Fiscal Year 2009/10
As of September 2009
Operating Report

Report to the City Council and Budget Review Commission
Prepared by Financial Management Division
October 20, 2009

FINANCIAL REPORT FOR
YEAR-TO-DATE SEPTEMBER 2009

The following is a financial summary of the City's YTD September 2009 operating funds, which consist of the General Fund and the Transportation Fund. The General Fund is the primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.

The report will include a summary for General Fund and Transportation Fund revenues and expenditures by major categories. Significant budget to actual variances will be highlighted. The report also includes Appendix 1 which details the City's Privilege (Sales) Tax by major category. Additionally, Appendix 2 and 3 are detailed General Fund and Transportation schedules including beginning fund balance, source of funds, use of funds, and ending fund balance.

Operating Results
September 2009
($ in millions)

	Revised Budget	Actual	$ Variance	% Var
Sources	$ 18.9	$ 18.8	$ (0.1)	-1%
Uses	$ 22.1	$ 20.8	$ (1.3)	-6%
Change in Fund Balance	$ (3.2)	$ (2.0)	$ 1.2	

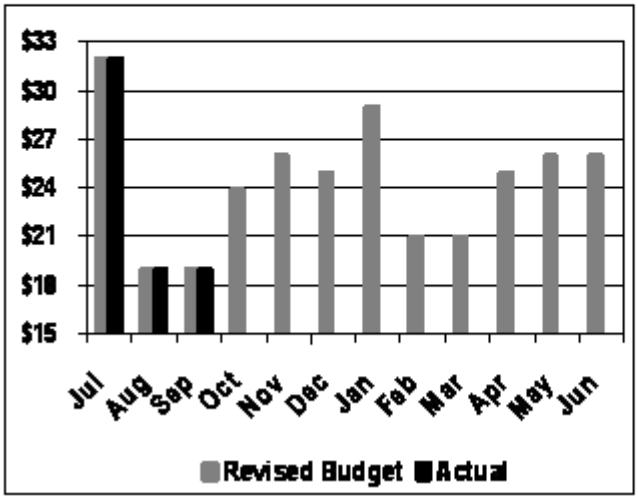
Operating Funds
YTD September 2009 Results
($ in millions)

	Revised Budget	2009/10 Actual	Variance Favorable (Unfavorable)	% Var
Sources	$ 69.8	$ 70.0	$ 0.2	0%
Uses	$ 62.7	$ 59.7	$ 3.0	5%
Change in Fund Balance	$ 7.1	$ 10.3	$ 3.2	45%

Operating* Sources – FYTD

(in millions)

* General Fund and Transportation Fund Combined



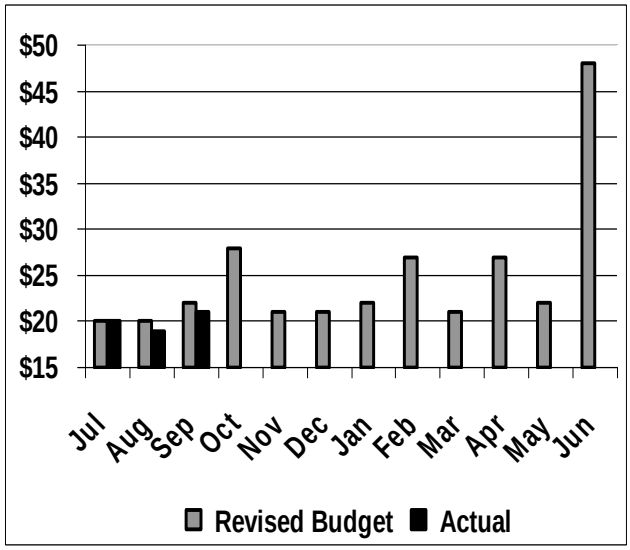
Summary

- On Budget
- Local Sales Tax Up
- State Shared Revenues Down

Operating* Uses – FYTD

(in millions)

* General Fund and Transportation Fund Combined



Summary

- 5% less than Budget
- Still fine tuning Budget "spread"
- Proposed Budget Reductions not included

GENERAL FUND

General Fund
FY 2009/10
($ in millions)

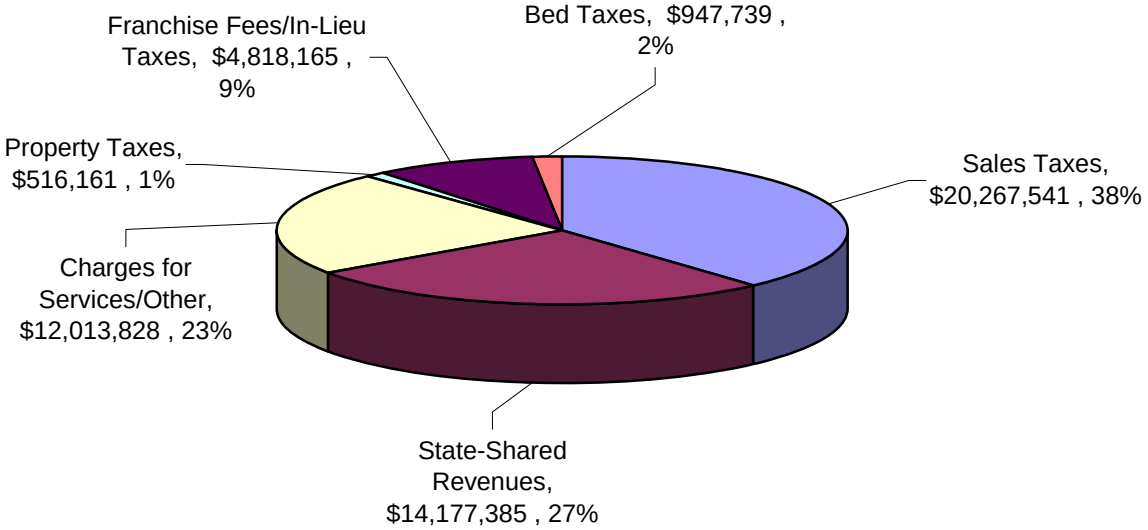
	Adopted Budget	Revised Budget	Change	% Var
Sources	$ 254.4	$ 254.2	$ (0.2)	0%
Uses	$ 257.0	$ 257.0	$ -	0%
Change in Fund Balance	$ (2.6)	$ (2.8)	$ (0.2)	8%
Fund Balance:				
Reserved	$ 26.1	$ 26.1	$ -	
Contingency	$ 5.0	$ 5.0	$ -	
Unreserved	$ 1.0	$ 7.4	$ 6.4	
Total Fund Balance	$ 32.1	$ 38.5	$ 6.4	

General Fund
Revenues

	Year-to-Date September					
Category	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Sales Taxes	$ 27,782,592	$ 24,343,319	$ 20,267,541	$ 19,615,195	$ 652,346	3%
State-Shared Revenues	13,676,194	15,956,813	14,177,385	14,450,728	(273,343)	-2%
Charges for Services/Other	15,548,341	11,357,784	12,013,828	12,186,926	(173,098)	-1%
Property Taxes	202,408	477,916	516,161	545,660	(29,499)	-5%
Franchise Fees/In-Lieu Taxes	3,355,451	4,580,457	4,818,165	4,777,240	40,925	1%
Bed Taxes	254,682	216,020	947,739	1,020,681	(72,942)	-7%
Total Revenue	$ 60,819,669	$ 56,932,308	$ 52,740,820	$ 52,596,430	$ 144,389	0%
Transfers In	20,732	-	9,543,610	9,430,000	113,610	1%
Total Sources	$ 60,840,401	$ 56,932,308	$ 62,284,430	$ 62,026,430	$ 257,999	0%

	Fiscal Year (Twelve Months)					
Category	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Sales Taxes	$ 115,561,908	$ 95,757,457	$ 83,262,300	$ -	$ 83,262,300	$ -
State-Shared Revenues	64,651,274	62,190,225	56,355,881	-	56,355,881	(192,119)
Charges for Services/Other	58,815,277	49,774,228	51,944,811	(193,843)	51,750,968	(1,102,654)
Property Taxes	20,414,025	22,607,397	23,654,407	-	23,654,407	-
Franchise Fees/In-Lieu Taxes	20,812,400	20,304,915	21,499,105	-	21,499,105	-
Bed Taxes	2,346,219	1,524,624	8,231,300	-	8,231,300	-
Total Revenue	$ 282,601,103	$ 252,158,847	$ 244,947,804	$ (193,843)	$ 244,753,961	$ (1,294,773)
Transfers In	840,691	19,065,983	9,430,000	-	9,430,000	454,438
Total Sources	$ 283,441,794	$ 271,224,830	$ 254,377,804	(193,843)	$ 254,183,961	$ (840,335)

$52.7M Revenue



General Fund Sources

The General Fund is the primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government such as police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Sources	$ 60,840,401	$ 56,932,308	$ 62,284,430	$ 62,026,430	$ 257,999	0%

Actual to Revised Budget variance of $257,999 or 0% is explained below by category. In summary, it is the result of better than expected sales taxes partially offset by lower than expected State Shared Revenues.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Sources	$ 283,441,794	$ 271,224,830	$ 254,377,804	$ (193,843)	$ 254,183,961	$ (840,335)

Approved Adjustments of ($193,843) are explained in the appropriate category below.

