$3.1</u>	<u>\$3.4</u>	<u>\$0.3</u>	<u>10%</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$3.1</u>	<u>\$3.4</u>	<u>\$0.3</u>	<u>10%</u>
% Change vs. Prior Year	<u>26%</u>	<u>2%</u>	<u>17%</u>	<u>30%</u>		

**Actual to Revised Budget variance of \$0.3 million or 10%:**

The favorable variance in Contractual is due to timing in receiving transit contracts invoices. The unfavorable variance in Capital Outlays is due to timing issues related to the one-time purchase of three REACT vehicles that were adopted in the FY 2015/16 budget.

**FY 2015/16 - TOURISM DEVELOPMENT FUND**

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$18.5	\$18.5	\$ -	-
Uses	17.3	17.3	-	-
Change in Fund Balance	\$1.3	\$4.0	\$ -	
Beginning Fund Balance	\$6.9	\$6.9	\$ -	
Ending Fund Balance	\$8.1	\$8.1	\$ -	

Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Bed Taxes	\$15.3	b/a	\$16.9	\$16.9	\$ -
Miscellaneous Revenue	-	n/a	-	-	-
Princess Hotel Lease	1.7	n/a	1.6	1.6	-
Total Revenues	\$17.0	n/a	\$18.5	\$18.5	\$ -
Transfers In	0.1	n/a	-	-	-
Transfers In - CIP	-	n/a	-	-	-
Total Sources	\$17.1	n/a	\$18.5	\$18.5	\$ -
% Change vs. Prior Year	-7%	n/a	n/a	n/a	

Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Marketing (CVB)	\$7.7	n/a	\$8.5	\$8.5	-
Events & Event Development	1.1	n/a	2.2	2.2	-
Downtown Trolley	-	n/a	0.3	0.3	-
Hospitality Trolley	0.1	n/a	-	-	-
Admin/Research	0.4	n/a	0.5	0.5	-
Mayor and City Council	-	n/a	0.1	0.1	-
Capital Outlays	-	n/a	0.5	0.5	-
Total Operating Expenses	\$9.3	n/a	\$12.0	\$12.0	-
Transfers Out					
CIP	0.2	n/a	0.2	0.2	-
Debt Service	1.8	n/a	3.6	3.6	-
General Fund	3.7	n/a	1.5	1.5	-
Total Uses	\$15.1	n/a	\$17.3	\$17.3	\$ -
% Change vs. Prior Year	34%	n/a	n/a	n/a	

**August 2015: Current Month and YTD**  
 (\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Sources	\$0.7	\$0.8	\$1.6	\$1.6	\$ -	-
Uses	0.7	0.7	3.1	3.0	-	-
Change in Fund Balance	(\$0.1)	\$ -	(\$1.5)	(\$1.5)	\$ -	

One Month: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Revenues:						
Bed Taxes	\$0.6	\$0.6	\$0.7	\$0.7	\$ -	-
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	0.1	-	-	0.1	( 0.1)	-100%
Total Revenues	\$0.7	\$0.6	\$0.7	\$0.8	(\$0.1)	-12%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$0.7	\$0.6	\$0.7	\$0.8	(\$0.1)	-12%
% Change vs. Prior Year	33%	-15%	13%	29%		

Fiscal Year-to-Date: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Revenues:						
Bed Taxes	\$1.3	\$1.4	\$1.4	\$1.4	\$ -	-
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$1.4	\$1.5	\$1.6	\$1.6	\$ -	-
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.4	\$1.5	\$1.6	\$1.6	\$ -	-
% Change vs. Prior Year	nm	6%	4%	4%		

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

No explanation necessary.



One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Marketing (CVB)	\$0.6	\$0.7	\$0.7	\$0.7	\$ -	-
Events & Event Development	-	-	-	-	-	-
Downtown Trolley	-	-	-	-	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	-	-	-	-	-	-
Mayor and City Council	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$0.6</b>	<b>\$0.7</b>	<b>\$0.7</b>	<b>\$0.7</b>	<b>\$ -</b>	<b>-</b>
Transfers Out						
CIP	0.2	0.8	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	1.5	-	-	-	-
<b>Total Uses</b>	<b>\$0.8</b>	<b>\$3.0</b>	<b>\$0.7</b>	<b>\$0.7</b>	<b>\$ -</b>	<b>-</b>
<b>% Change vs. Prior Year</b>	<b>35%</b>	<b>nm</b>	<b>-75%</b>	<b>-75%</b>		

Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Marketing (CVB)	\$1.2	\$1.3	\$1.4	\$1.4	\$ -	-
Events & Event Development	-	-	-	-	-	-
Downtown Trolley	-	-	-	-	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	0.1	-	0.1	-	-	-
Mayor and City Council	-	-	0.1	-	-	-
Capital Outlays	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$1.2</b>	<b>\$1.4</b>	<b>\$1.6</b>	<b>\$1.5</b>	<b>\$ -</b>	<b>-</b>
Transfers Out						
CIP	0.2	0.8	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	1.5	1.5	1.5	-	-
<b>Total Uses</b>	<b>\$1.4</b>	<b>\$3.7</b>	<b>\$3.1</b>	<b>\$3.0</b>	<b>\$ -</b>	<b>-</b>
<b>% Change vs. Prior Year</b>	<b>21%</b>	<b>nm</b>	<b>-17%</b>	<b>-18%</b>		

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

No explanation necessary.

FY 2015/16 - WATER AND WATER RECLAMATION FUNDS				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$163.5	\$163.5	\$ -	-
Uses	160.5	160.5	-	-
Change in Fund Balance	\$3.0	\$3.0	\$ -	
Beginning Fund Balance	\$63.0	\$63.0	\$ -	
Ending Fund Balance	\$65.9	\$65.9	\$ -	
60 to 90 Day Operating Reserve	\$15.0	\$15.0	\$ -	
Repair/Replacement Reserve	38.2	38.2	-	
Revenue Bond Debt Reserve	4.6	4.6	-	
Special Contractual	8.1	8.1	-	
Unreserved Fund Balance	-	-	-	
Ending Fund Balance	\$65.9	\$65.9	\$ -	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Water Service Charges	\$90.1	n/a	\$92.2	\$92.2	\$ -
Water Reclamation Charges	38.4	n/a	39.2	39.2	-
Non-Potable Water Fees	10.9	n/a	12.6	12.6	-
Stormwater Charges Fee	-	n/a	0.1	0.1	-
Interest Earnings <sup>a</sup>	0.5	n/a	0.6	0.6	-
Miscellaneous Revenue	1.8	n/a	1.8	1.8	-
Department Indirect Cost Allocation	-	n/a	0.9	0.9	-
Total Revenues	\$141.7	n/a	\$147.4	\$147.4	\$ -
Transfers In	16.9	n/a	16.1	16.1	-
Bond Proceeds	-	n/a	-	-	-
Total Sources	\$158.6	n/a	\$163.5	\$163.5	\$ -
% Change vs. Prior Year	2%	n/a	n/a	n/a	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$17.4	n/a	\$19.3	\$19.3	-
Contractual	25.1	n/a	30.7	30.7	-
Commodities	24.2	n/a	27.6	27.6	-
Capital Outlays	0.3	n/a	0.1	0.1	-
Indirect/Direct Charges	5.0	n/a	4.4	4.4	-
Department Indirect Cost Allocation	-	n/a	0.9	0.9	-
Total Operating Expenses	\$72.1	n/a	\$83.1	\$83.1	\$ -
Debt Service & Contracts Payable	28.8	n/a	29.9	29.9	-
Transfers Out					
CIP Fund	49.5	n/a	40.3	40.3	-
Franchise Fees	7.0	n/a	7.2	7.2	-
Total Uses	\$157.3	n/a	\$160.5	\$160.5	\$ -
% Change vs. Prior Year	3%	n/a	n/a	n/a	

