

Financial Report Fiscal Year-to-Date As of March 2015

Report to the City Council
Prepared by City Treasurer
April 28, 2015



FINANCIAL REPORT YEAR-TO-DATE MARCH 2015

The following report is a summary of financial results for the City's General Fund (which is the primary operating fund of the City), Transportation Fund, Tourism Development Fund, major Enterprise Funds, Fleet Fund, Risk Fund and Benefits Self-Insurance Fund. The report also includes detailed information on the City's privilege (sales) tax by major category. Financial statements summarize sources and uses by major categories. Significant budget to actual variances are highlighted and explained.

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General Fund- Summary

| FY 2014/15 - GENERAL FUND | | | | |
|--|-------------------|-------------------|--|---------|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted Budget | Revised Budget | Adopted vs. Revised Favorable/(Unfavorable) | |
| | | | Amount | Percent |
| Sources | \$254.4 | \$254.4 | \$0.0 | 0% |
| Uses | 259.9 | 259.9 | - | 0% |
| Change in Fund Balance | (\$5.5) | (\$5.5) | \$0.0 | |
| Beginning Fund Balance | \$40.0 | \$47.9 | \$7.9 | |
| Ending Fund Balance | \$34.5 | \$42.4 | \$7.9 | |
| Reserved* | \$23.4 | \$23.4 | \$0.0 | |
| Contingency | \$3.0 | \$3.0 | \$0.0 | |
| Unreserved | \$8.0 | \$15.9 | \$7.9 | |

*General Fund Reserved equals 10% of operating expenses for the General Fund per Financial Policy No. 35.

| March 2015: Current Month and YTD | | | | | | |
|--|-----------------|----------------------------|----------------|--------------------------|--|---------|
| (\$ in millions: Rounding differences may occur) | | | | | | |
| | March Actual | March Revised Budget | YTD Actuals | YTD Revised Budget | Actual vs. Budget Favorable/(Unfavorable) | |
| | | | | | Amount | Percent |
| Sources | \$19.5 | \$20.9 | \$187.3 | \$182.0 | \$5.3 | 3% |
| Uses | 17.6 | 18.0 | 177.9 | 178.5 | 0.6 | 0% |
| Change in Fund Balance | \$1.9 | \$2.9 | \$9.4 | \$3.5 | \$5.9 | |

Sources

(\$ in millions: Rounding differences may occur)

| | Twelve Months: Fiscal Year | | | |
|---------------------------------|----------------------------|---------|---------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted | Revised |
| | Actual | Actual | Budget | Budget |
| 1.1% Sales Taxes | \$97.7 | \$104.9 | \$106.7 | \$106.7 |
| State-Shared Revenues | 47.3 | 50.9 | 53.6 | 53.6 |
| Property Taxes | 24.9 | 25.3 | 25.7 | 25.7 |
| Franchise Fees/In-Lieu Taxes | 11.9 | 12.2 | 12.1 | 12.1 |
| Charges for Services/Other | 25.3 | 24.3 | 26.9 | 26.9 |
| Building Permit Fees & Charges | 11.5 | 14.4 | 12.3 | 12.3 |
| Interest Earnings * | 0.5 | 0.8 | 0.6 | 0.6 |
| Indirect/Direct Cost Allocation | 7.0 | 6.6 | 6.4 | 6.4 |
| Bond Proceeds ** | 31.0 | - | - | - |
| Total Revenue | \$257.0 | \$239.4 | \$244.4 | \$244.4 |
| Transfers In | 9.2 | 12.5 | 10.0 | 10.0 |
| Total Sources | \$266.3 | \$251.9 | \$254.4 | \$254.4 |
| % Change vs. Prior Year | 12% | -5% | 1% | 1% |

| | One Month: March 2015 | | | | Actual vs. Budget | |
|---------------------------------|-----------------------|---------|---------|---------|-------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | |
| | Actual | Actual | Actual | Revised | Amount | Percent |
| | Actual | Actual | Actual | Budget | Amount | Percent |
| 1.1% Sales Taxes | \$8.0 | \$9.1 | \$9.4 | \$8.9 | \$0.5 | 5% |
| State-Shared Revenues | 3.9 | 4.5 | 4.5 | 4.4 | - | - |
| Property Taxes | 1.0 | 1.0 | 0.9 | 1.1 | (0.1) | -14% |
| Franchise Fees/In-Lieu Taxes | - | - | - | - | - | - |
| Charges for Services/Other | 2.0 | 2.1 | 2.3 | 4.3 | (2.0) | -46% |
| Building Permit Fees & Charges | 1.0 | 1.3 | 1.2 | 1.0 | 0.3 | 26% |
| Interest Earnings * | 0.2 | 0.2 | 0.2 | 0.0 | - | nm |
| Indirect/Direct Cost Allocation | 0.6 | 0.5 | 0.5 | 0.5 | - | - |
| Bond Proceeds | - | - | - | - | - | - |
| Total Revenue | \$16.7 | \$18.6 | \$19.1 | \$20.3 | (\$1.2) | -6% |
| Transfers In | 0.5 | 0.5 | 0.5 | 0.6 | (0.1) | -23% |
| Total Sources | \$17.2 | \$19.2 | \$19.5 | \$20.9 | (\$1.3) | -6% |
| % Change vs. Prior Year | -6% | 11% | 2% | 9% | | |

| | Fiscal Year-to-Date: March 2015 | | | | Actual vs. Budget | |
|---------------------------------|---------------------------------|---------|---------|---------|-------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | |
| | Actual | Actual | Actual | Revised | Amount | Percent |
| | Actual | Actual | Actual | Budget | Amount | Percent |
| 1.1% Sales Taxes | \$70.7 | \$76.4 | \$81.4 | \$78.7 | \$2.6 | 3% |
| State-Shared Revenues | 34.7 | 37.9 | 40.0 | 39.5 | 0.5 | 1% |
| Property Taxes | 16.2 | 16.4 | 15.9 | 16.7 | (0.9) | -5% |
| Franchise Fees/In-Lieu Taxes | 8.1 | 8.4 | 8.3 | 8.3 | - | - |
| Charges for Services/Other | 17.6 | 16.5 | 18.4 | 18.0 | 0.5 | 3% |
| Building Permit Fees & Charges | 8.4 | 11.6 | 11.1 | 8.6 | 2.6 | 30% |
| Interest Earnings * | 1.0 | 1.4 | 0.7 | 0.4 | 0.3 | 65% |
| Indirect/Direct Cost Allocation | 5.3 | 4.9 | 4.8 | 4.8 | - | - |
| Bond Proceeds | 31.3 | - | - | - | - | - |
| Total Revenue | \$193.3 | \$173.4 | \$180.6 | \$175.0 | \$5.6 | 3% |
| Transfers In | 5.5 | 5.4 | 6.7 | 7.0 | (0.3) | -4% |
| Total Sources | \$198.8 | \$178.8 | \$187.3 | \$182.0 | \$5.3 | 3% |
| % Change vs. Prior Year | 19% | -10% | 5% | 2% | | |

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

** MPC Bond proceeds to fund Nordstrom Garage Lease payoff.

Sales Taxes

| | Twelve Months: Fiscal Year | | | |
|---------------------------------|----------------------------|---------|-------------------|-------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget |
| | Actual | Actual | Budget | Budget |
| 1.00% General Purpose Sales Tax | \$89.0 | \$95.6 | \$97.2 | \$97.2 |
| 0.10% Public Safety Sales Tax | 8.7 | 9.3 | 9.5 | 9.5 |
| Total General Fund Sales Taxes | \$97.7 | \$104.9 | \$106.7 | \$106.7 |
| % Change vs. Prior Year | 5% | 7% | 2% | 2% |

| | Fiscal Year-to-Date: March 2015 | | | | Actual vs. Budget | |
|---------------------------------|---------------------------------|---------|---------|-------------------|-------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | |
| | Actual | Actual | Actual | Revised Budget | Amount | Percent |
| | Actual | Actual | Actual | Budget | Amount | Percent |
| 1.00% General Purpose Sales Tax | \$64.4 | \$69.6 | \$74.1 | \$71.7 | \$2.4 | 3% |
| 0.10% Public Safety Sales Tax | 6.3 | 6.8 | 7.2 | 7.0 | 0.2 | 4% |
| Total General Fund Sales Taxes | \$70.7 | \$76.4 | \$81.4 | \$78.7 | \$2.6 | 3% |
| % Change vs. Prior Year | 5% | 8% | 7% | 3% | | |

Actual to Revised Budget variance of \$2.6 million or 3%:

The favorable variance is due to increased construction activity for both single family and multi-family building projects, favorable variances in the restaurant and automotive categories. See Appendix 1 for further information about results by sales tax categories.

State-Shared Revenues

| | Twelve Months: Fiscal Year | | | |
|-----------------------------|----------------------------|---------|-------------------|-------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget |
| | Actual | Actual | Budget | Budget |
| State Shared Sales Tax | \$17.8 | \$18.9 | \$19.6 | \$19.6 |
| State Shared Income Tax | 22.2 | 24.2 | 26.3 | 26.3 |
| Auto Lieu Tax | 7.3 | 7.8 | 7.7 | 7.7 |
| Total State Shared Revenues | \$47.3 | \$50.9 | \$53.6 | \$53.6 |
| % Change vs. Prior Year | 12% | 8% | 5% | 5% |

| | Fiscal Year-to-Date: March 2015 | | | | Actual vs. Budget | |
|-----------------------------|---------------------------------|---------|---------|-------------------|-------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | |
| | Actual | Actual | Actual | Revised Budget | Amount | Percent |
| | Actual | Actual | Actual | Budget | Amount | Percent |
| State Shared Sales Tax | \$13.1 | \$14.0 | \$14.5 | \$14.5 | \$ - | 0% |
| State Shared Income Tax | 16.7 | 18.2 | 19.7 | 19.7 | - | - |
| Auto Lieu Tax | 5.0 | 5.8 | 5.7 | 5.3 | 0.5 | 9% |
| Total State Shared Revenues | \$34.7 | \$37.9 | \$40.0 | \$39.5 | \$0.5 | 1% |
| % Change vs. Prior Year | 9% | 9% | 6% | 4% | | |

Actual to Revised Budget variance of \$0.5 million or 1%:

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

Property Taxes

Actual to Revised Budget variance of \$(0.9) million or (5%):

The unfavorable variance is due to timing of receipts and should come in as expected at year end.

Franchise Fees and In-Lieu Taxes

| | Twelve Months: Fiscal Year | | | |
|---|----------------------------|---------------|-------------------|-------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget |
| | Actual | Actual | Budget | Budget |
| Electric and Gas Franchise | \$8.2 | \$8.2 | \$8.4 | \$8.4 |
| Cable TV License Fee | 3.5 | 3.7 | 3.4 | 3.4 |
| Salt River Project Lieu Tax | 0.3 | 0.3 | 0.3 | 0.3 |
| Total Franchise Fees/In-Lieu Taxes | \$11.9 | \$12.2 | \$12.1 | \$12.1 |
| % Change vs. Prior Year | 1% | 1% | -2% | -2% |

| | Fiscal Year-to-Date: March 2015 | | | | | Actual vs. Budget | |
|---|---------------------------------|--------------|--------------|-------------------|-------------------------|-------------------|--|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | | |
| | Actual | Actual | Actual | Revised Budget | Amount | Percent | |
| | Actual | Actual | Actual | Budget | Amount | Percent | |
| Electric and Gas Franchise | \$6.4 | \$6.5 | \$6.3 | \$6.5 | (\$0.2) | -3% | |
| Cable TV License Fee | 1.7 | 1.8 | 1.8 | 1.7 | 0.1 | 8% | |
| Salt River Project Lieu Tax | 0.1 | 0.1 | 0.1 | 0.1 | - | - | |
| Total Franchise Fees/In-Lieu Taxes | \$8.1 | \$8.4 | \$8.3 | \$8.3 | - | - | |
| % Change vs. Prior Year | 3% | 4% | -2% | -2% | | | |

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

No explanation is necessary.

Charges for Services/Other

| | Twelve Months: Fiscal Year | | | |
|-------------------------------------|----------------------------|---------|----------------|----------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget |
| <i>Licenses, Permits & Fees</i> | | | | |
| Recreation Fees | \$3.6 | \$3.7 | \$3.5 | \$3.5 |
| WestWorld | 2.9 | 3.4 | 3.9 | 3.9 |
| Fire Service Charges | 0.7 | 0.7 | 0.7 | 0.7 |
| Business Licenses & Fees | 1.7 | 1.8 | 1.8 | 1.8 |
| <i>Fines & Forfeitures</i> | | | | |
| Court Fines | 4.1 | 4.2 | 4.8 | 4.8 |
| Photo Enforcement Revenue | 2.2 | 1.9 | 2.1 | 2.1 |
| Parking Fines | 0.3 | 0.2 | 0.2 | 0.2 |
| Library Fines & Fees | 0.3 | 0.3 | 0.4 | 0.4 |
| <i>Miscellaneous</i> | | | | |
| Stormwater Water Quality Charge | 0.8 | 0.9 | 0.9 | 0.9 |
| Property Rental | 2.3 | 2.2 | 1.8 | 1.8 |
| Intergovernmental Revenue | 1.1 | 1.2 | 1.0 | 1.0 |
| Contributions/Donations | 0.1 | 0.1 | - | - |
| Miscellaneous | 1.4 | 1.9 | 4.4 | 4.4 |
| Reimbursements | 3.7 | 1.8 | 1.2 | 1.2 |
| Total Charges for Services/Other | \$25.3 | \$24.3 | \$26.9 | \$26.9 |
| % Change vs. Prior Year | -2% | -4% | 10% | 10% |

| | Fiscal Year-to-Date: March 2015 | | | | Actual vs. Budget | |
|-------------------------------------|---------------------------------|---------|---------|----------------|-------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Favorable/(Unfavorable) | |
| | Actual | Actual | Actual | Revised Budget | Amount | Percent |
| <i>Licenses, Permits & Fees</i> | | | | | | |
| Recreation Fees | \$2.5 | \$2.6 | \$2.6 | \$2.4 | \$ 0.2 | 9% |
| WestWorld | 1.6 | 1.9 | 2.8 | 1.7 | 1.0 | 60% |
| Fire Service Charges | 0.5 | 0.6 | 0.6 | 0.5 | 0.1 | 27% |
| Business Licenses & Fees | 1.5 | 1.5 | 1.6 | 1.6 | - | - |
| <i>Fines & Forfeitures</i> | | | | | | |
| Court Fines | 3.0 | 3.1 | 3.0 | 3.5 | (0.4) | -12% |
| Photo Enforcement Revenue | 1.7 | 1.2 | 2.1 | 1.6 | 0.5 | 31% |
| Parking Fines | 0.2 | 0.2 | 0.2 | 0.2 | - | - |
| Library Fines & Fees | 0.2 | 0.2 | 0.3 | 0.3 | - | - |
| <i>Miscellaneous</i> | | | | | | |
| Stormwater Water Quality Charge | 0.7 | 0.7 | 0.7 | 0.7 | - | - |
| Property Rental | 1.0 | 1.1 | 1.5 | 0.8 | 0.7 | nm |
| Intergovernmental Revenue | 0.9 | 1.0 | 0.9 | 0.8 | 0.2 | 20% |
| Contributions/Donations | 0.0 | 0.0 | 0.0 | - | - | - |
| Miscellaneous | 0.8 | 1.3 | 1.0 | 3.1 | (2.1) | -67% |
| Reimbursements | 3.1 | 1.2 | 1.2 | 0.9 | 0.3 | 29% |
| Total Charges for Services/Other | \$17.6 | \$16.5 | \$18.4 | \$18.0 | \$0.5 | 3% |
| % Change vs. Prior Year | -4% | -6% | 12% | 9% | | |

Actual to Revised Budget variance of \$0.5 million or 3%:

The favorable variance in Recreation Fees is due to better than anticipated results in multiple facilities. The favorable variance in WestWorld is due to positive results in facilities rentals, concession fees, and parking, plus the contributions from AZ Quarter & Ariabian were not budgeted in FY 2014/15. The favorable variance in Fire Service Charges is due to the timing of receipts received from PMT for the previous fiscal year. The unfavorable variance in Court Fines is due to a decline in the amount of citations filed by 12% YTD, while the favorable variance in Photo Enforcement Revenue is due to a 56% increase YTD in citations filed. The favorable variance in Property Rental is primarily attributed to the initial two unbudgeted payments for Phase 1 and 2 for SkySong, as well as increases in cell tower and outdoor dining leases. The favorable variance in Intergovernmental Revenue is due to the timing of Palomino Library money received from Scottsdale Unified School District. The unfavorable variance in Miscellaneous is primarily due to the lack of the sale of property as the HR building will happen in early FY 2015/16 and the Design Studio now will not be sold. The favorable variance in Reimbursements is due to a large reimbursement of expense for training received from AZ POST.

