



Financial Report
Fiscal Year-to-Date
As of September 2011

Report to the City Council

Prepared by City Treasurer – Finance and Accounting Division

October 26, 2011



FINANCIAL REPORT YEAR-TO-DATE SEPTEMBER 2011

The following report is a summary of financial results for the City's General Fund (which is the primary operating fund of the City), the Transportation Fund, the major Enterprise Funds, and the Fleet 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. For FY 2009/10, revenues and expenses were reported on a cash basis: accrual of revenues and expenses were only done for year-end for publication in the City's Consolidated Annual Financial Report (CAFR). Beginning in FY 2010/11, revenues and expenses are reported on a modified accrual basis to match the CAFR. NOTE: Full year results for FY2010/11 are unaudited pending final closing.

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General Fund- Summary

FY 2011/12 - GENERAL FUND

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable/(Unfavorable)	
			Amount	Percent
Sources	\$230.2	\$230.2	(\$0.0)	0%
Uses	237.6	237.6	-	0%
Change in Fund Balance	(\$7.4)	(\$7.4)	(\$0.0)	
Beginning Fund Balance	\$41.5	\$44.7	\$3.2	
Ending Fund Balance	\$34.0	\$37.3	\$3.3	
Reserved*	\$23.9	\$23.9	\$0.0	
Contingency	\$5.0	\$5.0	\$0.0	
Unreserved	\$5.2	\$8.4	\$3.2	

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

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September Actual	September Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$15.2	\$14.1	\$49.4	\$47.5	\$1.9	4%
Uses	21.2	22.0	54.6	56.7	2.1	4%
Change in Fund Balance	(\$6.0)	(\$7.9)	(\$5.2)	(\$9.2)	\$4.0	

Sources

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
1.1% Sales Taxes	\$85.8	\$87.9	\$88.7	\$88.7
State-Shared Revenues	55.5	48.4	42.1	42.1
Charges for Services/Other	49.0	46.6	40.5	40.5
Property Taxes	23.3	24.6	25.0	25.0
Franchise Fees/In-Lieu Taxes	11.5	11.2	11.1	11.1
Bed Taxes	7.1	13.1	12.2	12.2
Total Revenue	\$232.2	\$231.7	\$219.7	\$219.7
Transfers In	19.2	12.2	10.5	10.5
Total Sources	\$251.5 *	\$243.9	\$230.2	\$230.2
% Change vs. Prior Year	-8%	-3%	-6%	-6%

	One Month: September 2011				Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$6.5	\$6.0	\$6.7	\$6.3	\$0.3	5%
State-Shared Revenues	4.5	3.9	3.5	3.4	-	-
Charges for Services/Other	3.6	3.4	3.7	3.0	0.7	23%
Property Taxes	0.1	0.1	0.1	0.1	-	-
Franchise Fees/In-Lieu Taxes	-	-	-	-	-	-
Bed Taxes	0.3	0.5	0.5	0.5	-	-
Total Revenue	\$15.1	\$14.0	\$14.4	\$13.3	\$1.1	8%
Transfers In	1.0	0.8	0.8	0.8	0.0	4%
Total Sources	\$16.0	\$14.8	\$15.2	\$14.1	\$1.1	8%
% Change vs. Prior Year		-7%	3%	-5%		

	Fiscal Year-to-Date: September 2011				Actual vs. Budget	
	2009/10	2010/11	2011/12	2011/12	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$20.3	\$19.0	\$20.4	\$19.3	\$1.0	5%
State-Shared Revenues	14.2	12.1	10.6	10.6	-	-
Charges for Services/Other	12.0	11.0	10.0	9.3	0.7	8%
Property Taxes	0.5	0.5	0.6	0.6	0.1	12%
Franchise Fees/In-Lieu Taxes	2.8	1.8	1.8	1.8	(0.1)	-5%
Bed Taxes	0.9	1.3	1.7	1.5	0.2	14%
Total Revenue	\$50.7	\$45.7	\$45.1	\$43.2	\$1.9	4%
Transfers In	11.6	5.4	4.3	4.3	(0.1)	-1%
Total Sources	\$62.3 *	\$51.2	\$49.4	\$47.5	\$1.9	4%
% Change vs. Prior Year		-18%	-3%	-7%		

*Includes \$9.0 million transferred temporarily from CIP.

Sales Taxes

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
1.00% General Purpose Sales Tax	\$78.3	\$80.1	\$80.9	\$80.9
0.10% Public Safety Sales Tax	7.5	7.8	7.8	7.8
Total General Fund Sales Taxes	\$85.8	\$87.9	\$88.7	\$88.7
% Change vs. Prior Year	-10%	2%	1%	1%

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
1.00% General Purpose Sales Tax	\$18.5	\$17.3	\$18.6	\$17.6	\$0.9	5%
0.10% Public Safety Sales Tax	1.8	1.7	1.8	1.7	0.1	6%
Total General Fund Sales Taxes	\$20.3	\$19.0	\$20.4	\$19.3	\$1.0	5%
% Change vs. Prior Year		-6%	7%	2%		

Actual to Revised Budget variance of \$1.0 million or 5%:

Local automotive sales continue to perform better than expected, which is exceeding the national average . Additionally, there was a large audit payment in the rental category. See Appendix 1 for further information about results by sales tax categories.

State-Shared Revenues

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
State Revenue Sharing	\$30.3	\$22.8	\$18.3	\$18.3
State Shared Sales Tax	17.3	17.8	16.4	16.4
Auto Lieu Tax	7.9	7.7	7.3	7.3
Total State Shared Revenues	\$55.5	\$48.4	\$42.1	\$42.1
% Change vs. Prior Year	-11%	-13%	-13%	-13%

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
State Revenue Sharing	\$7.6	\$5.7	\$4.6	\$4.6	-	-
State Shared Sales Tax	4.4	4.2	4.1	4.0	0.1	3%
Auto Lieu Tax	2.2	2.1	1.9	2.0	(0.1)	-6%
Total State Shared Revenues	\$14.2	\$12.1	\$10.6	\$10.6	\$0.0	0%
% Change vs. Prior Year		-15%	-12%	-12%		

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

No explanation necessary.

Charges for Services/Other

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
<i>Taxes - Local</i>				
Stormwater Water Quality Charge	\$0.8	\$0.8	\$0.9	\$0.9
<i>Licenses, Permits & Fees</i>				
Building Permit Fees & Charges	6.9	6.9	8.4	8.4
Recreation Fees	3.3	3.6	3.8	3.8
WestWorld	2.5	2.6	2.5	2.5
Fire Service Charges	1.8	0.8	0.4	0.4
Business Licenses & Fees	1.8	1.7	1.7	1.7
<i>Fines & Forfeitures</i>				
Court Fines	7.5	4.3	5.2	5.2
Photo Enforcement Revenue	1.8	2.0	1.9	1.9
Parking Fines	0.3	0.3	0.2	0.2
Library Fines & Fees	0.4	0.4	0.4	0.4
<i>Interest Earnings/Property Rental</i>				
Interest Earnings	2.1	1.2	0.4	0.4
Property Rental	2.9	3.2	2.8	2.8
<i>Other Revenue</i>				
Indirect/Direct Cost Allocation	13.3	13.9	8.2	8.2
Intergovernmental Revenue	1.1	0.9	0.8	0.8
Miscellaneous	0.6	0.5	0.8	0.8
Reimbursements	2.1	3.4	1.8	1.8
Total Charges for Services/Other	\$49.0	\$46.6	\$40.5	\$40.5
% Change vs. Prior Year	-2%	-5%	-13%	-13%