<sup>a</sup> In FY 2014/15, the timing when gains/losses on investments were recognized was retrospectively changed, which affects prior periods.

**August 2015: Current Month and YTD**  
 (\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Sources	\$13.9	\$14.2	\$28.3	\$28.6	(\$0.3)	-1%
Uses	6.2	7.1	13.0	13.8	0.9	6%
Change in Fund Balance	\$7.7	\$7.1	\$15.3	\$14.8	\$0.5	

One Month: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$9.4	\$9.5	\$9.7	\$9.3	\$0.4	4%
Water Reclamation Charges	3.1	3.2	3.1	3.2	(0.1)	-3%
Non-Potable Water Fees	1.0	1.4	0.9	1.5	(0.6)	-40%
Stormwater Charges Fee	-	-	-	-	-	-
Interest Earnings	0.1	0.1	-	0.1	(0.1)	-100%
Miscellaneous Revenue	0.1	0.1	0.1	0.1	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Revenues	\$13.8	\$14.2	\$13.8	\$14.1	(\$0.3)	-2%
Transfers In	0.1	0.1	0.1	0.1	-	-
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$13.8	\$14.3	\$13.9	\$14.2	(\$0.3)	-2%
% Change vs. Prior Year	1%	3%	-3%	-1%		

Fiscal Year-to-Date: August 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$18.9	\$19.2	\$19.2	\$19.1	\$0.1	0%
Water Reclamation Charges	6.1	6.3	6.4	6.3	-	-
Non-Potable Water Fees	1.9	2.4	2.3	2.7	(0.4)	-13%
Stormwater Charges Fee	-	-	-	-	-	-
Interest Earnings	0.2	0.1	0.1	0.1	(0.1)	-53%
Miscellaneous Revenue	0.2	0.2	0.2	0.2	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Revenues	\$27.3	\$28.2	\$28.1	\$28.5	(\$0.3)	-1%
Transfers In	0.2	0.2	0.2	0.2	-	-
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$27.5	\$28.4	\$28.3	\$28.6	(\$0.3)	-1%
% Change vs. Prior Year	-4%	3%	0%	1%		

**Actual to Revised Budget variance of (\$0.3) million or (1%):**

The unfavorable variance for Non-Potable Water Fees is the result of lower than historical deliveries. The unfavorable variance for Interest Earnings is driven by the change in fair market value of the investment.

One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$2.0	\$2.1	\$1.5	\$1.5	\$ -	-
Contractual	1.9	2.3	2.2	2.6	0.3	13%
Commodities	1.9	2.0	1.4	2.1	0.7	32%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.4	0.4	0.4	0.4	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Operating Expenses	\$6.2	\$6.8	\$5.5	\$6.5	\$1.0	16%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.7	0.7	0.7	0.6	( 0.1)	-14%
Total Uses	\$6.8	\$7.5	\$6.2	\$7.1	\$0.9	13%
% Change vs. Prior Year	4%	10%	-18%	-5%		

Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$3.3	\$3.5	\$3.6	\$3.7	\$0.1	4%
Contractual	2.5	2.9	2.9	3.4	0.5	16%
Commodities	2.7	4.1	4.4	4.8	0.4	8%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.8	0.8	0.7	0.7	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Operating Expenses	\$9.3	\$11.3	\$11.6	\$12.6	\$1.0	8%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	1.3	1.4	1.4	1.2	( 0.2)	-15%
Total Uses	\$10.7	\$12.7	\$13.0	\$13.8	\$0.9	6%
% Change vs. Prior Year	0%	19%	2%	9%		

**Actual to Revised Budget variance of \$0.9 million or 6%:**

The favorable variance in Contractual is driven by the timing of multi-city water reclamation plant payments and less than anticipated expenses for ARC flash study and radio equipment. The favorable variance in Commodities is driven by less than anticipated purchases of treated AWT RO and treatment chemicals. The unfavorable variance in Franchise Fees is due to timing.

<b>FY 2015/16 - AVIATION FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$4.0	\$4.0	\$ -	-
Uses	3.0	3.0	-	-
Change in Fund Balance	<u>\$1.1</u>	<u>\$1.1</u>	<u>\$ -</u>	
Beginning Fund Balance	<u>\$6.9</u>	<u>\$6.9</u>	<u>\$ -</u>	
Ending Fund Balance	<u><u>\$7.9</u></u>	<u><u>\$7.9</u></u>	<u><u>\$ -</u></u>	
60 to 90 Day Operating Reserve	\$0.7	\$0.7	\$ -	
Fleet Replacement Reserve	1.6	1.6	-	
Repair/Replacement Reserve	1.1	1.1	-	
Unreserved	4.5	4.5	-	
Ending Fund Balance	<u><u>\$7.9</u></u>	<u><u>\$7.9</u></u>	<u><u>\$ -</u></u>	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Revenues:					
Aviation Fees	\$3.5	n/a	\$3.6	\$3.6	\$ -
Privilege and Use Tax – Jet Fuel	0.2	n/a	0.2	0.2	-
Interest Earnings <sup>a</sup>	0.1	n/a	-	-	-
Miscellaneous Revenue	0.1	n/a	0.1	0.1	-
Total Revenues	<u>\$3.8</u>	<u>n/a</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$ -</u>
Transfers In	0.8	n/a	-	-	-
Transfers In - CIP	1.1	n/a	0.1	0.1	-
Total Sources	<u><u>\$5.7</u></u>	<u><u>n/a</u></u>	<u><u>\$4.0</u></u>	<u><u>\$4.0</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	52%	n/a	n/a	n/a	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$1.1	n/a	\$1.2	\$1.2	\$ -
Contractual	0.7	n/a	0.9	0.9	-
Commodities	0.1	n/a	0.1	0.1	-
Capital Outlays	-	n/a	-	-	-
Indirect/Direct Charges	0.5	n/a	0.5	0.5	-
Total Operating Expenses	<u>\$2.3</u>	<u>n/a</u>	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$ -</u>
Debt Service & Contracts Payable	-	n/a	0.4	0.4	-
Transfers Out					
CIP Fund	1.1	n/a	-	-	-
Total Uses	<u><u>\$3.4</u></u>	<u><u>n/a</u></u>	<u><u>\$3.0</u></u>	<u><u>\$3.0</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-46%	n/a	n/a	n/a	