Building Permit Fees and Charges

Actual to Revised Budget variance of \$2.6 million or 30%:

The favorable variance is due to increased activity levels in the various revenues falling under Building Permit Fees and Charges such as building permits, right-of-way fees, plan review fees, and engineering plan review fees for multi-family construction.

Interest Earnings

Actual to Revised Budget variance of \$0.3 million or 65%:

The favorable variance is due to better than forecast results in interest earnings.

Indirect/Direct Cost Allocations

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

No explanation is necessary.

Transfers In

| | Twelve Months: Fiscal Year | | | |
|-----------------------------------|----------------------------|---------------|--------------------|--------------------|
| | 2012/13 | 2013/14 | 2014/15 Adopted | 2014/15 Revised |
| | Actual | Actual | Budget | Budget |
| CIP | \$ - | \$ - | \$ - | \$ - |
| Tourism Development - Bed Tax | 1.5 | 3.1 | 1.5 | 1.5 |
| Tourism Development - WW | - | 2.1 | 1.2 | 1.2 |
| 30 Day Tow | 0.3 | 0.3 | 0.4 | 0.4 |
| Fleet Transfer | - | - | - | - |
| Special Programs | 0.4 | - | - | - |
| Other | 0.3 | - | - | - |
| Enterprise In Lieu Franchise Fees | 6.7 | 7.0 | 7.0 | 7.0 |
| Enterprise In Lieu Property Tax | - | - | - | - |
| Total Transfers In | <u>\$9.2</u> | <u>\$12.5</u> | <u>\$10.0</u> | <u>\$10.0</u> |
| % Change vs. Prior Year | -7% | 18% | 0% | 0% |

| | Fiscal Year-to-Date: March 2015 | | | | | Actual vs. Budget | |
|-----------------------------------|---------------------------------|--------------|--------------|--------------------|-------------------------|-------------------|--|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 Revised | Favorable/(Unfavorable) | | |
| | Actual | Actual | Actual | Budget | Amount | Percent | |
| CIP | \$ - | \$ - | \$ - | \$ - | \$ - | - | |
| Tourism Development - Bed Tax | - | - | 1.5 | 1.5 | - | - | |
| Tourism Development - WW | - | - | - | - | - | - | |
| 30 Day Tow | 0.2 | 0.2 | 0.3 | 0.3 | - | - | |
| Fleet Transfer | - | - | - | - | - | - | |
| Special Programs | 0.3 | - | - | - | - | - | |
| Enterprise In Lieu Franchise Fees | 5.0 | 5.1 | 4.9 | 5.2 | (0.3) | -5% | |
| Enterprise In Lieu Property Tax | - | - | - | - | - | - | |
| Total Transfers In | <u>\$5.5</u> | <u>\$5.4</u> | <u>\$6.7</u> | <u>\$7.0</u> | <u>(\$0.3)</u> | <u>-4%</u> | |
| % Change vs. Prior Year | -23% | -3% | 25% | 30% | | | |

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

The unfavorable variance is due to Enterprise In Lieu Franchise fees which are based on Water Service charges revenue. Due to Water Service Charges revenue being unfavorable franchise fees paid are lower than forecast, but are expected to align by fiscal year end.

Uses

(\$ in millions: Rounding differences may occur)

| Twelve Months: Fiscal Year | | | | | |
|----------------------------------|---------------|---------------|-----------------------|-----------------------|-----------------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | <u>Actual</u> | <u>Actual</u> | <u>Adopted Budget</u> | <u>Revised Budget</u> | <u>Approved Adjustments</u> |
| Expenses: | | | | | |
| Personnel Services | \$157.7 | \$163.6 | \$168.8 * | \$168.7 * | \$ - |
| Contractual | 78.5 ** | 53.3 | 54.8 | 54.8 | - |
| Commodities | 8.0 | 7.6 | 7.8 | 7.8 | - |
| Capital Outlays | 1.1 | 0.6 | 0.2 | 0.2 | - |
| Total Operating Expenses | \$245.2 | \$225.0 | \$231.6 | \$231.6 | \$ - |
| Debt Service & Contracts Payable | 15.1 | 15.7 | 15.1 | 15.1 | - |
| Transfers Out | 8.7 | 6.3 | 13.2 | 13.2 | - |
| Total Uses | \$269.0 | \$247.0 | \$259.9 * | \$259.9 * | \$ - |
| % Change vs. Prior Year | 12%\$ | -8% | 5% | 5% | |

| One Month: March 2015 | | | | | | |
|----------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$17.5 | \$12.4 | \$13.2 | \$13.2 | (\$0.1) | 0% |
| Contractual | 3.8 | 3.7 | 3.8 | 4.3 | 0.5 | 11% |
| Commodities | 0.7 | 0.9 | 0.6 | 0.6 | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$22.0 | \$17.0 | \$17.6 | \$18.0 | \$0.4 | 2% |
| Debt Service & Contracts Payable | 0.3 | - | - | - | - | - |
| Transfers Out | 0.1 | - | - | - | - | - |
| Total Uses | \$22.4 | \$17.0 | \$17.6 | \$18.0 | \$0.4 | 2% |
| % Change vs. Prior Year | -18% | -24% | 4% | 6% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|----------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$121.1 | \$126.0 | \$130.7 | \$130.0 | (\$0.6) | 0% |
| Contractual | 35.1 | 38.8 | 40.1 | 41.4 | 1.3 | 3% |
| Commodities | 5.0 | 5.0 | 5.3 | 5.4 | 0.1 | 1% |
| Capital Outlays | 0.5 | 0.1 | 0.2 | 0.1 | - | - |
| Total Operating Expenses | \$161.7 | \$169.9 | \$176.3 | \$176.9 | \$0.6 | 0% |
| Debt Service & Contracts Payable | 34.2 ** | 1.6 | 1.6 | 1.6 | - | - |
| Transfers Out | 3.4 | 0.4 | - | - | - | - |
| Total Uses | \$199.3 | \$172.0 | \$177.9 | \$178.5 | \$0.6 | 0% |
| % Change vs. Prior Year | 16% | -14% | 3% | 4% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|--------------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|---------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Mayor & Council and Charter Officers | \$13.5 | \$13.6 | \$13.9 | \$14.6 | \$0.6 | 4% |
| Administrative Services | 10.8 | 11.4 | 11.6 | 12.1 | 0.4 | 4% |
| Community & Economic Dev | 17.8 | 18.4 | 18.6 | 18.8 | 0.2 | 1% |
| Community Services | 24.3 | 24.5 | 25.2 | 25.7 | 0.5 | 2% |
| Public Safety - Fire | 22.1 | 23.9 | 25.1 | 25.0 | (0.1) | 0% |
| Public Safety - Police | 60.7 | 64.4 | 68.6 | 67.6 | (1.0) | -1% |
| Public Works | 12.5 | 13.6 | 13.2 | 13.1 | (0.1) | -1% |
| Total Operating Expenses | \$161.7 | \$169.9 | \$176.3 | \$176.9 | \$0.6 | 0% |

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

**Includes the Nordstrom Garage Lease Payoff paid for with bond proceeds.

| Personnel Services | | | | | |
|---------------------------------|----------------|----------------|-----------------------|-----------------------|-----------------------------|
| Twelve Months: Fiscal Year | | | | | |
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | <u>Actual</u> | <u>Actual</u> | <u>Adopted Budget</u> | <u>Revised Budget</u> | <u>Approved Adjustments</u> |
| Salaries and Wages | \$112.5 | \$115.6 | \$119.3 * | \$119.4 * | \$0.1 |
| Overtime | 6.9 | 7.2 | 6.1 | 6.2 | 0.1 |
| FICA | 7.7 | 7.9 | 8.2 | 8.2 | - |
| Retirement | 15.7 | 17.2 | 18.6 | 18.8 | 0.2 |
| Health/Dental/Miscellaneous | 15.0 | 15.6 | 16.6 | 16.2 | (0.4) |
| Total Personnel Services | \$157.7 | \$163.6 | \$168.8 * | \$168.7 * | \$ - |
| % Change vs. Prior Year | 2% | 4% | 3% | 3% | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|----------------|----------------|----------------|-----------------------|---|----------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | <u>Favorable / (Unfavorable) Amount</u> | <u>Percent</u> |
| Salaries and Wages | \$86.5 | \$88.9 | \$91.9 | \$92.5 | \$0.5 | 1% |
| Overtime | 5.3 | 5.9 | 6.4 | 4.8 | (1.5) | -32% |
| FICA | 5.9 | 6.1 | 6.3 | 6.3 | - | - |
| Retirement | 12.1 | 13.3 | 14.2 | 14.4 | 0.1 | 1% |
| Health/Dental/Miscellaneous | 11.3 | 11.7 | 11.8 | 12.1 | 0.2 | 2% |
| Total Personnel Services | \$121.1 | \$126.0 | \$130.7 | \$130.0 | (\$0.6) | 0% |
| % Change vs. Prior Year | 3% | 4% | 4% | 3% | | |
| Pay Periods | 20 | 20 | 20 | | | |

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

Actual to Revised Budget variance of (\$0.6) million or (0%):

The favorable variance in Salaries & Wages of approximately \$0.5 million is largely related to Police who have had recent retirements resulting in movement through the ranks, impacting where officers are in their pay grade with new officers earning less than the previous incumbent. Additionally, the favorable variance is related to Community Services due to full-time positions hiring at rates lower than budgeted and having vacant part-time positions. The unfavorable variance in Overtime is primarily related to Public Safety Police and Fire with variances of (\$1.0) million and (\$0.4) million, respectively. The Police portion is being driven by various investigations such as a homicide and barricade, a large scale investigation with the secret service, several SWAT call-outs, Criminal Intelligence due to dignitary protection, Super Bowl planning and staffing, and minimum staffing requirements in Communications. The Fire portion is due to multiple staff being out on various leaves (9 on light duty, 1 on non-duty, and 4 on FMLA), there are also 4 recruits going through the academy but have yet to be deployed in the 56 hour firefighter job class. The favorable variance in Retirement is due to Police which experienced a number of retirements of high ranking officers and the new officers filling those roles currently earn salaries which are lower in the pay grade then their predecessors were earning at retirement. Additionally, Fire is also contributing to the favorable variance in Retirement due partly to the actual rates coming in lower than the budget when it was adopted and due to movement through the ranks in certain instances with new firefighters lower in the pay grade then the previous incumbent.

| Macro Personnel Adjustments | | | | | |
|--------------------------------------|---------------|---------------|-----------------------|----------------------------------|------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | |
| | <u>Actual</u> | <u>Actual</u> | <u>Adopted Budget</u> | <u>Year-To-Date Saved/(Used)</u> | <u>Remaining</u> |
| Citywide Pay Program | \$ - | \$2.8 | \$4.6 | (\$4.6) | \$ - |
| 2% Pay for Performance | 2.7 | - | - | - | - |
| Compensation Adjustments | 0.6 | 0.6 | - | - | - |
| Vacancy Savings | (3.9) | (3.8) | (3.8) | 2.8 | (1.0) |
| Vacation Leave Payouts | 0.8 | 0.5 | 0.9 | (0.5) | 0.4 |
| Medical Leave Payouts | 1.0 | 0.8 | 1.0 | (1.1) | (0.1) |
| Total Vacancy Savings/Payouts | \$1.2 | \$0.9 | \$2.7 | (\$3.4) | (\$0.7) |

Total Saved/(Used) YTD of (\$3.4) million:

The City has achieved \$2.8 million in vacancy savings year-to-date offset by (\$1.6) million in vacation and medical leave payouts. In July the Citywide Pay Program was funded and implemented initiating the use of ongoing and one-time dollars for compensation.

Contractual Services

Actual to Revised Budget variance of \$1.3 million or 3%:

The favorable variance is attributable to invoice timing related to various city invoices which include such contracts as Banking Services, Armored Car, software and related equipment, and a Service Study for IT operations. Although the budget for these items is in the period where staff believed the payment would exist there have been delays in the timely receipt of these and other invoices. Additionally, certain equipment such as air conditioning units have performed better than expected based on historical trends, and general utilities expenses are becoming more favorable as the year continues. Also, certain Internal Services are experiencing lower costs than usual resulting in large favorable variances for the General Fund. These favorable results are offset by unfavorable variances due to Building, Maintenance, and Structure due to Citywide moves occurring for various departments and divisions which are incurring expenses to move, build-out, relocate and set up once there, while budget exists on an annual basis for certain moves to occur this undertaking was much larger than what would occur in a normal year and as such has far exceeded the typical capacity to absorb these costs.

