



Financial Report
Fiscal Year-to-Date
As of May 2016

Report to the City Council
Prepared by City Treasurer
July 6, 2016



FINANCIAL REPORT YEAR-TO-DATE MAY 2016

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).

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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	264.3	(0.5)	0%
Change in Fund Balance	\$0.1	(\$0.4)	(\$0.5)	
Beginning Fund Balance	\$46.2	\$50.3	\$4.1	
Ending Fund Balance	\$46.3	\$49.9	\$3.6	
Reserved*	\$24.6	\$24.6	\$0.0	
Contingency	\$3.0	\$2.5	(\$0.5)	
Unreserved	\$18.7	\$22.8	\$4.1	

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

May 2016: Current Month and YTD

(\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$25.7	\$26.0	\$247.1	\$240.8	\$6.3	3%
Uses	17.4	17.9	220.3	223.9	3.6	2%
Change in Fund Balance	\$8.3	\$8.1	\$26.8	\$16.9	\$9.9	

Sources

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
1.1% Sales Taxes	\$104.9	\$110.4	\$110.0	\$110.0
State-Shared Revenues	50.9	54.5	55.5	55.5
Property Taxes	25.3	25.5	26.0	26.0
Franchise Fees/In-Lieu Taxes	12.2	12.4	12.0	12.0
Charges for Services/Other	24.3	29.5	30.1	30.1
Building Permit Fees & Charges	14.4	14.8	14.3	14.3
Interest Earnings *	0.8	0.9	0.9	0.9
Indirect/Direct Cost Allocation	6.6	6.5	6.0	6.0
Total Revenue	\$239.4	\$254.3	\$254.8	\$254.8
Transfers In	12.5	10.0	9.1	9.1
Total Sources	\$251.9	\$264.4	\$263.9	\$263.9
% Change vs. Prior Year	-5%	5%	0%	0%

	One Month: May 2016				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$9.3	\$9.1	\$10.6	\$9.5	\$1.1	11%
State-Shared Revenues	4.8	5.1	4.8	5.2	(0.3)	-6%
Property Taxes	6.0	6.1	5.6	6.2	(0.5)	-9%
Franchise Fees/In-Lieu Taxes	-	-	-	-	-	-
Charges for Services/Other	2.3	2.2	2.0	2.3	(0.3)	-14%
Building Permit Fees & Charges	1.3	1.3	1.6	1.6	-	-
Interest Earnings *	0.2	0.1	(0.1)	0.1	(0.1)	nm
Indirect/Direct Cost Allocation	0.5	0.5	0.5	0.5	-	-
Total Revenue	\$24.3	\$24.5	\$25.1	\$25.3	(\$0.2)	-1%
Transfers In	0.6	0.6	0.6	0.6	-	-
Total Sources	\$25.0	\$25.1	\$25.7	\$26.0	(\$0.3)	-1%
% Change vs. Prior Year	9%	0%	3%	4%		

	Fiscal Year-to-Date: May 2016				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.1% Sales Taxes	\$96.1	\$101.0	\$106.0	\$101.1	\$4.8	5%
State-Shared Revenues	46.6	49.7	50.9	50.6	0.4	1%
Property Taxes	23.8	23.6	23.9	24.5	(0.6)	-3%
Franchise Fees/In-Lieu Taxes	11.2	11.1	11.3	10.8	0.5	5%
Charges for Services/Other	21.7	26.2	27.7	26.5	1.2	5%
Building Permit Fees & Charges	13.8	13.9	12.4	12.7	(0.3)	-3%
Interest Earnings *	1.6	0.9	1.2	0.8	0.4	52%
Indirect/Direct Cost Allocation	6.0	5.9	5.5	5.5	-	-
Total Revenue	\$220.8	\$232.3	\$238.8	\$232.5	\$6.4	3%
Transfers In	6.5	7.9	8.3	8.3	-	-
Total Sources	\$227.3	\$240.2	\$247.1	\$240.8	\$6.3	3%
% Change vs. Prior Year	-7%	6%	3%	0%		

* 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
General Purpose Sales Tax (1.00%)	\$95.6	\$100.6	\$100.2	\$100.2
Public Safety Sales Tax (0.10%)	9.3	9.8	9.8	9.8
Total General Fund Sales Taxes	\$104.9	\$110.4	\$110.0	\$110.0
% Change vs. Prior Year	7%	5%	0%	0%

	Fiscal Year-to-Date: May 2016				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
General Purpose Sales Tax (1.00%)	\$87.5	\$92.0	\$96.5	\$92.1	\$4.4	5%
Public Safety Sales Tax (0.10%)	8.5	9.0	9.5	9.0	0.5	5%
Total General Fund Sales Taxes	\$96.1	\$101.0	\$106.0	\$101.1	\$4.8	5%
% Change vs. Prior Year	8%	5%	5%	0%		

Actual to Revised Budget variance of \$4.8 million or 5%:

The favorable variance is primarily due to low gas prices and overall improved economy, which is reflected in increases in miscellaneous retail, automotive sales, computer hardware/software wholesalers, and sales from websites. Additionally, there were several large one-time audit payments recorded, and two large self-reported spec sales of apartment buildings.

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	\$19.9	\$20.8	\$20.8
State Shared Income Tax	24.2	26.3	26.2	26.2
Auto Lieu Tax	7.8	8.3	8.6	8.6
Total State Shared Revenues	\$50.9	\$54.5	\$55.5	\$55.5
% Change vs. Prior Year	8%	7%	2%	2%

	Fiscal Year-to-Date: May 2016				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
State Shared Sales Tax	\$17.3	\$18.1	\$18.9	\$18.9	\$ -	-
State Shared Income Tax	22.2	24.1	24.0	24.0	-	-
Auto Lieu Tax	7.1	7.5	8.1	7.7	0.4	5%
Total State Shared Revenues	\$46.6	\$49.7	\$50.9	\$50.6	\$0.4	1%
% Change vs. Prior Year	8%	7%	2%	2%		

Actual to Revised Budget variance of \$0.4 million or 1%:

The favorable variance in Auto Lieu Tax is due to higher than expected number of license registrations.

Property Taxes

Actual to Revised Budget variance of (\$0.6) million or (3%):

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

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	\$8.4	\$8.3	\$8.3
Cable TV License Fee	3.7	3.7	3.4	3.4
Salt River Project Lieu Tax	0.3	0.3	0.2	0.2
Total Franchise Fees/In-Lieu Taxes	\$12.2	\$12.4	\$12.0	\$12.0
% Change vs. Prior Year	1%	2%	-3%	-3%

	Fiscal Year-to-Date: May 2016					Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
Electric and Gas Franchise	\$8.2	\$8.2	\$8.3	\$8.1	\$0.2	3%	
Cable TV License Fee	2.8	2.8	2.9	2.6	0.3	12%	
Salt River Project Lieu Tax	0.1	0.1	0.1	0.1	-	-	
Total Franchise Fees/In-Lieu Taxes	\$11.2	\$11.1	\$11.3	\$10.8	\$0.5	5%	
% Change vs. Prior Year	1%	0%	1%	-3%			

Actual to Revised Budget variance of \$0.5 million or 5%:

The favorable variance is primarily driven by aggressive cable TV campaigns to maintain or to grow market share while facing a strong competition from online TV providers. However, the upward trend is slowing down.

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	\$3.9	\$3.6	\$3.6
WestWorld	3.4	4.2	5.1	5.1
Fire Service Charges	0.7	0.9	0.8	0.8
Business Licenses & Fees	1.8	1.9	1.8	1.8
<i>Fines & Forfeitures</i>				
Court Fines	4.2	4.1	4.2	4.2
Photo Enforcement Revenue	1.9	2.9	2.9	2.9
Parking Fines	0.2	0.2	0.2	0.2
Library Fines & Fees	0.3	0.3	0.3	0.3
<i>Miscellaneous</i>				
Stormwater Water Quality Charge	0.9	0.9	0.9	0.9
Property Rental	2.2	2.9	3.0	3.0
Intergovernmental Revenue	1.2	1.2	1.2	1.2
Contributions/Donations	0.1	0.0	-	-
Miscellaneous	1.9	4.3	4.9	4.9
Reimbursements	1.8	1.8	1.1	1.1
Total Charges for Services/Other	\$24.3	\$29.5	\$30.1	\$30.1
% Change vs. Prior Year	-4%	21%	2%	2%

	Fiscal Year-to-Date: May 2016					
	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	\$3.0	\$3.0	\$3.6	\$2.9	\$0.7	26%
WestWorld	2.8	3.4	3.1	3.7	(0.6)	-17%
Fire Service Charges	0.7	0.9	0.9	0.7	0.2	35%
Business Licenses & Fees	1.7	1.8	1.8	1.8	-	-
<i>Fines & Forfeitures</i>						
Court Fines	3.9	3.8	3.5	3.7	(0.2)	-5%
Photo Enforcement	1.7	2.6	3.0	2.6	0.3	12%
Parking Fines	0.2	0.2	0.3	0.2	0.1	32%
Library Fines & Fees	0.3	0.3	0.3	0.3	-	-
<i>Miscellaneous</i>						
Stormwater Water Quality Charge	0.9	0.8	0.8	0.8	-	-
Property Rental	2.1	2.4	2.8	2.8	-	-
Intergovernmental Revenue	1.2	1.2	0.9	1.2	(0.3)	-23%
Contributions/Donations	0.0	0.0	-	-	-	-
Miscellaneous	1.5	4.2	5.6	4.9	0.7	15%
Reimbursements	1.5	1.5	1.2	1.0	0.2	15%
Total Charges for Services/Other	\$21.4	\$26.2	\$27.7	\$26.5	\$1.2	5%
% Change vs. Prior Year	-4%	22%	6%	1%		

Actual to Revised Budget variance of \$1.2 million or 5%:

Recreation fees are trending ahead thanks to strong revenues in July, November and December. The unfavorable variance in WestWorld is due to timing. Accruals of unpaid FY 2014/15's invoices and some additional fees for non-compliance to the ambulance contract contributed to the favorable variance in Fire Service Charges. The decline in Court Fines filings is offset by the continuing growth in Photo Enforcement and the favorable variance in Parking Fines. The unfavorable variance in Intergovernmental Revenue is due to the \$0.3 million reduction to the School Resource Officer Program agreement authorized by council after the FY 2015/16 budget adoption. The favorable variance in Miscellaneous is primarily due to the unbudgeted sale of a DC Ranch property, late charges and passport fees. Finally, the favorable variance in Reimbursements is explained by the one-time reimbursement of expenses for 1 FTE Fire Captain-Paramedic for the Mobile Integrated Health Program, according to the contract signed with Honor Health at the beginning of this fiscal year for which there was no budget.