Proposed Adjustments of ($840,335) are explained in the appropriate category below.

Sales Taxes

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 in 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. This general-purpose sales tax is the City's single largest revenue source and is considered an "elastic" revenue source susceptible to peaks and valleys, based on events in the national, state and local economies. These sales taxes are tracked by categories and further details of the category results can be found in Appendix 1.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
General Purpose Sales Tax	$ 25,309,548	$ 22,198,315	$ 18,485,210	$ 17,880,776	$ 604,434	3%
Public Safety Sales Tax	2,473,044	2,145,004	1,782,330	1,734,419	47,911	3%
Total Sales Taxes	$ 27,782,592	$ 24,343,319	$ 20,267,541	$ 19,615,195	$ 652,346	3%

Actual to Revised Budget variance of $652,346 or 3%: Better than expected construction and utility activity slightly offset by lower than expected revenues from food stores, rentals and the hotel/motel classifications. Food Stores are being impacted by changes in consumer spending, a store chain declaring bankruptcy, decreasing food costs and increased use of food stamps. Property Rentals have been affected by vacancies and declining rental rates. Hotel/motel revenues have been impacted by the sharp decline in the tourism industry. See Appendix 1 for further information about results by sales tax categories.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
General Purpose Sales Tax	$ 105,317,750	$ 87,328,386	$ 75,900,000	$ -	$75,900,000	$ -
Public Safety Sales Tax	10,244,158	8,429,071	7,362,300	-	7,362,300	-
Total Sales Taxes	$ 115,561,908	$ 95,757,457	$ 83,262,300	$ -	$83,262,300	$ -

State-Shared Revenues

These revenues are derived from state shared sales taxes, income taxes (revenue sharing) and vehicle license taxes (auto lieu) shared with Arizona cities and towns, based on a statutorily determined formula, primarily driven by population. This revenue is an "elastic" revenue susceptible to peaks and valleys based on events in the national, state and local economies.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
State Revenue Sharing	$ 8,260,190	$ 8,776,472	$ 7,577,010	$ 7,618,692	$ (41,682)	-1%
State Shared Sales Tax	3,632,367	5,092,961	4,350,741	4,563,787	(213,046)	-5%
Auto Lieu Tax	1,783,637	2,087,380	2,249,634	2,268,249	(18,615)	-1%
Total State Shared Revenues	$ 13,676,194	$ 15,956,813	$ 14,177,385	$ 14,450,728	$ (273,343)	-2%

Actual to Revised Budget variance of ($273,343) or (2%): All three revenues are less than expected because the recession is having a more dramatic impact than expected.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
State Revenue Sharing	$ 33,036,655	$ 35,102,991	$ 30,308,042	$ -	$30,308,042	$ 906
State Shared Sales Tax	21,652,550	18,935,910	18,047,839	-	18,047,839	(193,025)
Auto Lieu Tax	9,962,069	8,151,324	8,000,000	-	8,000,000	-
Total State Shared Revenues	$ 64,651,274	$ 62,190,225	$ 56,355,881	$ -	$ 56,355,881	$ (192,119)

Proposed Adjustments of ($192,119). At the end of June, the Arizona Department of Revenue sent out a letter to all municipalities indicating that estimated distributions from State Revenue Sharing and State Shared Sales Taxes should be adjusted as reflected in the adjustments.

Charges for Services/Other

Charges for Services include numerous revenues such as building permits, recreation fees, fire department fees and WestWorld fees. 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. "Other" refers to all other lines not specifically mentioned in other categories.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Taxes - Local						
Stormwater Water Quality Charge	$ 246,299	$ 249,374	$ 270,409	$ 258,430	$ 11,979	5%
Licenses, Permits & Fees						
Building Permit Fees & Charges	3,587,451	2,148,783	1,820,492	1,842,656	(22,164)	-1%
Recreation Fees	945,663	883,105	978,122	887,691	90,431	10%
WestWorld	340,836	157,928	107,988	106,488	1,500	1%
Fire Service Charges	252,309	503,783	553,827	895,333	(341,506)	-38%
Business Licenses & Fees	252,809	220,951	225,857	206,169	19,688	10%
Fines & Forfeitures						
Court Fines	1,605,163	1,610,545	1,721,703	1,818,938	(97,235)	-5%
Photo Enforcement Revenue	1,415,033	922,422	482,336	419,940	62,396	15%
Parking Fines	71,049	79,286	58,654	108,258	(49,604)	-46%
Library Fines & Fees	92,513	164,527	73,865	69,353	4,512	7%
30 Day Tow Program	-	-	-	-	-	n/a
Interest Earnings/Property Rental						
Interest Earnings	3,176,819	(189,270)	715,731	412,248	303,483	74%
Property Rental	160,179	643,854	588,870	614,658	(25,788)	-4%
Other Revenue						
Indirect/Direct Cost Allocation	2,894,310	3,234,234	3,977,691	3,993,005	(15,314)	0%
Intergovernmental Revenue	231,430	260,310	290,821	240,579	50,242	21%
Contributions/Donations	-	1,300	2,099	2,099	0	n/a
Miscellaneous	209,989	408,296	91,666	255,191	(163,525)	-64%
Reimbursements	66,489	58,356	53,700	55,890	(2,190)	-4%
Total Charges for Services/Other	$ 15,548,341	$ 11,357,784	$ 12,013,828	$ 12,186,926	$ (173,098)	-1%

Actual to Revised Budget variance of ($173,098) or (1%): The schedule above shows the specific variances by type of activity. Fire service charges is the major driver of this variance and an adjustment is proposed and explained in the next section.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Taxes - Local						
Stormwater Water Quality Charge	$ 861,021	$ 814,326	$ 863,000	$ -	$ 863,000	$ -
Licenses, Permits & Fees						
Building Permit Fees & Charges	12,454,445	6,911,195	8,149,000	-	8,149,000	-
Recreation Fees	2,819,553	3,206,506	3,022,000	-	3,022,000	-
WestWorld	2,784,969	2,663,389	2,888,000	(15,000)	2,873,000	-
Fire Service Charges	1,067,593	1,752,393	2,350,000	(2,400)	2,347,600	(1,102,654)
Business Licenses & Fees	1,760,535	1,733,104	1,680,000	-	1,680,000	-
Fines & Forfeitures						
Court Fines	6,792,909	6,670,715	7,166,300	(9,886)	7,156,414	-
Photo Enforcement Revenue	5,787,526	2,465,759	1,655,700	-	1,655,700	-
Parking Fines	472,615	422,697	495,000	9,886	504,886	-
Library Fines & Fees	417,540	302,729	389,640	(90,000)	299,640	-
30 Day Tow Program	-	200,000	400,000	(400,000)	-	-
Interest Earnings/Property Rental						
Interest Earnings	6,429,293	3,312,265	1,656,860	-	1,656,860	-
Property Rental	3,496,405	3,222,002	3,194,029	-	3,194,029	-
Other Revenue						
Indirect/Direct Cost Allocation	11,577,240	13,837,938	15,635,382	400,000	16,035,382	-
Intergovernmental Revenue	1,054,990	1,160,325	1,049,900	(117,843)	932,057	-
Contributions/Donations	-	-	-	-	-	-
Miscellaneous	658,019	643,477	1,000,000	16,400	1,016,400	-
Reimbursements	380,624	455,408	350,000	15,000	365,000	-
Total Charges for Services/Other	$ 58,815,277	$ 49,774,228	$ 51,944,811	$ (193,843)	$ 51,750,968	$ (1,102,654)

Approved Adjustments of ($193,843) includes School Resource Officer adjustments ($207,843) as authorized by City Council on July 2, 2009 as part of the budget reduction proposal and on September 8, 2009 when the contract was approved. Several other line items were updated to better reflect activity.

Proposed Adjustments of ($1,102,654).

Two portions of the PMT ambulance contract have been modified resulting in less revenue of ($1,102,654): 1) The City previously provided Fire Department personnel to staff two PMT ambulances. PMT reimbursed the City for those personnel costs ($473,290); the City is no longer providing the personnel for one of the ambulances. The fire personnel that were used to staff the second ambulance were reassigned to cover vacation and sick leave, which allowed the department to reduce the FY09/10 constant staffing overtime budget. 2) PMT will begin to provide their own dispatch services. Previously, Phoenix billed Scottsdale for both Fire and PMT dispatches. Scottsdale, in turn, collected from PMT their portion of the dispatch fees and then paid the City of Phoenix directly ($629,364). Now that PMT will be providing their own dispatch services, this agreement is no longer necessary. There is also an offsetting proposed expense adjustment in the Fire Department's Contractual Services operating budget.