<sup>a</sup> In FY 2014/15, the timing when gains/losses on investments were recognized was retrospectively changed, which affects prior periods

**August 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.2	\$0.2	\$0.4	\$0.4	\$ -	-
Uses	0.2	0.2	0.4	0.5	0.1	29%
Change in Fund Balance	\$ -	\$0.1	\$0.1	(\$0.1)	\$0.1	

**One Month: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.3	\$0.2	\$0.2	\$0.2	\$ -	-
Transfers In	0.8	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.0	\$0.2	\$0.2	\$0.2	\$ -	-
% Change vs. Prior Year	nm	-76%	0%	0%		

**Fiscal Year-to-Date: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.5	\$0.5	\$0.4	\$0.4	\$ -	-
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.5	\$0.6	\$0.4	\$0.4	\$ -	-
Transfers In	0.8	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.3	\$0.6	\$0.4	\$0.4	\$ -	-
% Change vs. Prior Year	nm	-57%	-21%	-21%		

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

No explanation necessary.

One Month: August 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	-	0.1	-	-	-
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	-	-	-	-	-	-
Total Operating Expenses	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
% Change vs. Prior Year	0%	0%	0%	0%		

Fiscal Year-to-Date: August 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
Contractual	0.1	0.1	0.1	0.2	0.1	60%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.1	0.1	0.1	-	-
Total Operating Expenses	\$0.4	\$0.4	\$0.4	\$0.5	\$0.1	29%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$0.4	\$0.4	\$0.4	\$0.5	\$0.1	29%
% Change vs. Prior Year	0%	0%	0%	45%		

**Actual to Revised Budget variance of \$0.1 million or 29%:**

The favorable variance in Contractual is driven by delayed intergovernmental payments to U.S. Customs.

<b>FY 2015/16 - SOLID WASTE FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$22.0	\$22.0	\$ -	-
Uses	23.5	23.5	-	-
Change in Fund Balance	(\$1.5)	(\$1.5)	\$ -	
Beginning Fund Balance	\$10.5	\$10.5	\$ -	
Ending Fund Balance	\$9.0	\$9.0	\$ -	
60 to 90 Day Operating Reserve	\$5.8	\$5.8	\$ -	
Unreserved Fund Balance	3.2	3.2	-	
Ending Fund Balance	\$9.0	\$9.0	\$ -	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Solid Waste Charges	\$20.2	n/a	\$20.0	\$20.0	\$ -
Interest Earnings <sup>a</sup>	0.1	n/a	0.1	0.1	-
Miscellaneous Revenue	-	n/a	-	-	-
Total Revenues	\$20.2	n/a	\$20.1	\$20.1	\$ -
Transfers In	-	n/a	-	-	-
Transfers In - CIP	0.8	n/a	1.9	1.9	-
Total Sources	\$21.0	n/a	\$22.0	\$22.0	\$ -
% Change vs. Prior Year	3%	n/a	n/a	n/a	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$6.7	n/a	\$7.0	\$7.0	\$ -
Contractual	10.7	n/a	12.0	12.0	-
Commodities	0.7	n/a	0.7	0.7	-
Capital Outlays	-	n/a	0.1	0.1	-
Indirect/Direct Charges	1.6	n/a	1.6	1.6	-
Total Operating Expenses	\$19.7	n/a	\$21.4	\$21.4	\$ -
Transfers Out					
CIP Fund	1.7	n/a	2.1	2.1	-
Total Uses	\$21.4	n/a	\$23.5	\$23.5	\$ -
% Change vs. Prior Year	12%	n/a	n/a	n/a	

<sup>a</sup> In FY 2014/15, the timing when gains/losses on investments were recognized was retrospectively changed, which affects prior periods.



**August 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.6	\$1.7	\$3.3	\$3.4	(\$0.1)	-2%
Uses	1.6	1.8	3.2	3.4	0.2	6%
Change in Fund Balance	\$ -	(\$0.1)	\$0.1	(\$0.1)	\$0.2	

**One Month: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$1.7	\$1.7	\$1.6	\$1.7	(\$0.1)	-4%
Interest Earnings	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.7	\$1.6	\$1.7	(\$0.1)	-4%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.7	\$1.7	\$1.6	\$1.7	(\$0.1)	-4%
% Change vs. Prior Year	8%	0%	-5%	0%		

**Fiscal Year-to-Date: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$3.4	\$3.4	\$3.3	\$3.3	\$ -	-
Interest Earnings	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$3.4	\$3.4	\$3.3	\$3.4	(\$0.1)	-2%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$3.4	\$3.4	\$3.3	\$3.4	(\$0.1)	-2%
% Change vs. Prior Year	4%	0%	-2%	0%		

**Actual to Revised Budget variance of (\$0.1) million or (2%):**

No explanation necessary.

One Month: August 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$0.7	\$0.8	\$0.6	\$0.5	\$ -	-
Contractual	0.8	1.0	0.9	1.0	0.1	5%
Commodities	0.1	-	-	0.2	0.2	95%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.1	0.1	0.1	-	-
Total Operating Expenses	\$1.7	\$1.9	\$1.6	\$1.8	\$0.2	9%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$1.7	\$1.9	\$1.6	\$1.8	\$0.2	9%
% Change vs. Prior Year	0%	9%	-13%	-4%		

Fiscal Year-to-Date: August 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Personnel Services	\$1.2	\$1.4	\$1.4	\$1.3	\$ -	-
Contractual	1.4	1.6	1.5	1.6	0.1	7%
Commodities	0.1	-	-	0.2	0.2	87%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.3	0.3	0.3	0.3	-	-
Total Operating Expenses	\$3.0	\$3.3	\$3.2	\$3.4	\$0.2	6%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$3.0	\$3.3	\$3.2	\$3.4	\$0.2	6%
% Change vs. Prior Year	3%	9%	-2%	5%		

**Actual to Revised Budget variance of \$0.2 million or 6%:**

The favorable variance in Contractual is the result of lower than forecasted expenses for fleet fuel and maintenance. The favorable variance in Commodities is driven by the timing of payment for refuse containers.