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
<i>Taxes - Local</i>						
Stormwater Water Quality Charge	\$0.3	\$0.3	\$0.3	\$0.3	-	-
<i>Licenses, Permits & Fees</i>						
Building Permit Fees & Charges	1.8	2.1	2.1	2.0	0.1	5%
Recreation Fees	1.0	0.9	1.0	1.0	-	-
WestWorld	0.1	0.2	0.1	0.1	-	-
Fire Service Charges	0.6	0.2	0.1	0.1	-	-
Business Licenses & Fees	0.2	0.2	0.2	0.2	-	-
<i>Fines & Forfeitures</i>						
Court Fines	1.7	1.1	1.1	1.3	(0.2)	-13%
Photo Enforcement Revenue	0.5	0.4	0.6	0.4	0.1	30%
Parking Fines	0.1	0.1	0.1	0.0	-	-
Library Fines & Fees	0.1	0.1	0.1	0.1	-	-
<i>Interest Earnings/Property Rental</i>						
Interest Earnings	0.7	0.5	0.2	0.4	(0.2)	-50%
Property Rental	0.6	0.6	0.6	0.5	0.2	36%
<i>Other Revenue</i>						
Indirect/Direct Cost Allocation	4.0	3.3	2.0	2.0	-	-
Intergovernmental Revenue	0.3	0.2	0.7	0.2	0.5	234%
Miscellaneous	0.1	0.1	0.3	0.2	0.1	48%
Reimbursements	0.1	0.8	0.6	0.5	0.1	18%
Total Charges for Services/Other	\$12.0	\$11.0	\$10.0	\$9.3	\$0.7	8%
% Change vs. Prior Year		-8%	-9%	-15%		

Charges for Services/Other**Actual to Revised Budget variance of \$0.7 million or 8%:**

Right-of-Way fees in Building Permit Fees and Charges continue to experience positive activity. While Court fines continue to show unfavorable results due to defendants inability to pay during economic downturn, the variance is improving slightly. The unfavorable result in Interest Earnings is due to the spread of the budget. This budget will be adjusted to reflect planned collections and updated for the October Monthly Financial Report. A favorable variance in Property Rental is a result of higher than anticipated revenues from Tournament Players Club and Sanctuary Golf Courses.

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

The favorable result is a timing issue and not indicative of an actual increase in activity.

Franchise Fees and In-Lieu Taxes

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
Electric and Gas Franchise	\$8.0	\$7.8	\$7.9	\$7.9
Cable TV Franchise	3.4	3.2	3.0	3.0
Salt River Project Lieu Tax	0.1	0.2	0.2	0.2
Total Franchise Fees/In-Lieu Taxes	\$11.5	\$11.2	\$11.1	\$11.1
% Change vs. Prior Year	0%	-2%	-1%	-1%

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
Electric and Gas Franchise	\$1.9	\$1.7	\$1.8	\$1.8	(\$0.1)	-5%
Cable TV Franchise	0.9	0.0	0.0	-	-	-
Salt River Project Lieu Tax	-	0.1	-	-	-	-
Total Franchise Fees/In-Lieu Taxes	\$2.8	\$1.8	\$1.8	\$1.8	(0.1)	-5%
% Change vs. Prior Year		-35%	-4%	2%		

Actual to Revised Budget variance of (\$0.1) million or (5%):

No explanation necessary.

Bed Taxes**Actual to Revised Budget variance of \$0.2 million or 14%:**

Tourism is continuing to show favorable activity, resulting in better than anticipated results in Bed Taxes.

Transfers In

	Twelve Months: Fiscal Year			
	2009/10	2010/11	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget
CIP	\$9.0	\$3.6	\$0.9	\$0.9
Direct Cost Allocation - Fire	-	-	0.4	0.4
30 Day Tow	-	-	0.4	0.4
Fleet Transfer	-	-	1.0	1.0
Cultural Council	0.3	-	-	-
Community Services/Human Services	0.3	-	0.1	0.1
Enterprise Franchise Fees	6.5	6.4	6.9	6.9
Enterprise In Lieu Property Tax	2.7	1.8	0.9	0.9
Water Campus Security	0.5	0.5	-	-
Total Transfers In	\$19.2 *	\$12.2	\$10.5	\$10.5
% Change vs. Prior Year	-86%	-37%	-14%	-14%

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
CIP	\$9.0	\$3.6	\$0.9	\$0.9	-	-
Direct Cost Allocation - Fire	-	-	0.1	0.1	-	-
30 Day Tow	-	-	0.1	0.1	-	-
Fleet Transfer	-	-	1.0	1.0	-	-
Cultural Council	0.3	-	-	-	-	-
Community Services/Human Svcs	0.1	-	0.1	0.1	-	-
Enterprise Franchise Fees	1.4	1.3	2.0	2.0	(0.1)	-3%
Enterprise In Lieu Property Tax	0.7	0.4	0.2	0.2	-	-
Water Campus Security	0.1	0.1	-	-	-	-
Total Transfers In	\$11.6 *	\$5.4	\$4.3	\$4.3	(\$0.1)	-1%
% Change vs. Prior Year		-53%	-21%	-20%		

*Includes \$9.0 million transferred temporarily from CIP.

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

No explanation necessary.

Uses

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$168.0	\$158.0	\$153.8 *	\$153.8 *	\$ -
Contractual	48.8	48.6	46.1	46.1	-
Commodities	7.7	7.4	7.7	7.7	-
Capital Outlays	0.5	0.5	0.7	0.7	-
Total Operating Expenses	\$225.0	\$214.5	\$208.4	\$208.4	\$ -
Debt Service & Contracts Payable	9.0	12.2	17.9	17.9	-
Transfers Out	20.1	11.5	11.4	11.4	-
Total Uses	\$254.1	\$238.2	\$237.6 *	\$237.6 *	\$ -
% Change vs. Prior Year	-7%	-6%	0%	0%	

	One Month: September 2011						
	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)		
					Amount	Percent	
Expenses:							
Personnel Services	\$12.9	\$12.3	\$16.8	\$17.0	\$0.1	1%	
Contractual	4.9	4.2	3.4	4.0	0.6	15%	
Commodities	0.7	0.4	0.6	0.6	-	-	
Capital Outlays	-	-	-	-	-	-	
Total Operating Expenses	\$18.5	\$17.0	\$20.8	\$21.6	\$0.8	4%	
Debt Service & Contracts Payable	-	0.1	0.2	0.2	-	-	
Transfers Out	0.2	0.4	0.3	0.2	-	-	
Total Uses	\$18.7	\$17.5	\$21.2	\$22.0	\$0.8	4%	
% Change vs. Prior Year	n/a	-6%	21%	26%			

	Fiscal Year-to-Date: September 2011						
	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)		
					Amount	Percent	
Expenses:							
Personnel Services	\$40.1	\$37.7	\$40.7	\$41.0	\$0.3	1%	
Contractual	12.6	12.3	11.6	12.3	0.7	6%	
Commodities	1.4	1.1	1.1	1.7	0.6	37%	
Capital Outlays	-	-	-	0.6	0.5	96%	
Total Operating Expenses	\$54.0	\$51.2	\$53.4	\$55.5	\$2.1	4%	
Debt Service & Contracts Payable	0.6	0.4	0.6	0.6	-	-	
Transfers Out	0.8	1.0	0.5	0.5	-	-	
Total Uses	\$55.4	\$52.5	\$54.6	\$56.7	\$2.1	4%	
% Change vs. Prior Year		-5%	4%	8%			

	Fiscal Year-to-Date: September 2011						
	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable)		
					Amount	Percent	
Expenses:							
Mayor & Council and Charter Officers	\$4.9	\$4.3	\$4.4	\$4.6	\$0.2	4%	
Public Works	4.0	3.9	3.8	4.0	0.1	3%	
Community & Economic Dev	6.4	6.5	6.3	6.5	0.3	4%	
Public Safety - Fire	6.3	6.2	6.7	7.0	0.3	5%	
Public Safety - Police	19.3	18.3	20.1	20.2	0.1	0%	
Community Services	8.7	8.2	7.9	8.7	0.8	9%	
Administrative Services	4.4	3.9	4.2	4.6	0.3	7%	
Total Operating Expenses	\$54.0	\$51.2	\$53.4	\$55.5	\$2.1	4%	

*Includes budgeted vacancy savings and leave accrual payouts.