Commodities

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

The favorable variance is primarily the result of the timing and receipt of pending invoices, in certain instances budget adjustments have occurred to minimize this variance moving forward. In addition, the favorable variance is a result of various accounts, such as operating supplies, maintenance services and repair materials, education and recreation supplies, and office supplies which are difficult to budget in the appropriate period as they do not have a predictable spending pattern across all periods throughout the year.

Capital Outlays

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

No explanation is necessary.

Debt Service & Contracts Payable

| Twelve Months: Fiscal Year | | | | | |
|----------------------------------|---------------|---------------|----------------|----------------|----------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget | Approved Adjustments |
| Debt Service Transfer | \$2.8 | \$ - | \$ - | \$ - | \$ - |
| MPC Excise Debt Fund | 7.9 | 12.8 | 12.3 | 12.3 | - |
| Contracts Payable | 1.8 | 0.3 | 0.3 | 0.3 | - |
| COP - Radio Financing | 2.5 | 2.5 | 2.5 | 2.5 | - |
| Debt Service & Contracts Payable | <u>\$15.1</u> | <u>\$15.7</u> | <u>\$15.1</u> | <u>\$15.1</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -15% | 4% | -4% | -4% | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|----------------------------------|---------------|--------------|--------------|----------------|---------------------------|----------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Debt Service Transfer | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| MPC Excise Debt Fund | - | - | - | - | - | - |
| Contracts Payable | 32.9 * | 0.3 | 0.3 | 0.3 | - | - |
| COP - Radio Financing | 1.3 | 1.3 | 1.3 | 1.3 | - | - |
| Debt Service & Contracts Payable | <u>\$34.2</u> | <u>\$1.6</u> | <u>\$1.6</u> | <u>\$1.6</u> | <u>\$ -</u> | <u>-</u> |
| % Change vs. Prior Year | nm | -95% | -4% | -4% | | |

* Includes the Nordstrom Garage Lease Payoff paid for with bond proceeds.

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

No explanation is necessary.

Transfers-Out

| Twelve Months: Fiscal Year | | | | | |
|---------------------------------|--------------|--------------|----------------|----------------|----------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted Budget | Revised Budget | Approved Adjustments |
| CIP - Stadium | \$0.1 | \$0.1 | \$0.1 | \$0.1 | \$ - |
| CIP - PAYGO | 5.2 | 5.8 | 13.0 | 13.0 | - |
| Spec Pgms Fund - Comm Svcs | 0.2 | - | - | - | - |
| Spec Pgms Fund - Fire | 0.1 | - | - | - | - |
| Spec Pgms Fund - Planning & Dev | 0.1 | 0.1 | 0.1 | 0.1 | - |
| Spec Pgms Fund - SW Gas Fund | 0.1 | - | - | - | - |
| Tourism Development Fund | 3.0 | - | - | - | - |
| Grants Fund - CDBG | - | 0.4 | - | - | - |
| Total Transfers Out | <u>\$8.7</u> | <u>\$6.3</u> | <u>\$13.2</u> | <u>\$13.2</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -41% | -28% | nm | nm | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|--------------|--------------|-------------|----------------|---------------------------|----------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| CIP - Stadium | \$0.1 | \$0.1 | \$ - | \$ - | \$ - | - |
| CIP - PAYGO | - | - | - | - | - | - |
| Spec Pgms Fund - Comm Svcs | 0.2 | - | - | - | - | - |
| Spec Pgms Fund - Fire | 0.1 | - | - | - | - | - |
| Spec Pgms Fund - Planning & Dev | - | - | - | - | - | - |
| Spec Pgms Fund - SW Gas Fund | 0.1 | - | - | - | - | - |
| Tourism Development Fund | 3.0 | - | - | - | - | - |
| Grants Fund - CDBG | - | 0.4 | - | - | - | - |
| Total Transfers Out | <u>\$3.4</u> | <u>\$0.4</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> |
| % Change vs. Prior Year | -61% | -88% | -100% | -100% | | |

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

No explanation is necessary.

| FY 2014/15 - TRANSPORTATION FUND | | | | |
|--|--------------------------|--------------------------|---|--|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted <u>Budget</u> | Revised <u>Budget</u> | Adopted Favorable / <u>Amount</u> | vs. Revised (Unfavorable) <u>Percent</u> |
| Sources | \$34.0 | \$34.0 | \$ - | - |
| Uses | <u>34.5</u> | <u>34.5</u> | - | - |
| Change in Fund Balance | (\$0.6) | (\$0.6) | \$ - | |
| Beginning Fund Balance | <u>\$8.3</u> | <u>\$9.7</u> | <u>\$1.5</u> | |
| Ending Fund Balance | <u><u>\$7.7</u></u> | <u><u>\$9.2</u></u> | <u><u>\$1.5</u></u> | |
| Reserved * | \$2.5 | \$2.5 | \$ - | |
| Unreserved Fund Balance | 4.7 | 6.1 | 1.5 | |
| Contingency | 0.5 | 0.5 | - | |
| Ending Fund Balance | <u><u>\$7.7</u></u> | <u><u>\$9.2</u></u> | <u><u>\$1.5</u></u> | |

* Transportation Fund Stabilization Reserve equals 10% of operating expenses per Financial Policy No. 35.

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------------------|---|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 Adopted <u>Budget</u> | 2014/15 Revised <u>Budget</u> | 2014/15 Approved <u>Adjustments</u> |
| Revenues: | | | | | |
| HURF Taxes | \$11.9 | \$12.3 | \$12.9 | \$12.9 | \$ - |
| 0.20% City Sales Tax | 16.9 | 18.1 | 18.4 | 18.4 | - |
| Other | <u>3.6</u> | <u>2.3</u> | <u>2.6</u> | <u>2.6</u> | - |
| Total Revenues | \$32.3 | \$32.7 | \$34.0 | \$34.0 | \$ - |
| Transfers In | - | - | - | - | - |
| Total Sources | <u><u>\$32.3</u></u> | <u><u>\$32.7</u></u> | <u><u>\$34.0</u></u> | <u><u>\$34.0</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | 3% | 1% | 4% | 4% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------------------|---|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 Adopted <u>Budget</u> | 2014/15 Revised <u>Budget</u> | 2014/15 Approved <u>Adjustments</u> |
| Expenses: | | | | | |
| Personnel Services | \$5.4 | \$5.4 | \$5.9 ** | \$5.9 ** | \$ - |
| Contractual | 14.8 | 15.7 | 18.5 | 18.5 | - |
| Commodities | 0.7 | 0.8 | 0.9 | 0.9 | - |
| Capital Outlays | - | - | 0.1 | 0.1 | - |
| Total Operating Expenses | <u>\$20.9</u> | <u>\$21.9</u> | <u>\$25.3</u> | <u>\$25.3</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| CIP Fund | 8.5 | 9.1 | 9.3 | 9.3 | - |
| Total Uses | <u><u>\$29.3</u></u> | <u><u>\$31.0</u></u> | <u><u>\$34.5</u></u> ** | <u><u>\$34.5</u></u> ** | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | 2% | 6% | 11% | 11% | |

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

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

| | March Actual | March Revised Budget | YTD Actual | YTD Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|------------------------|-----------------|----------------------------|---------------|--------------------------|--|---------|
| Sources | \$2.8 | \$2.7 | \$24.5 | \$25.7 | (\$1.1) | -4% |
| Uses | 2.4 | 1.9 | 16.7 | 17.4 | 0.7 | 4% |
| Change in Fund Balance | \$0.5 | \$0.8 | \$7.9 | \$8.3 | (\$0.4) | |

One Month: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|-------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| HURF Taxes | \$1.0 | \$1.0 | \$1.1 | \$1.1 | \$ - | - |
| 0.20% City Sales Tax | 1.4 | 1.6 | 1.6 | 1.5 | 0.1 | 6% |
| Other | 0.3 | 0.1 | 0.1 | 0.1 | - | - |
| Total Revenues | \$2.6 | \$2.6 | \$2.8 | \$2.7 | \$0.1 | 5% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$2.6 | \$2.6 | \$2.8 | \$2.7 | \$0.1 | 5% |
| % Change vs. Prior Year | -6% | 0% | 8% | 3% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|-------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| HURF Taxes | \$8.4 | \$8.7 | \$9.6 | \$9.7 | (\$0.1) | -1% |
| 0.20% City Sales Tax | 12.2 | 13.1 | 14.0 | 13.5 | 0.5 | 4% |
| Other | 2.2 | 0.9 | 0.9 | 2.4 | (1.5) | -62% |
| Total Revenues | \$22.8 | \$22.8 | \$24.5 | \$25.7 | (\$1.1) | -4% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$22.8 | \$22.8 | \$24.5 | \$25.7 | (\$1.1) | -4% |
| % Change vs. Prior Year | 5% | 0% | 8% | 13% | | |

Actual to Revised Budget variance of (\$1.1) million or (4%):

The unfavorable variance in HURF taxes is driven by lower demand for fuel. The positive variance in City Sales Tax revenue is due to continued improvement in the local economy. This overall improvement has increased consumer spending, benefitting the various taxes collected. The unfavorable variance in Other Revenue is due to the timing of Federal Grants received for Downtown Trolley Operations.

| One Month: March 2015 | | | | | | |
|--------------------------|---------------|---------------|---------------|-----------------------|---------------------------|-------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$0.6 | \$0.2 | \$0.5 | \$0.5 | \$ - | - |
| Contractual | 1.5 | 1.7 | 1.8 | 1.3 | (0.5) | -38% |
| Commodities | 0.1 | - | - | 0.1 | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | <u>\$2.2</u> | <u>\$2.0</u> | <u>\$2.4</u> | <u>\$1.9</u> | <u>(\$0.5)</u> | <u>-24%</u> |
| Transfers Out | | | | | | |
| CIP Fund | - | - | - | - | - | - |
| Total Uses | <u>\$2.2</u> | <u>\$2.0</u> | <u>\$2.4</u> | <u>\$1.9</u> | <u>(\$0.5)</u> | <u>-24%</u> |
| % Change vs. Prior Year | 11% | -8% | 20% | -3% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|-----------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$4.2 | \$4.1 | \$4.7 | \$4.7 | \$ - | - |
| Contractual | 10.0 | 11.0 | 11.4 | 12.1 | 0.7 | 5% |
| Commodities | 0.4 | 0.5 | 0.6 | 0.6 | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | <u>\$14.6</u> | <u>\$15.7</u> | <u>\$16.7</u> | <u>\$17.4</u> | <u>\$0.7</u> | <u>4%</u> |
| Transfers Out | | | | | | |
| CIP Fund | - | - | - | - | - | - |
| Total Uses | <u>\$14.6</u> | <u>\$15.7</u> | <u>\$16.7</u> | <u>\$17.4</u> | <u>\$0.7</u> | <u>4%</u> |
| % Change vs. Prior Year | 7% | 7% | 6% | 11% | | |

Actual to Revised Budget variance of \$0.7 million or 4%:

The favorable variance in Contractual is being driven largely by a timing issue with the various transportation contracts and receipt of invoices for these services.

| FY 2014/15 - TOURISM DEVELOPMENT FUND | | | | |
|--|--------------------------|--------------------------|---|--|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted <u>Budget</u> | Revised <u>Budget</u> | Adopted Favorable / <u>Amount</u> | vs. Revised (Unfavorable) <u>Percent</u> |
| Sources | \$17.4 | \$17.4 | \$ - | - |
| Uses | 19.8 | 19.8 | - | - |
| Change in Fund Balance | (\$2.4) | (\$2.4) | \$ - | |
| Beginning Fund Balance | <u>\$7.6</u> | <u>\$8.9</u> | <u>\$1.3</u> | |
| Ending Fund Balance | <u><u>\$5.3</u></u> | <u><u>\$6.6</u></u> | <u><u>\$1.3</u></u> | |

| Twelve Months: Fiscal Year | | | | | |
|---------------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------------------|---|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 Adopted <u>Budget</u> | 2014/15 Revised <u>Budget</u> | 2014/15 Approved <u>Adjustments</u> |
| Revenues: | | | | | |
| Bed Taxes | \$13.9 | \$15.3 | \$15.8 | \$15.8 | \$ - |
| Hospitality Trolley Sponsorship | 0.1 | - | - | - | - |
| Princess Hotel Lease | 1.4 | 1.7 | 1.6 | 1.6 | - |
| Total Revenues | <u>\$15.4</u> | <u>\$17.0</u> | <u>\$17.4</u> | <u>\$17.4</u> | <u>\$ -</u> |
| Transfers In | 3.1 | 0.1 | - | - | - |
| Transfers In - CIP | - | - | - | - | - |
| Total Sources | <u><u>\$18.5</u></u> | <u><u>\$17.1</u></u> | <u><u>\$17.4</u></u> | <u><u>\$17.4</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | n/a | -20% | 1% | 1% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------------------|---|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 Adopted <u>Budget</u> | 2014/15 Revised <u>Budget</u> | 2014/15 Approved <u>Adjustments</u> |
| Expenses: | | | | | |
| Marketing (CVB) | \$6.9 | \$7.7 | \$7.9 | \$7.9 | \$ - |
| Events & Event Development | 1.0 | 1.1 | 1.8 | 1.8 | - |
| Hospitality Trolley | 0.2 | 0.1 | 0.2 | 0.2 | - |
| Admin/Research | 0.4 | 0.4 | 0.5 | 0.5 | - |
| Mayor and City Council | - | - | 0.1 | 0.1 | - |
| Capital Outlays | - | - | 0.4 | 0.4 | - |
| Total Operating Expenses | <u>\$8.5</u> | <u>\$9.3</u> | <u>\$10.9</u> | <u>\$10.9</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| CIP | - | 0.2 | 2.7 | 2.7 | - |
| Debt Service | 1.2 | 1.8 | 3.6 | 3.6 | - |
| General Fund | 1.6 | 3.7 | 2.7 | 2.7 | - |
| Total Uses | <u><u>\$11.3</u></u> | <u><u>\$15.1</u></u> | <u><u>\$19.8</u></u> | <u><u>\$19.8</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | n/a | 34% | 31% | 31% | |

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

| | March Actual | March Revised Budget | YTD Actual | YTD Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|------------------------|-----------------|----------------------------|---------------|--------------------------|--|---------|
| Sources | \$2.3 | \$2.0 | \$12.5 | \$11.1 | \$1.5 | 13% |
| Uses | 0.8 | 2.3 | 11.7 | 12.2 | 0.5 | 4% |
| Change in Fund Balance | \$1.5 | (\$0.4) | \$0.8 | (\$1.2) | \$2.0 | |