<b>FY 2015/16 - FLEET FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$20.7	\$20.7	\$ -	-
Uses	21.2	21.2	-	-
Change in Fund Balance	(\$0.5)	(\$0.5)	\$ -	
Beginning Fund Balance	\$9.1	\$9.1	\$ -	
Ending Fund Balance	\$8.6	\$8.6	\$ -	
Contingency Reserve	\$0.8	\$0.8	\$ -	
Future Acquisition	5.5	5.5	-	
Unreserved, Undesignated	2.3	2.3	-	
Ending Fund Balance	\$8.6	\$8.6	\$ -	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Revenues:					
Maintenance/Operation Rates	\$7.4	n/a	\$7.7	\$7.7	\$ -
Replacement Rates	6.9	n/a	7.5	7.5	-
Fuel Rates	4.3	n/a	5.0	5.0	-
Other Revenue	0.5	n/a	0.4	0.4	-
Total Revenues	\$19.1	n/a	\$20.7	\$20.7	\$ -
Transfers In	-	-	-	-	-
Total Sources	\$19.1	n/a	\$20.7	\$20.7	\$ -
% Change vs. Prior Year	6%	n/a	n/a	n/a	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$3.2	n/a	\$3.5 *	\$3.5 *	\$ -
Contractual	1.5	n/a	1.6	1.6	-
Commodities	7.1	n/a	7.8	7.8	-
Capital Outlays	5.2	n/a	7.5	7.5	-
Total Operating Expenses	\$17.0	n/a	\$20.4	\$20.4	\$ -
Transfers Out					
Transfer Out CIP	-	n/a	0.8	0.8	-
Transfers to Operating Funds	0.8	n/a	-	-	-
Total Uses	\$17.7	n/a	\$21.2 *	\$21.2 *	\$ -
% Change vs. Prior Year	-1%	n/a	n/a	n/a	

\*Includes budgeted vacancy savings net of leave accrual payouts, 3% pay for performance and compensation adjustments.

**August 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$1.4	\$1.7	\$3.0	\$3.4	(\$0.4)	-12%
Uses	1.6	1.0	2.1	2.0	(0.2)	-8%
Change in Fund Balance	(\$0.1)	\$0.7	\$0.9	\$1.5	(\$0.6)	

**One Month: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Maintenance/Operation Rates	\$0.7	\$0.7	\$0.6	\$0.6	\$ -	-
Replacement Rates	0.6	0.6	0.6	0.6	-	-
Fuel Rates	-	0.4	0.3	0.4	(0.1)	-27%
Other Revenue	-	-	(0.1)	-	(0.1)	-100%
Total Revenues	\$1.3	\$1.7	\$1.4	\$1.7	(\$0.3)	-16%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.3	\$1.7	\$1.4	\$1.7	(\$0.3)	-16%
% Change vs. Prior Year	-17%	35%	-15%	-		

**Fiscal Year-to-Date: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Maintenance/Operation Rates	\$1.3	\$1.4	\$1.1	\$1.3	(\$0.1)	-11%
Replacement Rates	1.1	1.2	1.3	1.3	-	-
Fuel Rates	0.4	0.8	0.6	0.8	(0.2)	-30%
Other Revenue	-	-	-	0.1	-	-
Total Revenues	\$2.8	\$3.4	\$3.0	\$3.4	(\$0.4)	-12%
Transfers In	-	-	-	-	-	-
Total Sources	\$2.8	\$3.4	\$3.0	\$3.4	(\$0.4)	-12%
% Change vs. Prior Year	-2%	18%	-10%	3%		

**Actual to Revised Budget variance of (\$0.4) or (12%):**

The unfavorable variance in Maintenance/Operation Rates is partly due to newer vehicles requiring less maintenance and therefore charging the divisions less than anticipated. The unfavorable variance in Fuel Rates is due to lower than anticipated fuel prices, which also resulted in charging the divisions less than anticipated.

One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Personnel Services	\$0.4	\$0.4	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.1	0.1	-	-
Commodities	0.4	0.1	0.4	0.7	0.3	40%
Capital Outlays	0.1	0.2	0.8	-	(0.8)	n/a
Total Operating Expenses	\$1.0	\$0.9	\$1.6	\$1.0	(\$0.5)	-51%
Transfers Out						
Transfer Out CIP	-	-	-	-	-	-
Transfers to Operating Funds	0.8	-	-	-	-	-
Total Uses	\$1.7	\$0.9	\$1.6	\$1.0	(\$0.5)	-51%
% Change vs. Prior Year	nm	-50%	81%	20%		

Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Personnel Services	\$0.6	\$0.6	\$0.6	\$0.6	\$ -	-
Contractual	0.2	0.2	0.2	0.3	0.1	25%
Commodities	0.4	0.1	0.4	1.1	0.7	62%
Capital Outlays	0.1	0.3	0.9	-	(0.9)	n/a
Total Operating Expenses	\$1.3	\$1.3	\$2.1	\$2.0	(\$0.2)	-8%
Transfers Out						
Transfer Out CIP	-	-	-	-	-	-
Transfers to Operating Funds	0.8	-	-	-	-	-
Total Uses	\$2.1	\$1.3	\$2.1	\$2.0	(\$0.2)	-8%
% Change vs. Prior Year	71%	-39%	70%	58%		

**Actual to Revised Budget variance of (\$0.2) or (8%):**

The favorable variance in Commodities is the result of diesel and unleaded fuel's average price per gallon coming in below the estimated cost per gallon. This favorable variance is completely offset by an unfavorable variance in Capital Outlays, which is due to vehicles that were received and paid for earlier than budgeted.