Personnel Services

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Salaries and Wages	\$122.5	\$118.4	\$112.0 *	\$112.2 *	\$0.2
Overtime	6.1	5.7	5.8	5.8	-
Retirement	15.2	13.2	14.0	13.9	(0.1)
Health/Dental/Miscellaneous	15.7	12.7	13.9	13.8	(0.1)
FICA	8.4	8.1	8.1	8.1	(0.1)
Total Personnel Services	\$168.0	\$158.0	\$153.8 *	\$153.8 *	\$ -
% Change vs. Prior Year	-13%	-6%	-3%	-3%	

	Fiscal Year-to-Date: September 2011						
	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent	
Salaries and Wages	\$29.6	\$27.7	\$30.4	\$30.3	(\$0.1)	0%	
Overtime	1.3	1.3	1.2	1.4	0.1	11%	
Retirement	3.2	3.1	3.6	3.6	-	-	
Health/Dental/Miscellaneous	4.0	3.7	3.4	3.5	0.1	3%	
FICA	2.1	1.9	2.1	2.1	-	-	
Total Personnel Services	\$40.1	\$37.7	\$40.7	\$41.0	\$0.3	1%	
% Change vs. Prior Year		-6%	8%	9%			

*Includes budgeted vacancy savings and leave accrual payouts.

Actual to Revised Budget variance of \$0.3 million or 1%: With the change in the payroll policy related to overtime, non productive hours over 40 per week are now charged to Salaries & Wages. Previously, these hours were charged to overtime.

Vacancy Savings and Leave Payouts

	2009/10	2010/11	2011/12	2011/12	
	Actual	Actual	Adopted Budget	Year-To-Date Saved/(Used)	Remaining
Vacancy Savings	(\$5.1)	(\$4.0)	(\$3.2)	\$1.1	(\$2.1)
Vacation Leave Payouts	0.7	0.7	0.8	(0.2)	0.6
Medical Leave Payouts	1.0	1.0	1.0	(0.3)	0.7
Reclassifications	0.2	-	-	-	-
Total Vacancy Savings/Payouts	(\$3.2)	(\$2.3)	(\$1.4)	\$0.6	(\$0.8)

Total Saved/(Used) YTD of \$0.6 million The City has achieved \$1.1 million in vacancy savings year-to-date offset by the vacation and medical leave payouts of \$0.5 million. The City Manager has been intentionally holding positions vacant and delaying recruitments in an effort to reach or exceed the vacancy savings budgeted amount of \$3.2 million.

Contractual Services

Actual to Revised Budget variance of \$0.7 million or 6%: The favorable variance relates to invoices for services being received later than expected for contracts such as Citywide custodial services and annual software maintenance/licensing. In addition, a contributing factor for the variance is project timing and how the budget was allocated, such as Economic Vitality's Event Development/Retention program. The program's budget is allocated evenly throughout each period; however, the first event is not expected to occur until October. The favorable variance also relates to the jail service contract. The budget was established using last year's activity level as an indicator; however, lower Maricopa County Sheriff's Office housing numbers in detention as compared to prior years and the effects of the Home Detention Program have contributed to the positive variance. Finally, the favorable variance is attributable to those expenditures that are difficult to budget for because of their unpredictable timing and nature of maintenance repairs and emergencies (e.g. repair, building maintenance services, painting, fire alarm maintenance, elevators, etc).

Commodities

Actual to Revised Budget variance of \$0.6 million or 37%: The favorable variance is primarily the result of the actual versus budget timing differences affecting various accounts, such as agriculture and horticulture supply, chemical and laboratory supplies, maintenance services and repair materials, and education and recreation supplies.

Capital Outlays

Actual to Revised Budget variance of \$0.5 million or 96%: The favorable variance in Capital Outlays is primarily the result of expenditures not yet occurring as planned and budgeted. Additionally, the favorable variance is the result of planned operating projects expenditures being charged to Contractual Services and not to Capital Outlay accounts where the budget for those projects is allocated.

Debt Service & Contracts Payable

	Twelve Months: Fiscal Year				
	2009/10	2010/11	2011/12	2011/12	2011/12
	Actual	Actual	Adopted Budget	Revised Budget	Approved Adjustments
MPC Excise Debt Fund	\$6.7	\$6.7	\$7.6	\$7.6	\$ -
MPC Excise Debt Fund - Bed Tax	-	0.6	1.2	1.2	-
Certificates of Participation (COP)	0.9	0.9	3.4	3.4	-
Contracts Payable	1.4	3.5	3.1	3.1	-
COP - Radio Financing	-	0.5	2.5	2.5	-
Debt Service & Contracts Payable	\$9.0	\$12.2	\$17.9	\$17.9	\$ -
% Change vs. Prior Year	-3%	36%	46%	47%	

	Fiscal Year-to-Date: September 2011					
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / Amount	(Unfavorable) Percent
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-
MPC Excise Debt Fund - Bed Tax	-	-	-	-	-	-
Certificates of Participation (COP)	-	-	-	-	-	-
Contracts Payable	0.6	0.4	0.6	0.6	-	-
Debt Service & Contracts Payable	\$0.6	\$0.4	\$0.6	\$0.6	\$ -	-
% Change vs. Prior Year		-33%	50%	50%		

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

Transfers-Out						
Twelve Months: Fiscal Year						
	2009/10	2010/11	2011/12	2011/12	2011/12	
	Actual	Actual	Adopted	Revised	Approved	
			Budget	Budget	Adjustments	
CIP - General Fund Maintenance	\$10.4	\$2.0	\$2.0	\$2.0	\$ -	
Transportation Fund	3.3	-	-	-	-	
Bed Tax Fund	6.4	6.7	6.1	6.1	-	
CIP - Bed Tax	-	2.8	1.8	1.8	-	
PC Replacement Fund	-	-	1.2	1.2	-	
Special Programs Fund - Community	-	-	0.2	0.2	-	
Special Programs Fund - Planning & Dev	0.1	0.1	0.1	0.1	-	
Total Transfers Out	\$20.1	\$11.5	\$11.4	\$11.4	\$ -	
% Change vs. Prior Year	61%	-43%	-1%	-1%		

Fiscal Year-to-Date: September 2011						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
CIP - General Fund Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-
Transportation Fund	-	-	-	-	-	-
Bed Tax Fund	0.8	1.0	0.5	0.5	-	-
CIP - Bed Tax Fund	-	-	-	-	-	-
Spec Pgms Fund - Comm Srvs	-	-	-	-	-	-
Spec Pgms Fund - Planning & Dev	-	-	-	-	-	-
Total Transfers Out	\$0.8	\$1.0	\$0.5	\$0.5	\$ -	-
% Change vs. Prior Year		27%	-44%			