Property Taxes

In the General Fund, these taxes are comprised 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 payment of General Obligation bond debt service. This is a relatively stable revenue source.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Property Taxes	$ 202,408	$ 477,916	$ 516,161	$ 545,660	$ (29,499)	-5%

Actual to Revised Budget variance of ($29,499) or (5%) due to lower than anticipated collections. The majority of property tax collections are received in October/November and in April. It is expected that at that time this variance will be eliminated.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Property Taxes	$ 20,414,025	$ 22,607,397	$ 23,654,407	$ -	$ 23,654,407	$ -

Franchise Fees and In-Lieu Taxes

This category represents revenues from utility and cable providers and is fairly constant from year to year.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Electric Franchise	$ 261,693	$ 1,836,968	$ 1,878,646	$ 1,924,894	$ (46,248)	-2%
Enterprise Franchise Fees	1,504,545	1,261,025	1,361,291	1,283,516	77,775	6%
Cable TV Franchise	831,200	869,168	909,397	900,000	9,397	1%
Enterprise In Lieu Property Tax	758,013	613,296	668,830	668,830	-	0%
Salt River Project Lieu Tax	-	-	-	-	-	n/a
Total Franchise Fees/In-Lieu Taxes	$ 3,355,451	$ 4,580,457	$ 4,818,165	$ 4,777,240	$ 40,925	1%

Actual to Revised Budget variance of $40,925 or 1%: Enterprise Franchise Fees are higher than budgeted due to increased water fees collected attributable to the hotter than normal weather in August creating an increase in water demand.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Electric Franchise	$ 7,890,300	$ 7,791,429	$ 8,400,000	$ -	$ 8,400,000	$ -
Enterprise Franchise Fees	6,287,024	6,355,534	6,684,785	-	6,684,785	-
Cable TV Franchise	3,507,190	3,565,549	3,600,000	-	3,600,000	-
Enterprise In Lieu Property Tax	3,032,052	2,453,184	2,675,320	-	2,675,320	-
Salt River Project Lieu Tax	95,834	139,220	139,000	-	139,000	-
Total Franchise Fees/In-Lieu Taxes	$ 20,812,400	$ 20,304,915	$ 21,499,105	$ -	$ 21,499,105	$ -

Bed Taxes

The 3% bed tax is applied to lodging room charges of stays of 29 days or less (transient) in hotels or short-term rentals. This revenue is an "elastic" revenue susceptible to peaks and valleys based on events in the national, state and local economies. By City ordinance, 80 percent of this tax revenue is restricted for tourism development including the payment of contracts to increase tourism and fund debt service for destination attractions. Beginning in FY 2009/10, 100 percent of the Bed Tax revenue is being recorded in the General Fund with a corresponding transfer out of 80 percent to the Special Programs Fund.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Bed Taxes	$ 254,682	$ 216,020	$ 947,739	$ 1,020,681	$ (72,942)	-7%

Actual to Revised Budget variance of ($72,942) or (7%): The reduction is attributable to declining occupancy in the local market as a result of conditions in the national economy. These conditions have contributed to group cancellations and less leisure travel nationwide, particularly in the major fly-in markets such as Scottsdale/Phoenix. Occupancy and room rates are down significantly.

	Fiscal Year (Twelve Months)					
	Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Bed Taxes	$ 2,346,219	$ 1,524,624	$ 8,231,300	$ -	$ 8,231,300	$ -

Transfers In

Transfers in reflect funds received from the CIP Fund, Special Program Funds (Community Services/Human Services) and Water Fund (Water Campus Security).

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
CIP	$ -	$ -	$ 9,000,000	$ 9,000,000	$ -	0%
Self Insurance Fund	-	-	-	-	-	n/a
Cultural Council	-	-	300,000	300,000	-	0%
Code Enforcement	20,732	-	-	-	-	n/a
Community Services/Human Services	-	-	130,000	130,000	-	0%
Miscellaneous	-	-	-	-	-	n/a
Water Campus Security	-	-	113,610	-	113,610	n/a
Total Transfers In	$ 20,732	$ -	$ 9,543,610	$ 9,430,000	$ 113,610	1%

Actual to Budget variance of $113,610 or 1%: A budget adjustment is being proposed to reflect the security reimbursements from the water fund that were excluded in the adopted budget.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
CIP	$ -	$ 13,935,983	$ 9,000,000	$ -	$ 9,000,000	$ -
Self Insurance Fund	-	5,000,000	-	-	-	-
Cultural Council	-	-	300,000	-	300,000	-
Code Enforcement	91,133	-	-	-	-	-
Community Services/Human Services	-	130,000	130,000	-	130,000	-
Miscellaneous	749,558	-	-	-	-	-
Water Campus Security	-	-	-	-	-	454,438
Total Transfers In	$ 840,691	$ 19,065,983	$ 9,430,000	$ -	$ 9,430,000	$ 454,438

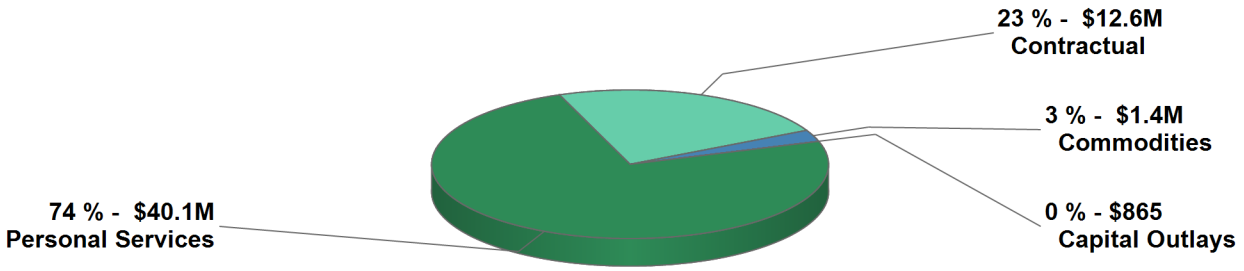
Proposed Adjustments of $454,438. Security reimbursements from the Water Fund were excluded in the adopted budget. The reimbursement is for water department security included in the city-wide security contract administered by the police department and recorded in its budget.

GENERAL FUND
EXPENSE EXPLANATIONS

	Year-to-Date September 2009			
Expenses:	**Revised Budget**	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
Personal Services	$41,041,348	$40,061,992	$979,356	2 %
Contractual	$13,205,048	$12,550,108	$654,940	5 %
Commodities	$1,820,866	$1,370,445	$450,421	25 %
Capital Outlays	$800	$865	($65)	-8 %
Total Operating Expenses	**$56,068,062**	**$53,983,410**	**$2,084,652**	**4 %**
Debt Service	$671,498	$628,906	$42,592	6 %
Transfers Out	$816,544	$758,191	$58,353	7 %
Total Uses	**$57,556,104**	**$55,370,507**	**$2,185,597**	**4 %**

	Fiscal Year (Twelve Months)				
	Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
Personal Services	$171,858,740	($4,060,536)	$167,798,204	($613,750)	$192,142,932
Contractual	$53,836,622	($920,752)	$52,915,870	($575,764)	$51,437,555
Commodities	$9,330,246	($99,500)	$9,230,746	$16,000	$8,502,069
Capital Outlays	$353,602	($15,000)	$338,602	($16,000)	$398,730
Future Budget Reductions/IOU	($12,536,834)	$10,972,330	($1,564,504)	$892,373	-
Total	**$222,842,376**	**$5,876,542**	**$228,718,918**	**($297,141)**	**$252,481,286**
Debt Service	$4,664,746	($1,021,600)	$3,643,146	-	$3,599,349
Transfers Out	$29,461,251	($4,800,000)	$24,661,251	-	$18,333,741
Total Uses	**$256,968,373**	**$54,942**	**$257,023,315**	**($297,141)**	**$274,414,376**

$54M Expenditures



Personal Services

Personal Services include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$41,041,348	$40,061,992	$979,356	2 %

Actual to Revised Budget variance of $979,356 or 2%: A significant portion of the positive variance is related to continuous overtime reduction strategies, vacant part-time positions not yet filled for the opening of the Appaloosa Library, and retirement and FICA allocations, which were incorrectly calculated in the adopted budget and for which a budget adjustment is being proposed.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$171,858,740	($4,060,536)	$167,798,204	($613,750)	$192,142,932

Approved Adjustments of ($4,060,536) were approved by City Council on July 2, 2009. The adjustments include the elimination of 67.98 Full-Time Equivalents and a reduction in Police and Fire overtime.

Proposed Adjustments of ($613,750) include reductions for savings related to Police and Fire retirement, Federal Insurance Contributions Act (FICA) and retirees from the Early Retirement Incentive Program retiring earlier than anticipated. Additionally, the proposed adjustments include requests for Use of Contingency such as to payout the City Attorney's employment contract.