<b>FY 2015/16 - RISK FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$11.4	\$11.4	\$ -	-
Uses	8.8	8.8	-	-
Change in Fund Balance	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$ -</u>	
Beginning Fund Balance	\$14.9	\$14.9	\$ -	
Ending Fund Balance	<u><u>\$17.4</u></u>	<u><u>\$17.4</u></u>	<u><u>\$ -</u></u>	
Accruals (short term)	\$5.1	\$5.1	\$ -	
Accruals (long term)	9.1	9.1	-	
Property Casualty Reserve	0.7	0.7	-	
Contingency	2.5	2.5	-	
Ending Fund Balance	<u><u>\$17.4</u></u>	<u><u>\$17.4</u></u>	<u><u>\$ -</u></u>	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Revenues:					
Property, Liability, Work Comp Rates	\$6.5	n/a	\$9.6	\$9.6	\$ -
Unemployment Taxes	0.1	n/a	0.1	0.1	-
Property Tax (Tort Claims)	0.1	n/a	1.3	1.3	-
Insurance/Claims Recoveries	0.4	n/a	0.3	0.3	-
Other/Miscellaneous Revenue	0.1	n/a	0.1	0.1	-
Total Revenues	<u>\$7.3</u>	<u>n/a</u>	<u>\$11.4</u>	<u>\$11.4</u>	<u>\$ -</u>
Transfers In	-	n/a	-	-	-
Total Sources	<u><u>\$7.3</u></u>	<u><u>n/a</u></u>	<u><u>\$11.4</u></u>	<u><u>\$11.4</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	53%	n/a	n/a	n/a	

Twelve Months: Fiscal Year					
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$0.7	n/a	\$0.8	\$0.8	\$ -
Contractual	6.8	n/a	7.9	7.9	-
Commodities	0.1	n/a	0.1	0.1	-
Total Operating Expenses	<u>\$7.6</u>	<u>n/a</u>	<u>\$8.8</u>	<u>\$8.8</u>	<u>\$ -</u>
Transfers Out					
Transfers Out CIP	-	n/a	-	-	-
Total Uses	<u><u>\$7.6</u></u>	<u><u>n/a</u></u>	<u><u>\$8.8</u></u>	<u><u>\$8.8</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-5%	n/a	n/a	n/a	

**August 2015: Current Month and YTD**  
(\$ in millions: Rounding differences may occur)

	August	August	YTD	YTD	Actual vs. Budget	
	Actual	Revised Budget	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Sources	\$0.9	\$0.8	\$1.7	\$1.7	\$ -	-
Uses	0.4	0.5	3.0	3.3	0.4	11%
Change in Fund Balance	\$0.5	\$0.3	(\$1.2)	(\$1.7)	\$0.4	

**One Month: August 2015**

	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$0.5	\$0.8	\$0.8	\$0.8	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Property Tax (Tort Claims)	-	-	-	-	-	-
Insurance/Claims Recoveries	-	-	0.1	-	0.1	nm
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.6	\$0.8	\$0.9	\$0.8	\$0.1	8%
Transfers In	-	-	-	-	-	-
Total Sources	\$0.6	\$0.8	\$0.9	\$0.8	\$0.1	8%
% Change vs. Prior Year	67%	38%	14%	0%		

**Fiscal Year-to-Date: August 2015**

	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$1.1	\$1.5	\$1.6	\$1.6	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Property Tax (Tort Claims)	-	-	-	-	-	-
Insurance/Claims Recoveries	-	-	0.1	-	0.1	nm
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$1.1	\$1.6	\$1.7	\$1.7	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$1.1	\$1.6	\$1.7	\$1.7	\$ -	-
% Change vs. Prior Year	63%	41%	8%	5%		

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

One Month: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	0.2	0.4	0.3	0.4	0.1	33%
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$0.3	\$0.5	\$0.4	\$0.5	\$0.2	29%
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	\$0.3	\$0.5	\$0.4	\$0.5	\$0.2	29%
% Change vs. Prior Year	-24%	58%	-24%	0%		

Fiscal Year-to-Date: August 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.2	\$ -	-
Contractual	1.9	2.9	2.8	3.1	0.3	11%
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$2.0	\$3.0	\$3.0	\$3.3	\$0.4	11%
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	\$2.0	\$3.0	\$3.0	\$3.3	\$0.4	11%
% Change vs. Prior Year	nm	49%	-2%	10%		

**Actual to Revised Budget variance of \$0.4 million or 11%:**

The favorable variance in Contractual is due to lower than expected general liability claims for the period.



**FY 2015/16 - BENEFITS SELF INSURANCE**

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$28.9	\$28.9	\$ -	-
Uses	28.6	28.6	-	-
Change in Fund Balance	\$0.3	\$0.3	\$ -	
Beginning Fund Balance	\$6.7	\$6.7	\$ -	
Ending Fund Balance	\$7.0	\$7.0	\$ -	

## Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Medical Premiums - COS	\$18.6	n/a	\$20.7	\$20.7	\$ -
Dental Premiums - COS	0.8	n/a	0.8	0.8	-
Medical Premiums - EE	5.9	n/a	5.9	5.9	-
Dental Premiums - EE	0.8	n/a	0.7	0.7	-
Medical Premiums - Retiree	0.6	n/a	0.3	0.3	-
Other Revenue	0.1	n/a	0.5	0.5	-
Total Revenues	\$26.9	n/a	\$28.9	\$28.9	\$ -
Transfers In	-	n/a	-	-	-
Total Sources	\$26.9	n/a	\$28.9	\$28.9	\$ -
% Change vs. Prior Year	1%	n/a	n/a	n/a	

## Twelve Months: Fiscal Year

	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services - COS	\$0.2	n/a	\$0.1	\$0.1	-
Contractual - COS	0.1	n/a	0.1	0.1	-
Medical Claims	21.2	n/a	24.3	24.3	-
Medical Claims - Retirees	0.7	n/a	-	-	-
Dental Claims	1.4	n/a	1.6	1.6	-
Provider Admin Fees	1.3	n/a	0.8	0.8	-
Behavioral Health Claims	0.7	n/a	0.7	0.7	-
Stop Loss Insurance	0.6	n/a	0.8	0.8	-
Wellness Incentive	0.1	n/a	0.2	0.2	-
Total Uses	\$26.2	n/a	\$28.6	\$28.6	\$ -
% Change vs. Prior Year	5%	n/a	n/a	n/a	

**August 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	August Actual	August Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Sources	\$2.4	\$2.4	\$4.7	\$4.9	(\$0.2)	-4%
Uses	2.9	2.3	4.9	4.7	( 0.2)	-3%
Change in Fund Balance	(\$0.6)	\$ -	(\$0.2)	\$0.2	(\$0.3)	

**One Month: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums - COS	\$1.5	\$1.6	\$1.7	\$1.7	\$ -	-
Dental Premiums - COS	0.1	0.1	0.1	0.1	-	-
Medical Premiums - EE	0.5	0.5	0.5	0.5	-	-
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Medical Premiums - Retiree	0.1	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	\$2.2	\$2.2	\$2.4	\$2.4	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.2	\$2.2	\$2.4	\$2.4	\$ -	-
% Change vs. Prior Year	-6%	0%	6%	6%		

**Fiscal Year-to-Date: August 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums - COS	\$3.1	\$3.2	\$3.4	\$3.5	(\$0.1)	-2%
Dental Premiums - COS	0.1	0.1	0.1	0.1	-	-
Medical Premiums - EE	1.0	1.0	1.0	1.0	-	-
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Medical Premiums - Retiree	0.1	-	-	-	-	-
Other Revenue	-	-	-	0.2	( 0.1)	-99%
Total Revenues	\$4.4	\$4.4	\$4.7	\$4.9	(\$0.2)	-4%
Transfers In	-	-	-	-	-	-
Total Sources	\$4.4	\$4.4	\$4.7	\$4.9	(\$0.2)	-4%
% Change vs. Prior Year	-3%	0%	6%	10%		

**Actual to Revised Budget variance of (\$0.2) million or (4%):**

The unfavorable variance in Medical Premiums - COS is due to self-insurance coming in slightly lower than estimated due to plan participation and migration, this variance will continue into future periods. The unfavorable variance in Other Revenue is related to various healthcare and prescription rebates the city receives, which are not received on a consistent basis and amounts fluctuate between periods.