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

FY 2011/12 - TRANSPORTATION FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$29.2	\$29.2	\$ -	-
Uses	29.1	29.1	-	-
Change in Fund Balance	\$0.1	\$0.1	\$ -	
Beginning Fund Balance	\$0.5	\$2.3	\$1.8	
Ending Fund Balance	\$0.5	\$2.4	\$1.9	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
HURF Taxes	13.4	\$13.4	\$10.9	\$10.9	\$ -
0.20 City Sales Tax	14.6	15.0	15.3	15.3	-
Other	3.0	6.1	1.4	1.4	-
Total Revenues	\$31.0	\$34.5	\$27.6	\$27.6	\$ -
Transfers In	3.6	0.6	1.6	1.6	-
Total Sources	\$34.6	\$35.1	\$29.2	\$29.2	\$ -
% Change vs. Prior Year	-19%	2%	-17%	-17%	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$6.5	\$6.3	\$5.2	\$5.2	\$ -
Contractual	18.7	15.4	15.3	15.3	-
Commodities	0.6	0.6	0.8	0.8	-
Capital Outlays	1.4	3.0	0.1	0.1	-
Total Operating Expenses	\$27.2	\$25.2	\$21.5	\$21.5	\$ -
Transfers Out					
CIP Fund	7.5	7.6	7.7	7.7	-
Total Uses	34.7	\$32.8	\$29.1	\$29.1	\$ -
% Change vs. Prior Year	-15%	-5%	-11%	-11%	

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September Actual	September Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Sources	\$2.1	\$2.0	\$7.6	\$7.3	\$0.3	4%
Uses	1.5	2.2	3.7	5.4	1.7	32%
Change in Fund Balance	\$0.5	(\$0.1)	\$3.9	\$1.9	\$2.0	

One Month: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.1	\$1.0	\$0.8	\$0.9	(\$0.1)	-9%
0.20 City Sales Tax	1.1	1.1	1.2	1.1	0.1	7%
Other	0.3	1.3	-	-	-	-
Total Revenues	\$2.5	\$3.4	\$2.0	\$2.0	\$ -	-
Transfers In	0.4	-	-	-	-	-
Total Sources	\$2.8	\$3.4	\$2.1	\$2.0	\$ -	-
% Change vs. Prior Year		23%	-40%	-41%		

Fiscal Year-to-Date: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
HURF Taxes	\$3.5	\$3.3	\$2.8	\$2.7	\$ -	-
0.20 City Sales Tax	3.4	3.3	3.5	3.3	0.2	5%
Other	0.4	0.4	0.1	-	0.1	nm
Total Revenues	\$7.3	\$7.0	\$6.4	\$6.1	\$0.3	5%
Transfers In	0.4	0.6	1.2	1.2	-	-
Total Sources	\$7.7	\$7.7	\$7.6	\$7.3	\$0.3	4%
% Change vs. Prior Year		-	-1%	-5%		

Actual to Revised Budget variance of \$0.3 million or 4%:

Local automotive sales continue to perform better than expected, which is exceeding the national average. Additionally, there was a large audit payment in the rental category. See Appendix 1 for further information about the 0.20 percent City Sales Tax results by category.

One Month: September 2011							
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget		
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	Percent	
Personnel Services	\$0.5	\$0.5	\$0.6	\$0.6	\$ -	-	
Contractual	1.5	0.8	1.0	1.4	0.4	31%	
Commodities	-	0.1	-	0.2	0.1	80%	
Capital Outlays	0.1	-	-	-	-	-	
Total Operating Expenses	\$2.1	\$1.3	\$1.5	\$2.2	\$0.6	28%	
Transfers Out							
CIP Fund	-	-	-	-	-	-	
Total Uses	\$2.1	\$1.3	\$1.5	\$2.2	\$0.6	28%	
% Change vs. Prior Year		-35%	15%	59%			

Fiscal Year-to-Date: September 2011							
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget		
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	Percent	
Personnel Services	\$1.5	\$1.5	\$1.3	\$1.4	\$ -	-	
Contractual	2.6	2.0	2.3	3.7	1.4	38%	
Commodities	0.1	0.2	0.1	0.3	0.2	72%	
Capital Outlays	0.1	0.5	-	0.1	0.1	100%	
Total Operating Expenses	\$4.4	\$4.2	\$3.7	\$5.4	\$1.7	32%	
Transfers Out							
CIP Fund	-	-	-	-	-	-	
Total Uses	\$4.4	\$4.2	\$3.7	\$5.4	\$1.7	32%	
% Change vs. Prior Year		-3%	-13%	28%			

Actual to Revised Budget variance of \$1.7 million or 32%: The favorable variance in Contractual is partially attributable to the invoice timing for Transportation's transit contracts with the Regional Public Transportation Authority (RPTA) and the Trolley. The RPTA invoices are expected to be received by the City of Scottsdale upon approval of the contract. The RPTA contract is tentatively scheduled for City Council's approval in January. The positive variance is also caused by timing/receipt of pending invoices for the Trolley contract being received later than anticipated. Finally, the positive variance relates to invoices for services performed on asphalt pavement treatments which have not been received yet.

FY 2011/12 - WATER AND WATER RECLAMATION FUNDS				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$169.7	\$169.7	\$ -	-
Uses	203.6	203.6	-	0%
Change in Fund Balance	(\$33.9)	(\$33.9)	\$ -	
Beginning Fund Balance	\$86.0	\$80.5	(\$5.5)	
Ending Fund Balance	\$52.0	\$46.6	(\$5.5)	
60 to 90 Day Operating	\$14.0	\$14.0	\$0.0	
Repair/Replacement Reserve	29.2	29.2	0.0	
Revenue Bond Debt Reserve	5.4	5.4	0.0	
Special Contractual	3.4	3.4	0.0	
Unreserved Fund Balance	0	(5.5) *	(5.5)	
Ending Fund Balance	\$52.0	\$46.6	(\$5.5)	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Water Service Charges	\$94.8	\$94.8	\$98.4	\$101.8	\$3.4
Water Reclamation Charges	35.4	34.5	34.2	34.7	0.5
Effluent Sales	0.6	1.0	0.9	0.9	-
Interest Earnings	2.9	1.3	0.3	0.3	-
Miscellaneous Revenue	2.7	2.1	17.6	13.7	(3.9)
Total Revenues	\$136.3	\$133.8	\$151.5	\$151.5	\$ -
Transfers In	15.2	17.3	18.2	18.2	-
Bond Proceeds	78.5	-	-	-	-
Total Sources	\$230.0	\$151.1	\$169.7	\$169.7	\$ -
% Change vs. Prior Year	4%*	-34%	12%	12%	

* excluding Bond Proceeds

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$16.8	\$15.5	\$16.7	\$16.7	\$ -
Contractual	23.3	22.2	27.6	27.6	-
Commodities	19.7	22.1	23.5	23.5	-
Capital Outlays	0.1	0.2	-	-	-
Total Operating Expenses	\$59.8	\$59.9	\$67.8	\$67.8	\$ -
Debt Service & Contracts Payable	25.7	29.8	29.1	29.1	-
Transfers Out					
CIP Fund	72.5	11.3	92.4	92.4	-
Bond Proceeds	35.6	24.2	-	-	-
Franchise Fees	6.5	6.4	6.9	6.9	-
In Lieu Property Tax Fees	2.6	1.7	0.9	0.9	-
Indirect/Direct Charges	9.6	10.1	6.5	6.5	-
Total Uses	\$212.4	\$143.5	\$203.6	203.6	\$ -
% Change vs. Prior Year	n/a	-32%	42%	42%	

* FY 2011/12 transfers-out to CIP will be reduced by an amount sufficient to restore the negative unreserved fund balance by year end.

