



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

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



FINANCIAL REPORT YEAR-TO-DATE AUGUST 2015

The following report is a summary of financial results for the City's General Fund (which is the primary operating fund of the City), Transportation Fund, Tourism Development Fund, major Enterprise Funds, Fleet Fund, Risk Fund and Benefits Self-Insurance Fund. The report also includes detailed information on the City's privilege (sales) tax by major category.

Financial statements summarize sources and uses by major categories. Significant budget to actual variances are highlighted and explained. Additionally, the report includes a Statement of Operations for WestWorld. The statement summarizes operating revenue and expenses (before and after debt service).

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

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| General Fund | 3 |
| Transportation Fund | 12 |
| Tourism Development Fund | 15 |
| Enterprise Funds: | |
| Water and Water Reclamation Funds | 18 |
| Aviation Fund | 21 |
| Solid Waste Fund | 24 |
| Internal Service Funds: | |
| Fleet Fund | 27 |
| Risk Fund | 30 |
| Benefits Self-Insurance Fund | 33 |
| Statement of Operations: | |
| WestWorld | 36 |
| Appendix 1: Privilege (Sales) & Use Tax Collections | 38 |
| Appendix 2: Glossary | 42 |

General Fund- Summary

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

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

| August 2015: Current Month and YTD | | | | | | |
|--|------------------|-----------------------------|----------------|--------------------------|--|---------|
| (\$ in millions: Rounding differences may occur) | | | | | | |
| | August Actual | August Revised Budget | YTD Actuals | YTD Revised Budget | Actual vs. Budget Favorable/(Unfavorable) | |
| | | | | | Amount | Percent |
| Sources | \$15.7 | \$18.6 | \$40.5 | \$39.7 | \$0.8 | 2% |
| Uses | 20.7 | 19.7 | 46.7 | 48.1 | 1.5 | 3% |
| Change in Fund Balance | (\$5.0) | (\$1.1) | (\$6.2) | (\$8.4) | \$2.2 | |

Sources

(\$ in millions: Rounding differences may occur)

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

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

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

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

Sales Taxes

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

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

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

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

State-Shared Revenues

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

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

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

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

Property Taxes

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

No explanation is necessary.

Franchise Fees and In-Lieu Taxes

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

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

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

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

Charges for Services/Other

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

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

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

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

Building Permit Fees and Charges

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

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

Interest Earnings

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

No explanation is necessary.

Indirect/Direct Cost Allocations

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

No explanation is necessary.

Transfers In

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

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

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

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

Uses

(\$ in millions: Rounding differences may occur)

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

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

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

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

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

Personnel Services

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

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

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

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

The favorable variance in Personnel Services is driven largely by Police Retirement for Public Safety Personnel Retirement System (PSPRS), certain budget transfers have occurred to correct the withholding rates that were charged in the month of July and additional budget transfers will occur to modify the future period withholdings due to the Public Safety DROP program. This variance will also level out in future periods as employees enter the DROP program or retire out of the program. This favorable variance is slightly offset by an unfavorable variance in Overtime which is related to Fire operations. There are 12 new recruits currently in the academy and all of them should be deployed in the fall alleviating future overtime shortfalls.

Macro Personnel Adjustments

| | 2013/14 | 2014/15 | 2015/16 | 2015/16 | |
|--------------------------------------|--------------|------------|----------------|----------------|----------------|
| | Actual | Actual | Adopted Budget | Year-To-Date | |
| | | | | Saved/(Used) | Remaining |
| Retirement Savings | \$ - | n/a | \$ - | \$0.4 | \$0.4 |
| Pay for Performance | 2.8 | n/a | 3.1 | (3.0) | 0.1 |
| Compensation Adjustments | 0.6 | n/a | - | - | - |
| Vacancy Savings | (3.8) | n/a | (3.8) | 1.0 | (2.8) |
| Vacation Leave Payouts | 0.5 | n/a | 0.9 | (0.1) | 0.8 |
| Medical Leave Payouts | 0.8 | n/a | 1.0 | (0.3) | 0.7 |
| Total Vacancy Savings/Payouts | \$0.9 | n/a | \$1.2 | (\$2.2) | (\$1.0) |

Total Saved/(Used) YTD of (\$2.2) million:

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

Contractual Services

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

The favorable variance is attributable to not receiving the expected invoices during this period for communications specialty lines, maintenance of office equipment, and software maintenance/licensing. Additionally, costs for fuel and maintenance are running favorable for the first two months.

Commodities

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

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

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

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

Debt Service & Contracts Payable

Twelve Months: Fiscal Year

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

Fiscal Year-to-Date: August 2015

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

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

No explanation is necessary.