One Month: August 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	0.1	-	-	-	-
Medical Claims	2.0	1.3	2.7	2.0	(0.6)	-32%
Medical Claims - Retirees	0.1	0.1	-	-	-	-
Dental Claims	0.1	0.1	0.2	0.1	-	-
Provider Admin Fees	-	0.5	-	-	-	-
Behavioral Health Claims	-	-	-	0.1	0.1	91%
Stop Loss Insurance	-	0.1	-	0.1	-	-
Wellness Incentive	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$2.2</b>	<b>\$2.1</b>	<b>\$2.9</b>	<b>\$2.3</b>	<b>(\$0.6)</b>	<b>-26%</b>
<b>% Change vs. Prior Year</b>	<b>3%</b>	<b>-8%</b>	<b>41%</b>	<b>13%</b>		

Fiscal Year-to-Date: August 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	0.1	-	-	-	-
Medical Claims	3.6	2.7	4.4	4.1	(0.3)	-8%
Medical Claims - Retirees	0.2	0.2	-	-	-	-
Dental Claims	0.1	0.1	0.3	0.3	-	-
Provider Admin Fees	0.1	0.5	0.1	0.1	-	-
Behavioral Health Claims	0.1	-	-	0.1	0.1	91%
Stop Loss Insurance	0.1	0.1	0.1	0.1	-	-
Wellness Incentive	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$4.1</b>	<b>\$3.7</b>	<b>\$4.9</b>	<b>\$4.7</b>	<b>(\$0.2)</b>	<b>-3%</b>
<b>% Change vs. Prior Year</b>	<b>0%</b>	<b>-10%</b>	<b>30%</b>	<b>26%</b>		

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

The unfavorable variance in Medical Claims is due to higher than expected claims during the current fiscal year, which was offset in part by the favorable variance in Behavioral Health Claims that reflects lower than anticipated claims.

Statement of Operations - WestWorld

City of Scottsdale  
WestWorld  
Statement of Operations

	Twelve Months: Fiscal Year					
	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget
<b>Operating Revenue</b>						
Rental Facilities	\$1,405,932	\$1,617,444	\$2,050,602	n/a	\$2,632,000	\$2,632,000
RV Rental	230,161	257,509	232,802	n/a	455,900	455,900
Feed/Bedding Sales	474,133	499,264	548,330	n/a	813,100	813,100
Labor Fees	240,871	233,486	266,860	n/a	343,100	343,100
Concession Fees	230,728	223,836	191,380	n/a	366,600	366,600
Parking	44,004	48,834	58,591	n/a	75,200	75,200
Equidome Project Use Fee *	-	-	75,000	n/a	360,000	360,000
Other Income	55,923	105,121	142,732	n/a	44,300	44,300
Council Authorized Carryover ***	-	-	2,048,000	n/a	-	-
<b>Operating Revenue</b>	<b>\$2,681,751</b>	<b>\$2,985,494</b>	<b>\$5,614,297</b>	<b>n/a</b>	<b>\$5,090,200</b>	<b>\$5,090,200</b>
<b>Operating Expenses</b>						
<b>Personnel Services</b>						
Wages/Salaries/Benefits	\$1,466,780	\$1,527,275	\$1,564,608	n/a	\$1,832,763	\$1,834,985
Overtime	17,498	28,259	21,195	n/a	20,883	21,507
<b>Contractual Services</b>						
Contractual Workers	63,530	74,914	84,004	n/a	75,000	75,000
Telephone	35,063	25,637	32,164	n/a	37,488	37,488
Utilities	429,769	558,010	1,016,731	n/a	967,290	967,290
Maintenance & Equipment Rental & Fleet	422,247	591,505	601,739	n/a	714,648	714,648
License and Permits	73,499	124,251	73,018	n/a	126,155	126,155
Property, Liability & Workers' Comp	16,951	18,114	30,724	n/a	51,525	51,525
Advertising/Marketing Contract	11,932	11,492	212,869	n/a	350,000	350,000
Other	192,989	212,162	224,979	n/a	292,225	292,225
<b>Commodities and Capital Outlays</b>						
Agriculture & Horticulture & Other Supply	107,537	125,040	128,597	n/a	131,545	131,545
Maintenance & Repairs Supply, Equipment	66,997	68,781	74,067	n/a	135,035	135,035
Inventory Purchased for Resale	229,795	258,927	260,507	n/a	495,000	495,000
Construction - Other	55,349	94,323	10,695	n/a	17,000	17,000
Other Expenses	33,462	39,526	35,951	n/a	33,690	33,690
<b>BOR Admin</b>						
BOR Admin/WestWorld	121,551	127,628	134,010	n/a	147,746	147,746
<b>Allocated Expenses**</b>						
Facilities Maintenance	319,572	402,988	402,988	n/a	670,566	670,566
COS Indirect Costs	458,880	241,136	255,887	n/a	338,575	338,575
<b>Operating Expenses</b>	<b>\$4,123,402</b>	<b>\$4,529,966</b>	<b>\$5,164,734</b>	<b>n/a</b>	<b>\$6,437,134</b>	<b>\$6,453,917</b>
<b>Operating Income</b>	<b>(\$1,441,651)</b>	<b>(\$1,544,472)</b>	<b>\$449,563</b>	<b>n/a</b>	<b>(\$1,346,934)</b>	<b>(\$1,363,717)</b>
<b>Debt Service (Less contributions)</b>						
Debt Service - (52 & 17 acres)	\$2,352,373	\$2,364,123	\$2,012,576	n/a	\$1,258,550	\$1,258,550
Debt Service - TNEC	-	588,503	1,200,000	n/a	2,725,575	2,725,575
Bed Tax Contributions - TNEC	-	( 588,503)	( 1,200,000)	n/a	( 1,200,000)	( 1,200,000)
<b>Net Debt Service</b>	<b>\$2,352,373</b>	<b>\$2,364,123</b>	<b>\$2,012,576</b>	<b>n/a</b>	<b>\$2,784,125</b>	<b>\$2,784,125</b>
<b>Operating Income After Debt Service</b>	<b>(\$3,794,024)</b>	<b>(\$3,908,596)</b>	<b>(\$1,563,014)</b>	<b>n/a</b>	<b>(\$4,131,059)</b>	<b>(\$4,147,842)</b>

\* This was previously reported as a contribution reducing debt service but has been modified to be shown as revenue.