One Month: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|---------------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| Bed Taxes | \$1.6 | \$2.0 | \$2.2 | \$1.8 | \$0.3 | 18% |
| Hospitality Trolley Sponsorship | - | - | - | - | - | - |
| Princess Hotel Lease | 0.2 | 0.1 | 0.1 | 0.1 | - | - |
| Total Revenues | \$1.8 | \$2.1 | \$2.3 | \$2.0 | \$0.3 | 17% |
| Transfers In | - | - | - | - | - | - |
| Transfers In - CIP | - | - | - | - | - | - |
| Total Sources | \$1.8 | \$2.1 | \$2.3 | \$2.0 | \$0.3 | 17% |
| % Change vs. Prior Year | n/a | 21% | 7% | -8% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|---------------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| Bed Taxes | \$8.7 | \$9.6 | \$11.1 | \$9.9 | \$1.2 | 12% |
| Hospitality Trolley Sponsorship | 0.1 | - | - | - | - | - |
| Princess Hotel Lease | 0.9 | 1.2 | 1.3 | 1.1 | 0.2 | 18% |
| Total Revenues | \$9.7 | \$10.8 | \$12.4 | \$11.1 | \$1.4 | 13% |
| Transfers In | 6.0 | - | - | - | - | - |
| Transfers In - CIP | - | - | 0.1 | - | 0.1 | n/a |
| Total Sources | \$15.7 | \$10.8 | \$12.5 | \$11.1 | \$1.5 | 13% |
| % Change vs. Prior Year | n/a | -31% | 16% | 2% | | |

Actual to Revised Budget variance of \$1.5 million or 13%:

The favorable variance in Bed Taxes revenue is due to occupancy continuing to come in higher than forecast, primarily due to the Super Bowl and other special events. The favorable variance in the Princess Hotel Lease is due to the amounts of total sales kicking in additional revenue streams based on the true-up for Calendar Year 2014.

| One Month: March 2015 | | | | | | |
|---------------------------------|--------------|--------------|--------------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Marketing (CVB) | \$0.5 | \$0.6 | \$0.7 | \$0.7 | \$ - | - |
| Events & Event Development | - | - | 0.1 | 0.1 | - | - |
| Hospitality Trolley | - | - | 0.1 | - | - | - |
| Admin/Research | - | 0.1 | - | 0.1 | 0.1 | nm |
| Mayor and City Council | - | - | - | - | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$0.6 | \$0.6 | \$0.8 | \$0.8 | \$ - | - |
| Transfers Out | | | | | | |
| CIP | - | - | - | 1.5 | 1.5 | 100% |
| Debt Service | - | - | - | - | - | - |
| General Fund | - | - | - | - | - | - |
| Total Uses | \$0.6 | \$0.7 | \$0.8 | \$2.3 | \$1.5 | 65% |
| % Change vs. Prior Year | n/a | 13% | 22% | 252% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|--------------|--------------|---------------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Marketing (CVB) | \$5.0 | \$5.2 | \$5.9 | \$5.9 | \$ - | - |
| Events & Event Development | 0.6 | 0.7 | 0.8 | 1.6 | 0.7 | 46% |
| Hospitality Trolley | - | 0.1 | 0.1 | 0.1 | - | - |
| Admin/Research | 0.3 | 0.3 | 1.0 | 0.4 | (0.7) | nm |
| Mayor and City Council | - | - | 0.1 | 0.1 | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$5.8 | \$6.2 | \$8.0 | \$8.1 | \$0.1 | 1% |
| Transfers Out | | | | | | |
| CIP | - | 0.2 | 2.2 | 2.7 | 0.4 | 17% |
| Debt Service | - | - | - | - | - | - |
| General Fund | - | - | 1.5 | 1.5 | - | - |
| Total Uses | \$5.8 | \$6.5 | \$11.7 | \$12.2 | \$0.5 | 4% |
| % Change vs. Prior Year | n/a | 12% | 79% | 88% | | |

Actual to Revised Budget variance of \$0.5 million or 4%:

Events & Event Development involves the planning for major events such as Super Bowl and Fiesta Bowl, and while these events have already occurred some of the expected expenses have yet to be paid, resulting in a favorable variance. The unfavorable variance in Admin/Research is the result of the matching contribution for FY 2013/14 and FY 2014/15 for the Museum of the West. Additionally, the favorable variance in Transfers Out - CIP is the result of timing as additional transfers will occur by fiscal year end.

| FY 2014/15 - WATER AND WATER RECLAMATION FUNDS | | | | |
|--|----------|----------|---------------------------|---------|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted | Revised | Adopted vs. Revised | |
| | Budget | Budget | Favorable / (Unfavorable) | Percent |
| | | | Amount | |
| Sources | \$158.3 | \$158.3 | \$ - | - |
| Uses | 172.7 | 172.7 | - | - |
| Change in Fund Balance | (\$14.4) | (\$14.4) | \$ - | |
| Beginning Fund Balance | \$82.9 | \$70.3 | (\$12.6) | |
| Ending Fund Balance | \$68.5 | \$56.0 | (\$12.6) | |
| 60 to 90 Day Operating Reserve | \$14.3 | \$14.6 | \$0.3 | |
| Repair/Replacement Reserve | 37.0 | 36.2 | (0.8) | |
| Revenue Bond Debt Reserve | 4.7 | 4.8 | 0.1 | |
| Special Contractual | 6.7 | 6.8 | 0.1 | |
| Unreserved Fund Balance * | 5.8 | (6.5) | (12.3) | |
| Ending Fund Balance | \$68.5 | \$56.0 | (\$12.6) | |

| Twelve Months: Fiscal Year | | | | | |
|--------------------------------|---------|---------|---------|---------|-------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted | Revised | Approved |
| | | | Budget | Budget | Adjustments |
| Revenues: | | | | | |
| Water Service Charges | \$90.9 | \$90.1 | \$91.7 | \$91.7 | \$ - |
| Water Reclamation Charges | 35.8 | 38.4 | 37.9 | 37.9 | - |
| Non-Potable Water Fees | 9.3 | 10.9 | 10.4 | 10.4 | - |
| Interest Earnings ^a | 1.0 | 0.5 | 0.4 | 0.4 | - |
| Miscellaneous Revenue | 1.9 | 1.8 | 1.9 | 1.9 | - |
| Total Revenues | \$138.9 | \$141.7 | \$142.3 | \$142.3 | \$ - |
| Transfers In | 16.6 | 16.9 | 16.0 | 16.0 | - |
| Bond Proceeds | - | - | - | - | - |
| Total Sources | \$155.5 | \$158.6 | \$158.3 | \$158.3 | \$ - |
| % Change vs. Prior Year | -5% | 2% | 0% | 0% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------------|---------|---------|---------|---------|-------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | Actual | Actual | Adopted | Revised | Approved |
| | | | Budget | Budget | Adjustments |
| Expenses: | | | | | |
| Personnel Services | \$17.1 | \$17.4 | \$18.5 | \$18.5 | - |
| Contractual | 23.1 | 25.1 | 29.8 | 29.8 | - |
| Commodities | 23.7 | 24.2 | 26.6 | 26.6 | - |
| Capital Outlays | 0.3 | 0.3 | 0.1 | 0.1 | - |
| Total Operating Expenses | \$64.3 | \$67.1 | \$75.0 | \$75.0 | \$ - |
| Debt Service & Contracts Payable | 28.7 | 28.8 | 29.7 | 29.7 | - |
| Transfers Out | | | | | |
| CIP Fund | 47.0 | 49.5 | 56.2 | 56.2 | - |
| Franchise Fees | 6.7 | 7.0 | 7.0 | 7.0 | - |
| Indirect/Direct Charges | 5.5 | 5.0 | 4.9 | 4.9 | - |
| Total Uses | \$152.2 | \$157.3 | \$172.7 | \$172.7 | \$ - |
| % Change vs. Prior Year | -12% | 3% | 6% | 6% | |

* The adopted budget anticipated a \$20.0M MPC Bonds debt issuance. There was a delay and the bonds were issued however the proceeds were accounted for in the capital funds rather than the operating funds in order to streamline the process and ensure debt covenant compliance. The offset to the negative Unreserved Fund Balance is lower Uses by \$9.7M.

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

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

| | March | March | YTD | YTD | Actual vs. Budget | |
|------------------------|--------|----------------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Revised Budget | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Sources | \$9.3 | \$9.3 | \$102.3 | \$121.8 | (\$19.5) | -16% |
| Uses | 7.1 | 6.6 | 66.1 | 69.2 | 3.1 | 4% |
| Change in Fund Balance | \$2.2 | \$2.7 | \$36.2 | \$52.5 | (\$16.4) | |

One Month: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|---------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Water Service Charges | \$5.3 | \$5.5 | \$5.2 | \$5.3 | (\$0.1) | -2% |
| Water Reclamation Charges | 3.0 | 3.2 | 3.2 | 3.2 | 0.1 | 2% |
| Non-Potable Water Fees | 0.5 | 0.6 | 0.5 | 0.6 | (0.1) | -22% |
| Interest Earnings | 0.1 | 0.1 | 0.1 | - | 0.1 | nm |
| Miscellaneous Revenue | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Total Revenues | \$8.9 | \$9.5 | \$9.2 | \$9.3 | (\$0.1) | -1% |
| Transfers In | 15.7 | 16.0 | 0.1 | 0.1 | - | - |
| Bond Proceeds | - | - | - | - | - | - |
| Total Sources | \$24.7 | \$25.6 | \$9.3 | \$9.3 | \$ - | - |
| % Change vs. Prior Year | nm | 4% | -64% | -64% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|---------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Water Service Charges | \$68.0 | \$67.3 | \$64.4 | \$68.1 | (\$3.7) | -5% |
| Water Reclamation Charges | 26.6 | 28.7 | 28.8 | 28.3 | 0.5 | 2% |
| Non-Potable Water Fees | 7.5 | 7.7 | 6.9 | 7.8 | (1.0) | -12% |
| Interest Earnings | 0.7 | 0.9 | 0.4 | 0.3 | 0.1 | 37% |
| Miscellaneous Revenue | 0.8 | 1.1 | 1.1 | 1.5 | (0.4) | -29% |
| Total Revenues | \$103.6 | \$105.6 | \$101.5 | \$106.0 | (\$4.4) | -4% |
| Transfers In | 16.4 | 16.6 | 0.7 | 15.8 | (15.0) | -95% |
| Bond Proceeds | - | - | - | - | - | - |
| Total Sources | \$119.9 | \$122.3 | \$102.3 | \$121.8 | (\$19.5) | -16% |
| % Change vs. Prior Year | -6% | 2% | -16% | 0% | | |

Actual to Revised Budget variance of (\$19.5) million or (16%):

The unfavorable variance for Water Service Charges is driven by record rainfall resulting in a decline in billed potable water. The favorable variance for Water Reclamation Charges is driven by higher than expected water deliveries during the prior winter period. The unfavorable variance for Non-Potable Water Fees is driven by an unanticipated refund of a prior year settlement to actual. The unfavorable variance for Miscellaneous Revenue is driven by the timing of the sale of the water administration building which was actually sold in the prior fiscal year. The unfavorable variance for Transfers In is driven by a debt issuance forecasted to occur in fiscal year 2014/15; the issuance was completed in January 2015 however it was recorded in the capital fund to streamline transfers and compliance requirements.

| One Month: March 2015 | | | | | | |
|----------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Personnel Services | \$1.9 | \$1.3 | \$1.5 | \$1.5 | \$ - | - |
| Contractual | (0.8) | 1.2 | 2.5 | 2.3 | (0.2) | -7% |
| Commodities | 1.4 | 1.8 | 2.2 | 1.9 | (0.3) | -18% |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$2.5 | \$4.3 | \$6.1 | \$5.6 | (\$0.5) | -9% |
| Debt Service & Contracts Payable | - | - | - | - | - | - |
| Transfers Out | | | | | | |
| CIP Fund | - | - | 0.1 | - | (0.1) | n/a |
| Franchise Fees | 0.4 | 0.5 | 0.4 | 0.6 | 0.1 | 24% |
| Indirect/Direct Charges | 0.5 | 0.4 | 0.4 | 0.4 | - | - |
| Total Uses | \$3.4 | \$5.2 | \$7.1 | \$6.6 | (\$0.4) | -7% |
| % Change vs. Prior Year | -51% | 52% | 36% | 28% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|----------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Personnel Services | \$13.1 | \$13.4 | \$14.1 | \$14.4 | 0.3 | 2% |
| Contractual | 14.2 | 16.7 | 18.1 | 19.4 | 1.3 | 7% |
| Commodities | 16.6 | 17.5 | 17.5 | 18.5 | 1.0 | 5% |
| Capital Outlays | 0.1 | 0.1 | - | - | - | - |
| Total Operating Expenses | \$44.0 | \$47.7 | \$49.7 | \$52.3 | \$2.6 | 5% |
| Debt Service & Contracts Payable | 8.2 | 7.9 | 7.6 | 8.0 | 0.5 | 6% |
| Transfers Out | | | | | | |
| CIP Fund | 18.8 | - | 0.2 | - | (0.2) | n/a |
| Franchise Fees | 5.0 | 5.1 | 4.9 | 5.2 | 0.3 | 5% |
| Indirect/Direct Charges | 4.1 | 3.8 | 3.6 | 3.6 | - | - |
| Total Uses | \$80.2 | \$64.4 | \$66.1 | \$69.2 | \$3.1 | 4% |
| % Change vs. Prior Year | -33% | -20% | 3% | 7% | | |

Actual to Revised Budget variance of \$3.1 million or 4%:

The favorable variance for Personnel Services is driven by vacant positions with open recruitments. The favorable variance for Contractual is driven by lower consultant services, maintenance and electricity costs. The favorable variance for Commodities is driven by a lower treatment filter media costs and larger than planned shift in purchased water costs to the CIP for recharge of stored water credits for the City's future use. The variance for Debt Service is driven by the delayed issuance of sewer bonds resulting in lower interest costs. The unfavorable variance for Transfers Out CIP is driven by contractual transfers for the capital program. The favorable variance for Franchise Fees is driven by lower than anticipated potable water sales.