Building Permit Fees and Charges

Actual to Revised Budget variance of (\$0.3) million or (3%):

The unfavorable variance is driven by Right-of-Way fees and Development Application fees coming in below budget; partly offset by higher than forecasted Plan Review fees and Building Permits.

Interest Earnings

Actual to Revised Budget variance of \$0.4 million or 52%:

The favorable variance is due mainly to higher than expected rates as well as having \$40 million more in investment funds than budgeted. The city is required to record potential gains/losses that result from changes in fair value of investments. However, these may or may not materialize as it will depend on the activity in the portfolio.

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
Enterprise In Lieu Franchise Fees	\$7.0	\$6.8	\$7.2	\$7.2
Debt Stabilization	-	1.1	-	-
Tourism Development - Bed Tax	3.1	1.5	1.5	1.5
Tourism Development - WW	2.1	-	-	-
SW Gas Agreement (Excess Rev)	-	0.2	-	-
Transfers-In - CIP	-	-	-	-
Miscellaneous	-	0.1	-	-
30 Day Tow	0.3	0.4	0.4	0.4
Total Transfers In	\$12.5	\$10.0	\$9.1	\$9.1
% Change vs. Prior Year	18%	-20%	-9%	-9%

	Fiscal Year-to-Date: May 2016					Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised Budget	Amount	Percent	
Enterprise In Lieu Franchise Fees	\$6.2	\$6.0	\$6.4	\$6.5	(\$0.1)	-1%	
Tourism Development - Bed Tax	-	1.5	1.5	1.5	-	-	
Tourism Development - WW	-	-	-	-	-	-	
Transfers-In - CIP	-	-	-	-	-	-	
30 Day Tow	0.3	0.4	0.4	0.4	-	-	
Fire	-	-	-	-	-	-	
Total Transfers In	\$6.5	\$7.9	\$8.2	\$8.3	-	-	
% Change vs. Prior Year	-2%	21%	5%	6%			

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

No explanation is necessary.

Uses

(\$ in millions: Rounding differences may occur)

	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	\$163.6	\$169.6	\$177.8 *	\$177.8 *	\$ -
Contractual	53.3	54.1	56.6	56.6	-
Commodities	7.6	7.8	7.9	8.4	0.5
Capital Outlays	0.6	0.5	0.5	0.5	-
Total Operating Expenses	\$225.0	\$232.0	\$242.8	\$243.3	\$0.5
Debt Service & Contracts Payable	15.7	15.4	14.8	14.8	-
Transfers Out	6.3	13.0	6.2	6.2	-
Total Uses	\$247.0	\$260.3	\$263.8 *	\$264.3 *	\$0.5
% Change vs. Prior Year	-8%	5%	1%	1%	

	One Month: May 2016						
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent	
Expenses:							
Personnel Services	\$12.4	\$13.2	\$13.1	\$13.4	\$0.3	2%	
Contractual	3.4	3.8	3.5	3.7	0.2	6%	
Commodities	0.7	0.8	0.7	0.7	-	-	
Capital Outlays	0.3	0.2	-	-	-	-	
Total Operating Expenses	\$16.8	\$17.9	\$17.4	\$17.9	\$0.5	3%	
Debt Service & Contracts Payable	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	
Total Uses	\$16.8	\$17.9	\$17.4	\$17.9	\$0.5	3%	
% Change vs. Prior Year	-2%	6%	-3%	0%			

	Fiscal Year-to-Date: May 2016						
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent	
Expenses:							
Personnel Services	\$150.9	\$156.6	\$160.1	\$162.0	\$1.9	1%	
Contractual	45.9	48.0	48.3	50.8	2.5	5%	
Commodities	6.4	6.7	6.3	7.3	1.0	14%	
Capital Outlays	0.5	0.3	0.3	0.1	(0.1)	-79%	
Total Operating Expenses	\$203.7	\$211.6	\$215.0	\$220.3	\$5.3	2%	
Debt Service & Contracts Payable	1.6	1.6	1.6	1.6	-	-	
Transfers Out	0.4	0.0	3.7	2.0	(1.7)	-85%	
Total Uses	\$205.8	\$213.2	\$220.3	\$223.9	\$3.6	2%	
% Change vs. Prior Year	-12%	4%	3%	5%			

	Fiscal Year-to-Date: May 2016						
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent	
Expenses:							
Mayor & Council and Charter Officers	\$16.3	\$16.6	\$18.2	\$18.4	\$0.2	1%	
Administrative Services	13.7	13.8	14.2	14.5	0.3	2%	
Community & Economic Dev	21.3	22.3	21.4	22.5	1.1	5%	
Community Services	29.9	30.8	30.7	31.7	1.0	3%	
Public Safety - Fire	29.0	30.4	31.8	31.2	(0.6)	-2%	
Public Safety - Police	77.1	81.3	83.2	85.8	2.7	3%	
Public Works	16.4	16.4	15.5	16.2	0.7	4%	
Total Operating Expenses	\$203.7	\$211.6	\$215.0	\$220.3	\$5.3	2%	

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

Personnel Services					
	Twelve Months: Fiscal Year				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Salaries and Wages	\$115.6	\$119.3	\$122.3 *	\$123.3 *	\$1.1
Overtime	7.2	8.0	7.1	7.0	-
FICA	7.9	8.1	8.5	8.3	(0.2)
Retirement	17.2	18.4	22.3	22.0	(0.3)
Health/Dental/Miscellaneous	15.6	15.8	17.7	17.1	(0.6)
Total Personnel Services	\$163.6	\$169.6	\$177.8 *	\$177.8 *	\$ -
% Change vs. Prior Year	4%	4%	5%	5%	

	Fiscal Year-to-Date: May 2016					
	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)
Salaries and Wages	\$106.6	\$110.1	\$111.6	\$112.8	\$1.2	1%
Overtime	6.7	7.4	6.4	6.4	0.1	1%
FICA	7.3	7.5	7.5	7.6	0.1	1%
Retirement	15.9	17.0	19.3	19.5	0.2	1%
Health/Dental/Miscellaneous	14.3	14.5	15.3	15.6	0.3	2%
Total Personnel Services	\$150.9	\$156.6	\$160.1	\$162.0	\$1.9	1%
% Change vs. Prior Year	4%	4%	2%	3%		
Pay Periods	24	24	24			

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

Actual to Revised Budget variance of \$1.9 million or 1%:

The favorable variance in Personnel Services is due primarily to savings in Full and Part-Time Wages in Community Services. The division has hired a number of new incumbents at rates less than the existing budget and has also maximized the hours worked and scheduling of part-time staff to allow for greater coverage with existing staff. There is also significant savings in the City Attorney's Division due to retirements and existing employees promoting into positions with budget amounts that exceed their current earnings. Additionally, while Overtime has no notable citywide variance the Fire Division is unfavorable by approximately \$0.5 million due to increased leave usage for staff trained in Advanced Life Support (ALS - paramedics), the Fire Division currently has 16 sworn staff attending paramedic school to alleviate this overage in the future, their current anticipated graduation is in January 2017. Also in May there were a number of firefighters on light duty and other various leaves for medical and other injuries (6 on duty injuries where staff was not available for coverage). This is offset by the Police Division which is favorable by \$0.6 million in their various Overtime lines. The favorable variance in Retirement is related to the Police Division DROP (Deferred Retirement Option Program). The city does not pay retirement for those sworn employees in the DROP program and, therefore, a retirement budget is not programmed for DROP employees. However, there was a larger number of employees than originally anticipated who entered the DROP program after the budget was adopted, so for those DROP employees their retirement budget will go unspent and a favorable variance will result. Finally, the favorable variance in Health is due to plan selection occurring after each position has been budgeted and adopted which can result in employees selecting different plans in open enrollment than what their position was budgeted for which in this case resulted in a favorable variance.

Macro Personnel Adjustments					
	2013/14	2014/15	2015/16	2015/16	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	Year-To-Date	Remaining
Pay for Performance	\$2.8	\$4.6	\$3.1	(\$3.0)	\$0.1
Retirement Savings	-	-	-	0.4	0.4
Compensation Adjustments	0.6	-	-	-	-
Vacancy Savings	(3.8)	(3.8)	(3.8)	4.4	-
Vacation Leave Payouts	0.5	0.7	0.9	(0.7)	0.2
Medical Leave Payouts	0.8	1.6	1.0	(1.0)	-
Total Vacancy Savings/Payouts	\$0.9	\$3.1	\$1.2	\$0.1	\$0.7

Total Saved/(Used) YTD of \$0.1 million:

The city has achieved \$4.4 million in vacancy savings year-to-date offset by (\$1.7) 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 were 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 FY 2015/16's 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 \$2.5 million or 5%:

The favorable variance is largely related to utilities and fuel costs seeing significant savings through efficiencies, favorable market conditions, and other factors. Additional factors attributable to the favorable variance is fewer callouts for building maintenance in city buildings than was anticipated based on previous activity levels. This variance also relates to contracts that did not receive the expected invoices during this period or the contract is seeing more favorable terms. Although the budget for these items is in the period where staff believed the payment would exist there have been delays in the timely receipt of these and other invoices.

Commodities

Actual to Revised Budget variance of \$1.0 million or 14%:

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

Capital Outlays

Actual to Revised Budget variance of (\$0.1) million or (79%):

No explanation is necessary.

Debt Service & Contracts Payable

	Twelve Months: Fiscal Year						
	2013/14	2014/15	2015/16	2015/16	2015/16		
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>		
MPC Excise Debt Fund	\$12.8	\$12.6	\$11.9	\$11.9	\$ -		
Contracts Payable	0.3	0.3	0.3	0.3	-		
COP - Radio Financing	2.5	2.5	2.5	2.5	-		
Debt Service & Contracts Payable	<u>\$15.7</u>	<u>\$15.4</u>	<u>\$14.8</u>	<u>\$14.8</u>	<u>\$ -</u>		
% Change vs. Prior Year	4%	-2%	-4%	-4%			

	Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>	
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Contracts Payable	0.3	0.3	0.3	0.3	-	-	
COP - Radio Financing	1.3	1.3	1.3	1.3	-	-	
Debt Service & Contracts Payable	<u>\$1.6</u>	<u>\$1.6</u>	<u>\$1.6</u>	<u>\$1.6</u>	<u>\$ -</u>	<u>-</u>	
% Change vs. Prior Year	-95%	-4%	0%	0%			

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

No explanation is necessary.