\*\* Allocated expenses are not budgeted for in or expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations.

\*\*\* One-time Council Authorized transfer from the Tourism Fund using available carryover to offset lost revenue during TNEC construction.

Statement of Operations YTD August 2015

	FY 2011/12 YTD Actual	FY 2012/13 YTD Actual	FY 2013/14 YTD Actual	FY 2014/15 YTD Actual	FY 2015/16 YTD Actual	FY 2015/16 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
<b>Operating Revenue</b>								
Rental Facilities	\$15,656	\$22,795	\$37,018	\$145,356	\$163,779	\$90,000	\$73,779	82%
RV Rental	1,664	2,171	1,084	2,257	5,345	6,327	( 982)	-16%
Feed/Bedding Sales	300	-	476	130	13,177	27,116	( 13,939)	-51%
Labor Fees	520	292	-	1,270	10,108	-	10,108	n/a
Concession Fees	-	4,852	1,460	47,456	77,496	-	77,496	n/a
Parking	-	-	-	3,596	4,970	-	4,970	n/a
Equidome Project Use Fee*	-	-	-	285,000	90,000	360,000	( 270,000)	-75%
Other Income	3,754	4,284	232	30	127	116	11	10%
<b>Operating Revenue</b>	<b>\$21,893</b>	<b>\$34,393</b>	<b>\$40,269</b>	<b>\$485,094</b>	<b>\$365,002</b>	<b>\$483,559</b>	<b>(\$118,557)</b>	<b>-25%</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$207,039	\$240,956	\$226,707	\$256,261	\$259,449	\$257,055	(\$2,394)	-1%
Overtime	147	207	86	1,462	2,831	867	( 1,964)	nm
<b>Contractual Services</b>								
Contractual Workers	-	-	-	864	2,648	-	( 2,648)	n/a
Telephone	4,656	3,900	5,046	4,178	2,487	4,609	2,122	46%
Utilities	24,860	18,607	49,173	93,624	93,614	68,718	( 24,896)	-36%
Maintenance & Equipment Rental & Fleet	36,972	56,523	52,626	98,932	85,510	109,830	24,320	22%
License and Permits	72,538	72,985	72,852	73,349	73,050	73,070	20	0%
Property, Liability & Workers' Comp	2,826	3,020	5,120	6,230	8,588	8,588	-	-
Advertising/Marketing Contract	618	2,820	3,447	201,349	201,349	202,820	1,471	1%
Other	2,383	4,862	6,882	12,190	10,542	6,806	( 3,736)	-55%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	-	33,449	17,930	3,770	4,358	4,082	( 276)	-7%
Maintenance & Repairs Supply, Equipment	1,127	4,082	3,645	6,876	9,578	18,398	8,820	48%
Inventory Purchased for Resale	-	5,128	16,742	-	4,209	10,000	5,791	58%
Construction - Other	363	-	10,695	-	-	-	-	-
Other Expenses	1,272	3,865	5,586	11,566	4,747	623	( 4,124)	nm
<b>BOR Admin</b>								
BOR Admin/WestWorld	-	-	-	-	-	-	-	-
<b>Allocated Expenses**</b>								
Facilities Maintenance	53,262	67,164	67,164	118,968	111,762	111,762	-	-
COS Indirect Costs	76,480	40,190	42,648	46,084	56,430	56,430	-	-
<b>Operating Expenses</b>	<b>\$484,542</b>	<b>\$557,759</b>	<b>\$586,349</b>	<b>\$935,702</b>	<b>\$931,152</b>	<b>\$933,658</b>	<b>\$2,506</b>	<b>0%</b>
<b>Operating Income</b>	<b>(\$462,649)</b>	<b>(\$523,366)</b>	<b>(\$546,080)</b>	<b>(\$450,608)</b>	<b>(\$566,150)</b>	<b>(\$450,099)</b>	<b>(\$116,051)</b>	<b>-26%</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service - TNEC	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
<b>Net Debt Service</b>	<b>\$250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Operating Income After Debt Service</b>	<b>(\$462,899)</b>	<b>(\$523,366)</b>	<b>(\$546,080)</b>	<b>(\$450,608)</b>	<b>(\$566,150)</b>	<b>(\$450,099)</b>	<b>(\$116,051)</b>	<b>-26%</b>

\* This was previously reported as a contribution reducing debt service but has been modified to be shown as revenue.

\*\* Allocated expenses are not budgeted for in or expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations.



## Privilege (Sales) & Use Tax Collections For August 2015 (For Business Activity in July 2015)

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 fiscal year to date Privilege and Use Tax (1.0 percent General Purpose) collections increased 7 percent compared to the Budget, and increased 6 percent compared to the same period a year ago.