| FY 2014/15 - AVIATION FUND | | | | |
|--|--------------------------|--------------------------|---|--|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted <u>Budget</u> | Revised <u>Budget</u> | Adopted Favorable / <u>Amount</u> | vs. Revised (Unfavorable) <u>Percent</u> |
| Sources | \$4.0 | \$4.0 | \$ - | - |
| Uses | <u>2.7</u> | <u>2.7</u> | - | - |
| Change in Fund Balance | \$1.2 | \$1.2 | \$ - | |
| Beginning Fund Balance | <u>\$3.6</u> | <u>\$5.6</u> | <u>\$2.0</u> | |
| Ending Fund Balance | <u><u>\$4.9</u></u> | <u><u>\$6.9</u></u> | <u><u>\$2.0</u></u> | |
| 60 to 90 Day Operating | \$0.4 | \$0.4 | \$ - | |
| Fleet Replacement Reserve | 1.0 | 1.0 | - | |
| Repair/Replacement Reserve | 1.0 | 1.0 | - | |
| Unreserved | <u>2.5</u> | <u>4.5</u> | <u>2.0</u> | |
| Ending Fund Balance | <u><u>\$4.9</u></u> | <u><u>\$6.9</u></u> | <u><u>\$2.0</u></u> | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|--|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 <u>Adopted Budget</u> | 2014/15 <u>Revised Budget</u> | 2014/15 <u>Approved Adjustments</u> |
| Revenues: | | | | | |
| Aviation Fees | \$3.4 | \$3.5 | \$3.3 | \$3.3 | \$ - |
| Privilege and Use Tax – Jet Fuel | 0.1 | 0.2 | 0.1 | 0.1 | - |
| Interest Earnings ^a | 0.1 | 0.1 | - | - | - |
| Miscellaneous Revenue | <u>0.1</u> | <u>0.1</u> | <u>0.1</u> | <u>0.1</u> | <u>-</u> |
| Total Revenues | <u>\$3.8</u> | <u>\$3.8</u> | <u>\$3.6</u> | <u>\$3.6</u> | <u>\$ -</u> |
| Transfers In | - | 0.8 | - | - | - |
| Transfers In - CIP | - | 1.1 | 0.4 | 0.4 | - |
| Total Sources | <u><u>\$3.8</u></u> | <u><u>\$5.7</u></u> | <u><u>\$4.0</u></u> | <u><u>\$4.0</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | 9% | 52% | -30% | -30% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|--|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 <u>Adopted Budget</u> | 2014/15 <u>Revised Budget</u> | 2014/15 <u>Approved Adjustments</u> |
| Expenses: | | | | | |
| Personnel Services | \$1.0 | \$1.1 | \$1.1 | \$1.1 | \$ - |
| Contractual | 0.7 | 0.7 | 0.9 | 0.9 | - |
| Commodities | 0.1 | 0.1 | 0.1 | 0.1 | - |
| Capital Outlays | - | - | 0.1 | 0.1 | - |
| Total Operating Expenses | <u>\$1.8</u> | <u>\$1.8</u> | <u>\$2.2</u> | <u>\$2.2</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| CIP Fund | 4.1 | 1.1 | 0.1 | 0.1 | - |
| Indirect/Direct Charges | <u>0.4</u> | <u>0.5</u> | <u>0.5</u> | <u>0.5</u> | <u>-</u> |
| Total Uses | <u><u>\$6.3</u></u> | <u><u>\$3.4</u></u> | <u><u>\$2.7</u></u> | <u><u>\$2.7</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | nm | -46% | -19% | -19% | |

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

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

| | March Actual | March Revised Budget | YTD Actual | YTD Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|------------------------|-----------------|----------------------------|---------------|--------------------------|--|---------|
| Sources | \$0.4 | \$0.3 | \$3.5 | \$3.0 | \$0.5 | 16% |
| Uses | 0.2 | 0.2 | 3.9 | 2.1 | (1.7) | -80% |
| Change in Fund Balance | \$0.2 | \$0.2 | (\$0.4) | \$0.9 | (\$1.2) | |

One Month: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|----------------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| Aviation Fees | \$0.4 | \$0.4 | \$0.4 | \$0.3 | \$0.1 | 28% |
| Privilege and Use Tax – Jet Fuel | - | - | - | - | - | - |
| Miscellaneous Revenue | - | - | - | - | - | - |
| Total Revenues | \$0.4 | \$0.4 | \$0.4 | \$0.3 | \$0.1 | 29% |
| Transfers In | - | - | - | - | - | - |
| Transfers In - CIP | - | - | - | - | - | - |
| Total Sources | \$0.4 | \$0.4 | \$0.4 | \$0.3 | \$0.1 | 29% |
| % Change vs. Prior Year | 31% | 0% | 16% | 0% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|----------------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| Revenues: | | | | | | |
| Aviation Fees | \$2.4 | \$2.5 | \$2.8 | \$2.4 | \$0.5 | 19% |
| Privilege and Use Tax – Jet Fuel | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Miscellaneous Revenue | - | 0.1 | 0.1 | 0.1 | - | - |
| Total Revenues | \$2.5 | \$2.8 | \$3.0 | \$2.6 | \$0.5 | 19% |
| Transfers In | - | 0.8 | - | - | - | - |
| Transfers In - CIP | - | - | 0.4 | 0.4 | - | - |
| Total Sources | \$2.5 | \$3.5 | \$3.5 | \$3.0 | \$0.5 | 16% |
| % Change vs. Prior Year | 0% | 39% | 0% | -15% | | |

Actual to Revised Budget variance of \$0.5 million or 16%:

The favorable variance for Aviation Fees is driven by revenue received as a result of an unbudgeted lease assignment, and higher than anticipated US Customs fees, rental car concessions and landing fees. Transient parking and landing fees increased significantly due to Super Bowl.

| One Month: March 2015 | | | | | | |
|--------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| Expenses: | | | | | Amount | Percent |
| Personnel Services | \$0.1 | \$0.1 | \$0.1 | \$0.1 | \$ - | - |
| Contractual | 0.1 | 0.1 | 0.1 | - | - | - |
| Commodities | - | - | - | - | - | - |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$0.2 | \$0.1 | \$0.2 | \$0.1 | \$ - | - |
| Transfers Out | | | | | | |
| CIP Fund | 4.1 | - | - | - | - | - |
| Indirect/Direct Charges | - | - | - | - | - | - |
| Total Uses | \$4.3 | \$0.2 | \$0.2 | \$0.2 | \$ - | - |
| % Change vs. Prior Year | nm | -96% | 0% | 0% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| Expenses: | | | | | Amount | Percent |
| Personnel Services | \$0.8 | \$0.8 | \$0.9 | \$0.9 | \$ - | - |
| Contractual | 0.5 | 0.5 | 0.5 | 0.7 | 0.2 | 26% |
| Commodities | - | 0.1 | - | 0.1 | - | - |
| Capital Outlays | - | - | - | 0.1 | - | - |
| Total Operating Expenses | \$1.4 | \$1.3 | \$1.4 | \$1.7 | \$0.2 | 15% |
| Transfers Out | | | | | | |
| CIP Fund | 4.1 | - | 2.1 | 0.1 | (2.0) | nm |
| Indirect/Direct Charges | 0.3 | 0.3 | 0.3 | 0.3 | - | - |
| Total Uses | \$5.8 | \$1.6 | \$3.9 | \$2.1 | (\$1.7) | -80% |
| % Change vs. Prior Year | nm | -72% | nm | 31% | | |

Actual to Revised budget variance of (\$1.7) million or (80%):

The favorable variance for Contractual is driven by delayed intergovernmental payments for customs services and the timing of several other accounts forecasted earlier than the actual payment. The unfavorable variance for Transfers Out to the CIP Fund is driven by an increased budget appropriation for the Airport CIP approved by City Council after the budget adoption.

FY 2014/15 - SOLID WASTE FUND
(\$ in millions: Rounding differences may occur)

| | Adopted Budget | Revised Budget | Adopted Favorable / Amount | vs. Revised (Unfavorable) Percent |
|--------------------------------|-------------------|-------------------|----------------------------------|---|
| Sources | \$20.1 | \$20.1 | \$ - | - |
| Uses | 21.2 | 21.2 | - | - |
| Change in Fund Balance | (\$1.0) | (\$1.0) | \$ - | |
| Beginning Fund Balance | \$11.7 | \$11.5 | (\$0.3) | |
| Ending Fund Balance | <u>\$10.7</u> | <u>\$10.5</u> | <u>(\$0.3)</u> | |
| 60 to 90 Day Operating Reserve | \$5.1 | \$5.1 | (\$0.1) | |
| Unreserved Fund Balance | 5.6 | 5.5 | (0.1) | |
| Ending Fund Balance | <u>\$10.7</u> | <u>\$10.5</u> | <u>(\$0.2)</u> | |

| | Twelve Months: Fiscal Year | | | | |
|--------------------------------|----------------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Revenues: | | | | | |
| Solid Waste Charges | \$20.5 | \$20.2 | \$20.1 | \$20.1 | \$ - |
| Interest Earnings ^a | 0.1 | 0.1 | - | - | - |
| Total Revenues | <u>\$20.5</u> | <u>\$20.2</u> | <u>\$20.1</u> | <u>\$20.1</u> | <u>\$ -</u> |
| Transfers In | - | - | - | - | - |
| Transfers In - CIP | - | 0.8 | - | - | - |
| Total Sources | <u>\$20.5</u> | <u>\$21.0</u> | <u>\$20.1</u> | <u>\$20.1</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -3% | 3% | -4% | -4% | |

| | Twelve Months: Fiscal Year | | | | |
|--------------------------|----------------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Expenses: | | | | | |
| Personnel Services | \$6.6 | \$6.7 | \$6.9 | \$6.9 | \$ - |
| Contractual | 10.0 | 10.7 | 11.5 | 11.5 | - |
| Commodities | 0.6 | 0.7 | 0.8 | 0.8 | - |
| Capital Outlays | - | - | - | - | - |
| Total Operating Expenses | <u>\$17.2</u> | <u>\$18.1</u> | <u>\$19.2</u> | <u>\$19.2</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| CIP Fund | 0.3 | 1.7 | 0.3 | 0.3 | - |
| Indirect/Direct Charges | 1.7 | 1.6 | 1.6 | 1.6 | - |
| Total Uses | <u>\$19.1</u> | <u>\$21.4</u> | <u>\$21.2</u> | <u>\$21.2</u> | <u>\$ -</u> |
| % Change vs. Prior Year | 4% | 12% | -1% | -1% | |

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

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

| | March | March | YTD | YTD | Actual vs. Budget | |
|------------------------|--------|----------------|--------|----------------|----------------------------------|-----------------------|
| | Actual | Revised Budget | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Sources | \$1.7 | \$1.7 | \$15.3 | \$15.1 | \$0.2 | 1% |
| Uses | 1.5 | 1.7 | 15.2 | 15.5 | 0.4 | 2% |
| Change in Fund Balance | \$0.2 | (\$0.1) | \$0.1 | (\$0.4) | \$0.5 | |

One Month: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|--------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Solid Waste Charges | \$1.7 | \$1.7 | \$1.7 | \$1.7 | \$ - | - |
| Interest Earnings ^a | - | - | - | - | - | - |
| Total Revenues | \$1.7 | \$1.7 | \$1.7 | \$1.7 | \$ - | - |
| Transfers In | - | - | - | - | - | - |
| Transfers In - CIP | - | - | - | - | - | - |
| Total Sources | \$1.7 | \$1.7 | \$1.7 | \$1.7 | \$ - | - |
| % Change vs. Prior Year | 5% | 0% | 0% | 0% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|--------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Solid Waste Charges | \$15.2 | \$15.2 | \$15.2 | \$15.1 | \$0.1 | 1% |
| Interest Earnings ^a | 0.1 | 0.1 | 0.1 | - | - | - |
| Total Revenues | \$15.3 | \$15.3 | \$15.3 | \$15.1 | \$0.2 | 1% |
| Transfers In | - | - | - | - | - | - |
| Transfers In - CIP | - | - | - | - | - | - |
| Total Sources | \$15.3 | \$15.3 | \$15.3 | \$15.1 | \$0.2 | 1% |
| % Change vs. Prior Year | -3% | 0% | 0% | -1% | | |

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

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

The favorable variance for Solid Waste Charges is driven by higher than anticipated residential service charges partially offset by lower recycling revenue due to lower volume and commodity prices. Interest Earnings also contribute to the favorable variance.

| One Month: March 2015 | | | | | | |
|--------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| Expenses: | | | | | Amount | Percent |
| Personnel Services | \$0.7 | \$0.5 | \$0.5 | \$0.5 | \$ - | - |
| Contractual | 0.8 | 0.9 | 0.8 | 0.9 | 0.1 | 13% |
| Commodities | 0.1 | 0.1 | - | 0.2 | 0.1 | 77% |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$1.6 | \$1.5 | \$1.4 | \$1.6 | \$0.2 | 15% |
| Transfers Out | | | | | | |
| CIP Fund | 0.3 | - | - | - | - | - |
| Indirect/Direct Charges | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Total Uses | \$2.0 | \$1.6 | \$1.5 | \$1.7 | \$0.2 | 14% |
| % Change vs. Prior Year | 6% | -19% | -9% | 6% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| Expenses: | | | | | Amount | Percent |
| Personnel Services | \$5.0 | \$5.1 | \$5.5 | \$5.3 | (\$0.2) | -4% |
| Contractual | 7.1 | 7.6 | 8.0 | 8.3 | 0.4 | 4% |
| Commodities | 0.5 | 0.6 | 0.5 | 0.7 | 0.2 | 31% |
| Capital Outlays | - | - | - | - | - | - |
| Total Operating Expenses | \$12.7 | \$13.3 | \$13.9 | \$14.3 | \$0.4 | 3% |
| Transfers Out | | | | | | |
| CIP Fund | 0.3 | - | - | - | - | - |
| Indirect/Direct Charges | 1.3 | 1.2 | 1.2 | 1.2 | - | - |
| Total Uses | \$14.2 | \$14.6 | \$15.2 | \$15.5 | \$0.4 | 2% |
| % Change vs. Prior Year | 3% | 2% | 4% | 7% | | |

Actual to Revised Budget variance of \$0.4 million or 2%:

The unfavorable variance for Personnel Services is driven by overtime which is primarily due to increased demand for brush and bulk services. The favorable variance for Contractual is driven by lower fuel prices partially offset with higher than anticipated fleet maintenance. The favorable variance for Commodities is driven by the timing of payments for refuse containers.