Transfers-Out					
Twelve Months: Fiscal Year					
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Revised</u>	<u>Approved</u>
			<u>Budget</u>	<u>Budget</u>	<u>Adjustments</u>
CIP - Stadium	\$0.1	\$0.1	\$0.1	\$0.1	\$ -
CIP - PAYGO	5.8	12.8	6.1	6.1	-
Healthcare - Disabled and Retiree	-	-	-	-	-
Spec Pgms Fund - Planning & Dev	0.1	0.1	0.1	0.1	-
Grants Fund - CDBG	0.4	-	-	-	-
Total Transfers Out	<u><u>\$6.3</u></u>	<u><u>\$12.9</u></u>	<u><u>\$6.2</u></u>	<u><u>\$6.2</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	<u><u>-28%</u></u>	<u><u>nm</u></u>	<u><u>-52%</u></u>	<u><u>-52%</u></u>	

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised</u>	Favorable /	(Unfavorable)
				<u>Budget</u>	<u>Amount</u>	<u>Percent</u>
CIP - Stadium	\$0.1	\$ -	\$ -	\$ -	\$ -	-
CIP - PAYGO	-	-	2.7	2.0	(0.7)	-35%
Healthcare - Disabled and Retiree	-	-	1.0	-	(1.0)	n/a
Spec Pgms Fund - Planning & Dev	-	-	-	-	-	-
Grants Fund - CDBG	0.4	-	-	-	-	-
Total Transfers Out	<u><u>\$0.4</u></u>	<u><u>\$ -</u></u>	<u><u>\$3.7</u></u>	<u><u>\$2.0</u></u>	<u><u>(\$1.7)</u></u>	<u><u>-85%</u></u>
% Change vs. Prior Year	<u><u>-88%</u></u>	<u><u>-89%</u></u>	<u><u>0%</u></u>	<u><u>0%</u></u>		

Actual to Revised Budget variance of (\$1.7) million or (85%):

The CIP- PAYGO unfavorable variance is due to the sale of City Property per Council Resolution No. 10271 on December 2, 2015. These proceeds while collected in the General Fund were transferred to the Capital Improvement Program (CIP). Additionally the City Council approved Resolution No.10336 on January 23, 2016 authorizing the transfer of approximately \$1.0 million from the General Fund to the Benefits Self Insurance Fund. This is to reimburse the Fund for it's proportional share for health related expenditures which accumulated due to offering coverage to retirees in previous years (\$0.7 million). A portion is also related to a subsidy authorized by City Council to offer ongoing health benefits to disabled Public Safety retirees (\$0.3 million) and will be included in future budgets.

FY 2015/16 - TRANSPORTATION FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$35.1	\$35.1	\$ -	-
Uses	39.1	39.1	-	-
Change in Fund Balance	(\$4.0)	(\$4.0)	\$ -	
Beginning Fund Balance	\$9.2	\$10.5	\$1.3	
Ending Fund Balance	<u>\$5.1</u>	<u>\$6.4</u>	<u>\$1.3</u>	
Reserved*	\$2.6	\$2.6	\$ -	
Unreserved Fund Balance	2.1	3.4	1.3	
Contingency	0.5	0.5	-	
Ending Fund Balance	<u>\$5.1</u>	<u>\$6.4</u>	<u>\$1.3</u>	

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

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
HURF Taxes	\$12.3	\$13.5	\$13.6	\$13.6	\$ -
0.20% City Sales Tax	18.1	19.1	19.0	19.0	-
Other	2.3	1.7	2.5	2.5	-
Total Revenues	<u>\$32.7</u>	<u>\$34.3</u>	<u>\$35.1</u>	<u>\$35.1</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$32.7</u>	<u>\$34.3</u>	<u>\$35.1</u>	<u>\$35.1</u>	<u>\$ -</u>
% Change vs. Prior Year	1%	5%	2%	2%	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$5.4	\$5.7	\$6.0 **	\$6.0 **	\$ -
Contractual	15.7	17.3	18.4	18.4	-
Commodities	0.8	0.9	0.9	0.9	-
Capital Outlays	-	-	0.3	0.3	-
Total Operating Expenses	<u>\$21.9</u>	<u>\$23.9</u>	<u>\$25.6</u>	<u>\$25.6</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	9.1	9.6	13.6	13.6	-
Total Uses	<u>\$31.0</u>	<u>\$33.5</u>	<u>\$39.1 **</u>	<u>\$39.1 **</u>	<u>\$ -</u>
% Change vs. Prior Year	6%	8%	17%	17%	

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

May 2016: Current Month and YTD						
(\$ in millions: Rounding differences may occur)						
	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$3.9	\$2.8	\$32.8	\$31.6	\$1.2	4%
Uses	2.5	2.4	21.4	22.9	1.5	7%
Change in Fund Balance	\$1.5	\$0.4	\$11.4	\$8.7	\$2.7	

One Month: May 2016						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.2	\$1.3	\$1.4	\$1.1	\$0.2	20%
0.20% City Sales Tax	1.6	1.6	1.9	1.7	0.2	12%
Other	0.1	0.7	0.7	-	0.7	nm
Total Revenues	\$3.0	\$3.7	\$3.9	\$2.8	\$1.1	39%
Transfers In	-	-	-	-	-	-
Total Sources	\$3.0	\$3.7	\$3.9	\$2.8	\$1.1	39%
% Change vs. Prior Year	0%	22%	8%	-22%		

Fiscal Year-to-Date: May 2016						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$11.1	\$12.1	\$12.8	\$12.4	\$0.3	3%
0.20% City Sales Tax	16.6	17.5	18.3	17.5	0.8	5%
Other	1.9	1.7	1.7	1.7	-	-
Total Revenues	\$29.6	\$31.3	\$32.8	\$31.6	\$1.2	4%
Transfers In	-	-	-	-	-	-
Total Sources	\$29.6	\$31.3	\$32.8	\$31.6	\$1.2	4%
% Change vs. Prior Year	1%	6%	5%	1%		

Actual to Revised Budget variance of \$1.2 million or 4%:

The favorable variance in 0.20% City Sales Tax is driven by higher than expected collections. See Appendix 1 for a detailed breakdown of Sales Tax by category.

One Month: May 2016						
	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	\$0.5	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	1.2	0.8	1.9	1.8	(0.1)	-8%
Commodities	0.1	0.1	-	0.1	0.1	66%
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	<u>\$1.7</u>	<u>\$1.4</u>	<u>\$2.5</u>	<u>\$2.4</u>	<u>(\$0.1)</u>	<u>-4%</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	<u>\$1.7</u>	<u>\$1.4</u>	<u>\$2.5</u>	<u>\$2.4</u>	<u>(\$0.1)</u>	<u>-4%</u>
% Change vs. Prior Year	<u>-14%</u>	<u>-19%</u>	<u>77%</u>	<u>70%</u>		

Fiscal Year-to-Date: May 2016						
	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	\$5.1	\$5.4	\$5.7	\$5.7	\$ -	-
Contractual	13.6	15.1	14.6	16.2	1.6	10%
Commodities	0.6	0.8	0.8	0.8	-	-
Capital Outlays	-	-	0.2	0.3	-	-
Total Operating Expenses	<u>\$19.4</u>	<u>\$21.2</u>	<u>\$21.3</u>	<u>\$22.9</u>	<u>\$1.6</u>	<u>7%</u>
Transfers Out						
CIP Fund	-	-	0.1	-	(0.1)	n/a
Total Uses	<u>\$19.4</u>	<u>\$21.2</u>	<u>\$21.4</u>	<u>\$22.9</u>	<u>\$1.5</u>	<u>7%</u>
% Change vs. Prior Year	<u>6%</u>	<u>10%</u>	<u>1%</u>	<u>8%</u>		

Actual to Revised Budget variance of \$1.5 million or 7%:

The favorable variance in Contractual is mainly driven by the decrease of the cost of two Transit Service Intergovernmental Agreements. The first one, signed with the Regional Public Transit Authority (\$1.1 million reduction - Resolution No.10304) and the second one, with the City of Phoenix (\$0.1 million reduction - Resolution No.10250). Finally, Transfers Out CIP Fund shows an unfavorable variance due to timing.

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	<u>\$1.3</u>	<u>\$1.3</u>	<u>\$ -</u>	
Beginning Fund Balance	\$6.9	\$9.5	\$2.6	
Ending Fund Balance	<u><u>\$8.1</u></u>	<u><u>\$10.8</u></u>	<u><u>\$2.6</u></u>	
Operating Contingency	\$2.5	\$2.5	\$ -	
Unreserved Fund Balance	5.6	8.3	2.6	
Ending Fund Balance	<u><u>\$8.1</u></u>	<u><u>\$10.8</u></u>	<u><u>\$2.6</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:					
Bed Taxes	\$15.3	\$16.9	\$16.9	\$16.9	\$ -
Miscellaneous Revenue	-	0.2	-	-	-
Princess Hotel Lease	1.7	1.8	1.6	1.6	-
Total Revenues	<u>\$17.0</u>	<u>\$18.9</u>	<u>\$18.5</u>	<u>\$18.5</u>	<u>\$ -</u>
Transfers In	0.1	-	-	-	-
Transfers In - CIP	-	-	-	-	-
Total Sources	<u><u>\$17.1</u></u>	<u><u>\$18.9</u></u>	<u><u>\$18.5</u></u>	<u><u>\$18.5</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	-7%	10%	-2%	-2%	

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:					
Marketing (CVB)	\$7.7	\$8.5	\$8.5	\$8.5	\$ -
Events & Event Development	1.1	1.9	2.2	2.2	-
Downtown Trolley	-	-	0.3	0.3	-
Hospitality Trolley	0.1	0.2	-	-	-
Admin/Research	0.4	1.2	0.5	0.5	-
Mayor and City Council	-	0.1	0.1	0.1	-
Capital Outlays	-	-	0.5	0.5	-
Total Operating Expenses	<u>\$9.3</u>	<u>\$11.9</u>	<u>\$12.0</u>	<u>\$12.0</u>	<u>\$ -</u>
Transfers Out					
CIP	0.2	2.2	0.2	0.2	-
Debt Service	1.8	2.7	3.6	3.6	-
General Fund	3.7	1.5	1.5	1.5	-
Total Uses	<u><u>\$15.1</u></u>	<u><u>\$18.3</u></u>	<u><u>\$17.3</u></u>	<u><u>\$17.3</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	34%	22%	-6%	-6%	

May 2016: Current Month and YTD
 (\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.1	\$2.1	\$17.2	\$16.8	\$0.4	3%
Uses	0.9	0.8	13.7	10.5	(3.1)	-30%
Change in Fund Balance	\$1.2	\$1.3	\$3.6	\$6.3	(\$2.7)	

One Month: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$1.8	\$1.8	\$2.0	\$2.0	\$ -	-
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$1.9	\$1.9	\$2.1	\$2.1	\$ -	-
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.9	\$1.9	\$2.1	\$2.1	\$ -	-
% Change vs. Prior Year	9%	0%	9%	7%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$14.0	\$15.8	\$15.9	\$15.4	\$0.5	3%
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	1.4	1.5	1.3	1.4	(0.1)	-5%
Total Revenues	\$15.4	\$17.4	\$17.2	\$16.8	\$0.4	3%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$15.4	\$17.4	\$17.2	\$16.8	\$0.4	3%
% Change vs. Prior Year	-9%	13%	-1%	-3%		

Actual to Revised Budget variance of \$0.4 million or 3%:

The favorable variance in Bed Taxes revenue is due to normal business fluctuations. The unfavorable variance in the Princess Hotel Lease is due to timing.