Transfers-Out

Twelve Months: Fiscal Year

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

Fiscal Year-to-Date: August 2015

| | 2013/14 Actual | 2014/15 Actual | 2015/16 Actual | 2015/16 Revised Budget | Actual vs. Budget Favorable / (Unfavorable) Amount | Percent |
|---------------------------------|-------------------|-------------------|-------------------|------------------------------|--|---------|
| CIP - Stadium | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| CIP - PAYGO | - | - | 2.0 | - | (2.0) | n/a |
| Spec Pgms Fund - Planning & Dev | - | - | - | - | - | - |
| Grants Fund - CDBG | - | - | - | - | - | - |
| Total Transfers Out | \$ - | \$ - | \$2.0 | \$ - | (\$2.0) | n/a |
| % Change vs. Prior Year | 0% | 0% | 0% | 0% | | |

Actual to Revised Budget variance of (\$2.0) million or 0%:

The unfavorable variance in CIP-PAYGO is due to the transfer-out for the sale of certain city buildings. The budget was in a prior period so this variance will be resolved in the next reporting period.

August 2015: Current Month and YTD

(\$ in millions: Rounding differences may occur)

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

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

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

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

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

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

FY 2015/16 - TOURISM DEVELOPMENT FUND

(\$ in millions: Rounding differences may occur)

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

Twelve Months: Fiscal Year

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

Twelve Months: Fiscal Year

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

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

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

No explanation necessary.

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

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

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

No explanation necessary.

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

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

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

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

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

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

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

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

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

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

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

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

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

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

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

August 2015: Current Month and YTD

(\$ in millions: Rounding differences may occur)

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

No explanation necessary.

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

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

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

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

FY 2015/16 - SOLID WASTE FUND
(\$ in millions: Rounding differences may occur)

| | Adopted Budget | Revised Budget | Adopted Favorable / Amount | vs. Revised (Unfavorable) Percent |
|--------------------------------|-------------------|-------------------|----------------------------------|---|
| Sources | \$22.0 | \$22.0 | \$ - | - |
| Uses | 23.5 | 23.5 | - | - |
| Change in Fund Balance | (\$1.5) | (\$1.5) | \$ - | |
| Beginning Fund Balance | \$10.5 | \$10.5 | \$ - | |
| Ending Fund Balance | \$9.0 | \$9.0 | \$ - | |
| 60 to 90 Day Operating Reserve | \$5.8 | \$5.8 | \$ - | |
| Unreserved Fund Balance | 3.2 | 3.2 | - | |
| Ending Fund Balance | \$9.0 | \$9.0 | \$ - | |

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

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

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

August 2015: Current Month and YTD

(\$ in millions: Rounding differences may occur)

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

No explanation necessary.

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

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

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

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

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

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

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

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

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

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

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

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

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

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

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

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

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

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

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

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

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

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

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

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

FY 2015/16 - BENEFITS SELF INSURANCE

(\$ in millions: Rounding differences may occur)

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

Twelve Months: Fiscal Year

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

Twelve Months: Fiscal Year

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

August 2015: Current Month and YTD

(\$ in millions: Rounding differences may occur)