Contractual Services

This category includes expenditures for services performed by firms, individuals, or other City departments.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$13,205,048	$12,550,108	$654,940	5 %

Actual to Revised Budget variance of $654,940 or 5%: The positive variance is mainly the result of invoices for services being received later than expected. Examples include professional services, maintenance, and pager and specialty lines. Services for fire alarm and elevator maintenance were performed but invoices not issued as anticipated. Similarily, communication services such as pagers and specialty lines were billed in October, not September as budgeted.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$53,836,622	($920,752)	$52,915,870	($575,764)	$51,437,555

Approved Adjustments of ($920,752) were approved by City Council on July 2, 2009 and August 24, 2009. July 2, 2009 adjustments include discontinuing the federal lobbying and information services contract, reducing utilities, reducing offsite records storage costs, eliminating funding for future research projects by utilizing ASU's College of Design, and reducing contractual services at WestWorld. August 24, 2009 adjustment reflects the WestWorld contract with the Arizona State Land Department allowing the City to use State Trust Land for special event productions and associated parking.

Proposed Adjustments of ($575,764) include a reduction to expenses in Public Safety related to the Professional Management Transport (PMT) contract. Because PMT plans to begin providing their own dispatch services, the City does not have to collect and pay PMT's dispatch fees to the City of Phoenix as currently practiced. An offsetting revenue reduction is proposed for the PMT contract as well.

Commodities

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

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$1,820,866	$1,370,445	$450,421	25 %

Actual to Revised Budget variance of $450,421 or 25%: The variance relates to several activities such as operating supplies, maintenance services and materials, and education and recreation supplies that do not have a predictable spending pattern. For example, building maintenance supplies and services have not been needed as expected (e.g. electrical, plumbing, HVAC, etc).

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$9,330,246	($99,500)	$9,230,746	$16,000	$8,502,069

Approved Adjustments of ($99,500) were approved by City Council on July 2, 2009. The adjustments include reducing mosquito and weed spraying at WestWorld and reducing the library materials budget.

Proposed Adjustments of $16,000 is from the Fire Department to transfer budget from Capital Outlay to Commodities to correctly account for self contained breathing apparatus supplies such as cylinders, masks and regulators.

Capital Outlays

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 quality as capital outlay expenditure it 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 a betterment or improvement.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$800	$865	($65)	-8 %

Actual to Revised Budget variance of ($65) or (8%): Actual activity includes expenses for Right of Way (ROW) legal services related to an upcoming land acquisition. The expense in the amount of $500 was to Stewart Title & Trust for a title report for ROW. This account is used for any expenses associated with ROW acquisition even if it is less than $5,000.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$353,602	($15,000)	$338,602	($16,000)	$398,730

Approved Adjustments of ($15,000) were approved by City Council on July 2, 2009. The adjustment is a reduction in Fire capital equipment.

Proposed Adjustments of ($16,000) is from the Fire Department to transfer budget from Capital Outlay to Commodities to correctly account for self contained breathing apparatus supplies such as cylinders, masks and regulators.

Future Budget Reductions/IOU

This represents the budget reductions and other adjustments that were included in the report approved by City Council on July 2, 2009. All reductions have been implemented with the exception of property leases with associated utility and maintenance costs (result of the new organizational model and decreasing the workforce by about 10%). It is staff's expectation that the balance will be reduced over the coming months.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
($12,536,834)	$10,972,330	($1,564,504)	$892,373	-

Proposed Adjustments of $892,373 include reductions for savings related to Police and Fire retirement, Federal Insurance Contributions Act (FICA) and retirees from the Early Retirement Incentive Program retiring earlier than anticipated.

Debt Service

This activity is primarily contractual obligations related to development agreements (funded by sales tax rebates) and will vary based on the actual sales tax collections.

	Year-to-Date September 2009			
	Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
Certificates of Participation (COP)	-	$333	($333)	-100 %
Contracts Payable	$671,498	$627,261	$44,237	7 %
COP - Radio Financing	-	-	-	-
Other	-	$1,311	($1,311)	-100 %
Total Debt Service	**$671,498**	**$628,906**	**$42,592**	**6 %**

Actual to Revised Budget variance of $42,592 or 6%: This variance is mainly comprised of the first quarterly payment for the Valley Ho being processed in July but posted to last fiscal year (2008/09) instead to this fiscal year (2009/10).

	Fiscal Year (Twelve Months)				
	Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
Certificates of Participation (COP)	$918,790	-	$918,790	-	$918,790
Contracts Payable	$2,724,356	-	$2,724,356	-	$2,634,686
COP - Radio Financing	$1,021,600	($1,021,600)	-	-	$40,910
Other	-	-	-	-	$4,963
Total Debt Service	**$4,664,746**	**($1,021,600)**	**$3,643,146**	**-**	**$3,599,349**

Approved Adjustments of ($1,021,600) were approved by City Council on July 2, 2009. The adjustment is the elimination of the public safety radio debt service payment for FY 2009/10.

Transfers-Out

Transfers-Out represents the authorized exchanges of cash between funds, divisions, departments and capital projects.

	Year-to-Date September 2009			
	Revised Budget	Actual	Favorable (Unfavorable) Variance	% Var
MPC Excise Debt Fund	-	-	-	-
CIP - General Fund Maintenance	-	-	-	-
CIP - General Fund - Public Safety/Radios	-	-	-	-
CIP - General Fund - Non-Maintenance	-	-	-	-
CIP - Public Safety Radio - Loop 101	-	-	-	-
Transportation Fund	-	-	-	-
Bed Tax Fund	$816,544	$758,191	$58,353	7 %
Special Programs Fund - Community Services	-	-	-	-
Special Programs Fund - Planning & Dev Services	-	-	-	-
Streetlight Fund	-	-	-	-
Grants	-	-	-	-
Total Transfers Out	**$816,544**	**$758,191**	**$58,353**	**7 %**

Actual to Revised Budget variance of $58,353 or 7%: Excluding the MPC excise debt transfer, most of these transfers are related to subsidies to other funds and the actual activity will be recorded in June 2010. The MPC debt transfer will be made at the time the debt payment is made. The transfer out also reflects transfers to the Special Programs Fund for bed tax revenues (80 percent of the total bed tax collections per adopted financial policy). The 7 percent variance is the mirror image of the revenue variance explained earlier. Less revenues received translates to less monies transferred out to the Bed Tax Fund for its 80 percent portion.

	Fiscal Year (Twelve Months)				
	Adopted Budget	Approved Adjustments	Revised Budget	Proposed Adjustments	Prior Year Actuals
MPC Excise Debt Fund	$6,695,185	-	$6,695,185	-	$5,787,446
CIP - General Fund Maintenance	$1,550,000	($200,000)	$1,350,000	-	$3,302,400
CIP - General Fund - Public Safety/Radios	-	-	-	-	-
CIP - General Fund - Non-Maintenance	$9,000,000	-	$9,000,000	-	-
CIP - Public Safety Radio - Loop 101	-	-	-	-	$1,877,298
Transportation Fund	$5,571,026	($4,600,000)	$971,026	-	$7,023,454
Bed Tax Fund	$6,585,040	-	$6,585,040	-	$240,898
Special Programs Fund - Community Services	-	-	-	-	-
Special Programs Fund - Planning & Dev Services	$60,000	-	$60,000	-	$60,000
Streetlight Fund	-	-	-	-	$37,245
Grants	-	-	-	-	$5,000
Total Transfers Out	**$29,461,251**	**($4,800,000)**	**$24,661,251**	**-**	**$18,333,741**

Approved Adjustments of ($4,800,000) were approved by City Council on July 2, 2009. The adjustments include a $4.6M reduction to the budgeted subsidy to the Transportation Fund. The reduction was a result of one-time federal funding under the American Reinvestment and Recovery Act (ARRA) for the street overlay program. Additionally, the adjustments include a reduction to the Capital Improvement Plan transfer as a result of replacing fewer computers and purchasing fewer software licenses due to a reduced workforce.

TRANSPORATION FUND

Transportation Fund
FY 2009/10
($ in millions)

	Adopted Budget	Revised Budget	Change	% Var
Sources	$ 38.3	$ 38.3	$ -	0%
Uses	$ 38.3	$ 38.2	$ 0.1	0%
Change in Fund Balance	$ -	$ 0.1	$ 0.1	n/a
Total Fund Balance	$ -	$ 0.2	$ 0.2	

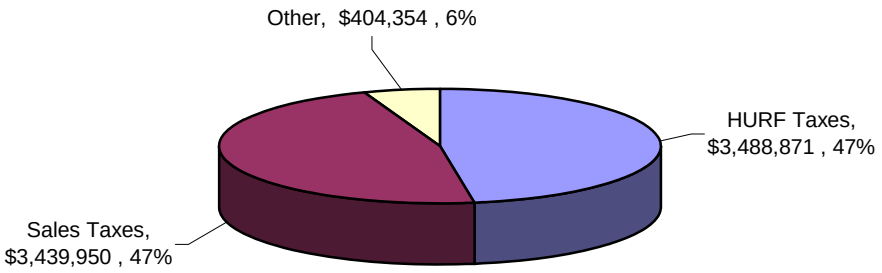
The Transportation Fund receives and expends the City's allocation of the Arizona Highway User Revenue Tax (HURF) as well as the City Transportation Sales Tax (0.20 percent) revenue and other transportation related revenues. The monies must be used for street construction, reconstruction, maintenance, or transit.