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
Expenses:					Amount	Percent
Marketing (CVB)	\$0.8	\$0.7	\$0.7	\$0.7	\$ -	-
Events & Event Development	0.2	0.3	0.1	0.1	-	-
Downtown Trolley	-	-	0.1	-	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	-	-	0.1	-	-	-
Mayor and City Council	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$1.0	\$1.0	\$0.9	\$0.8	(\$0.1)	-10%
Transfers Out						
CIP	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
Total Uses	\$1.0	\$1.0	\$0.9	\$0.8	(\$0.1)	-10%
% Change vs. Prior Year	13%	0%	-14%	-22%		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	(Unfavorable)
Expenses:					Amount	Percent
Marketing (CVB)	\$6.6	\$7.2	\$7.8	\$7.8	\$ -	-
Events & Event Development	1.0	1.8	1.6	0.6	(1.0)	nm
Downtown Trolley	-	-	0.3	0.3	-	-
Hospitality Trolley	0.1	0.2	-	-	-	-
Admin/Research	0.4	1.2	0.4	0.3	-	-
Mayor and City Council	-	0.1	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$8.1	\$10.4	\$10.1	\$9.0	(\$1.0)	-12%
Transfers Out						
CIP	0.2	2.2	1.8	-	(1.8)	n/a
Debt Service	-	-	0.2	-	(0.2)	n/a
General Fund	-	1.5	1.5	1.5	-	-
Total Uses	\$8.3	\$14.1	\$13.7	\$10.5	(\$3.1)	-30%
% Change vs. Prior Year	13%	71%	-3%	-25%		

Actual to Revised Budget variance of (\$3.1) million or (30%):

The unfavorable variance in Events & Event Development is due to timing. The unfavorable variance in Transfers Out CIP is due to the unbudgeted transfer for the Desert Discovery Center business plan and feasibility analysis approved by Council per Resolution No. 10261. The unfavorable variance in Transfers Out Debt Service is due to timing for the MPC 2015 Debt service related to the Museum of the West that was budgeted for a later period.

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 ^a	\$63.0	\$84.9	\$21.9	
Ending Fund Balance	\$65.9	\$87.9	\$21.9	
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	3.1	(5.0)	
Unreserved Fund Balance	-	26.9	26.9	
Ending Fund Balance	\$65.9	\$87.9	\$21.9	

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	\$85.6	\$92.2	\$92.2	\$ -
Water Reclamation Charges	38.4	38.7	39.2	39.2	-
Non-Potable Water Fees	10.9	11.4	12.6	12.6	-
Stormwater Charges Fee	-	-	0.1	0.1	-
Interest Earnings ^b	0.5	0.5	0.6	0.6	-
Miscellaneous Revenue	1.8	2.1	1.8	1.8	-
Department Indirect Cost Allocation	-	-	0.9	0.9	-
Total Revenues	\$141.7	\$138.3	\$147.4	\$147.4	\$ -
Transfers In	16.9	16.1	16.1	16.1	-
Bond Proceeds	-	-	-	-	-
Total Sources	\$158.6	\$154.4	\$163.5	\$163.5	\$ -
% Change vs. Prior Year	2%	-3%	6%	6%	

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	\$18.1	\$19.3 ^d	\$19.3 ^d	\$ -
Contractual	25.1	27.5 ^c	30.7	30.7	-
Commodities	24.2	21.8	27.6	27.6	-
Capital Outlays	0.3	-	0.1	0.1	-
Indirect/Direct Charges	5.0	4.9	4.4	4.4	-
Department Indirect Cost Allocation	-	-	0.9	0.9	-
Total Operating Expenses	\$72.1	\$72.3	\$83.1	\$83.1	\$ -
Debt Service & Contracts Payable	28.8	28.4	29.9	29.9	-
Transfers Out					
CIP Fund	49.5	32.3	40.3	40.3	-
Franchise Fees	7.0	6.8	7.2	7.2	-
Operating	-	-	-	-	-
Total Uses	\$157.3	\$139.7 ^c	\$160.5 ^d	\$160.5 ^d	\$ -
% Change vs. Prior Year	3%	-11%	15%	15%	

^a Beginning balance was adjusted to reflect the appropriate recording of a FY2014/15 transfer out to CIP that had been originally recorded as a transfer out to enterprise funds and therefore not affecting the year's ending balance.

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

^c Includes \$0.6 million of contractual expenses originally reported as CIP expenses in FY 2014/15.

^d Includes budgeted vacancy savings net of leave accrual payouts, up to 3% for performance and compensation adjustments.

May 2016: Current Month and YTD						
(\$ in millions: Rounding differences may occur)						
	May	May	YTD	YTD	Actual vs. Budget	
	Actual	Revised Budget	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Sources	\$26.7	\$12.5	\$148.6	\$148.2	\$0.5	0%
Uses	7.8	6.7	81.1	86.6	5.5	6%
Change in Fund Balance	\$18.9	\$5.7	\$67.5	\$61.6	\$6.0	

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Revenues:						
Water Service Charges	\$7.8	\$7.1	\$7.1	\$7.9	(\$0.8)	-10%
Water Reclamation Charges	3.2	3.2	3.2	3.3	(0.1)	-4%
Non-Potable Water Fees	1.1	1.1	1.2	1.1	0.1	11%
Stormwater Charges Fee	-	-	-	-	-	-
Interest Earnings	0.1	-	-	0.1	(0.1)	-100%
Miscellaneous Revenue	0.8	0.1	0.1	0.1	-	-
Department Indirect Cost Allocation	-	-	0.8	-	0.8	n/a
Total Revenues	\$13.0	\$11.5	\$12.3	\$12.4	(\$0.1)	-1%
Transfers In	0.1	0.1	14.4	0.1	14.3	nm
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$13.1	\$11.6	\$26.7	\$12.5	\$14.3	114%
% Change vs. Prior Year	10%	-12%	nm	8%		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Revenues:						
Water Service Charges	\$81.4	\$78.1	\$82.3	\$82.8	(\$0.5)	-1%
Water Reclamation Charges	35.2	35.2	35.6	35.8	(0.2)	-1%
Non-Potable Water Fees	9.6	8.7	11.1	10.8	0.3	3%
Stormwater Charges Fee	-	-	0.1	0.1	-	-
Interest Earnings	1.1	0.5	0.8	0.6	0.2	37%
Miscellaneous Revenue	2.0	1.3	2.0	1.1	0.9	87%
Department Indirect Cost Allocation	-	-	0.8	0.9	(0.2)	-17%
Total Revenues	\$129.2	\$123.8	\$132.7	\$132.1	\$0.6	0%
Transfers In	16.8	16.0	15.9	16.0	(0.1)	-1%
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$146.0	\$139.7	\$148.6	\$148.2	\$0.5	0%
% Change vs. Prior Year	3%	-4%	6%	6%		

Actual vs Budget Variance at \$0.5 million or (0%):

The unfavorable variance for Water Service Charges is driven by lower water usage than expected. The unfavorable variance for Water Reclamation Charges is a result of lower than forecasted water deliveries in the prior winter period. The favorable variance for Non-Potable Water fees is driven by prior year under recovery payments. The favorable variance for Interest Earnings is driven by change in fair value of investments. The favorable variance for Miscellaneous Revenue is driven by an unbudgeted vendor reimbursement. The unfavorable variance for Department Indirect Cost Allocation is due to a slight revision of the allocation process, which removed from the formula a couple of charges that do not benefit directly any contractual funds. The unfavorable variance for Transfers In is due to less than anticipated transfers from development services related to debt services.

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$1.3	\$1.4	\$1.4	\$1.4	\$ -	-
Contractual	1.8	2.2	2.3	2.7	0.4	13%
Commodities	2.4	2.1	3.2	1.6	(1.5)	-94%
Capital Outlays	0.1	-	-	-	-	-
Indirect/Direct Charges	0.4	0.4	0.4	0.4	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Operating Expenses	\$6.1	\$6.1	\$7.2	\$6.1	(\$1.1)	-18%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.6	0.6	0.6	0.6	-	-
Operating	-	-	-	-	-	-
Total Uses	\$6.7	\$6.7	\$7.8	\$6.7	(\$1.1)	-16%
% Change vs. Prior Year	-6%	0%	17%	0%		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$16.1	\$16.8	\$17.5	\$17.6	\$0.1	1%
Contractual	19.9	22.9	22.0	26.3	4.3	16%
Commodities	22.1	21.5	22.5	23.6	1.1	5%
Capital Outlays	0.1	-	0.1	-	(0.1)	nm
Indirect/Direct Charges	4.6	4.5	4.1	4.1	-	-
Department Indirect Cost Allocation	-	-	0.8	0.9	0.2	17%
Total Operating Expenses	\$62.9	\$65.7	\$66.9	\$72.5	\$5.6	8%
Debt Service & Contracts Payable	7.9	7.6	7.6	7.6	-	-
Transfers Out						
CIP Fund	-	0.3	0.1	-	(0.1)	n/a
Franchise Fees	6.2	6.0	6.4	6.5	0.1	1%
Operating	-	-	0.1	-	(0.1)	n/a
Total Uses	\$77.1	\$79.6	\$81.1	\$86.6	\$5.5	6%
% Change vs. Prior Year	-17%	3%	2%	9%		

Actual vs Budget Variance at \$5.5 millions or 6%:

The favorable variance for Contractual is driven by the unbudgeted FY2014/15 settlement from the multi-city water reclamation plant as well as to lower than forecasted expenses for equipment maintenance, electricity and other professional services. The favorable variance for Commodities is driven by less treatment chemical expense and timing on treatment filter media expenses. The favorable variance for Department Indirect Cost Allocation is due to a slight revision of the allocation process, which removed from the formula a couple of charges that do not benefit directly any contractual funds. The unfavorable variance for Transfers Out - CIP Fund is due to timing; the transfer is budgeted in June. The unfavorable variance for Transfers Out - Operating is a result of an unanticipated transfer related to reimburse the Benefits Self Insurance fund for the previous coverage of retirees.