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September	September	YTD	YTD	Actual vs. Budget	
	Actual	Revised Budget	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Sources	\$13.5	\$13.3	\$40.4	\$41.3	(\$1.0)	-2%
Uses	8.9	7.3	19.0	17.0	(2.0)	-12%
Change in Fund Balance	\$4.6	\$6.0	\$21.4	\$24.4	(\$3.0)	

One Month: September 2011

	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Water Service Charges	\$9.8	\$10.1	\$10.3	\$10.2	\$0.1	1%
Water Reclamation Charges	2.9	2.9	3.0	2.9	0.1	3%
Effluent Sales	0.1	0.1	0.1	0.1	-	-
Interest Earnings	0.2	-	0.1	-	0.1	nm
Miscellaneous Revenue	-	-	-	0.1	(0.1)	-60%
Total Revenues	\$13.0	\$13.1	\$13.4	\$13.2	\$0.2	1%
Transfers In	-	0.1	0.1	0.1	-	-
Total Sources	\$13.0	\$13.2	\$13.5	\$13.3	\$0.2	1%
% Change vs. Prior Year		1%	2%	1%		

Fiscal Year-to-Date: September 2011

	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Revenues:						
Water Service Charges	\$31.0	\$30.7	\$30.7	\$31.6	(\$0.9)	-3%
Water Reclamation Charges	9.0	8.7	8.9	8.7	0.2	2%
Effluent Sales	0.2	0.2	0.2	0.2	-	-
Interest Earnings	0.5	0.4	0.1	0.3	(0.1)	-54%
Miscellaneous Revenue	0.1	0.3	0.1	0.2	(0.1)	-49%
Total Revenues	\$40.8	\$40.3	\$40.0	\$41.0	(\$1.0)	-2%
Transfers In	-	0.2	0.4	0.4	-	-
Total Sources	\$40.8	\$40.5	\$40.4	\$41.3	(\$1.0)	-2%
% Change vs. Prior Year		-1%	0%	2%		

Actual to Revised Budget variance of (\$1.0) million or (2%):

Water Service Charges are largely affected by weather conditions. September water deliveries were slightly higher than anticipated; the fiscal year to date unfavorable variance is a result of lower than anticipated water deliveries in prior months. The fiscal year to date water deliveries remain lower than the prior three year average by 2 percent. Water Reclamation Charges are driven by the prior year's winter average and are resulting in slightly higher than anticipated charges, creating a favorable variance. Interest Earnings and Miscellaneous Revenue are slightly lower than forecasted. The unfavorable variance in Miscellaneous Revenues is the result of less than anticipated development fee administrative charges, which are driven by building permits.

Water and Water Reclamation Funds

One Month: September 2011						
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$1.2	\$1.2	\$1.8	\$1.8	\$ -	-
Contractual	2.4	1.6	2.7	2.6	(0.1)	-3%
Commodities	1.5	1.2	0.8	1.7	0.9	54%
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$5.1	\$4.0	\$5.2	\$6.0	\$0.8	13%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	0.0	0.0	0.0	0.0	0.0	-
Bond Proceeds	0.0	1.7	2.4	0.0	(2.4)	-
Franchise Fees	0.7	0.7	0.7	0.7	(0.0)	-
In Lieu Property Tax Fees	0.2	0.1	0.1	0.1	0.0	-
Indirect/Direct Charges	1.0	0.8	0.5	0.5	0.0	-
Total Uses	\$7.0	\$7.3	\$8.9	\$7.3	(\$1.6)	-22%
% Change vs. Prior Year		5%	22%	-		

Fiscal Year-to-Date: September 2011						
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$3.7	\$3.7	\$4.3	\$4.3	\$ -	-
Contractual	5.3	4.1	4.8	5.2	0.4	8%
Commodities	3.4	3.3	3.7	3.6	(0.1)	-3%
Capital Outlays	-	0.1	-	-	-	-
Total Operating Expenses	\$12.4	\$11.2	\$12.7	\$13.1	\$0.4	3%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	0.0	0.0	0.0	0.0	0.0	-
Bond Proceeds	0.0	2.1	2.4	0.0	(2.4)	-
Franchise Fees	1.4	1.3	2.0	2.0	0.1	3%
In Lieu Property Tax Fees	0.7	0.4	0.2	0.2	0.0	-
Indirect/Direct Charges	2.9	2.5	1.6	1.6	0.0	-
Total Uses	\$17.3	\$17.6	\$19.0	\$17.0	(\$2.0)	-12%
% Change vs. Prior Year		2%	8%	-4%		

Actual to Revised Budget variance of (\$2.0) million or (12%):

The positive variance in Contractual services is related to lower than estimated costs in electric and for the Sub Regional Operating Group (SROG) facility. The Bond Proceeds transfer out unfavorable variance is the result of moving unspent proceeds to the capital improvement fund, where the expenses occur.

FY 2011/12 - AVIATION FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Favorable / (Unfavorable) Amount	Revised (Unfavorable) Percent
Sources	\$5.1	\$5.1	\$ -	-
Uses	\$2.9	\$2.9	-	-
Change in Fund Balance	\$2.2	\$2.2	\$ -	
Beginning Fund Balance	\$4.0	\$3.8	(\$0.2)	
Ending Fund Balance	<u>\$6.1</u>	<u>\$5.9</u>	<u>(\$0.2)</u>	
60 to 90 Day Operating	\$0.7	\$0.7	\$0.0	
Repair/Replacement Reserve	3.4	3.4	0.0	
Land Purchase Reserve	2.0	1.8	(0.2)	
Unreserved Fund Balance	0.0	0.0	0.0	
Ending Fund Balance	<u>\$6.1</u>	<u>\$5.9</u>	<u>(\$0.2)</u>	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Aviation Fees	\$2.9	\$2.8	\$3.0	\$3.0	\$ -
Privilege and Use Tax – Jet Fuel	0.1	0.1	0.1	0.1	-
Interest Earnings	0.1	0.1	-	-	-
Total Revenues	<u>\$3.1</u>	<u>\$3.0</u>	<u>\$3.1</u>	<u>\$3.1</u>	<u>\$ -</u>
Transfers In	-	-	2.0	2.0	-
Total Sources	<u>\$3.1</u>	<u>\$3.0</u>	<u>\$5.1</u>	<u>\$5.1</u>	<u>\$ -</u>
% Change vs. Prior Year	-33%	-3%	69%	69%	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$0.9	\$1.0	\$1.0	\$1.0	\$ -
Contractual	0.5	0.6	0.6	0.6	-
Commodities	-	-	0.1	0.1	-
Capital Outlays	-	-	-	-	-
Total Operating Expenses	<u>\$1.6</u>	<u>\$1.7</u>	<u>\$1.7</u>	<u>\$1.7</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	0.2	1.6	0.7	0.7	-
In Lieu Property Tax Fees	0.0	-	-	-	-
Indirect/Direct Charges	0.5	0.7	0.6	0.6	-
Total Uses	<u>\$2.4</u>	<u>\$3.9</u>	<u>\$2.9</u>	<u>\$2.9</u>	<u>\$ -</u>
% Change vs. Prior Year	n/a	71%	-25%	-25%	

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September Actual	September Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.2	\$0.2	\$0.7	\$0.7	\$ -	-
Uses	0.2	0.2	0.5	0.7	0.2	27%
Change in Fund Balance	\$ -	\$ -	\$0.2	\$0.1	\$0.2	

One Month: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 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	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
% Change vs. Prior Year		-	-	-		

Fiscal Year-to-Date: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.7	\$0.6	\$0.7	\$0.7	\$ -	-
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$0.8	\$0.7	\$0.7	\$0.7	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.8	\$0.7	\$0.7	\$0.7	\$ -	-
% Change vs. Prior Year		-9%	-	8%		

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

No Explanation necessary.