Transportation Fund
Revenues

	Year-to-Date September					
Category	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
HURF Taxes	$ 2,616,276	$ 3,663,765	$ 3,488,871	$ 3,607,617	$ (118,746)	-3%
Sales Taxes	4,834,303	4,217,865	3,439,950	3,379,005	60,945	2%
Other	364,998	374,573	404,354	379,716	24,638	6%
Total Revenues	$ 7,815,577	$ 8,256,204	$ 7,333,175	$ 7,366,338	$ (33,164)	0%
Transfers In	440,000	-	358,550	358,550	-	n/a
Total Sources	$ 8,255,577	$ 8,256,204	$ 7,691,725	$ 7,724,888	$ (33,164)	0%

	Fiscal Year (Twelve Months)					
Category	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
HURF Taxes	$ 16,302,507	$ 14,141,719	$ 14,187,000	$ -	$ 14,187,000	$ -
Sales Taxes	19,980,413	16,474,270	14,345,100	-	14,345,100	-
Other	1,585,535	2,958,448	3,877,018	4,600,000	8,477,018	-
Total Revenues	$ 37,868,455	$ 33,574,437	$ 32,409,118	$ 4,600,000	$ 37,009,118	$ -
Transfers In	$2,838,530	$8,857,466	$5,929,576	(4,600,000)	$1,329,576	-
Total Sources	$ 40,706,985	$ 42,431,903	$ 38,338,694	$ -	$ 38,338,694	$ -

$7.3M Revenue



Transportation Fund Sources

The Transportation Fund receives and expends the City's allocation of the Arizona Highway User Revenue Tax (HURF) as well as the City's Transportation Sales Tax (0.20 percent) revenue and other transportation related revenues. The amount of HURF available to each City is allocated based on population, which is determined by the latest federal census. 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. The budget assumes a policy that transfers 50 percent of the Transportation Sales Tax to the Capital Improvement Fund for transportation related capital improvement projects.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Sources	$ 8,255,577	$ 8,256,204	$ 7,691,725	$ 7,724,888	$ (33,164)	0%

Actual to Budget variance of ($33,164) or 0% is explained below by category.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Sources	$ 40,706,985	$ 42,431,903	$ 38,338,694	$ -	$ 38,338,694	$ -

Highway User Revenues (HURF)

HURF dollars represent State "gas taxes" distributed to the cities based on populations and origin of the fuel sales. These monies must be used for street construction, reconstruction, maintenance, or transit.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
HURF Taxes	$ 2,616,276	$ 3,663,765	$ 3,488,871	$ 3,607,617	$ (118,746)	-3%

Actual to Budget variance of ($118,746) or (3%)*:* Decrease can be attributed to less demand of fuel due to the condition of the economy.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
HURF Taxes	$ 16,302,507	$ 14,141,719	$ 14,187,000	$ -	$ 14,187,000	$ -

Sales Tax Revenues

The fund receives the revenues from the 0.20 percent voter-approved transportation sales tax. 50 percent of the tax is used for operations/maintenance recorded in this fund and 50 percent is used in the Transportation CIP.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Sales Taxes	$ 4,834,303	$ 4,217,865	3,439,950	$ 3,379,005	$ 60,945	2%

Actual to Budget variance of $60,945 or 2%: Better than expected construction and utility activity slightly offset by lower than expected revenues from food stores, rentals and the hotel/motel classifications. Food Stores are being impacted by changes in consumer spending, a store chain declaring bankruptcy, decreasing food costs and increased use of food stamps. Property Rentals have been affected by vacancies and declining rental rates. Hotel/motel revenues have been impacted by the sharp decline in the tourism industry. See Appendix 1 for further information about results by sales tax categories.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Sales Taxes	$ 19,980,413	$ 16,474,270	$ 14,345,100	$ -	$ 14,345,100	$ -

Other Revenues

Other Revenues consists of Local Transportation Assistance Fund (LTAF) which are lottery proceeds distributed by the State; Grants; Intergovernmental; Reimbursements from Outside Sources; Indirect Costs; and Miscellaneous Revenues which includes transit fare box revenues.

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
Local Transportation Assistance Fund I	$ 340,916	$ 353,961	$ 190,163	$ 190,000	$ 163	0%
Capital Improvement Plan Cost Allocation	-	-	200,868	189,216	11,652	6%
Local Transportation Assistance Fund II	-	-	-	-	-	n/a
Proposition 400 Regional Sales Tax	-	-	-	-	-	n/a
Charges for Services	-	-	-	-	-	n/a
Federal Grants	-	-	-	-	-	n/a
Reimbursements	-	-	12,191	-	12,191	n/a
Miscellaneous	24,083	20,612	1,131	500	631	126%
Total Other Revenues	$ 364,998	$ 374,573	$ 404,354	$ 379,716	$ 24,638	6%

Actual to Budget variance of $24,638 or 6%: No specific issues are apparent at this time.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Local Transportation Assistance Fund I	$ 1,088,492	$ 1,015,408	$ 1,057,100	$ -	$ 1,057,100	$ -
Capital Improvement Plan Cost Allocation	-	879,108	819,926	-	819,926	-
Local Transportation Assistance Fund II	379,831	432,214	-	-	-	-
Proposition 400 Regional Sales Tax	7,920	377,237	311,628	-	311,628	-
Charges for Services	101,794	247,561	1,568,364	-	1,568,364	-
Federal Grants	-	-	-	4,600,000	4,600,000	-
Reimbursements	-	-	-	-	-	-
Miscellaneous	7,498	6,920	120,000	-	120,000	-
Total Other Revenues	$ 1,585,535	$ 2,958,448	$ 3,877,018	$ 4,600,000	$ 8,477,018	$ -

Approved Budget Adjustment of $4,600,000 reflects acceptance of American Recovery and Reinvestment Act (ARRA) funds to be utilized for street-overlay projects authorized by City Council on July 2, 2009 as part of the budget reductions and other adjustments proposal.

Transfers In

Transfers in from the General Fund, CIP Fund and Solid Waste Fund (for alley maintenance).

	Year-to-Date September					
	2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
General Fund	$ 440,000	$ -	$ -	$ -	$ -	n/a
Transportation CIP	-	-	-	-	-	n/a
Solid Waste - Alley Maintenance	-	-	358,550	358,550	-	0%
Total Transfers In	$ 440,000	$ -	$ 358,550	$ 358,550	$ -	n/a

Actual to Budget variance of $0.

	Fiscal Year (Twelve Months)					
	2007/08 Actual	2008/09 Actual	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
General Fund	$ 2,527,135	$7,023,454	$5,571,026	$ (4,600,000)	$971,026	$ -
Transportation CIP	-	1,500,000	-	-	-	-
Solid Waste - Alley Maintenance	311,395	334,012	358,550	-	358,550	-
Total Transfers In	$ 2,838,530	$ 8,857,466	$ 5,929,576	$ (4,600,000)	$ 1,329,576	$ -

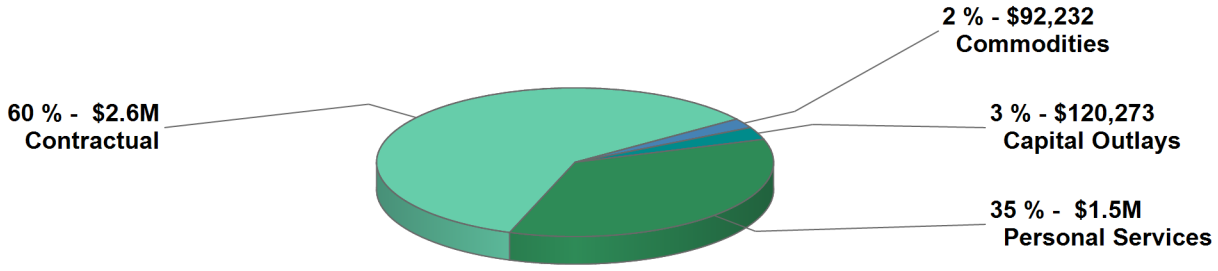
Approved budget adjustment of ($4,600,000) relates to the acceptance of the American Reinvestment and Recovery Act (ARRA) funds for the street-overlay program authorized by City Council on July 2, 2009 as part of the budget reduction and other adjustments proposal.