| FY 2014/15 - FLEET FUND | | | | |
|--|--------------------------|--------------------------|---|--|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted <u>Budget</u> | Revised <u>Budget</u> | Adopted Favorable / <u>Amount</u> | vs. Revised (Unfavorable) <u>Percent</u> |
| Sources | \$19.8 | \$19.8 | \$ - | - |
| Uses | 20.5 | 20.5 | - | - |
| Change in Fund Balance | (\$0.7) | (\$0.7) | \$ - | |
| Beginning Fund Balance | <u>\$8.3</u> | <u>\$10.2</u> | <u>\$1.8</u> | |
| Ending Fund Balance | <u><u>\$7.6</u></u> | <u><u>\$9.4</u></u> | <u><u>\$1.8</u></u> | |
| Contingency Reserve | \$0.5 | \$0.5 | \$ - | |
| Future Acquisition | 4.7 | 6.5 | 1.8 | |
| Unreserved Fund Balance | <u>2.3</u> | <u>2.4</u> | - | |
| Ending Fund Balance | <u><u>\$7.6</u></u> | <u><u>\$9.4</u></u> | <u><u>\$1.8</u></u> | |

| Twelve Months: Fiscal Year | | | | | |
|-----------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|--|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 <u>Adopted Budget</u> | 2014/15 <u>Revised Budget</u> | 2014/15 <u>Approved Adjustments</u> |
| Revenues: | | | | | |
| Maintenance/Operation Rates | \$12.0 | \$7.4 | \$7.2 | \$7.2 | \$ - |
| Replacement Rates | 5.7 | 6.9 | 7.2 | 7.2 | - |
| Fuel Rates | - | 4.3 | 5.0 | 5.0 | - |
| Other Revenue | 0.4 | 0.5 | 0.4 | 0.4 | - |
| Total Revenues | <u>\$18.0</u> | <u>\$19.1</u> | <u>\$19.8</u> | <u>\$19.8</u> | <u>\$ -</u> |
| Transfers In | - | - | - | - | - |
| Total Sources | <u><u>\$18.0</u></u> | <u><u>\$19.1</u></u> | <u><u>\$19.8</u></u> | <u><u>\$19.8</u></u> | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | 16% | 6% | 4% | 4% | |

| Twelve Months: Fiscal Year | | | | | |
|------------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------------------|--|
| | 2012/13 <u>Actual</u> | 2013/14 <u>Actual</u> | 2014/15 <u>Adopted Budget</u> | 2014/15 <u>Revised Budget</u> | 2014/15 <u>Approved Adjustments</u> |
| Expenses: | | | | | |
| Personnel Services | \$3.1 | \$3.2 | \$3.4 * | \$3.4 * | \$ - |
| Contractual | 1.5 | 1.5 | 1.5 | 1.5 | - |
| Commodities | 7.1 | 7.1 | 7.9 | 7.9 | - |
| Capital Outlays | 5.6 | 5.2 | 7.2 | 7.2 | - |
| Total Operating Expenses | <u>\$17.3</u> | <u>\$17.0</u> | <u>\$19.9</u> | <u>\$19.9</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| Transfer Out CIP | 0.8 | - | 0.6 | 0.6 | - |
| Transfers to Operating Funds | - | 0.8 | - | - | - |
| Total Uses | <u><u>\$18.1</u></u> | <u><u>\$17.7</u></u> | <u><u>\$20.5</u></u> * | <u><u>\$20.5</u></u> * | <u><u>\$ -</u></u> |
| % Change vs. Prior Year | 0% | -2% | 16% | 16% | |

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

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

| | March Actual | March Revised Budget | YTD Actual | YTD Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|------------------------|-----------------|----------------------------|---------------|--------------------------|---------------------------------|--|
| Sources | \$1.5 | \$1.6 | \$14.3 | \$14.8 | (\$0.5) | -4% |
| Uses | 0.8 | 1.7 | 13.3 | 12.7 | (0.6) | -5% |
| Change in Fund Balance | \$0.7 | (\$0.1) | \$1.0 | \$2.1 | (\$1.1) | |

One Month: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|-----------------------------|-------------------|-------------------|-------------------|------------------------------|---------------------------------|--|
| Revenues: | | | | | | |
| Maintenance/Operation Rates | \$1.0 | \$0.6 | \$0.6 | \$0.6 | \$ - | - |
| Replacement Rates | 0.5 | 0.6 | 0.6 | 0.6 | - | - |
| Fuel Rates | - | 0.4 | 0.3 | 0.4 | (0.1) | -31% |
| Other Revenue | - | - | 0.1 | - | - | - |
| Total Revenues | \$1.5 | \$1.6 | \$1.5 | \$1.6 | (\$0.1) | -8% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$1.5 | \$1.6 | \$1.5 | \$1.6 | (\$0.1) | -8% |
| % Change vs. Prior Year | 19% | 3% | -4% | 4% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|-----------------------------|-------------------|-------------------|-------------------|------------------------------|---------------------------------|--|
| Revenues: | | | | | | |
| Maintenance/Operation Rates | \$8.9 | \$5.5 | \$5.5 | \$5.4 | \$0.1 | 1% |
| Replacement Rates | 4.2 | 5.1 | 5.4 | 5.4 | - | - |
| Fuel Rates | - | 3.2 | 2.9 | 3.8 | (0.8) | -22% |
| Other Revenue | 0.3 | 0.3 | 0.5 | 0.3 | 0.3 | 93% |
| Total Revenues | \$13.4 | \$14.1 | \$14.3 | \$14.8 | (\$0.5) | -4% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$13.4 | \$14.1 | \$14.3 | \$14.8 | (\$0.5) | -4% |
| % Change vs. Prior Year | 19% | 5% | 1% | 5% | | |

Actual to Revised Budget variance of (\$0.5) million or (4%):

The unfavorable variance in Fuel Rates is due to lower than anticipated fuel prices. This is partially offset by positive variance in Other Revenue, which is reflective of reimbursements from Risk Management for vehicle accident expenses.

| One Month: March 2015 | | | | | | |
|------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| Expenses: | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | (Unfavorable) |
| | | | | | Amount | Percent |
| Personnel Services | \$0.4 | \$0.2 | \$0.3 | \$0.3 | \$ - | - |
| Contractual | 0.2 | 0.1 | 0.1 | 0.1 | - | - |
| Commodities | 0.5 | 0.5 | 0.4 | 0.7 | 0.3 | 39% |
| Capital Outlays | 0.1 | 0.3 | - | 0.7 | 0.7 | 100% |
| Total Operating Expenses | <u>\$1.1</u> | <u>\$1.3</u> | <u>\$0.8</u> | <u>\$1.7</u> | <u>\$0.9</u> | <u>53%</u> |
| Transfers Out | | | | | | |
| Transfer Out CIP | - | - | - | - | - | - |
| Transfers to Operating Funds | - | - | - | - | - | - |
| Total Uses | <u>\$1.1</u> | <u>\$1.3</u> | <u>\$0.8</u> | <u>\$1.7</u> | <u>\$0.9</u> | <u>53%</u> |
| % Change vs. Prior Year | <u>-20%</u> | <u>19%</u> | <u>-35%</u> | <u>38%</u> | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------------|---------------|---------------|-----------------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| Expenses: | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Revised Budget</u> | Favorable / (Unfavorable) | (Unfavorable) |
| | | | | | Amount | Percent |
| Personnel Services | \$2.4 | \$2.5 | \$2.6 | \$2.6 | \$ - | - |
| Contractual | 1.1 | 1.1 | 1.2 | 1.1 | - | - |
| Commodities | 4.4 | 4.5 | 4.4 | 5.8 | 1.4 | 25% |
| Capital Outlays | 4.0 | 1.2 | 4.9 | 3.1 | (1.7) | -55% |
| Total Operating Expenses | <u>\$11.9</u> | <u>\$9.3</u> | <u>\$13.1</u> | <u>\$12.7</u> | <u>(\$0.4)</u> | <u>-3%</u> |
| Transfers Out | | | | | | |
| Transfer Out CIP | - | - | 0.2 | - | (0.2) | n/a |
| Transfers to Operating Funds | - | 0.8 | - | - | - | - |
| Total Uses | <u>\$11.9</u> | <u>\$10.0</u> | <u>\$13.3</u> | <u>\$12.7</u> | <u>(\$0.6)</u> | <u>-5%</u> |
| % Change vs. Prior Year | <u>-9%</u> | <u>-15%</u> | <u>33%</u> | <u>27%</u> | | |

Actual to Revised Budget variance of (\$0.6) million or (5%):

The unfavorable variance in Capital Outlays continues to be related to vehicles that were scheduled for purchase in FY 2013/14 but were received and invoiced in FY 2014/15. This variance should remain until the end of the fiscal year. This is partially offset by the favorable variance in Commodities, which is the result of unleaded and diesel fuel costs being lower than forecasted as well as increased usage of alternative fuel.

| FY 2014/15 - RISK FUND | | | | |
|--|-------------------|-------------------|----------------------------------|---|
| (\$ in millions: Rounding differences may occur) | | | | |
| | Adopted Budget | Revised Budget | Adopted Favorable / Amount | vs. Revised (Unfavorable) Percent |
| Sources | \$11.7 | \$11.7 | \$ - | - |
| Uses | 8.3 | 8.3 | - | - |
| Change in Fund Balance | \$3.4 | \$3.4 | \$ - | |
| Beginning Fund Balance | \$11.1 | \$11.8 | \$0.7 | |
| Ending Fund Balance | <u>\$14.6</u> | <u>\$15.3</u> | <u>\$0.7</u> | |
| Accruals (short term) | \$3.0 | \$3.0 | \$ - | |
| Accruals (long term) | 5.6 | 5.6 | - | |
| Property Casualty Reserve | 3.4 | 4.1 | 0.7 | |
| Contingency | 2.5 | 2.5 | - | |
| Ending Fund Balance | <u>\$14.6</u> | <u>\$15.3</u> | <u>\$0.7</u> | |

| Twelve Months: Fiscal Year | | | | | |
|--------------------------------------|-------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Revenues: | | | | | |
| Property, Liability, Work Comp Rates | \$4.0 | \$6.5 | \$9.2 | \$9.2 | \$ - |
| Unemployment Taxes | 0.3 | 0.1 | 0.1 | 0.1 | - |
| Property Tax (Tort Claims) | 0.2 | 0.1 | 2.1 | 2.1 | - |
| Insurance/Claims Recoveries | 0.2 | 0.4 | 0.2 | 0.2 | - |
| Other/Miscellaneous Revenue | 0.1 | 0.1 | 0.1 | 0.1 | - |
| Total Revenues | <u>\$4.8</u> | <u>\$7.3</u> | <u>\$11.7</u> | <u>\$11.7</u> | <u>\$ -</u> |
| Transfers In | - | - | - | - | - |
| Total Sources | <u>\$4.8</u> | <u>\$7.3</u> | <u>\$11.7</u> | <u>\$11.7</u> | <u>\$ -</u> |
| % Change vs. Prior Year | 4% | 53% | 61% | 61% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|-------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Expenses: | | | | | |
| Personnel Services | \$0.7 | \$0.7 | \$0.8 | \$0.8 | \$ - |
| Contractual | 7.2 | 6.8 | 7.4 | 7.4 | - |
| Commodities | 0.1 | 0.1 | 0.1 | 0.1 | - |
| Total Operating Expenses | <u>\$8.0</u> | <u>\$7.6</u> | <u>\$8.3</u> | <u>\$8.3</u> | <u>\$ -</u> |
| Transfers Out | | | | | |
| Transfers Out CIP | - | - | - | - | - |
| Total Uses | <u>\$8.0</u> | <u>\$7.6</u> | <u>\$8.3</u> | <u>\$8.3</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -4% | -5% | 8% | 8% | |

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

| | March | March | YTD | YTD | Actual vs. Budget | |
|------------------------|--------|----------------|--------|----------------|----------------------------------|-----------------------|
| | Actual | Revised Budget | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Sources | \$0.8 | \$0.8 | \$9.4 | \$9.3 | \$0.1 | 2% |
| Uses | 0.5 | 0.6 | 8.2 | 6.7 | (1.5) | -23% |
| Change in Fund Balance | \$0.3 | \$0.2 | \$1.2 | \$2.6 | (\$1.4) | |

One Month: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|--------------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Property, Liability, Work Comp Rates | \$0.3 | \$0.5 | \$0.8 | \$0.8 | \$ - | - |
| Unemployment Taxes | - | - | - | - | - | - |
| Property Tax (Tort Claims) | - | - | - | - | - | - |
| Insurance/Claims Recoveries | - | - | - | - | - | - |
| Other/Miscellaneous Revenue | - | - | - | - | - | - |
| Total Revenues | \$0.4 | \$0.6 | \$0.8 | \$0.8 | \$ - | - |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$0.4 | \$0.6 | \$0.8 | \$0.8 | \$ - | - |
| % Change vs. Prior Year | 0% | 51% | 35% | 31% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
|--------------------------------------|---------|---------|---------|----------------|----------------------------------|-----------------------|
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Revenues: | | | | | | |
| Property, Liability, Work Comp Rates | \$3.0 | \$4.9 | \$6.9 | \$6.9 | \$ - | - |
| Unemployment Taxes | 0.3 | 0.1 | 0.1 | 0.1 | - | - |
| Property Tax (Tort Claims) | 0.2 | 0.1 | 2.1 | 2.1 | - | - |
| Insurance/Claims Recoveries | 0.1 | 0.3 | 0.3 | 0.2 | 0.1 | 98% |
| Other/Miscellaneous Revenue | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Total Revenues | \$3.6 | \$5.5 | \$9.4 | \$9.3 | \$0.1 | 2% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$3.6 | \$5.5 | \$9.4 | \$9.3 | \$0.1 | 2% |
| % Change vs. Prior Year | 0% | 50% | 73% | 70% | | |

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

No explanation is necessary.

| One Month: March 2015 | | | | | | |
|--------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$0.1 | \$0.1 | \$0.1 | \$0.1 | \$ - | - |
| Contractual | 0.5 | 0.8 | 0.4 | 0.6 | 0.2 | 29% |
| Commodities | - | - | - | - | - | - |
| Total Operating Expenses | \$0.6 | \$0.9 | \$0.5 | \$0.6 | \$0.2 | 27% |
| Transfers Out | | | | | | |
| Transfers Out CIP | - | - | - | - | - | - |
| Total Uses | \$0.6 | \$0.9 | \$0.5 | \$0.6 | \$0.2 | 27% |
| % Change vs. Prior Year | -61% | 42% | -46% | -27% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------|---------|---------|----------------|---------------------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) | (Unfavorable) |
| | | | | | Amount | Percent |
| Expenses: | | | | | | |
| Personnel Services | \$0.5 | \$0.6 | \$0.6 | \$0.6 | \$ - | - |
| Contractual | 3.6 | 4.7 | 7.6 | 6.0 | (1.6) | -26% |
| Commodities | - | - | - | 0.1 | - | - |
| Total Operating Expenses | \$4.2 | \$5.3 | \$8.2 | \$6.7 | (\$1.5) | -23% |
| Transfers Out | | | | | | |
| Transfers Out CIP | - | - | - | - | - | - |
| Total Uses | \$4.2 | \$5.3 | \$8.2 | \$6.7 | (\$1.5) | -23% |
| % Change vs. Prior Year | -19% | 27% | 54% | 25% | | |

Actual to Revised Budget variance of (\$1.5) million or (23%):

The unfavorable variance in Contractual is due to the cost of renewing the city's liability policies. Premium increases are occurring industry wide across all lines of business impacting the rates various organizations will have to pay. The city also chose to keep the current retention rate at renewal versus increasing this threshold which also contributed to the premium increase. This expenditure was budgeted prior to the insurance policy renewal process which resulted in an unforeseen increase in premiums and as a result this variance will carry forward during the fiscal year. Additionally, the city has experienced increased claims filings due to occurrences in previous years. The city also settled a large legal claim during February which will push this unfavorable variance through the end of the fiscal year but will conversely save the city from ongoing and further litigation regarding this matter.