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>\$5.8</u>	<u>(\$1.1)</u>	
Ending Fund Balance	<u><u>\$7.9</u></u>	<u><u>\$6.9</u></u>	<u><u>(\$1.1)</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	3.4	(1.1)	
Ending Fund Balance	<u><u>\$7.9</u></u>	<u><u>\$6.9</u></u>	<u><u>(\$1.1)</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:					
Aviation Fees	\$3.5	\$3.8	\$3.6	\$3.6	\$ -
Privilege and Use Tax – Jet Fuel	0.2	0.2	0.2	0.2	-
Interest Earnings ^a	0.1	-	-	-	-
Miscellaneous Revenue	0.1	0.1	0.1	0.1	-
Total Revenues	<u>\$3.8</u>	<u>\$4.1</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$ -</u>
Transfers In	0.8	0.1	-	-	-
Transfers In - CIP	1.1	0.4	0.1	0.1	-
Total Sources	<u><u>\$5.7</u></u>	<u><u>\$4.7</u></u>	<u><u>\$4.0</u></u>	<u><u>\$4.0</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	52%	-18%	-13%	-13%	

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	\$1.1	\$1.1	\$1.2 ^b	\$1.2 ^b	\$ -
Contractual	0.7	0.7	0.9	0.9	-
Commodities	0.1	0.1	0.1	0.1	-
Indirect/Direct Charges	0.5	0.5	0.5	0.5	-
Total Operating Expenses	<u>\$2.3</u>	<u>\$2.4</u>	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$ -</u>
Debt Service & Contracts Payable	-	-	0.4	0.4	-
Transfers Out					
CIP Fund	1.1	2.1	-	-	-
Total Uses	<u><u>\$3.4</u></u>	<u><u>\$4.5</u></u>	<u><u>\$3.0</u></u> ^b	<u><u>\$3.0</u></u> ^b	<u><u>\$ -</u></u>
% Change vs. Prior Year	-46%	32%	-34%	-34%	

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

^b Includes budgeted vacancy savings net of leave accrual payouts, up to 3% pay for performance and compensation.

May 2016: Current Month and YTD
(\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.5	\$0.3	\$3.9	\$3.6	\$0.3	8%
Uses	0.2	0.2	2.2	2.4	0.3	11%
Change in Fund Balance	\$0.3	\$0.2	\$1.8	\$1.2	\$0.6	

One Month: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.3	\$0.3	\$0.4	\$0.3	\$0.1	18%
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.3	\$0.4	\$0.4	\$0.3	\$0.1	15%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	0.1	-	0.1	n/a
Total Sources	\$0.3	\$0.4	\$0.5	\$0.3	\$0.2	48%
% Change vs. Prior Year	22%	0%	38%	0%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$3.2	\$3.6	\$3.6	\$3.4	\$0.2	7%
Privilege and Use Tax – Jet Fuel	0.1	0.2	0.1	0.2	-	-
Miscellaneous Revenue	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$3.5	\$3.9	\$3.9	\$3.6	\$0.2	7%
Transfers In	0.8	0.1	-	-	-	-
Transfers In - CIP	1.1	0.4	0.1	-	0.1	n/a
Total Sources	\$5.4	\$4.4	\$3.9	\$3.6	\$0.3	8%
% Change vs. Prior Year	62%	-19%	-10%	-17%		

Actual vs Budget Variance at \$0.3 million or 8%:

The favorable variance for Aviation Fees is driven by higher than expected revenues for transient parking fees, license agreements, and transient landing fees. The favorable variance for Transfers In - CIP is a result of a CIP project closing with a positive variance which was transferred back to the operating fund.

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	-	0.1	-	-	-
Commodities	-	-	-	-	-	-
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	39%	0%	0%	0%		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$1.0	\$1.0	\$1.0	\$1.1	\$0.1	8%
Contractual	0.6	0.6	0.7	0.8	0.2	20%
Commodities	0.1	-	0.1	0.1	-	-
Indirect/Direct Charges	0.4	0.4	0.4	0.4	-	-
Total Operating Expenses	\$2.0	\$2.1	\$2.1	\$2.4	\$0.3	12%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	1.1	2.1	-	-	-	-
Total Uses	\$3.1	\$4.2	\$2.2	\$2.4	\$0.3	11%
% Change vs. Prior Year	-49%	34%	-49%	-42%		

Actual vs Budget Variance at \$0.3 million or 11%:

The favorable variance in Personnel Services is driven by lower than budgeted worked hours. The favorable variance in Contractual is driven by lower than forecasted Airport quarterly payment to the 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	\$10.6	\$0.1	
Ending Fund Balance	<u>\$9.0</u>	<u>\$9.1</u>	<u>\$0.1</u>	
60 to 90 Day Operating Unreserved Fund Balance	\$5.8 3.2	\$5.8 3.3	\$ - 0.1	
Ending Fund Balance	<u>\$9.0</u>	<u>\$9.1</u>	<u>\$0.1</u>	

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	\$20.2	\$20.0	\$20.0	\$ -
Interest Earnings ^a	0.1	0.1	0.1	0.1	-
Miscellaneous Revenue ^b	-	(0.5)	-	-	-
Total Revenues	<u>\$20.2</u>	<u>\$19.8</u>	<u>\$20.1</u>	<u>\$20.1</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Transfers In - CIP	0.8	-	1.9	1.9	-
Total Sources	<u>\$21.0</u>	<u>\$19.8</u>	<u>\$22.0</u>	<u>\$22.0</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>3%</u>	<u>-6%</u>	<u>11%</u>	<u>11%</u>	

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	\$7.1	\$7.0 ^c	\$7.0 ^c	\$ -
Contractual	10.7	11.1	12.0	12.0	-
Commodities	0.7	0.8	0.7	0.7	-
Capital Outlays	-	-	0.1	0.1	-
Indirect/Direct Charges	1.6	1.6	1.6	1.6	-
Total Operating Expenses	<u>\$19.7</u>	<u>\$20.7</u>	<u>\$21.4</u>	<u>\$21.4</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	1.7	0.1	2.1	2.1	-
Total Uses	<u>\$21.4</u>	<u>\$20.8</u>	<u>\$23.5 ^c</u>	<u>\$23.5 ^c</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>12%</u>	<u>-3%</u>	<u>13%</u>	<u>13%</u>	

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

^b In FY 2014/15, the negative revenue is due to an asset loss for recycling barrels that were retired out of service, but were not completely depreciated.

^c Includes budgeted vacancy savings net of leave accrual payouts, up to 3% pay for performance and compensation adjustments.

May 2016: Current Month and YTD
(\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.6	\$1.7	\$20.4	\$18.4	\$2.0	11%
Uses	1.8	1.7	20.7	19.3	(1.4)	(7%)
Change in Fund Balance	(\$0.2)	(\$0.1)	(\$0.3)	(\$0.9)	\$0.6	

One Month: May 2016

	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	\$1.6	\$1.6	\$1.7	(\$0.1)	-4%
Interest Earnings	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.6	\$1.6	\$1.7	(\$0.1)	-4%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.7	\$1.6	\$1.6	\$1.7	(\$0.1)	-4%
% Change vs. Prior Year	0%	-5%	0%	0%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$18.6	\$18.5	\$18.5	\$18.4	\$0.1	0%
Interest Earnings	0.1	0.1	0.1	0.1	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$18.7	\$18.6	\$18.5	\$18.4	\$0.1	0%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	1.9	-	1.9	n/a
Total Sources	\$18.7	\$18.6	\$20.4	\$18.4	\$2.0	11%
% Change vs. Prior Year	0%	-1%	10%	-1%		

Actual to Revised Budget variance of \$2.0 millions or 11%:

The favorable variance for Transfers In - CIP is driven by project revisions and lower than forecasted CIP costs.

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$0.5	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	1.0	0.9	1.0	1.0	-	-
Commodities	-	-	0.1	-	(0.1)	nm
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.1	0.1	0.1	-	-
Total Operating Expenses	\$1.6	\$1.6	\$1.8	\$1.7	(\$0.1)	-5%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$1.6	\$1.6	\$1.8	\$1.7	(\$0.1)	-5%
% Change vs. Prior Year	6%	0%	13%	7%		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Personnel Services	\$6.2	\$6.6	\$6.7	\$6.5	(\$0.3)	-4%
Contractual	9.5	9.9	9.9	10.6	0.7	7%
Commodities	0.6	0.8	0.5	0.7	0.2	31%
Capital Outlays	-	-	-	0.1	0.1	99%
Indirect/Direct Charges	1.5	1.5	1.4	1.4	-	-
Total Operating Expenses	\$17.8	\$18.7	\$18.6	\$19.3	\$0.7	4%
Transfers Out						
CIP Fund	-	-	2.1	-	(2.1)	n/a
Total Uses	\$17.8	\$18.7	\$20.7	\$19.3	(\$1.4)	-7%
% Change vs. Prior Year	3%	5%	11%	3%		

Actual to Revised Budget variance of (\$1.4) millions or (7%):

The unfavorable variance in Personnel Services is primarily due to the overtime needed to respond to increased demand for Brush and Bulk services. The favorable variance in Contractual is driven by reduced fuel and maintenance costs for collection vehicles and reduced disposal costs due to less refuse and recycling material being collected across most collection programs. The favorable variance in Commodities results from a delay in replacement of large containers purchases. The favorable variance in Capital Outlays is due to the pending purchase of a tractor for brush crews. The unfavorable variance in Transfers Out - CIP Fund is due to timing as the transfer is budgeted in June.