One Month: September 2011						
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	0.1	-	-	-	-
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.1	\$0.2	\$0.1	\$0.1	\$ -	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.1	-	-	-	-	-
Total Uses	\$0.2	\$0.2	\$0.2	\$0.2	\$ -	-
% Change vs Prior Year		-	-	-		

Fiscal Year-to-Date: September 2011						
Expenses:	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.2	0.1	0.2	0.2	68%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.3	\$0.4	\$0.4	\$0.5	\$0.2	34%
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	-	-	-	-	-	-
Indirect/Direct Charges	0.2	-	0.1	0.1	-	-
Total Uses	\$0.5	\$0.5	\$0.5	\$0.7	\$0.2	27%
% Change vs Prior Year		-10%	-	46%		

Actual to Revised Budget variance of \$0.2 million or 27%:

The positive variance in Contractual is related to timing differences, the budget forecasted contractual payments for property liability insurance, intergovernmental (software) access and other services sooner than the actual expense.

FY 2011/12 - SOLID WASTE FUND
(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$20.5	\$20.5	\$ -	-
Uses	18.5	18.5	-	-
Change in Fund Balance	\$2.0	\$2.0	\$ -	
Beginning Fund Balance	\$6.3	\$7.2	\$0.9	
Ending Fund Balance	<u>\$8.3</u>	<u>\$9.2</u>	<u>\$0.9</u>	
60 to 90 Day Operating	\$3.9	\$3.9	\$0.0	
Unreserved Fund Balance	4.4	5.3	0.9	
Ending Fund Balance	<u>\$8.3</u>	<u>\$9.2</u>	<u>\$0.9</u>	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Solid Waste Charges	20.4	\$20.9	\$20.3	\$20.3	\$ -
Interest Earnings	0.2	0.1	-	-	-
Total Revenues	20.6	\$21.0	\$20.3	\$20.3	\$ -
Transfers In	-	-	0.2	0.2	-
Total Sources	<u>20.6</u>	<u>\$21.0</u>	<u>\$20.5</u>	<u>\$20.5</u>	<u>\$ -</u>
% Change vs. Prior Year	1%	3%	-2%	-2%	

	Twelve Months: Fiscal Year				
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	5.7	\$5.9	\$6.3	\$6.3	\$ -
Contractual	9.7	9.7	9.3	9.3	-
Commodities	0.4	0.3	0.4	0.4	-
Total Operating Expenses	15.8	\$15.9	\$16.1	\$16.1	\$ -
Transfers Out					
CIP Fund	1.1	1.8	0.5	0.5	-
In Lieu Property Tax Fees	0.0	0.0	0.0	0.0	-
Indirect/Direct Charges	2.9	2.9	2.0	2.0	-
Total Uses	<u>\$19.8</u>	<u>\$20.6</u>	<u>\$18.5</u>	<u>\$18.5</u>	<u>\$ -</u>
% Change vs. Prior Year	n/a	3%	-10%	-10%	

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September Actual	September Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Sources	\$1.8	\$1.7	\$5.3	\$5.3	\$ -	-
Uses	1.6	1.6	4.2	4.4	0.1	3%
Change in Fund Balance	\$0.1	\$ -	\$1.0	\$0.9	\$0.1	

One Month: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$1.7	\$1.6	\$1.8	\$1.7	\$0.1	5%
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.6	\$1.8	\$1.7	\$0.1	6%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.7	\$1.6	\$1.8	\$1.7	\$0.1	6%
% Change vs. Prior Year		-3%	7%	-		

Fiscal Year-to-Date: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$4.9	\$5.1	\$5.1	\$5.1	\$ -	-
Interest Earnings	-	-	-	-	-	-
Total Revenues	\$5.0	\$5.2	\$5.1	\$5.1	\$ -	-
Transfers In	-	-	0.2	0.2	-	-
Total Sources	\$5.0	\$5.2	\$5.3	\$5.3	\$ -	-
% Change vs. Prior Year		3%	2%	2%		

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

No explanation necessary.

One Month: September 2011						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Expenses:						
Personnel Services	\$0.5	\$0.5	\$0.7	\$0.7	\$ -	-
Contractual	0.8	0.8	0.7	0.8	-	-
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$1.3	\$1.3	\$1.5	\$1.5	\$ -	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	0.0	0.0	0.0	0.0	-	-
Indirect/Direct Charges	0.6	0.2	0.2	0.2	-	-
Total Uses	\$1.9	\$1.5	\$1.6	\$1.6	\$ -	-
% Change vs. Prior Year		-19%	6%	7%		

Fiscal Year-to-Date: September 2011						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Expenses:						
Personnel Services	\$1.4	\$1.4	\$1.8	\$1.8	\$ -	-
Contractual	2.0	2.1	1.9	2.0	0.1	4%
Commodities	-	-	0.1	0.1	-	-
Total Operating Expenses	\$3.4	\$3.5	\$3.8	\$3.9	\$0.1	3%
Transfers Out						
CIP Fund	-	-	-	-	-	-
In Lieu Property Tax Fees	0.0	0.0	0.0	0.0	-	-
Indirect/Direct Charges	1.1	1.0	0.5	0.5	-	-
Total Uses	\$4.5	\$4.6	\$4.2	\$4.4	\$0.1	3%
% Change vs. Prior Year		-	-7%	-4%		

Actual to Revise Budget variance of \$0.1 million of 3%:

The favorable variance for Contractual services is primarily due to lower than anticipated landfill costs related to reduced volume and rates.

FY 2011/12 - FLEET FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable / (Unfavorable) Amount	Percent
Sources	\$14.3	\$14.3	\$ -	-
Uses	18.4	18.4	-	-
Change in Fund Balance	(\$4.1)	(\$4.1)	\$ -	
Beginning Fund Balance	\$10.3	\$11.9	\$1.6	
Ending Fund Balance	<u>\$6.2</u>	<u>\$7.8</u>	<u>\$1.6</u>	
Contingency Reserve	\$1.3	\$1.3	\$0.0	
Future Acquisition	\$4.8	\$4.8	\$0.0	
Unreserved Fund Balance	\$0.0	\$1.7	\$1.7	
Ending Fund Balance	<u>\$6.2</u>	<u>\$7.8</u>	<u>\$1.6</u>	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Revenues:					
Maintenance/Operation Rates	\$11.5	\$11.2	\$11.0	\$11.0	\$ -
Replacement Rates	1.7	2.9	3.1	3.1	-
Interest Earnings	0.3	0.1	-	-	-
Other Revenue	0.4	0.1	0.2	0.2	-
Total Revenues	<u>\$13.9</u>	<u>14.4</u>	<u>\$14.3</u>	<u>\$14.3</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$13.9</u>	<u>14.4</u>	<u>\$14.3</u>	<u>\$14.3</u>	<u>\$ -</u>
% Change vs. Prior Year	-27%	3%	2%	2%	

Twelve Months: Fiscal Year					
	2009/10 Actual	2010/11 Actual	2011/12 Adopted Budget	2011/12 Revised Budget	2011/12 Approved Adjustments
Expenses:					
Personnel Services	\$3.2	\$3.2	\$3.2 *	\$3.2 *	\$ -
Contractual	1.2	1.3	1.5	1.5	-
Commodities	5.6	6.4	6.6	6.6	-
Capital Outlays	2.9	1.6	5.6	5.6	-
Total Operating Expenses	<u>\$12.9</u>	<u>\$12.6</u>	<u>\$17.0</u>	<u>\$17.0</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	0.7	-	1.5	1.5	-
Total Uses	<u>\$13.6</u>	<u>\$12.6</u>	<u>\$18.4 *</u>	<u>\$18.4 *</u>	<u>\$ -</u>
% Change vs. Prior Year	n/a	-12%	46%	46%	

*Includes budgeted vacancy savings and leave accrual payouts.