TRANSPORTATION FUND
EXPENSE EXPLANATIONS

	Year-to-Date September 2009			
Expenses:	**Revised Budget**	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
Personal Services	$1,597,573	$1,547,549	$50,024	3 %
Contractual	$3,349,725	$2,618,868	$730,857	22 %
Commodities	$187,448	$92,232	$95,216	51 %
Capital Outlays	$4,500	$120,273	($115,773)	-2,573 %
Total Operating Expenses	**$5,139,246**	**$4,378,921**	**$760,325**	**15 %**
Total Uses	**$5,139,246**	**$4,378,921**	**$760,325**	**15 %**

	Fiscal Year (Twelve Months)				
	Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
Personal Services	$6,331,532	($42,485)	$6,289,047	($28,245)	$7,925,240
Contractual	$23,919,980	($107,981)	$23,811,999	$8,000	$23,735,759
Commodities	$826,797	-	$826,797	($8,000)	$837,047
Capital Outlays	$18,235	-	$18,235	$113,462	$47,275
Total	**$31,096,544**	**($150,466)**	**$30,946,078**	**$85,217**	**$32,545,321**
Transfers Out	$7,242,150	-	$7,242,150	-	$8,294,635
Total Uses	**$38,338,694**	**($150,466)**	**$38,188,228**	**$85,217**	**$40,839,956**

$4.4M Expenditures



Personal Services

Personal Services include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$1,597,573	$1,547,549	$50,024	3 %

Actual to Revised Budget variance of $50,024 or 3%: The favorable variance is primarily related to overtime. Low overtime utilization in grading and drainage, emergency response, and traffic signals maintenance activities due to mild summer monsoon season.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$6,331,532	($42,485)	$6,289,047	($28,245)	$7,925,240

Approved Adjustments of ($42,485) were approved by City Council on July 2, 2009. The adjustment is the elimination of 1.00 Full-Time Equivalent.

Proposed Adjustments of ($28,245) include reductions for savings related to Federal Insurance Contributions Act (FICA) and retirees from the Early Retirement Incentive Program retiring earlier than anticipated.

Contractual Services

This category includes expenditures for services performed by firms, individuals, or other City departments.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$3,349,725	$2,618,868	$730,857	22 %

Actual to Revised Budget variance of $730,857 or 22%: This favorable variance is primarily the result of invoices for contractual services being received later than anticipated. For example, paving work was completed for the street overlay in September as budgeted; however, the invoice was not issued from the contractor as expected.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$23,919,980	($107,981)	$23,811,999	$8,000	$23,735,759

Approved Adjustments of ($107,981) were approved by City Council on July 2, 2009. The adjustments include discontinuing the participation with Valley Metro Rail, Inc. and eliminating dust treatment on three miles of unpaved roads.

Proposed Adjustments of $8,000 is from Street Operations to transfer budget from Commodities to Contractual Services to correctly account for Police Officers providing traffic control during major traffic signal maintenance repair operations

Commodities

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

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$187,448	$92,232	$95,216	51 %

Actual to Revised Budget variance Budget of $95,216 or 51%: The variance is related to several acitivities such as operating supplies, paint supplies, and materials for maintenance and repair. Specifically, traffic signal cabinets and sheeting materials for street operations maintenance were purchased; however, the invoice was not received as anticipated.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$826,797	-	$826,797	($8,000)	$837,047

Proposed Adjustments of ($8,000) is from Street Operations to transfer budget from Commodities to Contractual Services to correctly account for Police Officers providing traffic control during major traffic signal maintenance repair operations.

Capital Outlays

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 quality as capital outlay expenditure it 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 a betterment or improvement.

Year-to-Date September 2009			
Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
$4,500	$120,273	($115,773)	-2,573 %

Actual to Revised Budget variance Budget of ($115,773) or (2,573%): The unfavorable variance is due to a culvert cleaner and dust suppression system that were budgeted for purchase in FY 2008/09. However, delays ensued and the vehicles were not received until FY 2009/10. A proposed adjustment to add budget for these vehicles is included in Appendix 4.

Fiscal Year (Twelve Months)				
Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
$18,235	-	$18,235	$113,462	$47,275

Proposed Adjustments of $113,462 is to carry-forward vehicle purchases for Public Works & Water Resources. A culvert cleaner and dust suppression system were budgeted for purchase in FY 2008/09. However, delays ensued and the vehicles were not received until FY 2009/10.

Transfers-Out

Transfers-Out represents the authorized exchanges of cash between funds, divisions, departments and capital projects.

	Year-to-Date September 2009			
	Revised Budget	**Actual**	**Favorable (Unfavorable) Variance**	**% Var**
CIP Fund - Privilege Tax Allocation	-	-	-	-
CIP Fund - Tech. ReplacementAllocation	-	-	-	-
Total Transfers Out	**-**	**-**	**-**	**-**

Actual to Revised Budget variance of $0 or 0%: No explanation is necessary. These transfers will be made in June 2010.

	Fiscal Year (Twelve Months)				
	Adopted Budget	**Approved Adjustments**	**Revised Budget**	**Proposed Adjustments**	**Prior Year Actuals**
CIP Fund - Privilege Tax Allocation	$7,172,550	-	$7,172,550	-	$8,237,135
CIP Fund - Tech. ReplacementAllocation	$69,600	-	$69,600	-	$57,500
Total Transfers Out	**$7,242,150**	**-**	**$7,242,150**	**-**	**$8,294,635**

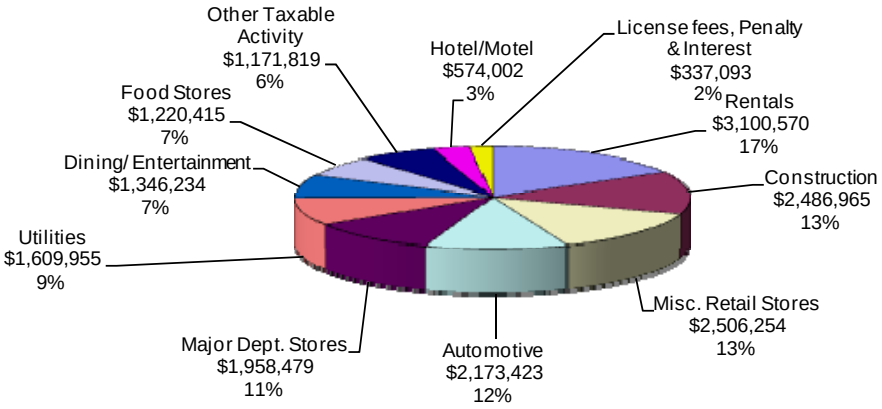
Appendix 1

Sales Tax by Category (1% Amount Only - General Purpose)

	Year-to-Date September 2009					
Category	2007/08 Actual	2008/09 Actual	2009/10 Actual	2009/10 Budget	Variance Favorable (Unfavorable)	% Var
Rentals	$ 3,217,000	$ 3,198,379	$ 3,100,570	$ 3,198,379	$ (97,809)	-3%
Misc. Retail Stores	3,518,301	2,874,926	2,506,254	2,440,669	65,585	3%
Major Dept. Stores	2,354,878	2,113,717	1,958,479	1,923,482	34,997	2%
Automotive	3,923,965	2,862,264	2,173,423	2,084,738	88,685	4%
Food Stores	1,395,960	1,371,732	1,220,415	1,371,732	(151,317)	-11%
Construction	5,395,561	4,541,080	2,486,965	1,955,800	531,165	27%
Dining/ Entertainment	1,717,098	1,514,792	1,346,234	1,322,840	23,394	2%
Other Taxable Activity	1,363,174	1,266,786	1,171,819	1,203,447	(31,628)	-3%
Hotel/Motel	802,393	711,093	574,002	664,590	(90,588)	-14%
Utilities	1,179,370	1,242,449	1,609,955	1,389,000	220,955	16%
License fees, Penalty & Interest	441,848	501,099	337,093	326,099	10,994	3%
Total	$ 25,309,548	$ 22,198,317	$ 18,485,209	$ 17,880,776	$ 604,433	3%

	Fiscal Year (Twelve Months)					
Category	2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
Rentals	$ 13,530,770	$ 12,467,197	$ 13,060,000	$ -	$ 13,060,000	$ -
Misc. Retail Stores	15,214,235	12,064,666	10,820,000	-	10,820,000	-
Major Dept. Stores	9,929,492	8,806,516	8,110,000	-	8,110,000	-
Automotive	14,227,007	9,596,981	7,763,000	-	7,763,000	-
Food Stores	6,528,574	6,295,756	6,442,000	-	6,442,000	-
Construction	19,474,442	13,538,414	6,200,000	-	6,200,000	-
Dining/ Entertainment	7,781,402	6,909,459	6,040,000	-	6,040,000	-
Other Taxable Activity	6,058,754	6,248,034	5,520,000	-	5,520,000	-
Hotel/Motel	5,464,615	4,400,462	4,780,000	-	4,780,000	-
Utilities	4,509,451	4,431,613	4,730,000	-	4,730,000	-
License fees, Penalty & Interest	2,599,008	2,569,286	2,435,000	-	2,435,000	-
Total	$ 105,317,750	$ 87,328,385	$ 75,900,000	$ -	$ 75,900,000	$ -
% Change	-4%	-17%	-13%		-13%	