### Privilege (Sales) & Use Tax by Category and Fund

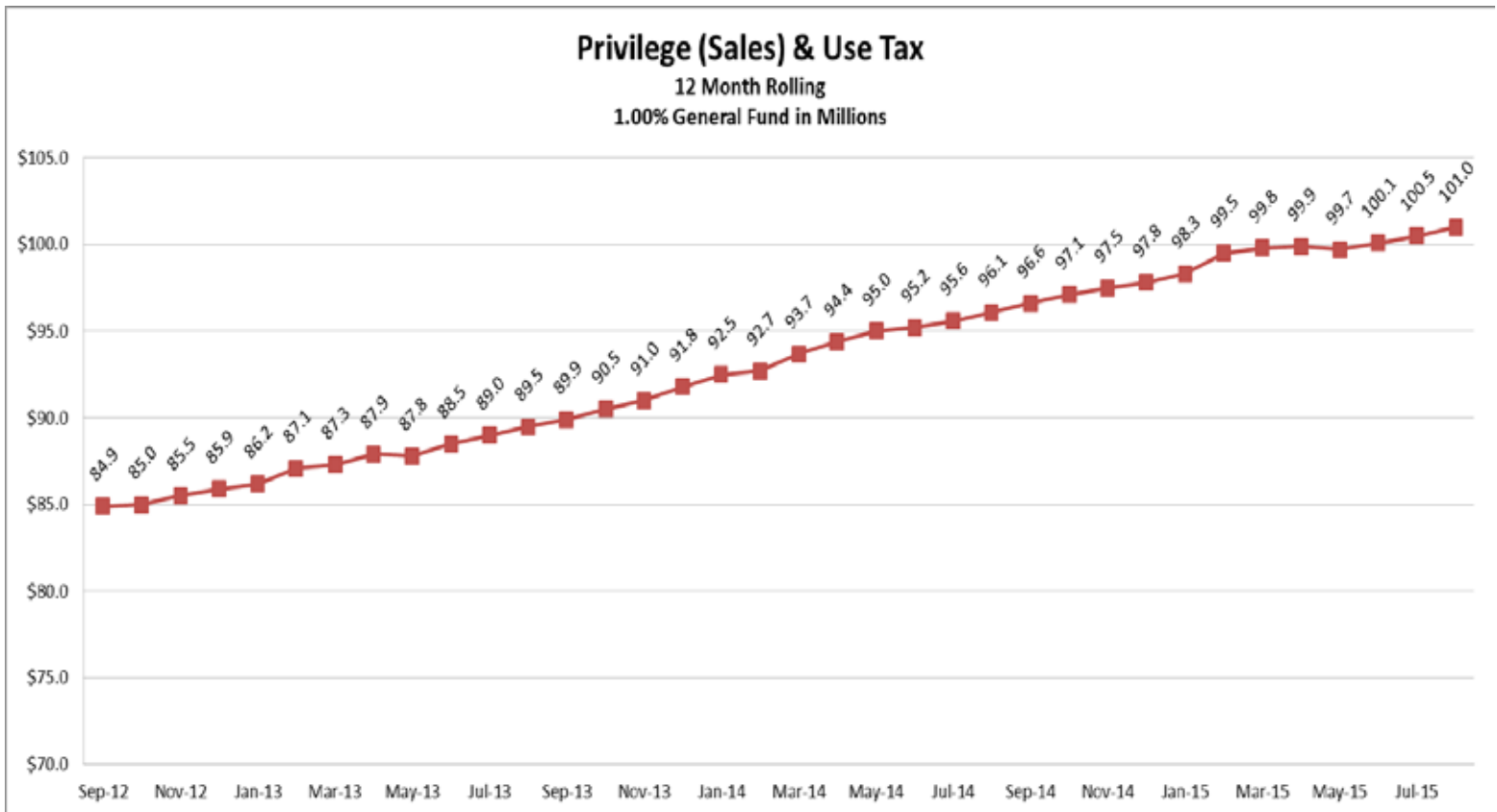
	Fiscal Year: Twelve Months				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Rentals	\$12.4	n/a	\$13.2	\$13.2	\$0.0
Misc. Retail Stores	16.1	n/a	17.8	17.8	0.0
Major Dept. Stores	9.2	n/a	9.9	9.9	0.0
Automotive	12.4	n/a	14.4	14.4	0.0
Food Stores	6.6	n/a	7.0	7.0	0.0
Construction	11.1	n/a	8.3	8.3	0.0
Dining/ Entertainment	8.5	n/a	9.7	9.7	0.0
Other Taxable Activity	7.6	n/a	7.8	7.8	0.0
Hotel/Motel	5.0	n/a	5.5	5.5	0.0
Utilities	4.4	n/a	4.5	4.5	0.0
License fees, Penalty & Interest	2.3	n/a	2.2	2.2	0.0
Subtotal	<u>\$95.6</u>	<u>n/a</u>	<u>\$100.2</u>	<u>\$100.2</u>	<u>\$0.0</u>
0.10% Public Safety	\$9.3	n/a	\$9.8	\$9.8	\$0.0
0.20% Transportation	18.1	n/a	19.0	19.0	0.0
0.20% McDowell Preserve 1995	18.7	n/a	19.6	19.6	0.0
0.15% McDowell Preserve 2004	14.0	n/a	14.7	14.7	0.0
Total	<u>\$155.7</u>	<u>n/a</u>	<u>\$163.4</u>	<u>\$163.4</u>	<u>\$0.0</u>
% Change vs. Prior Year	7%	n/a	n/a	n/a	

Rounding differences may occur.

**Privilege (Sales) & Use Tax by Category and Fund**

Fiscal Year-to-Date: August 2015						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
<b>1.00% General Purpose</b>						
Rentals	\$2.1	\$2.1	\$2.4	\$2.2	\$0.2	9%
Misc. Retail Stores	2.2	2.2	2.6	2.3	0.3	13%
Major Dept. Stores	1.3	1.4	1.4	1.4	(0.1)	-5%
Automotive	1.9	2.0	2.3	2.1	0.2	9%
Food Stores	1.0	1.0	1.0	1.0	0.0	0%
Construction	1.7	2.1	1.7	1.5	0.2	15%
Dining/ Entertainment	1.1	1.2	1.3	1.3	0.0	0%
Other Taxable Activity	1.0	1.1	1.3	1.1	0.2	15%
Hotel/Motel	0.5	0.5	0.5	0.5	0.0	0%
Utilities	0.8	0.8	0.9	0.8	0.0	0%
License fees, Penalty & Interest	0.2	0.2	0.1	0.2	(0.1)	-28%
Subtotal	\$13.7	\$14.6	\$15.5	\$14.5	\$1.0	7%
0.10% Public Safety	\$1.4	\$1.4	\$1.5	\$1.4	\$0.1	8%
0.20% Transportation	2.6	2.8	3.0	2.8	0.2	8%
0.20% McDowell Preserve 1995	2.7	2.9	3.1	2.9	0.2	7%
0.15% McDowell Preserve 2004	2.0	2.2	2.3	2.1	0.2	7%
Total	\$22.4	\$23.9	\$25.4	\$23.7	\$1.7	7%
% Change vs. Prior Year		7%	6%	-1%		

Rounding differences may occur.



**Rental Sales Taxes**

The rental category includes rentals of commercial and residential real estate 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 \$0.2 million or 9%:** The increase is a result of a sale of an apartment complex.

**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 \$0.3 million or 13%:** The increase is due in part to increased sales in home furnishings, building supplies, and computer software/hardware.

**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 (5%):** Normal business fluctuations.

**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 9%:** This is due to increased sales of new and used motor vehicles in addition to a new Mazda dealership.

**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 \$0.2 million or 15%:** This is due to several large one-time audit payments.

**Dining/Entertainment Sales Taxes**

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

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

**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 \$0.2 million or 15%:** This is due in part to increase 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 (\$0.1) million or (28%):** This is due to a decrease in penalties and interest, and due to fewer license renewals from the change in the law for construction contractors.

## 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.

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

### GENERAL FUND USES

**Personnel Services** category includes 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. Personnel services also include pay-for-performance and compensation adjustments.

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

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

**Capital outlays category** 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 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.

## Glossary

**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 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) 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 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 Fees 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 Fees 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 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.