September 2011: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	September Actual	September Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Sources	\$1.3	\$1.2	\$3.8	\$3.6	\$0.2	6%
Uses	2.3	1.0	4.9	5.2	0.3	5%
Change in Fund Balance	(\$1.0)	\$0.2	(\$1.1)	(\$1.6)	\$0.5	

One Month: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$1.0	\$0.9	\$1.0	\$0.9	\$0.1	6%
Replacement Rates	0.1	0.2	0.3	0.3	-	-
Interest Earnings	-	-	-	-	-	-
Other Revenue	-	-	0.1	-	-	-
Total Revenues	\$1.2	\$1.2	\$1.3	\$1.2	\$0.1	9%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.2	\$1.2	\$1.3	\$1.2	\$0.1	9%
% Change vs. Prior Year		-	10%	-		

Fiscal Year-to-Date: September 2011

	2009/10 Actual	2010/11 Actual	2011/12 Actual	2011/12 Revised Budget	Actual vs. Budget	
					Favorable / Amount	(Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$2.9	\$2.8	\$2.9	\$2.7	\$0.2	6%
Replacement Rates	0.4	0.7	0.8	0.8	-	-
Interest Earnings	0.1	0.1	-	-	-	-
Other Revenue	0.1	-	0.1	-	-	-
Total Revenues	\$3.5	\$3.6	\$3.8	\$3.6	\$0.2	6%
Transfers In	-	-	-	-	-	-
Total Sources	\$3.5	\$3.6	\$3.8	\$3.6	\$0.2	6%
% Change vs. Prior Year		3%	6%	-		

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

No explanation necessary.

One Month: September 2011						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Expenses:						
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.1	0.1	-	-
Commodities	0.1	0.7	0.8	0.5	(0.3)	-51%
Capital Outlays	0.2	-	1.0	-	(1.0)	-100%
Total Operating Expenses	\$0.7	\$1.0	\$2.3	\$1.0	(\$1.3)	-132%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$0.7	\$1.0	\$2.3	\$1.0	(\$1.3)	-132%
% Change vs. Prior Year		45%	123%	-		

Fiscal Year-to-Date: September 2011						
	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Expenses:						
Personnel Services	\$0.7	\$0.8	\$0.8	\$0.8	\$ -	-
Contractual	0.3	0.3	0.3	0.4	0.1	24%
Commodities	0.6	0.8	1.0	1.1	0.1	9%
Capital Outlays	0.2	0.1	1.3	1.4	0.1	5%
Total Operating Expenses	\$1.9	\$2.0	\$3.5	\$3.7	\$0.3	7%
Transfers Out	-	-	1.5	1.5	-	-
Total Uses	\$1.9	\$2.0	\$4.9	\$5.2	\$0.3	5%
% Change vs. Prior Year		5%	150%	163%		

Actual to Revised Budget variance of \$0.3 million or 5%:

The favorable variance in Contractual expenses is mainly due to annual maintenance contracts for various fleet systems. The user fees are budgeted, but have not been paid for this fiscal year. Other factors include outside service/maintenance contracts for various fleet vehicle and equipment service and repairs. The budget for these repairs are spread evenly due to the unpredictability of when repairs are needed. The favorable variance in Commodities is related to the budget spread for fuel and will be spent in the future. The favorable variance in Capital Outlays will be spent in the future for the purchase of capitalized vehicles/equipment; budget is spread quarterly due to the fluctuations in ordering and delays in vehicle/equipment deliveries.



Privilege (Sales) & Use Tax Collections For September 2011 (For Business Activity in August 2011)

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

The report shows a fiscal year Privilege and Use Tax (1.00% General Purpose) collections increase of 5 percent compared to the Budget, and an increase of 7 percent compared to the same period a year ago.

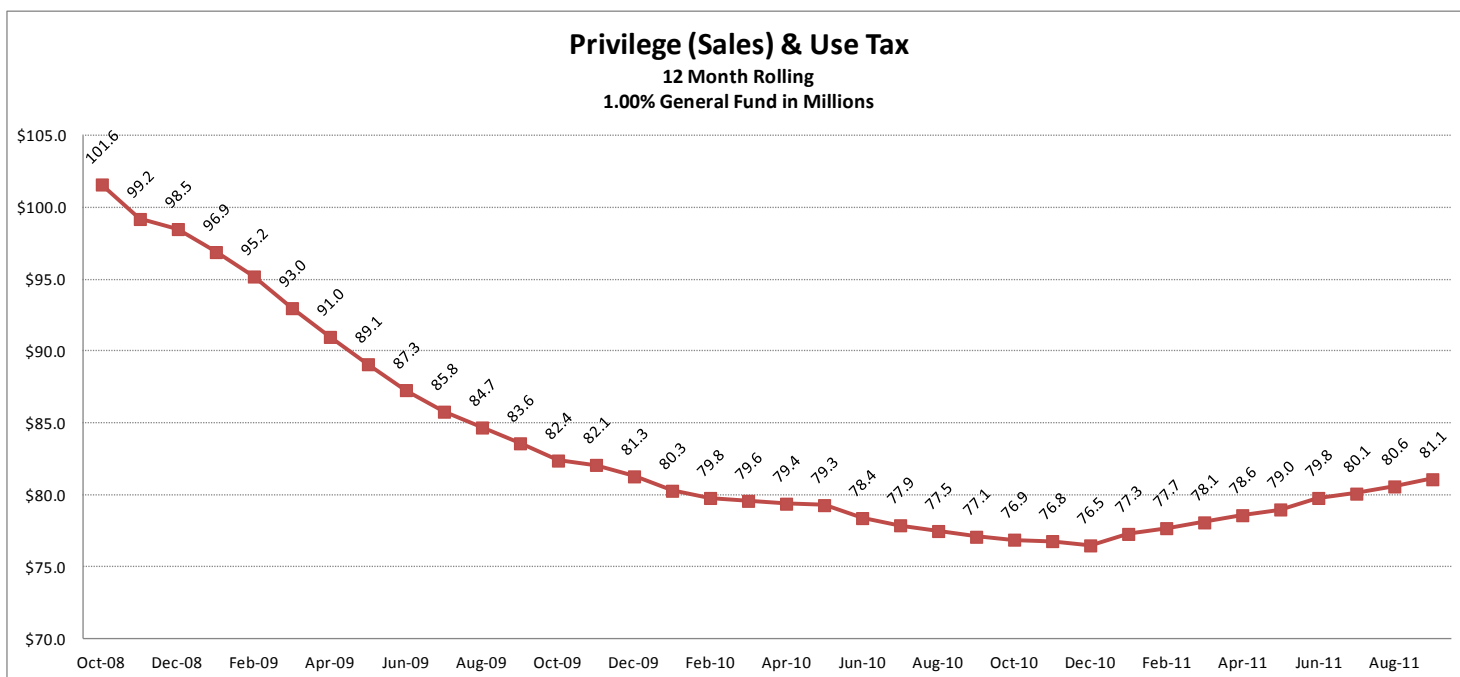
Privilege (Sales) & Use Tax by Category and Fund

	Fiscal Year: Twelve Months				
	2009/10 <u>Actual</u>	2010/11 <u>Actual</u>	2011/12 Adopted <u>Budget</u>	2011/12 Revised <u>Budget</u>	2011/12 Approved <u>Adjustments</u>
1.00% General Purpose					
Rentals	\$11.1	\$11.7	\$11.7	\$11.7	\$0.0
Misc. Retail Stores	12.1	13.1	13.3	13.3	0.0
Major Dept. Stores	9.0	8.9	8.9	8.9	0.0
Automotive	8.4	9.0	9.2	9.2	0.0
Food Stores	6.0	6.1	6.2	6.2	0.0
Construction	8.2	7.6	7.9	7.9	0.0
Dining/ Entertainment	6.8	7.3	7.4	7.4	0.0
Other Taxable Activity	5.5	5.7	5.5	5.5	0.0
Hotel/Motel	4.0	4.1	4.2	4.2	0.0
Utilities	4.8	4.2	4.4	4.4	0.0
License fees, Penalty & Interest	2.4	2.4	2.1	2.1	0.0
Subtotal	\$78.3	\$80.1	\$80.9	\$80.9	\$0.0
0.10% Public Safety	\$7.5	\$7.8	\$7.8	\$7.8	\$0.0
0.20% Transportation	14.6	15.0	15.3	15.3	0.0
0.20% McDowell Preserve 1995	15.2	15.5	15.8	15.8	0.0
0.15% McDowell Preserve 2004	11.3	11.7	11.8	11.8	0.0
Total	\$127.0	\$130.1	\$131.5	\$131.5	\$0.0
% Change vs. Prior Year		2%	1%	1%	

Rounding differences may occur.

Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: September 2011						
1.00% General Purpose	2009/10	2010/11	2011/12	2011/12	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
Rentals	\$3.1	\$2.9	\$3.0	\$2.8	\$0.2	5%
Misc. Retail Stores	2.5	2.6	2.9	2.7	0.1	5%
Major Dept Stores	2.0	2.0	2.0	2.0	0.1	3%
Automotive	2.2	1.9	2.2	2.0	0.3	13%
Food Stores	1.2	1.3	1.3	1.3	(0.1)	-5%
Construction	2.5	1.9	2.2	2.1	0.1	3%
Dining/Entertainment	1.3	1.5	1.6	1.5	0.1	3%
Other Taxable Activity	1.2	1.1	1.2	1.1	0.1	12%
Hotel/Motel	0.6	0.6	0.6	0.6	-	-
Utilities	1.6	1.3	1.2	1.2	-	-
License, Penalty & Interest	0.3	0.3	0.4	0.3	0.2	70%
Subtotal	\$18.5	\$17.3	\$18.6	\$17.6	\$0.9	5%
0.10% Public Safety	\$1.8	\$1.7	\$1.8	\$1.7	\$0.1	6%
0.20% Transportation	3.4	3.3	3.5	3.4	0.1	4%
0.20% McDowell Preserve 1995	3.6	3.4	3.6	3.5	0.1	4%
0.15% McDowell Preserve 2004	2.7	2.5	2.7	2.6	0.1	4%
Total	\$30.0	\$28.2	\$30.2	\$28.9	\$1.3	5%
% Change vs. Prior Year		-6%	7%	2%		



Rental Sales Taxes

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

Actual to Revised Budget variance of \$0.2 million or 5%: The favorable variance is the result of a large audit payment received in July.

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 \$0.1 million or 5%: The favorable variance is due to retail sales increasing for electronics and clothing. Part of this could be related to the All Star game being played in the Phoenix area.

Major Department Stores Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 3%: The favorable variance is due to some major department stores performing better than expected. This could be related to the All Star game being played in the Phoenix area.

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 \$0.3 million or 13%: The favorable variance is due to the automotive dealers performing better than expected.

Food Stores Sales Taxes

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

Actual to Revised Budget variance of (\$0.1) million or (5%): The unfavorable variance is a result of a late payment by one of the large grocery chains.

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 \$0.1 million or 3%: The favorable variance is due in part to some large audit payments.

Dining/Entertainment Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 3%: The favorable variance is due to increased sales. Part of this could be related to the All Star game being played in the Phoenix area.

Other Taxable Activity Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 12%: The favorable variance is due to a wholesaler reporting a large amount of taxable sales in September.

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 \$0.2 million or 70%: The favorable variance is the result of a large audit payment received in July.

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. 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.

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.

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. Revenues from two of the sales taxes categories (construction and rental) have seen dramatic decreases over the prior year and have not resumed to "normal" levels. 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) based on a statutorily determined formula, primarily driven by population. On a per capita basis, 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. Certain components of this revenue source are subject to dramatic peaks and valleys from year to year. For example, building permit fees are based on developers' interest in construction projects and ability to secure financing for the projects.

Property Taxes - In the General Fund, 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 here 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.

Bed Taxes - A bed tax is applied to lodging room charges for stays of 29 days or less (transient) in hotels or short-term rentals. Effective July 1, 2010, the bed tax rate was increased from 3 percent to 5 percent. (Beginning in FY 2009/10, 100 percent of the Bed Tax revenue was recorded in the General Fund with a corresponding transfer of 80 percent to the Special Programs Fund.) Prior to the tax rate increase, 80 percent of the bed tax revenue was transferred to the Special Program Fund and was restricted for tourism development including the payment of contracts to increase tourism and fund debt service for destination attractions. The City started receiving the revenues from the new 5 percent tax rate in September 2010 and 50 percent of the 5 percent bed tax collections are transferred to the Special Programs Fund to be used for destination marketing purposes.

Glossary

Transfers In – For FY 2011/12, transfers in reflect funds received from the Capital Improvement Plan (CIP) Funds, the Enterprise Funds (Franchise Fees and In Lieu Property Tax), the Fleet Fund (one time recapture of excess contributions) and Special Programs (one time). FY 2011/12 is the last year the In Lieu Property Tax transfer will occur.

GENERAL FUND USES

Personnel Services include the salaries and wages (pay for time worked, vacation, and sick leave) plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance. It is also inclusive of vacancy savings, the medical and vacation leave accrual payouts that are made at the time of separation from the City, and position reclassifications.

Vacancy Savings and Leave Payouts is the net of the Citywide vacancy savings and the medical and vacation leave accrual payouts that are made at the time of separation from the City.

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

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

Capital outlays include the purchase of land, the purchase or construction of buildings, structures, and facilities, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as capital outlay the expenditure must meet all of the following requirements: (1) have an estimated useful life of more than two years; (2) have a unit cost of \$5,000 or more; and (3) be betterment or improvement.

Debt Service & Contracts Payable category is debt payments related to Municipal Property Corporation (MPC) bonds that are to be repaid through excise taxes and 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 exchanges of cash between funds, divisions, departments and/or capital projects.

OTHER SOURCES

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. Sales Tax receipts received in the current month are based on prior month activity. Fifty percent of the Transportation Sales Tax is transferred to the Capital Improvement Fund for transportation related capital improvement projects.

Glossary

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

Water & Water Reclamation Funds

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

- Water Service Rates are monthly water billings which consist of a base charge according to meter size and a variable charge for the amount of water consumed.
- Water Reclamation Service Rates are monthly charges based on the volume and strength of the sewage discharge.
- Non-Potable Water Rates includes the sale of surface water, reverse osmosis (RO) and effluent treated to irrigation standards. These different water types are delivered to 23 Reclaimed Water Distribution System (RWDS) golf courses, 3 Irrigation Water Distribution System (IWDS) golf courses, the Gainey Ranch Golf Club, the WestWorld golf course and the Inlet/Silverado golf course.
- Miscellaneous Revenue includes rental income, miscellaneous reimbursements and other minor fees. The FY 2011/12 miscellaneous revenue forecast includes proceeds (\$12.M) expected from the sale of Planet Ranch.

Solid Waste Fund

This fund accounts for the transactions related to the City's solid waste and recycling business activities, which includes operating revenues and expenditures.

- Solid Waste Rates include residential charges which are a flat fee per month and commercial charges which are charged based upon 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.

Aviation Fund

This fund accounts for the transactions related to the City's aviation business activity at the Scottsdale Airport, which includes operating revenue and expenditures.

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

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 City maintains three Internal Service Funds to account for Fleet, PC Replacement and Self-Insurance activities.