$18.5M Revenue



Rental Sales Taxes

The rental category includes rentals of commercial and residential real property and personal property rentals.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 3,217,000	$ 3,198,379	$ 3,100,570	$ 3,198,379	$ (97,809)	-3%

Actual to Revised Budget of ($97,809) or (3%): Vacancies are increasing and lease rates are lower than expected.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 13,530,770	$ 12,467,197	$ 13,060,000	$ -	$13,060,000	$ -

Miscellaneous Retail Stores Sales Taxes

This category includes smaller retail stores, such as small clothing stores, art galleries, luggage stores, home furnishing stores, jewelry stores, drug stores, hobby stores, household appliance stores, sporting goods stores, and pet supply stores.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 3,518,301	$ 2,874,926	$ 2,506,254	$ 2,440,669	$ 65,585	3%

Actual to Revised Budget variance of $65,585 or 3%: No specific reason for the variance.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 15,214,235	$ 12,064,666	$ 10,820,000	$ -	$10,820,000	$ -

Major Department Stores Sales Taxes

Includes large department stores, warehouse clubs, supercenters, and discount department stores.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 2,354,878	$ 2,113,717	$ 1,958,479	$ 1,923,482	$ 34,997	2%

Actual to Budget variance of $34,997 or 2%: No specific reason for the variance.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 9,929,492	$ 8,806,516	$ 8,110,000	$ -	$ 8,110,000	$ -

Automotive Sales Taxes

The automotive category includes businesses such as automobile dealers, car repair shops and car leasing companies.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 3,923,965	$ 2,862,264	$ 2,173,423	$ 2,084,738	$ 88,685	4%

Actual to Revised Budget variance of $88,685 or 4%: The Cash for Clunkers program appears to have increased sales for the months in which it was available.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 14,227,007	$ 9,596,981	$ 7,763,000	$ -	$ 7,763,000	$ -

Food Stores Sales Taxes

Includes businesses such as grocery stores, candy stores, meat markets and convenience stores.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 1,395,960	$ 1,371,732	$ 1,220,415	$ 1,371,732	$ (151,317)	-11%

Actual to Revised Budget variance of ($151,317) or (11%) due to a change in consumer spending to lower priced products, a grocery store chain declaring bankruptcy, decreasing food costs, and an increased use of food stamps which are not taxed.

Fiscal Year (Twelve Months)					
2007/08 Actual	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 6,528,574	$ 6,295,756	$ 6,442,000	$ -	$ 6,442,000	$ -

Construction Sales Taxes

The construction tax is collected on all construction activity; commercial and residential; new and re-model.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 5,395,561	$ 4,541,080	$ 2,486,965	$ 1,955,800	$ 531,165	27%

Actual to Revised Budget variance of $531,165 or 27% reflecting higher construction activity than forecasted, a carryover consistent with FY2008/09 activity. The forecasting model is being reviewed and adjustments have been made to the ratio of tax collected per dollar of building permit valuation.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 19,474,442	$ 13,538,414	$ 6,200,000	$ -	$ 6,200,000	$ -

Dining/Entertainment Sales Taxes

The restaurant category includes restaurants, bars and caterers.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 1,717,098	$ 1,514,792	$ 1,346,234	$ 1,322,840	$ 23,394	2%

Actual to Revised Budget variance of $23,394 or 2%: No specific reason for the variance.

Fiscal Year (Twelve Months)					
2007/08 Actual	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 7,781,402	$ 6,909,459	$ 6,040,000	$ -	$ 6,040,000	$ -

Other Taxable Activity Sales Taxes

This category includes tax reported by movie theatres, golf courses, interior designers, advertising, wholesalers, and manufacturers.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 1,363,174	$ 1,266,786	$ 1,171,819	$ 1,203,447	$ (31,628)	-3%

Actual to Revised Budget variance of ($31,628) or (3%): No specific reason determined for the variance.

Fiscal Year (Twelve Months)					
2007/08 Actual	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 6,058,754	$ 6,248,034	$ 5,520,000	$ -	$ 5,520,000	$ -

Hotel/Motel Sales Taxes

Includes the tax for the activity of renting lodging space on a short-term basis and other activities provided at the hotel/motel.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 802,393	$ 711,093	$ 574,002	$ 664,590	$ (90,588)	-14%

Actual to Revised Budget variance of ($90,588) or (14%): The reduction is attributable to declining occupancy in the local market as a result of conditions in the national economy. These conditions have contributed to group cancellations and less leisure travel nationwide, particularly in the major fly-in markets such as Scottsdale/Phoenix. Occupancy and room rates are down significantly.

Fiscal Year (Twelve Months)					
2007/08 Actual	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 5,464,615	$ 4,400,462	$ 4,780,000	$ -	$ 4,780,000	$ -

Utilities Sales Taxes

Taxes of businesses that provide telecommunication, electricity, gas or water services.

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 1,179,370	$ 1,242,449	$ 1,609,955	$ 1,389,000	$ 220,955	16%

Actual to Revised Budget variance of $220,955 or 16% due to a one-time audit payment.

Fiscal Year (Twelve Months)					
2007/08 Actuals	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 4,509,451	$ 4,431,613	$ 4,730,000	$ -	$ 4,730,000	$ -

License Fees, Penalty & Interest

Year-to-Date September 2009					
2007/08 Actual	2008/09 Actual	2009/10 Actual	Revised Budget	Variance Favorable (Unfavorable)	% Var
$ 441,848	$ 501,099	$ 337,093	$ 326,099	$ 10,994	3%

Actual to Revised Budget variance of $10,994 or 3%. No specific reason determined for the variance.

Fiscal Year (Twelve Months)					
2007/08 Actual	2008/09 Actuals	2009/10 Adopted Budget	2009/10 Approved Adjustments	2009/10 Revised Budget	2009/10 Proposed Adjustments
$ 2,599,008	$ 2,569,286	$ 2,435,000	$ -	$ 2,435,000	$ -

City of Scottsdale
General Fund

	Actual FY 2008/09	Adopted Budget FY 2009/10	Revised Budget FY 2009/10
Beginning Fund Balance:			
General Fund Reserve	$28,131,257	$25,860,367	$25,860,367
Photo Enforcement Loop 101 Program - Contingency	$1,626,388	$0	$0
Operating Contingency	$2,500,000	$5,000,000	$5,000,000
Liabilities Reserve	$0	$0	$0
Unreserved Fund Balance	$12,010,835	$3,836,635	$10,423,309
Total Beginning Fund Balance	**$44,268,480**	**$34,697,002**	**$41,283,676**
Source of Funds:			
Revenues:			
Sales Taxes			
General Purpose Sales Tax	$87,328,386	$75,900,000	$75,900,000
Public Safety	$8,429,071	$7,362,300	$7,362,300
Total Sales Taxes	***$95,757,457***	***$83,262,300***	***$83,262,300***
State Shared Revenues			
State Revenue Sharing	$35,102,991	$30,308,042	$30,308,042
State Shared Sales Tax	$18,935,910	$18,047,839	$18,047,839
Auto Lieu Tax	$8,151,324	$8,000,000	$8,000,000
Total State Shared Revenues	***$62,190,225***	***$56,355,881***	***$56,355,881***
Charges for Services/Other			
Taxes - Local			
Stormwater Water Quality Charge	$814,326	$863,000	$863,000
Licenses, Permits & Fees			
Building Permit Fees & Charges	$6,911,195	$8,149,000	$8,149,000
Recreation Fees	$3,206,506	$3,022,000	$3,022,000
WestWorld	$2,663,389	$2,888,000	$2,873,000
Fire Service Charges	$1,752,393	$2,350,000	$2,347,600
Business Licenses & Fees	$1,733,104	$1,680,000	$1,680,000
Fines & Forfeitures			
Court Fines	$6,670,715	$7,166,300	$7,156,414
Photo Enforcement Revenue	$1,683,826	$1,655,700	$1,655,700
Photo Enforcement Loop 101 Program	$781,933	$0	$0
Parking Fines	$422,697	$495,000	$504,886
Library Fines & Fees	$302,729	$389,640	$299,640
30 Day Tow Program	$200,000	$400,000	$0
Interest Earnings/Property Rental			
Interest Earnings	$3,312,265	$1,656,860	$1,656,860
Property Rental	$3,222,002	$3,194,029	$3,194,029
Other Revenue			
Indirect/Direct Cost Allocation	$12,936,936	$14,773,794	$15,173,794
Intergovernmental Revenue	$1,160,325	$1,049,900	$932,057
Capital Improvement Plan Cost Allocation	$901,002	$861,588	$861,588
Miscellaneous	$643,477	$1,000,000	$1,016,400
Reimbursements	$455,408	$350,000	$365,000
TotalCharges for Services/Other	***$49,774,228***	***$51,944,811***	***$51,750,968***
Property Tax	***$22,607,397***	***$23,654,407***	***$23,654,407***
Franchise Fees and In-Lieu Taxes			
Electric Franchise	$7,791,429	$8,400,000	$8,400,000
Enterprise Franchise Fees	$6,355,534	$6,684,785	$6,684,785
Cable TV Franchise	$3,565,549	$3,600,000	$3,600,000
Enterprise In Lieu Property Tax	$2,453,184	$2,675,320	$2,675,320
Salt River Project Lieu Tax	$139,220	$139,000	$139,000
	$20,304,915	***$21,499,105***	***$21,499,105***
Bed Tax Revenues	***$1,524,624***	***$8,231,300***	***$8,231,300***
Total Revenues	**$252,158,847**	**$244,947,804**	**$244,753,961**
Cash Transfers In			
CIP	$13,935,983	$9,000,000	$9,000,000
Self Insurance Fund	$5,000,000	$0	$0
Special Programs Fund (Cultural Council)	$0	$300,000	$300,000
Miscellaneous	$0	$0	$0
Community Services/Human Services	$130,000	$130,000	$130,000
Code Enforcement	$0	$0	$0
Subtotal	**$19,065,983**	**$9,430,000**	**$9,430,000**
Total Sources	**$271,224,830**	**$254,377,804**	**$254,183,961**