FY 2014/15 - BENEFITS SELF INSURANCE

(\$ in millions: Rounding differences may occur)

| | Adopted Budget | Revised Budget | Adopted Favorable / Amount | vs. Revised (Unfavorable) Percent |
|------------------------|-------------------|-------------------|----------------------------------|---|
| Sources | \$27.9 | \$27.9 | \$ - | - |
| Uses | 27.4 | 27.4 | - | - |
| Change in Fund Balance | \$0.5 | \$0.5 | \$ - | |
| Beginning Fund Balance | \$6.3 | \$6.1 | (\$0.2) | |
| Ending Fund Balance | <u>\$6.8</u> | <u>\$6.6</u> | <u>(\$0.2)</u> | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|-------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Revenues: | | | | | |
| Medical Premiums - COS | \$17.5 | \$18.6 | \$19.2 | \$19.2 | \$ - |
| Dental Premiums - COS | 0.8 | 0.8 | 0.8 | 0.8 | - |
| Medical Premiums - EE | 5.6 | 5.9 | 6.2 | 6.2 | - |
| Dental Premiums - EE | 0.8 | 0.8 | 0.8 | 0.8 | - |
| Medical Premiums - Retiree | 0.9 | 0.6 | 0.3 | 0.3 | - |
| Other Revenue | 1.0 | 0.1 | 0.6 | 0.6 | - |
| Total Revenues | \$26.6 | \$26.9 | \$27.9 | \$27.9 | \$ - |
| Transfers In | - | - | - | - | - |
| Total Sources | <u>\$26.6</u> | <u>\$26.9</u> | <u>\$27.9</u> | <u>\$27.9</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -7% | 1% | 4% | 4% | |

| Twelve Months: Fiscal Year | | | | | |
|----------------------------|-------------------|-------------------|------------------------------|------------------------------|------------------------------------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget | 2014/15 Approved Adjustments |
| Expenses: | | | | | |
| Personnel Services - COS | \$0.2 | \$0.2 | \$0.1 | \$0.1 | \$ - |
| Contractual - COS | 0.1 | 0.1 | 0.3 | 0.3 | - |
| Medical Claims | 19.7 | 21.2 | 22.2 | 22.2 | - |
| Medical Claims - Retirees | 0.9 | 0.7 | 0.1 | 0.1 | - |
| Dental Claims | 1.5 | 1.4 | 1.5 | 1.5 | - |
| Provider Admin Fees | 1.4 | 1.3 | 1.1 | 1.1 | - |
| Behavioral Health Claims | 0.5 | 0.7 | 1.0 | 1.0 | - |
| Stop Loss Insurance | 0.5 | 0.6 | 0.8 | 0.8 | - |
| Wellness Incentive | 0.1 | 0.1 | 0.2 | 0.2 | - |
| Total Uses | <u>\$25.0</u> | <u>\$26.2</u> | <u>\$27.4</u> | <u>\$27.4</u> | <u>\$ -</u> |
| % Change vs. Prior Year | -7% | 5% | 4% | 4% | |

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

| | March Actual | March Revised Budget | YTD Actual | YTD Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|------------------------|-----------------|----------------------------|---------------|--------------------------|---------------------------------|--|
| Sources | \$2.2 | \$2.4 | \$19.9 | \$20.9 | (\$1.0) | -5% |
| Uses | 2.4 | 2.2 | 19.9 | 20.4 | 0.5 | 3% |
| Change in Fund Balance | (\$0.2) | \$0.1 | \$0.1 | \$0.5 | (\$0.5) | |

One Month: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|----------------------------|-------------------|-------------------|-------------------|------------------------------|---------------------------------|--|
| Revenues: | | | | | | |
| Medical Premiums - COS | \$1.5 | \$1.5 | \$1.6 | \$1.6 | \$ - | - |
| Dental Premiums - COS | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Medical Premiums - EE | 0.5 | 0.5 | 0.5 | 0.5 | - | - |
| Dental Premiums - EE | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Medical Premiums - Retiree | - | - | - | - | - | - |
| Other Revenue | 0.1 | - | - | 0.1 | (0.1) | -78% |
| Total Revenues | \$2.2 | \$2.2 | \$2.2 | \$2.4 | (\$0.1) | -5% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$2.2 | \$2.2 | \$2.2 | \$2.4 | (\$0.1) | -5% |
| % Change vs. Prior Year | -64% | 3% | 0% | 6% | | |

Fiscal Year-to-Date: March 2015

| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Revised Budget | Actual Favorable / Amount | vs. Budget (Unfavorable) Percent |
|----------------------------|-------------------|-------------------|-------------------|------------------------------|---------------------------------|--|
| Revenues: | | | | | | |
| Medical Premiums - COS | \$13.2 | \$14.0 | \$14.3 | \$14.4 | (\$0.1) | -1% |
| Dental Premiums - COS | 0.6 | 0.6 | 0.6 | 0.6 | - | - |
| Medical Premiums - EE | 4.2 | 4.4 | 4.5 | 4.7 | (0.2) | -4% |
| Dental Premiums - EE | 0.6 | 0.6 | 0.6 | 0.6 | - | - |
| Medical Premiums - Retiree | 0.7 | 0.5 | - | 0.2 | (0.2) | -95% |
| Other Revenue | 0.5 | 0.1 | 0.1 | 0.5 | (0.4) | -88% |
| Total Revenues | \$19.7 | \$20.2 | \$19.9 | \$20.9 | (\$1.0) | -5% |
| Transfers In | - | - | - | - | - | - |
| Total Sources | \$19.7 | \$20.2 | \$19.9 | \$20.9 | (\$1.0) | -5% |
| % Change vs. Prior Year | -12% | 2% | -1% | 4% | | |

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

The unfavorable variances in Medical Premiums - COS and Medical Premiums - EE are both due to more migration to health plans with higher premiums than budgeted. The unfavorable variance in Medical Premiums - Retirees is due to the number of retirees on the medical plan being less than expected. The unfavorable variance in Other Revenue is due to timing issues on the Self-Insured prescription rebate.

| One Month: March 2015 | | | | | | |
|--------------------------------|--------------|--------------|--------------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Personnel Services - COS | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| Contractual - COS | - | - | - | - | - | - |
| Medical Claims | 2.0 | 1.4 | 2.2 | 1.8 | (0.3) | -18% |
| Medical Claims - Retirees | 0.2 | 0.1 | - | - | - | - |
| Dental Claims | 0.1 | 0.1 | 0.1 | 0.1 | - | - |
| Provider Admin Fees | 0.1 | 0.2 | - | 0.1 | 0.1 | 59% |
| Behavioral Health Claims | - | 0.1 | - | 0.1 | 0.1 | 93% |
| Stop Loss Insurance | - | 0.1 | 0.1 | 0.1 | - | - |
| Wellness Incentive | - | - | - | - | - | - |
| Total Uses | \$2.5 | \$2.1 | \$2.4 | \$2.2 | (\$0.2) | -8% |
| % Change vs. Prior Year | -5% | -17% | 19% | 10% | | |

| Fiscal Year-to-Date: March 2015 | | | | | | |
|---------------------------------|---------------|---------------|---------------|----------------|----------------------------------|-----------------------|
| Expenses: | 2012/13 | 2013/14 | 2014/15 | 2014/15 | Actual vs. Budget | |
| | Actual | Actual | Actual | Revised Budget | Favorable / (Unfavorable) Amount | (Unfavorable) Percent |
| Personnel Services - COS | \$0.2 | \$0.2 | \$0.1 | \$0.1 | \$ - | - |
| Contractual - COS | - | - | - | 0.1 | - | - |
| Medical Claims | 14.5 | 15.5 | 17.3 | 16.6 | (0.7) | -4% |
| Medical Claims - Retirees | 1.0 | 0.4 | 0.2 | 0.1 | (0.1) | -78% |
| Dental Claims | 1.0 | 0.9 | 0.9 | 1.1 | 0.2 | 20% |
| Provider Admin Fees | 1.1 | 1.0 | 0.6 | 0.9 | 0.2 | 27% |
| Behavioral Health Claims | 0.4 | 0.5 | 0.1 | 0.8 | 0.7 | 93% |
| Stop Loss Insurance | 0.4 | 0.5 | 0.5 | 0.6 | - | - |
| Wellness Incentive | 0.1 | 0.1 | 0.2 | 0.2 | - | - |
| Total Uses | \$18.7 | \$19.1 | \$19.9 | \$20.4 | \$0.5 | 3% |
| % Change vs. Prior Year | -7% | 2% | 4% | 7% | | |

Actual to Revised Budget variance of \$0.5 million or 3%:

The unfavorable variance in Medical Claims and Medical Claims - Retirees is due to the timing of services provided in conjunction with the spread of the budget, the budget is spread evenly and at times services provided to participants do not occur evenly. The favorable variance in Dental Claims and Behavioral Health Claims is due to overall claim expenditures being less than budgeted for during the reporting period due to invoice timing and period allocation. Finally, Provider Admin Fees will continue to be favorable as the agreement with Cigna is more cost effective than with the previous provider and the current expenses are even less than what was originally anticipated.

City of Scottsdale
WestWorld
Statement of Operations for March 2015

Statement of Operations - WestWorld

| | Twelve Months: Fiscal Year | | | | | |
|---|----------------------------|----------------------|----------------------|----------------------|------------------------------|------------------------------|
| | 2010/11 Actual | 2011/12 Actual | 2012/13 Actual | 2013/14 Actual | 2014/15 Adopted Budget | 2014/15 Revised Budget |
| <u>Operating Revenue</u> | | | | | | |
| Rental Facilities | \$1,369,513 | \$1,405,932 | \$1,617,444 | \$2,050,602 | \$2,192,000 | \$2,192,000 |
| RV Rental | 234,653 | 230,161 | 257,509 | 232,802 | 380,000 | 380,000 |
| Feed/Bedding Sales | 458,488 | 474,133 | 499,264 | 548,330 | 680,000 | 680,000 |
| Labor Fees | 219,659 | 240,871 | 233,486 | 266,860 | 288,000 | 288,000 |
| Concession Fees | 212,521 | 230,728 | 223,836 | 191,380 | 304,000 | 304,000 |
| Parking | 46,469 | 44,004 | 48,834 | 58,591 | 64,000 | 64,000 |
| Equidome Project Use Fee* | - | - | - | 75,000 | - | - |
| Other Income | 38,603 | 55,923 | 105,121 | 142,732 | 42,020 | 42,020 |
| Operating Revenue | \$2,579,905 | \$2,681,751 | \$2,985,494 | \$3,566,297 | \$3,950,020 | \$3,950,020 |
| <u>Operating Expenses</u> | | | | | | |
| Personnel Services | | | | | | |
| Wages/Salaries/Benefits | \$1,601,280 | \$1,466,780 | \$1,527,275 | \$1,564,608 | \$1,624,170 | \$1,657,261 |
| Overtime | 6,088 | 17,498 | 28,259 | 21,195 | 14,221 | 14,648 |
| Contractual Services | | | | | | |
| Contractual Workers | 41,979 | 63,530 | 74,914 | 84,004 | 75,000 | 75,000 |
| Telephone | 34,737 | 35,063 | 25,637 | 32,164 | 36,776 | 36,776 |
| Utilities | 350,156 | 429,769 | 558,010 | 1,016,731 | 913,428 | 1,243,428 |
| Maintenance & Equipment Rental & Fleet | 323,010 | 422,247 | 591,505 | 601,739 | 652,032 | 652,032 |
| License and Permits | 75,941 | 73,499 | 124,251 | 73,018 | 124,364 | 124,364 |
| Property, Liability & Workers' Comp | 21,232 | 16,951 | 18,114 | 30,724 | 37,376 | 37,376 |
| Advertising/Marketing Contract | 5,861 | 11,932 | 11,492 | 212,869 | 300,000 | 300,000 |
| Other | 144,418 | 192,989 | 212,162 | 224,979 | 225,598 | 225,598 |
| Commodities and Capital Outlays | | | | | | |
| Agriculture & Horticulture & Other Supply | 82,299 | 107,537 | 125,040 | 128,597 | 106,545 | 106,545 |
| Maintenance & Repairs Supply, Equipment | 58,766 | 66,997 | 68,781 | 74,067 | 161,335 | 161,335 |
| Inventory Purchased for Resale | 225,820 | 229,795 | 258,927 | 260,507 | 280,000 | 280,000 |
| Construction - Other | 151,425 | 55,349 | 94,323 | 10,695 | 17,000 | 17,000 |
| Other Expenses | 24,741 | 33,462 | 39,526 | 35,951 | 33,690 | 33,690 |
| BOR Admin | | | | | | |
| BOR Admin/WestWorld | 115,763 | 121,551 | 127,628 | 134,010 | 140,710 | 140,710 |
| Allocated Expenses** | | | | | | |
| Facilities Maintenance | 328,980 | 319,572 | 402,988 | 402,988 | 713,808 | 713,808 |
| COS Indirect Costs | 462,276 | 458,880 | 241,136 | 255,887 | 276,504 | 276,504 |
| Operating Expenses | \$4,054,772 | \$4,123,402 | \$4,529,966 | \$5,164,734 | \$ 5,732,557 | \$ 6,096,075 |
| Operating Income | (\$1,474,867) | (\$1,441,651) | (\$1,544,472) | (\$1,598,438) | (\$1,782,537) | (\$2,146,055) |
| <u>Debt Service (Less contributions)</u> | | | | | | |
| Debt Service - (52 & 17 acres) | \$1,402,123 | \$2,352,373 | \$2,364,123 | \$2,012,576 | \$2,381,879 | \$2,381,879 |
| Debt Service - TNEC | - | - | 588,503 | 1,200,000 | 2,743,925 | 2,743,925 |
| Bed Tax Contributions - TNEC | - | - | (588,503) | (1,200,000) | (1,200,000) | (1,200,000) |
| Net Debt Service | \$1,402,123 | \$2,352,373 | \$2,364,123 | \$2,012,576 | \$3,925,804 | \$3,925,804 |
| Operating Income After Debt Service | (\$2,876,990) | (\$3,794,024) | (\$3,908,596) | (\$3,611,014) | (\$5,708,341) | (\$6,071,859) |