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	\$10.0	\$0.8	
Ending Fund Balance	<u>\$8.6</u>	<u>\$9.5</u>	<u>\$0.8</u>	
Contingency Reserve	\$0.8	\$0.8	\$ -	
Future Acquisition	5.5	5.5	-	
Unreserved, Undesignated	2.3	3.2	0.8	
Ending Fund Balance	<u>\$8.6</u>	<u>\$9.5</u>	<u>\$0.8</u>	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Maintenance/Operation Rates	\$7.4	\$7.4	\$7.7	\$7.7	\$ -
Replacement Rates	6.9	7.1	7.5	7.5	-
Fuel Rates	4.3	3.8	5.0	5.0	-
Other Revenue	0.5	1.0	0.4	0.4	-
Total Revenues	<u>\$19.1</u>	<u>\$19.3</u>	<u>\$20.7</u>	<u>\$20.7</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u>\$19.1</u>	<u>\$19.3</u>	<u>\$20.7</u>	<u>\$20.7</u>	<u>\$ -</u>
% Change vs. Prior Year	6%	1%	7%	7%	

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	\$3.2	\$3.4	\$3.5 *	\$3.5 *	\$ -
Contractual	1.5	1.6	1.6	1.6	-
Commodities	7.1	6.6	7.8	7.8	-
Capital Outlays	5.2	8.1	7.5	7.5	-
Total Operating Expenses	<u>\$17.0</u>	<u>\$19.6</u>	<u>\$20.4</u>	<u>\$20.4</u>	<u>\$ -</u>
Transfers Out					
Transfer Out CIP	-	0.3	0.8	0.8	-
Transfers to Operating Funds	0.8	-	-	-	-
Total Uses	<u>\$17.7</u>	<u>\$19.9</u>	<u>\$21.2 *</u>	<u>\$21.2 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-2%	12%	6%	6%	

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

May 2016: Current Month and YTD
 (\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.7	\$1.7	\$17.2	\$18.9	(\$1.7)	-9%
Uses	1.3	1.8	16.6	17.9	1.3	7%
Change in Fund Balance	\$0.4	(\$0.1)	\$0.6	\$1.0	(\$0.4)	

One Month: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$0.6	\$0.6	\$0.6	\$0.6	\$ -	-
Replacement Rates	0.6	0.6	0.6	0.6	-	-
Fuel Rates	0.4	0.3	0.2	0.4	(0.2)	-43%
Other Revenue	0.1	0.3	0.2	-	0.2	nm
Total Revenues	\$1.7	\$1.8	\$1.7	\$1.7	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$1.7	\$1.8	\$1.7	\$1.7	\$ -	-
% Change vs. Prior Year	7%	5%	0%	0%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$6.8	\$6.7	\$6.9	\$7.1	(\$0.2)	-2%
Replacement Rates	6.3	6.5	6.9	6.9	-	-
Fuel Rates	3.9	3.5	2.6	4.6	(2.0)	-43%
Other Revenue	0.4	0.8	0.8	0.4	0.5	nm
Total Revenues	\$17.4	\$17.6	\$17.2	\$18.9	(\$1.7)	-9%
Transfers In	-	-	-	-	-	-
Total Sources	\$17.4	\$17.6	\$17.2	\$18.9	(\$1.7)	-9%
% Change vs. Prior Year	6%	1%	-2%	8%		

Actual to Revised Budget variance of (\$1.7) million or (9%):

The unfavorable variance in Fuel Rates is due to lower than anticipated fuel prices. Finally, the favorable variance in Other Revenue is due to subrogation recoveries by Risk Management for vehicles.

One Month: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>(Unfavorable) Percent</u>
Expenses:						
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.2	0.1	-	-
Commodities	0.8	0.5	0.4	0.7	0.3	37%
Capital Outlays	1.7	-	0.4	0.7	0.3	44%
Total Operating Expenses	<u>\$2.9</u>	<u>\$0.8</u>	<u>\$1.3</u>	<u>\$1.8</u>	<u>\$0.5</u>	<u>28%</u>
Transfers Out						
Transfer Out CIP	-	-	-	-	-	-
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	<u>\$2.9</u>	<u>\$0.8</u>	<u>\$1.3</u>	<u>\$1.8</u>	<u>\$0.5</u>	<u>28%</u>
% Change vs. Prior Year	nm	-71%	54%	nm		

Fiscal Year-to-Date: May 2016						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>(Unfavorable) Percent</u>
Expenses:						
Personnel Services	\$2.9	\$3.1	\$3.3	\$3.2	(\$0.1)	-2%
Contractual	1.4	1.4	1.5	1.4	-	-
Commodities	5.8	5.4	4.6	7.1	2.5	36%
Capital Outlays	3.1	5.4	5.9	6.2	0.3	5%
Total Operating Expenses	<u>\$13.2</u>	<u>\$15.3</u>	<u>\$15.2</u>	<u>\$17.9</u>	<u>\$2.7</u>	<u>15%</u>
Transfers Out						
Transfer Out CIP	-	0.2	1.4	-	(1.4)	n/a
Transfers to Operating Funds	0.8	-	-	-	-	-
Total Uses	<u>\$14.0</u>	<u>\$15.5</u>	<u>\$16.6</u>	<u>\$17.9</u>	<u>\$1.3</u>	<u>7%</u>
% Change vs. Prior Year	0%	11%	7%	15%		

Actual to Revised Budget variance of \$1.3 million or 7%:

The favorable variance in Commodities is driven by lower than estimated average price of diesel and unleaded fuel. The favorable variance in Capital Outlays is due to timing of invoices. The unfavorable variance in Transfers out CIP is also driven by timing as the budget resides in June. Additionally, an unbudgeted amount of \$0.6 million for adjustments to various Fleet capital projects was transferred to the CIP.

FY 2015/16 - RISK FUND				
(\$ in millions: Rounding differences may occur)				
	Adopted <u>Budget</u>	Revised <u>Budget</u>	Adopted Favorable / <u>Amount</u>	vs. Revised (Unfavorable) <u>Percent</u>
Sources	\$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	\$14.1	(\$0.8)	
Ending Fund Balance	<u><u>\$17.4</u></u>	<u><u>\$16.7</u></u>	<u><u>(\$0.8)</u></u>	
Accruals (short term)	\$5.1	\$5.1	\$ -	
Accruals (long term)	9.1	9.0	(0.1)	
Property Casualty Reserve	0.7	-	(0.7)	
Contingency	2.5	2.5	-	
Ending Fund Balance	<u><u>\$17.4</u></u>	<u><u>\$16.7</u></u>	<u><u>(\$0.8)</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	\$9.2	\$9.6	\$9.6	\$ -
Unemployment Taxes	0.1	0.1	0.1	0.1	-
Property Tax (Tort Claims)	0.1	2.1	1.3	1.3	-
Insurance/Claims Recoveries	0.4	0.5	0.3	0.3	-
Other/Miscellaneous Revenue	0.1	0.1	0.1	0.1	-
Total Revenues	<u>\$7.3</u>	<u>\$12.0</u>	<u>\$11.4</u>	<u>\$11.4</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Total Sources	<u><u>\$7.3</u></u>	<u><u>\$12.0</u></u>	<u><u>\$11.4</u></u>	<u><u>\$11.4</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	53%	66%	-5%	-5%	

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	\$0.8	\$0.8 *	\$0.8 *	\$ -
Contractual	6.8	9.0	7.9	7.9	-
Commodities	0.1	0.1	0.1	0.1	-
Total Operating Expenses	<u>\$7.6</u>	<u>\$9.8</u>	<u>\$8.8</u>	<u>\$8.8</u>	<u>\$ -</u>
Transfers Out					
Total Uses	<u><u>\$7.6</u></u>	<u><u>\$9.8</u></u>	<u><u>\$8.8</u></u> *	<u><u>\$8.8</u></u> *	<u><u>\$ -</u></u>
% Change vs. Prior Year	-5%	28%	-10%	-10%	

*Includes up to 3% pay for performance and compensation adjustments.

May 2016: Current Month and YTD
(\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.9	\$0.8	\$10.9	\$10.5	\$0.4	4%
Uses	0.9	0.5	8.9	8.2	(0.7)	-8%
Change in Fund Balance	\$ -	\$0.3	\$2.0	\$2.3	(\$0.3)	

One Month: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (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	11%
Transfers In	-	-	-	-	-	-
Total Sources	\$0.6	\$0.8	\$0.9	\$0.8	\$0.1	11%
% Change vs. Prior Year	56%	42%	16%	0%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$6.0	\$8.4	\$8.8	\$8.8	\$ -	-
Unemployment Taxes	0.1	0.1	0.1	0.1	-	-
Property Tax (Tort Claims)	0.1	2.1	1.3	1.3	-	-
Insurance/Claims Recoveries	0.3	0.5	0.6	0.2	0.4	nm
Other/Miscellaneous Revenue	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$6.6	\$11.2	\$10.9	\$10.5	\$0.4	4%
Transfers In	-	-	-	-	-	-
Total Sources	\$6.6	\$11.2	\$10.9	\$10.5	\$0.4	4%
% Change vs. Prior Year	53%	69%	-3%	-6%		

Actual to Revised Budget variance of \$0.4 million or 4%:

The favorable variance in Insurance/Claims Recoveries is related to subrogation recoveries. When possible the city will seek reimbursement by third parties and their insurance companies for accidents or damages, and the Risk Management department has continued to pursue these reimbursements.

One Month: May 2016						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services	\$0.1	\$ -	\$0.1	\$0.1	\$ -	-
Contractual	0.3	0.2	0.8	0.4	(0.4)	-85%
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$0.4	\$0.3	\$0.9	\$0.5	(\$0.4)	-73%
Transfers Out						
Total Uses	\$0.4	\$0.3	\$0.9	\$0.5	(\$0.4)	-73%
% Change vs. Prior Year	-19%	-21%	nm	75%		

Fiscal Year-to-Date: May 2016						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services	\$0.7	\$0.7	\$0.8	\$0.8	\$ -	-
Contractual	5.5	8.3	8.1	7.4	(0.7)	-9%
Commodities	-	-	0.1	0.1	-	-
Total Operating Expenses	\$6.2	\$9.0	\$8.9	\$8.2	(\$0.7)	-8%
Transfers Out						
Total Uses	\$6.2	\$9.0	\$8.9	\$8.2	(\$0.7)	-8%
% Change vs. Prior Year	19%	45%	-1%	-9%		

Actual to Revised Budget variance of (\$0.7) million or (8%):

The unfavorable variance in Contractual is related to a large settlement which occurred in April. Based on updated claims information the city is expecting to settle a few other large claims prior to year-end which will result in continuing pressure on the Risk Fund. Despite carrying a favorable variance for most the fiscal year ongoing litigation is forecasted to create an unfavorable year-end variance for the Risk Fund.