City of Scottsdale
General Fund

	Actual FY 2008/09	Adopted Budget FY 2009/10	Revised Budget FY 2009/10
Use of Funds:			
Departments			
Mayor & City Council (includes Intergovernmental Relations)	$1,586,718	$0	$0
City Clerk	$1,156,255	$904,960	$860,357
City Attorney	$6,220,155	$6,384,959	$6,364,005
City Attorney - Photo Enf Loop 101 Program	$0	$0	$0
City Auditor	$996,880	$837,820	$845,619
City Court	$5,772,082	$4,699,829	$4,622,146
City Court - Photo Enf Loop 101 Program	$0	$0	$0
City Manager	$1,589,673	$0	$0
CAPA	$1,321,658	$0	$0
Police	$88,325,246	$0	$0
Police - Photo Enf Loop 101 Program	$0	$0	$0
Financial Services	$9,586,311	$0	$0
Transportation - Trails	$122,779	$0	$0
Community Services	$60,348,168	$0	$0
Information Technology	$9,887,882	$10,333,523	$10,001,278
The Downtown Group	$4,479,442	$0	$0
Fire	$30,732,995	$0	$0
Municipal Services	$1,673,284	$0	$0
Citizen & Neighborhood Resources	$3,690,887	$0	$0
Human Resources	$3,439,680	$0	$0
Economic Vitality	$1,323,377	$11,208,383	$10,771,065
Planning & Development (includes Preservation)	$16,619,675	$0	$0
WestWorld	$3,608,139	$0	$0
Divisions (FY 2009/10 Reorganization)			
Scottsdale City Council	$0	$790,904	$790,904
Strategic Resources Group	$0	$1,742,708	$1,656,709
Community Services	$0	$38,499,263	$37,992,450
Public Safety	$0	$116,256,382	$114,395,930
Public Works & Water Resources	$0	$18,983,113	$18,392,641
Planning, Neighborhoods and Transportation	$0	$15,586,164	$15,170,293
Financial Management	$0	$7,763,582	$7,560,537
Human Resources	$0	$4,597,436	$4,168,271
Leave Accrual Payments	$0	$1,790,184	$1,211,472
Estimated Personnel Savings from Vacant Positions	$0	($5,000,000)	($4,520,255)
Future Budget Reductions/IOU		($12,536,834)	($1,564,504)
Subtotal	**$252,481,286**	**$222,842,376**	**$228,718,918**
Debt Service			
Contracts Payable	$2,634,686	$2,724,356	$2,724,356
Certificates of Participation	$918,790	$918,790	$918,790
Certificates of Participation - Radio Financing	$40,910	$1,021,600	$0
Other	$4,963	$0	$0
Subtotal	**$3,599,349**	**$4,664,746**	**$3,643,146**
Total Operating Budget	**$256,080,635**	**$227,507,122**	**$232,362,064**
Cash Transfers Out			
MPC Excise Debt Fund	$5,787,446	$6,695,185	$6,695,185
CIP - General Fund Maintenance	$3,302,400	$1,550,000	$1,350,000
CIP - General Fund - Public Safety/Radios	$0	$0	$0
CIP - General Fund - Non-Maintenance	$0	$9,000,000	$9,000,000
CIP - Public Safety Radio - Loop 101	$1,877,298	$0	$0
Transportation Fund	$7,023,454	$5,571,026	$971,026
Bed Tax Fund	$240,898	$6,585,040	$6,585,040
Special Programs Fund - Community Services	$0	$0	$0
Special Programs Fund - Planning and Development Services	$60,000	$60,000	$60,000
Streetlight Fund	$37,245	$0	$0
Grants Fund	$5,000	$0	$0
Total Cash Transfers Out	**$18,333,741**	**$29,461,251**	**$24,661,251**
Total Uses	**$274,414,376**	**$256,968,373**	**$257,023,315**
Sources Over/(Under) Uses	**($3,189,546)**	**($2,590,569)**	**($2,839,354)**
GAAP to Budget Adjustment (1)	$204,744	$0	$0
Ending Fund Balance	**$41,283,678**	**$32,106,433**	**$38,444,322**
Ending Fund Balance			
General Fund Reserve	$25,860,367	$26,125,798	$26,125,798
Photo Enforcement Loop 101 Program - Contingency	$0	$0	$0
Operating Contingency	$5,000,000	$5,000,000	$4,959,000
Unreserved Fund Balance	$10,423,309	$980,634	$7,359,524
Total Ending Fund Balance	**$41,283,676**	**$32,106,432**	**$38,444,322**

(1) Reflects cash transactions that do not affect revenues or expenditures but still impact the ending fund balance.

City of Scottsdale
Transportation Fund

	Actual FY 2008/09	Adopted Budget FY 2009/10	Revised Budget FY 2009/10
Beginning Fund Balance	**($1,560,056)**	**$0**	**$31,891**
Source of Funds:			
Revenues:			
Transportation Sales Tax	***$16,474,270***	***$14,345,100***	***$14,345,100***
Highway User Revenue Tax	***$14,141,719***	***$14,187,000***	***$14,187,000***
Other Revenues			
Local Transportation Assistance Fund I	$1,015,408	$1,057,100	$1,057,100
Capital Improvement Plan Cost Allocation	$879,108	$819,926	$819,926
Local Transportation Assistance Fund II	$432,214	$0	$0
Proposition 400 Regional Sales Tax	$377,237	$311,628	$311,628
Charges for Services	$247,561	$1,568,364	$1,568,364
Federal Grants	$0	$0	$4,600,000
Miscellaneous	$6,920	$120,000	$120,000
Total Other Revenues	***$2,958,448***	***$3,877,018***	***$8,477,018***
Total Revenues	**$33,574,437**	**$32,409,118**	**$37,009,118**
Cash Transfers In			
General Fund	$7,023,454	$5,571,026	$971,026
Transportation CIP	$1,500,000	$0	$0
Solid Waste - Alley Maintenance	$334,012	$358,550	$358,550
Subtotal	**$8,857,466**	**$5,929,576**	**$1,329,576**
Total Sources	**$42,431,903**	**$38,338,694**	**$38,338,694**
Use of Funds:			
Departments			
Transportation	$15,437,011	$0	$0
Municipal Services	$17,108,310	$0	$0
Divisions (FY 2009/10 Reorganization)			
Planning, Neighborhoods, & Transportation	$0	$13,631,274	$13,586,565
Public Works & Water Resources	$0	$17,649,008	$17,542,630
Leave Accrual Payments	$0	$86,262	$80,985
Estimated Personnel Savings from Vacant Positions	$0	($270,000)	($264,102)
Total Operating Budget	**$32,545,321**	**$31,096,544**	**$30,946,078**
Cash Transfers Out			
CIP Fund - Privilege Tax Allocation	$8,237,135	$7,172,550	$7,172,550
CIP Fund - Tech. Replacement	$57,500	$69,600	$69,600
Total Cash Transfers Out	**$8,294,635**	**$7,242,150**	**$7,242,150**
Total Uses	**$40,839,956**	**$38,338,694**	**$38,188,228**
Sources Over/(Under) Uses	**$1,591,947**	**$0**	**$150,466**
Total Ending Fund Balance	**$31,891**	**$0**	**$182,357**