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

One Month: August 2015

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

Fiscal Year-to-Date: August 2015

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

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

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

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

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

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

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

Statement of Operations - WestWorld

City of Scottsdale
WestWorld
Statement of Operations

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

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

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

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

Statement of Operations YTD August 2015

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

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

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



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

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

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

Privilege (Sales) & Use Tax by Category and Fund

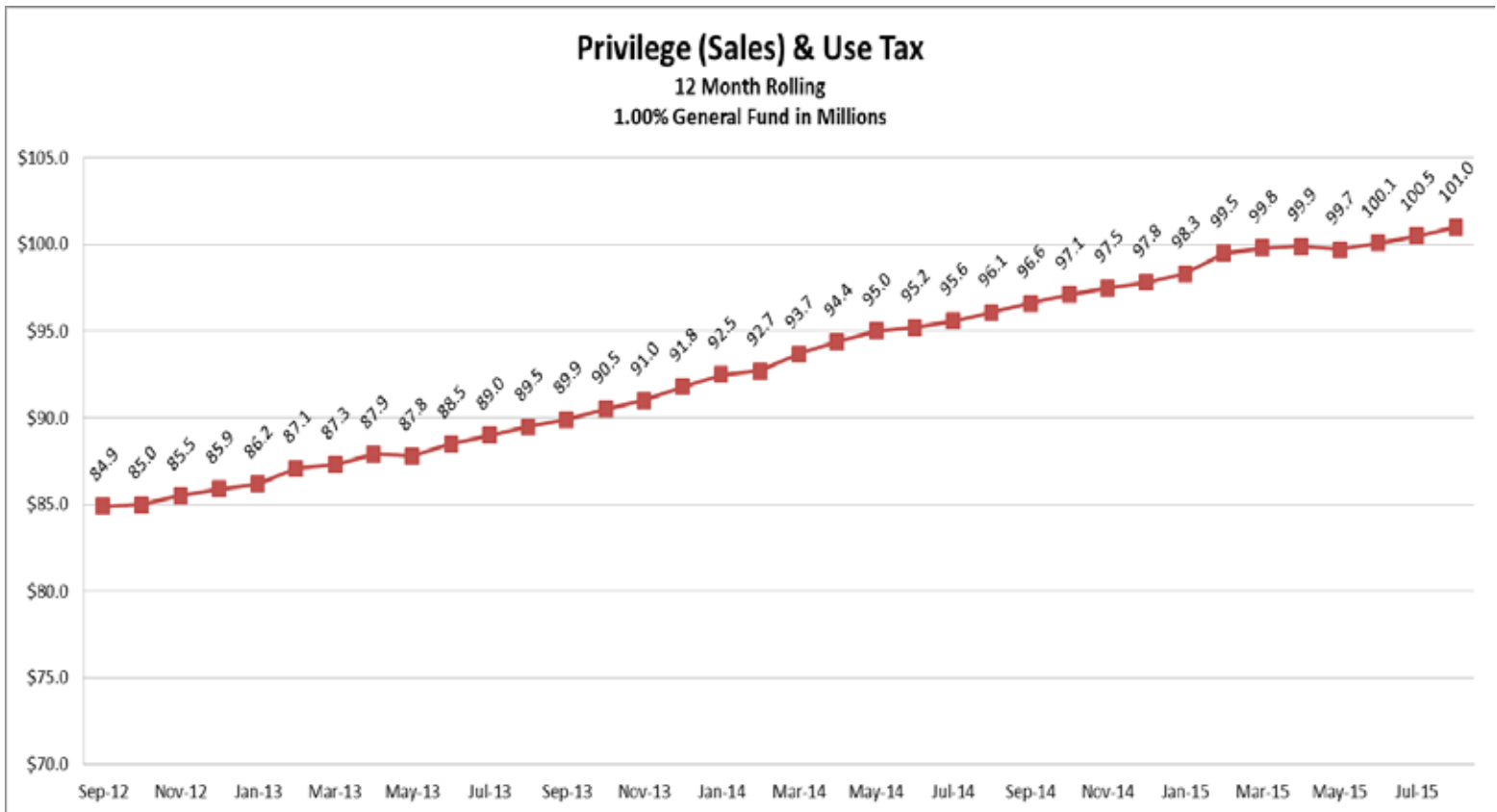
| | Fiscal Year: Twelve Months | | | | |
|----------------------------------|----------------------------|---------------|---------------------------------|---------------------------------|---------------------------------------|
| | 2013/14 | 2014/15 | 2015/16 | 2015/16 | 2015/16 |
| | <u>Actual</u>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

Rounding differences may occur.

Privilege (Sales) & Use Tax by Category and Fund

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

Rounding differences may occur.



Rental Sales Taxes

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

Actual to Revised Budget variance of \$0.2 million or 9%: The increase is a result of a sale of an apartment complex.

Miscellaneous Retail Stores Sales Taxes

This category includes small clothing stores, art galleries, luggage stores, home furnishing stores, jewelry stores, drug stores, hobby stores, household appliance stores, sporting goods stores, florists, computer stores, hardware stores, and pet supply stores.

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

Major Department Stores Sales Taxes

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

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

Automotive Sales Taxes

The automotive category includes automobile dealers, motorcycle dealers, automotive repair shops, tire shops, car washes, and car leasing companies.

Actual to Revised Budget variance of \$0.2 million or 9%: This is due to increased sales of new and used motor vehicles in addition to a new Mazda dealership.

Food Stores Sales Taxes

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

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

Construction Sales Taxes

The construction tax is collected on all construction activity; commercial and residential; new and re-model. It also includes landscaping, painting, flooring installation, siding, roofing, concrete, plumbing, heating, electrical, framing, drywall, infrastructure, masonry, finish carpentry, etc.

Actual to Revised Budget variance of \$0.2 million or 15%: This is due to several large one-time audit payments.

Dining/Entertainment Sales Taxes

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

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

Other Taxable Activity Sales Taxes

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

Actual to Revised Budget variance of \$0.2 million or 15%: This is due in part to increase in taxable sales from computer hardware/software wholesalers.

Hotel/Motel Sales Taxes

This category includes lodging space rental on a short-term basis and other activities provided at the hotel/motel.

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

Utilities Sales Taxes

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

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

License Fees, Penalty & Interest

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

Actual to Revised Budget variance of (\$0.1) million or (28%): This is due to a decrease in penalties and interest, and due to fewer license renewals from the change in the law for construction contractors.

Glossary

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

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

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

GENERAL FUND SOURCES

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

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

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

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

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

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

GENERAL FUND USES

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

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

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

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

Glossary

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

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

OTHER FUNDS

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

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

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

Water & Water Reclamation Funds

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

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

Aviation Fund

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

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

Glossary

Solid Waste Fund

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

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

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

Fleet Fund

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

Risk Fund

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

Benefits Self Insurance Fund

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