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	\$5.6	(\$1.1)	
Ending Fund Balance	\$7.0	\$5.9	(\$1.1)	

	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	\$19.0	\$20.7	\$20.7	\$ -
Dental Premiums - COS	0.8	0.8	0.8	0.8	-
Medical Premiums - EE	5.9	6.0	5.9	5.9	-
Dental Premiums - EE	0.8	0.8	0.7	0.7	-
Medical Premiums - Retiree	0.6	0.2	0.3	0.3	-
Other Revenue	0.1	0.1	0.5	0.5	-
Total Revenues	\$26.9	\$26.9	\$28.9	\$28.9	\$ -
Transfers In	-	-	-	-	-
Total Sources	\$26.9	\$26.9	\$28.9	\$28.9	\$ -
% Change vs. Prior Year	1%	0%	8%	8%	

	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	\$0.1	\$0.1 *	\$0.1 *	\$ -
Contractual - COS	0.1	0.1	0.1	0.1	-
Medical Claims	21.2	24.0	24.3	24.3	-
Medical Claims - Retirees	0.7	0.2	-	-	-
Dental Claims	1.4	1.3	1.6	1.6	-
Provider Admin Fees	1.3	0.8	0.8	0.8	-
Behavioral Health Claims	0.7	0.1	0.7	0.7	-
Stop Loss Insurance	0.6	0.7	0.8	0.8	-
Wellness Incentive	0.1	0.2	0.2	0.2	-
Total Uses	\$26.2	\$27.3	\$28.6 *	\$28.6 *	\$ -
% Change vs. Prior Year	5%	4%	5%	5%	

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

May 2016: Current Month and YTD
(\$ in millions: Rounding differences may occur)

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$2.4	\$2.4	\$27.1	\$26.5	\$0.7	3%
Uses	2.3	2.3	26.2	26.3	-	-
Change in Fund Balance	\$ -	\$ -	\$0.9	\$0.2	\$0.7	

One Month: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums -COS	\$1.5	\$1.6	\$1.7	\$1.7	(\$0.1)	-3%
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	-	0.2	-	-	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	\$2.2	\$2.4	\$2.4	\$2.4	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.2	\$2.4	\$2.4	\$2.4	\$ -	-
% Change vs. Prior Year	6%	0%	6%	6%		

Fiscal Year-to-Date: May 2016

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Medical Premiums -COS	\$17.1	\$17.4	\$18.5	\$19.0	(\$0.5)	-3%
Dental Premiums - COS	0.8	0.7	0.7	0.8	(0.1)	-8%
Medical Premiums - EE	5.4	5.5	5.6	5.4	0.2	5%
Dental Premiums - EE	0.7	0.7	0.7	0.7	-	-
Medical Premiums - Retiree	0.6	0.2	0.2	0.2	-	-
Other Revenue	0.1	0.1	0.2	0.4	(0.2)	-42%
Total Revenues	\$24.6	\$24.6	\$25.9	\$26.5	(\$0.5)	-2%
Transfers In	-	-	1.2	-	1.2	n/a
Total Sources	\$24.6	\$24.6	\$27.1	\$26.5	\$0.7	3%
% Change vs. Prior Year	3%	0%	10%	8%		

Actual to Revised Budget variance of \$0.7 million or 3%:

The unfavorable variance in Medical Premiums - COS is due to self-insurance coming in slightly lower than estimated due to plan participation and migration. Plans are budgeted and adopted prior to participants plan selection for the fiscal year which causes differences between employees actual selection of plans and the assumption of what plans they would choose. The Medical Premiums - EE favorable variance is due to an unplanned state subsidy health contribution slightly offset by plan migration and participation. The unfavorable variance in Other Revenue is related to how various healthcare and prescription rebates the city receives were budgeted for, these were received in March as expected but were a reduction in expenses not an increase to revenue. The large favorable variance in Transfers In is due to the approval of Council Resolution 10336 on January 23, 2016 which reimburses the Benefits Self Insurance Fund for the coverage of Retirees and Public Safety Disabled Retirees. While there are no regular retirees currently on the city's healthcare plan anymore there were continued run-off claims and the accumulated impacts of offering coverage in previous years, which these transfers mitigated.

One Month: May 2016						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>(Unfavorable) Percent</u>
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	2.2	2.3	2.1	2.0	(0.1)	-3%
Medical Claims - Retirees	0.1	-	-	-	-	-
Dental Claims	0.1	0.1	0.1	0.1	-	-
Provider Admin Fees	0.1	-	-	-	-	-
Behavioral Health Claims	0.1	-	-	0.1	0.1	90%
Stop Loss Insurance	0.1	0.1	-	0.1	-	-
Wellness Incentive	-	-	-	-	-	-
Total Uses	\$2.6	\$2.5	\$2.3	\$2.3	\$ -	-
% Change vs. Prior Year	11%	-6%	-5%	-5%		

Fiscal Year-to-Date: May 2016						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>(Unfavorable) Percent</u>
Personnel Services - COS	\$0.2	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual - COS	0.1	0.1	0.1	0.1	-	-
Medical Claims	19.5	21.4	23.3	22.3	(1.0)	-5%
Medical Claims - Retirees	0.6	0.2	-	-	-	-
Dental Claims	1.2	1.1	1.3	1.4	0.2	12%
Provider Admin Fees	1.2	0.7	0.7	0.7	0.1	8%
Behavioral Health Claims	0.6	0.1	0.1	0.7	0.6	91%
Stop Loss Insurance	0.6	0.6	0.5	0.7	0.2	31%
Wellness Incentive	0.1	0.2	0.2	0.2	-	-
Total Uses	\$23.9	\$24.5	\$26.2	\$26.3	\$ -	-
% Change vs. Prior Year	3%	2%	7%	7%		

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

The unfavorable variance in Medical Claims is due to a spike in the number of claims exceeding large thresholds caused by unavoidable treatments and care. While these claims are not uncommon, the number of them seen during this fiscal year have far surpassed historical trends. While this variance is currently unfavorable the funding loss ratio of the various health plans is trending more favorable as the year progresses. The favorable variances in Dental Claims and Behavioral Health Claims is due to actual activities being less than expected. Also, a large prescription rebate was received in the month of March which offset expenses incurred this fiscal year amounting to \$0.6 million. The Stop Loss Insurance favorable variance is due to a slight reduction in rates which occurred during policy renewal but occurred after budget adoption.

Statement of Operations - WestWorld

City of Scottsdale
WestWorld
Statement of Operations

	Twelve Months: Fiscal Year					
	2011/12 Actual	2012/13 Actual	2013/14 Actual ^c	2014/15 Actual ^c	2015/16 Adopted Budget	2015/16 Revised Budget
Operating Revenue						
Rental Facilities	\$1,405,932	\$1,617,444	\$2,050,602	\$2,134,970	\$2,632,000	\$2,632,000
RV Rental	230,161	257,509	232,802	270,661	455,900	455,900
Feed/Bedding Sales	474,133	499,264	548,330	499,691	813,100	813,100
Labor Fees	240,871	233,486	266,860	240,173	343,100	343,100
Concession Fees	230,728	223,836	191,380	354,902	366,600	366,600
Parking	44,004	48,834	58,591	110,931	75,200	75,200
Other Income	55,923	105,121	142,732	135,192	44,300	44,300
Equidome Project Use Fee	-	-	75,000	555,000	360,000	360,000
Council Approved Authorized Carryover ^a	-	-	2,048,000	-	-	-
Operating Revenue	\$2,681,751	\$2,985,494	\$5,614,297	\$4,301,520	\$5,090,200	\$5,090,200
Operating Expenses						
Personnel Services						
Wages/Salaries/Benefits	\$1,466,780	\$1,527,275	\$1,564,608	\$1,616,913	\$1,832,763	\$1,833,674
Overtime	17,498	28,259	21,195	25,558	20,883	21,507
Contractual Services						
Contractual Workers	63,530	74,914	84,004	92,292	75,000	75,000
Telephone	35,063	25,637	32,164	30,650	37,488	37,488
Utilities	429,769	558,010	1,016,731	1,219,326	967,290	967,290
Maintenance & Equipment Rental & Fleet	422,247	591,505	601,739	652,492	714,648	714,648
License and Permits	73,499	124,251	73,018	73,356	126,155	126,155
Property, Liability & Workers' Comp	16,951	18,114	30,724	37,376	51,525	51,525
Advertising/Marketing Contract	11,932	11,492	212,869	208,815	350,000	350,000
Other	192,989	212,162	232,224	268,443	300,325	300,325
Commodities and Capital Outlays						
Agriculture & Horticulture & Other Supply	107,537	125,040	128,597	71,411	131,545	131,545
Maintenance & Repairs Supply, Equipment	66,997	68,781	74,067	84,344	135,035	135,035
Inventory Purchased for Resale	229,795	258,927	260,507	304,481	495,000	495,000
Construction - Other	55,349	94,323	10,695	-	17,000	17,000
Other Expenses	33,462	39,526	35,951	45,959	33,690	33,690
BOR Admin						
BOR Admin/WestWorld	121,551	127,628	134,010	140,710	147,746	147,746
Allocated Expenses ^b						
Facilities Maintenance	319,572	402,988	402,988	713,808	670,566	670,566
COS Indirect Costs	458,880	241,136	255,887	276,504	338,575	338,575
Operating Expenses	\$4,123,402	\$4,529,966	\$5,171,979	\$5,862,440	\$6,445,234	\$6,446,769
Operating Income	(\$1,441,651)	(\$1,544,472)	\$442,318	(\$1,560,920)	(\$1,355,034)	(\$1,356,569)
Debt Service (Less contributions)						
Debt Service - (52 & 17 acres)	\$2,352,373	\$2,364,123	\$2,012,576	\$2,250,353	\$2,273,677	\$2,273,677
Debt Service - TNEC (\$41.935M)	-	-	1,546,675	1,543,925	1,524,125	1,524,125
Debt Service - TNEC Tourism Funded	-	588,503	1,200,000	1,200,000	1,200,000	1,200,000
Bed Tax Contributions - TNEC	-	(588,503)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Net Debt Service	\$2,352,373	\$2,364,123	\$3,559,251	\$3,794,278	\$3,797,802	\$3,797,802
Operating Income After Debt Service	(\$3,794,024)	(\$3,908,595)	(\$3,116,933)	(\$5,355,198)	(\$5,152,836)	(\$5,154,371)

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

^b Allocated expenses are not budgeted for in nor expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations.

^c Certain account activities were adjusted due to reconciliation of prior years.