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

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

Statement of Operations for March 2015 9 Months YTD

| | FY 2010/11 YTD Actual | FY 2011/12 YTD Actual | FY 2012/13 YTD Actual | FY 2013/14 YTD Actual | FY 2014/15 YTD Actual | FY 2014/15 Approved YTD Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Budget (Unfavorable) Percent |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------------------|--|------------------------------------|
| Operating Revenue | | | | | | | | |
| Rental Facilities | \$773,476 | \$790,060 | \$768,370 | \$1,054,167 | \$1,224,615 | \$890,000 | \$334,615 | 38% |
| RV Rental | 156,749 | 144,194 | 160,991 | 166,497 | 174,727 | 179,000 | (4,273) | -2% |
| Feed/Bedding Sales | 411,311 | 391,295 | 403,294 | 433,323 | 456,367 | 425,000 | 31,367 | 7% |
| Labor Fees | 94,475 | 88,489 | 78,555 | 103,672 | 97,959 | 80,000 | 17,959 | 22% |
| Concession Fees | 112,105 | 120,542 | 117,355 | 99,118 | 224,601 | 130,000 | 94,601 | 73% |
| Parking | 41,265 | 42,423 | 20,665 | 49,360 | 62,843 | 21,000 | 41,843 | nm |
| Equidome Project Use Fee* | - | - | - | - | 525,000 | - | 525,000 | n/a |
| Other Income | 6,361 | 9,789 | 9,429 | 5,704 | 4,468 | 4,375 | 93 | 2% |
| Operating Revenue | \$1,595,742 | \$1,586,792 | \$1,558,659 | \$1,911,840 | \$2,770,581 | \$1,729,375 | \$1,041,206 | 60% |
| Operating Expenses | | | | | | | | |
| Personnel Services | | | | | | | | |
| Wages/Salaries/Benefits | \$1,150,609 | \$1,132,352 | \$1,159,098 | \$1,194,267 | \$1,255,967 | \$1,268,444 | \$12,477 | 1% |
| Overtime | 4,117 | 16,133 | 26,618 | 18,952 | 23,949 | 13,478 | (10,471) | -78% |
| Contractual Services | | | | | | | | |
| Contractual Workers | 28,051 | 30,651 | 28,727 | 68,464 | 73,170 | 33,000 | (40,170) | nm |
| Telephone | 25,173 | 27,624 | 18,382 | 23,848 | 24,745 | 26,041 | 1,296 | 5% |
| Utilities | 247,851 | 321,612 | 310,716 | 655,392 | 908,999 | 823,250 | (85,749) | -10% |
| Maintenance & Equipment Rental & Fleet | 244,284 | 305,968 | 454,606 | 425,163 | 475,302 | 479,093 | 3,791 | 1% |
| License and Permits | 75,908 | 73,318 | 123,765 | 72,852 | 73,549 | 124,059 | 50,510 | 41% |
| Property, Liability & Workers' Comp | 16,164 | 12,717 | 13,590 | 23,040 | 28,035 | 28,035 | - | - |
| Advertising/Marketing Contract | 5,861 | 5,784 | 9,183 | 211,819 | 207,504 | 209,171 | 1,667 | 1% |
| Other | 91,696 | 167,252 | 172,322 | 181,591 | 192,630 | 171,899 | (20,731) | -12% |
| Commodities and Capital Outlays | | | | | | | | |
| Agriculture & Horticulture & Other Supply | 72,385 | 89,073 | 110,786 | 93,903 | 69,317 | 81,545 | 12,228 | 15% |
| Maintenance & Repairs Supply, Equipment | 29,586 | 59,650 | 54,377 | 57,207 | 72,866 | 106,906 | 34,040 | 32% |
| Inventory Purchased for Resale | 180,533 | 198,913 | 212,540 | 237,513 | 237,145 | 223,000 | (14,145) | -6% |
| Construction - Other | 145,792 | 52,424 | 4,480 | 10,695 | - | - | - | - |
| Other Expenses | 18,433 | 26,225 | 30,354 | 29,833 | 38,032 | 15,937 | (22,095) | nm |
| BOR Admin | | | | | | | | |
| BOR Admin/WestWorld | 115,763 | 121,551 | 127,628 | 134,010 | 140,710 | 140,710 | - | - |
| Allocated Expenses** | | | | | | | | |
| Facilities Maintenance | 246,735 | 239,679 | 302,238 | 302,238 | 535,356 | 535,356 | - | - |
| COS Indirect Costs | 346,707 | 344,160 | 180,855 | 191,916 | 207,378 | 207,378 | - | - |
| Operating Expenses | \$3,045,647 | \$3,225,086 | \$3,340,266 | \$3,932,704 | \$4,564,654 | \$4,487,302 | (\$77,352) | -2% |
| Operating Income | (\$1,449,905) | (\$1,638,294) | (\$1,781,607) | (\$2,020,864) | (\$1,794,073) | (\$2,757,927) | \$963,854 | 35% |
| Debt Service (Less contributions) | | | | | | | | |
| Debt Service - (52 & 17 acres) | \$700,297 | \$700,547 | \$681,297 | \$661,297 | \$280,279 | \$641,582 | \$361,303 | 56% |
| Debt Service - TNEC | - | - | - | - | - | - | - | - |
| Bed Tax Contributions - TNEC | - | - | - | - | - | - | - | - |
| Net Debt Service | \$700,297 | \$700,547 | \$681,297 | \$661,297 | \$280,279 | \$641,582 | \$361,303 | 56% |
| Operating Income After Debt Service | (\$2,150,202) | (\$2,338,841) | (\$2,462,904) | (\$2,682,161) | (\$2,074,353) | (\$3,399,509) | \$1,325,156 | 39% |

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

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



Privilege (Sales) & Use Tax Collections For March 2015 (For Business Activity in February 2015)

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

The report shows a fiscal year Privilege and Use Tax (1.0 percent General Purpose) collections increase of 3 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 | | | | |
|----------------------------------|----------------------------|----------------|---------------------------------|---------------------------------|---------------------------------------|
| | 2012/13 | 2013/14 | 2014/15 | 2014/15 | 2014/15 |
| | <u>Actual</u> | <u>Actual</u> | <u>Adopted</u> <u>Budget</u> | <u>Revised</u> <u>Budget</u> | <u>Approved</u> <u>Adjustments</u> |
| 1.00% General Purpose | | | | | |
| Rentals | \$12.6 | \$12.4 | \$12.9 | \$12.9 | \$0.0 |
| Misc. Retail Stores | 14.5 | 16.1 | 16.5 | 16.5 | 0.0 |
| Major Dept. Stores | 9.2 | 9.2 | 9.6 | 9.6 | 0.0 |
| Automotive | 11.0 | 12.4 | 12.9 | 12.9 | 0.0 |
| Food Stores | 6.5 | 6.6 | 6.8 | 6.8 | 0.0 |
| Construction | 9.0 | 11.1 | 10.2 | 10.2 | 0.0 |
| Dining/ Entertainment | 8.1 | 8.5 | 8.8 | 8.8 | 0.0 |
| Other Taxable Activity | 7.1 | 7.6 | 7.8 | 7.8 | 0.0 |
| Hotel/Motel | 4.5 | 5.0 | 5.2 | 5.2 | 0.0 |
| Utilities | 4.4 | 4.4 | 4.3 | 4.3 | 0.0 |
| License fees, Penalty & Interest | 2.2 | 2.3 | 2.3 | 2.3 | 0.0 |
| Subtotal | <u>\$89.0</u> | <u>\$95.6</u> | <u>\$97.2</u> | <u>\$97.2</u> | <u>\$0.0</u> |
| 0.10% Public Safety | \$8.7 | \$9.3 | \$9.5 | \$9.5 | \$0.0 |
| 0.20% Transportation | 16.9 | 18.1 | 18.4 | 18.4 | 0.0 |
| 0.20% McDowell Preserve 1995 | 17.4 | 18.7 | 19.0 | 19.0 | 0.0 |
| 0.15% McDowell Preserve 2004 | 13.0 | 14.0 | 14.2 | 14.2 | 0.0 |
| Total | <u>\$144.9</u> | <u>\$155.7</u> | <u>\$158.3</u> | <u>\$158.3</u> | <u>\$0.0</u> |
| % Change vs. Prior Year | 5% | 7% | 2% | 2% | |

Rounding differences may occur.

Privilege (Sales) & Use Tax by Category and Fund

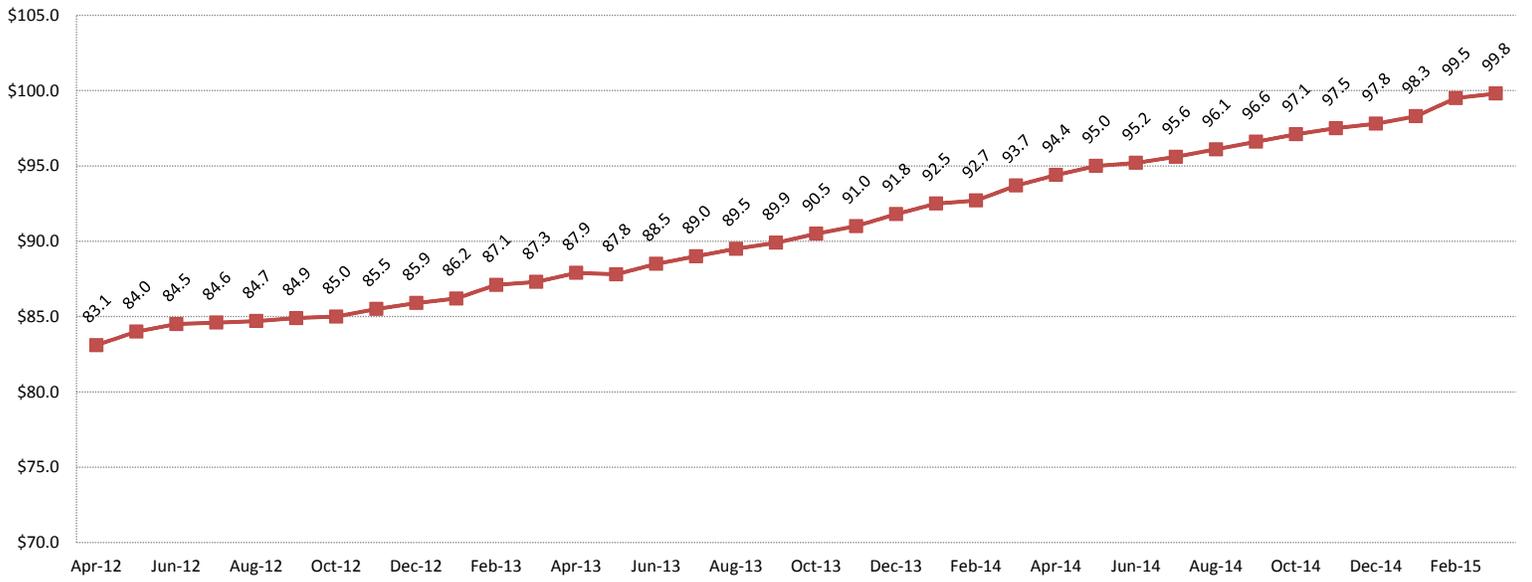
| Fiscal Year-to-Date: March 2015 | | | | | | |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------------|---------|
| | 2012/13 Actual | 2013/14 Actual | 2014/15 Actual | 2014/15 Budget | Actual vs. Budget | |
| | | | | | Favorable/(Unfavorable) Amount | Percent |
| 1.00% General Purpose | | | | | | |
| Rentals | \$9.4 | \$9.3 | \$9.6 | \$9.6 | \$0.0 | 0% |
| Misc. Retail Stores | 10.6 | 11.5 | 12.3 | 12.1 | 0.1 | 1% |
| Major Dept. Stores | 6.8 | 6.8 | 7.0 | 7.1 | 0.0 | 0% |
| Automotive | 7.9 | 9.0 | 10.0 | 9.5 | 0.5 | 5% |
| Food Stores | 4.6 | 4.9 | 5.1 | 5.0 | 0.1 | 2% |
| Construction | 6.4 | 8.0 | 9.0 | 8.0 | 1.0 | 12% |
| Dining/ Entertainment | 5.7 | 6.0 | 6.6 | 6.2 | 0.4 | 7% |
| Other Taxable Activity | 4.8 | 5.5 | 5.7 | 5.6 | 0.1 | 2% |
| Hotel/Motel | 2.9 | 3.2 | 3.5 | 3.4 | 0.2 | 5% |
| Utilities | 3.4 | 3.4 | 3.4 | 3.3 | 0.1 | 2% |
| License fees, Penalty & Interest | 1.8 | 2.0 | 1.8 | 1.9 | (0.1) | -3% |
| Subtotal | \$64.4 | \$69.6 | \$74.1 | \$71.7 | \$2.4 | 3% |
| 0.10% Public Safety | \$6.3 | \$6.8 | \$7.2 | \$7.0 | \$0.2 | 4% |
| 0.20% Transportation | 12.2 | 13.1 | 14.0 | 13.5 | 0.5 | 4% |
| 0.20% McDowell Preserve 1995 | 12.5 | 13.5 | 14.5 | 14.0 | 0.5 | 4% |
| 0.15% McDowell Preserve 2004 | 9.4 | 10.1 | 10.8 | 10.5 | 0.4 | 4% |
| Total | \$104.7 | \$113.2 | \$120.7 | \$116.7 | \$4.0 | 3% |
| % Change vs. Prior Year | | 8% | 7% | 3% | | |

Rounding differences may occur.

Privilege (Sales) & Use Tax

12 Month Rolling

1.00% General Fund in Millions



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 \$0.0 million or 0%: No explanation necessary.

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 1%: Normal business fluctuations.

Major Department Stores Sales Taxes

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

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

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 \$0.5 million or 5%: This is due to increased sales of new and used motor vehicles in addition to a new Mazda dealership.

Food Stores Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 2%: This is due in part to a large one-time audit payment.

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 \$1.0 million or 12%: This is due to an increase in single family and multifamily homes. Additionally, the effect of the change in the State statutes hasn't decreased the category as much as initially projected yet.

Dining/Entertainment Sales Taxes

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

Actual to Revised Budget variance of \$0.4 million or 7%: This is due in part to the Super Bowl and the Pro Bowl.

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 2%: This is due in part to increase in taxable sales from computer hardware/software wholesalers and is due in part to a couple of large one-time audit payments.

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 \$0.2 million or 5%: This is due in part to the Super Bowl and the Pro Bowl.

Utilities Sales Taxes

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

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

License Fees, Penalty & Interest

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

Actual to Revised Budget variance of (\$0.1) million or (3%): This is due to a decrease in penalties and interest and due to fewer license renewals from the change in the law for construction contractors.

Glossary

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

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

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

GENERAL FUND SOURCES

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

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

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

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

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

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

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

GENERAL FUND USES

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

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

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

Glossary

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

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

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

OTHER FUNDS

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

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

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

Water & Water Reclamation Funds

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

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

Aviation Fund

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

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

Glossary

Solid Waste Fund

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

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

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

Fleet Fund

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

Risk Fund

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

Benefits Self Insurance Fund

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