City of Scottsdale *Statement of Operations - WestWorld*
WestWorld

Statement of Operations for May 2016 / 11 Months YTD

	FY 2011/12 YTD Actual	FY 2012/13 YTD Actual	FY 2013/14 YTD Actual ^c	FY 2014/15 YTD Actual ^c	FY 2015/16 YTD Actual	FY 2015/16 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Operating Revenue								
Rental Facilities	\$1,173,446	\$1,212,585	\$1,618,320	\$1,495,123	\$1,583,499	\$1,710,000	(\$126,501)	-7%
RV Rental	211,618	180,901	205,206	238,909	168,921	258,273	(89,352)	-35%
Feed/Bedding Sales	445,761	496,982	528,251	494,688	546,511	756,972	(210,461)	-28%
Labor Fees	192,702	169,436	233,103	130,888	182,451	228,100	(45,649)	-20%
Concession Fees	232,506	164,852	191,661	364,140	390,062	281,100	108,962	39%
Parking	44,005	48,896	51,748	107,193	96,466	75,200	21,266	28%
Other Income	14,219	18,001	9,687	8,320	18,172	8,738	9,434	nm
Equidome Project Use Fee	-	-	-	525,000	90,000	360,000	(270,000)	-75%
Council Approved Authorized Carryover ^a	-	-	-	-	-	-	-	-
Operating Revenue	\$2,314,256	\$2,291,652	\$2,837,976	\$3,364,261	\$3,076,082	\$3,678,383	(\$602,301)	-16%
Operating Expenses								
Personnel Services								
Wages/Salaries/Benefits	\$1,352,756	\$1,406,602	\$1,443,493	\$1,513,330	\$1,627,311	\$1,694,582	\$67,271	4%
Overtime	17,498	28,259	20,827	25,451	28,554	21,498	(7,056)	-33%
Contractual Services								
Contractual Workers	56,177	70,897	83,812	92,100	78,926	75,000	(3,926)	-5%
Telephone	34,064	23,759	29,316	29,504	17,708	32,749	15,041	46%
Utilities	401,209	409,857	858,487	1,073,517	1,020,026	789,815	(230,211)	-29%
Maintenance & Equipment Rental & Fleet	379,630	561,677	561,009	574,900	642,560	641,376	(1,184)	0%
License and Permits	73,518	124,222	73,052	73,749	77,150	124,050	46,900	38%
Property, Liability & Workers' Comp	15,543	16,610	28,160	34,265	47,234	47,234	-	-
Advertising/Marketing Contract	8,577	10,581	212,519	208,815	252,328	210,570	(41,758)	-20%
Other	179,304	204,550	217,057	262,292	203,028	267,140	64,112	24%
Commodities and Capital Outlays								
Agriculture & Horticulture & Other Supply	99,861	121,841	112,545	69,928	97,472	106,996	9,524	9%
Maintenance & Repairs Supply, Equipment	62,855	65,768	70,242	81,279	105,821	108,633	2,812	3%
Inventory Purchased for Resale	225,763	258,927	258,468	304,481	294,005	468,000	173,995	37%
Construction - Other	52,424	4,714	10,695	-	21,428	-	(21,428)	n/a
Other Expenses	29,484	34,269	34,031	43,846	62,401	23,001	(39,400)	nm
BOR Admin								
BOR Admin/WestWorld	121,551	127,628	134,010	140,710	147,746	147,746	-	0%
Allocated Expenses^b								
Facilities Maintenance	292,941	369,402	369,402	654,324	614,691	614,691	-	-
COS Indirect Costs	420,640	221,045	234,564	253,462	310,365	310,365	-	-
Operating Expenses	\$3,823,797	\$4,060,608	\$4,751,688	\$5,435,951	\$5,648,753	\$5,683,446	\$34,693	1%
Operating Income	(\$1,509,541)	(\$1,768,956)	(\$1,913,712)	(\$2,071,690)	(\$2,572,671)	(\$2,005,063)	(\$567,608)	-28%
Debt Service (Less contributions)								
Debt Service - (52 & 17 acres)	\$702,076	\$682,826	\$662,826	\$280,279	\$55,154	\$54,925	(\$229)	0%
Debt Service - TNEC (\$41.935M)	-	-	767,713	749,463	724,563	724,563	-	-
Debt Service - TNEC Tourism Funded	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
Net Debt Service	\$702,076	\$682,826	\$1,430,539	\$1,029,742	\$779,717	\$779,488	(\$229)	88%
Operating Income After Debt Service	(\$2,211,617)	(\$2,451,782)	(\$3,344,251)	(\$3,101,432)	(\$3,352,388)	(\$2,784,551)	(\$567,379)	20%

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

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^c Certain account activities were adjusted due to reconciliation of prior years.



Privilege (Sales) & Use Tax Collections For May 2016 (For Business Activity in April 2016)

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 5 percent compared to the Budget, and increased 4 percent compared to the same period a year ago.

Privilege (Sales) & Use Tax by Category and Fund

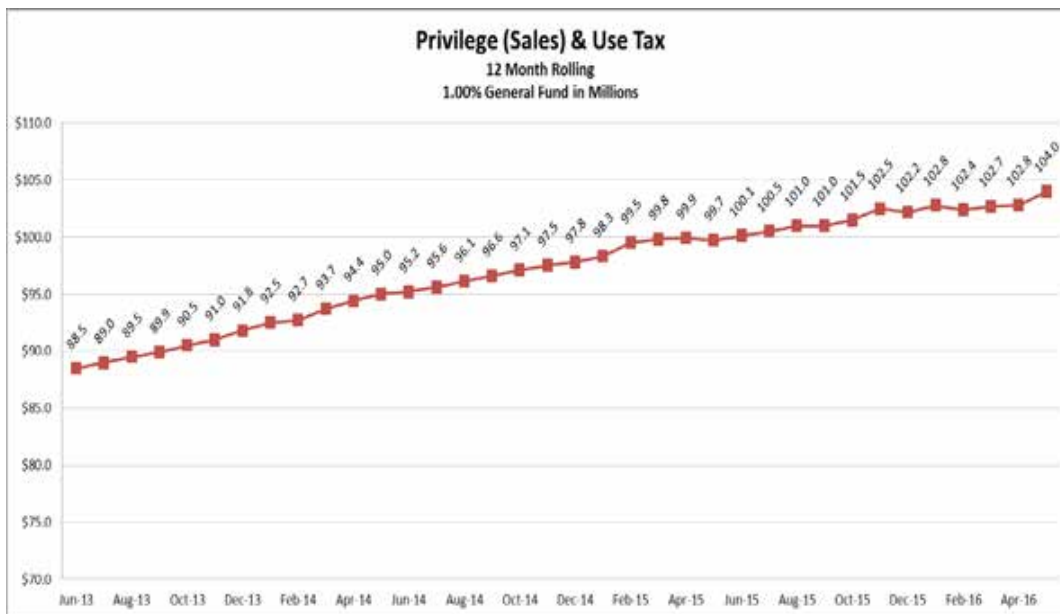
	Fiscal Year: Twelve Months				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
1.00% General Purpose					
Rentals	\$12.4	\$13.0	\$13.2	\$13.2	\$0.0
Misc. Retail Stores	16.1	17.1	17.8	17.8	0.0
Major Dept. Stores	9.2	9.5	9.9	9.9	0.0
Automotive	12.4	13.8	14.4	14.4	0.0
Food Stores	6.6	7.0	7.0	7.0	0.0
Construction	11.1	11.1	8.3	8.3	0.0
Dining/ Entertainment	8.5	9.4	9.7	9.7	0.0
Other Taxable Activity	7.6	7.9	7.8	7.8	0.0
Hotel/Motel	5.0	5.3	5.5	5.5	0.0
Utilities	4.4	4.4	4.5	4.5	0.0
License fees, Penalty & Interest	2.3	2.2	2.2	2.2	0.0
Subtotal	<u>\$95.6</u>	<u>\$100.6</u>	<u>\$100.2</u>	<u>\$100.2</u>	<u>\$0.0</u>
0.10% Public Safety	\$9.3	\$9.8	\$9.8	\$9.8	\$0.0
0.20% Transportation	18.1	19.1	19.0	19.0	0.0
0.20% McDowell Preserve 1995	18.7	19.7	19.6	19.6	0.0
0.15% McDowell Preserve 2004	14.0	14.8	14.7	14.7	0.0
Total	<u>\$155.7</u>	<u>\$164.0</u>	<u>\$163.4</u>	<u>\$163.4</u>	<u>\$0.0</u>
% Change vs. Prior Year	7%	5%	0%	0%	

Rounding differences may occur.

Privilege (Sales) & Use Tax by Category and Fund

Fiscal Year-to-Date: May 2016						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
1.00% General Purpose						
Rentals	\$11.5	\$11.8	\$13.3	\$12.2	\$1.2	9%
Misc. Retail Stores	14.8	15.5	16.8	16.3	0.5	3%
Major Dept. Stores	8.5	8.7	8.7	9.1	(0.4)	-5%
Automotive	11.2	12.3	13.2	13.1	0.1	1%
Food Stores	6.1	6.4	6.6	6.5	0.1	1%
Construction	10.0	10.5	9.5	7.7	1.8	23%
Dining/ Entertainment	7.8	8.5	8.9	8.8	0.1	1%
Other Taxable Activity	6.9	7.2	8.5	7.3	1.2	16%
Hotel/Motel	4.5	4.9	5.1	5.0	0.0	0%
Utilities	4.1	4.1	4.1	4.1	0.0	0%
License fees, Penalty & Interest	2.2	2.1	1.9	2.1	(0.2)	-8%
Subtotal	\$87.5	\$92.0	\$96.5	\$92.1	\$4.4	5%
0.10% Public Safety	\$8.5	\$9.0	\$9.5	\$9.0	\$0.5	5%
0.20% Transportation	16.6	17.5	18.3	17.5	0.8	5%
0.20% McDowell Preserve 1995	17.1	18.0	18.9	18.0	0.9	5%
0.15% McDowell Preserve 2004	12.8	13.5	14.2	13.5	0.7	5%
Total	\$142.5	\$149.9	\$157.2	\$150.1	\$7.3	5%
% Change vs. Prior Year	8%	5%	4%	0%		

Rounding differences may occur.



Rental Sales Taxes

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

Actual to Revised Budget variance of \$1.2 million or 9%: Result of unknown sale of two apartment complexes and a large audit payment.

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 \$0.5 million or 3%: Due in part to increased sales in home furnishings, building supplies, computer software/hardware, and sales from websites.

Major Department Stores Sales Taxes

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

Actual to Revised Budget variance of (\$0.4) million or (5%): Due to lower sales than expected.

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 \$0.1 million or 1%: Due to increased sales of new and used motor vehicles in addition to a new Mazda dealership. However, in recent months the sales are slowing and in some cases decreasing.

Food Stores Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 1%: Normal business fluctuations.

Construction Sales Taxes

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

Actual to Revised Budget variance of \$1.8 million or 23%: Due to several large one-time audit payments and a sale of a commercial building.

Dining/Entertainment Sales Taxes

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

Actual to Revised Budget variance of \$0.1 million or 1%: Normal business fluctuations.

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 \$1.2 million or 16%: Due in part to increase in taxable sales from computer hardware/software wholesalers and to a one-time audit payment.

Hotel/Motel Sales Taxes

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

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

Utilities Sales Taxes

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

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

License Fees, Penalty & Interest

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

Actual to Revised Budget variance of (\$0.2) million or (8%): Due to a decrease in penalties and interest and 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.