

# Financial Report Fiscal Year-to-Date As of May 2015

Report to the City Council  
Prepared by City Treasurer  
June 24, 2015



## FINANCIAL REPORT YEAR-TO-DATE MAY 2015

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

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**General Fund- Summary**

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

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

<b>May 2015: Current Month and YTD</b>						
(\$ in millions: Rounding differences may occur)						
	May Actual	May Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$25.1	\$24.7	\$240.2	\$229.7	\$10.5	5%
Uses	17.9	17.6	213.2	213.3	0.1	0%
Change in Fund Balance	\$7.2	\$7.1	\$27.0	\$16.4	\$10.6	

## Sources

(\$ in millions: Rounding differences may occur)

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

	One Month: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$8.6	\$9.3	\$9.1	\$9.2	(\$0.1)	-1%
State-Shared Revenues	4.5	4.8	5.1	5.0	0.1	2%
Property Taxes	5.3	6.0	6.1	5.5	0.6	11%
Franchise Fees/In-Lieu Taxes	0.1	-	-	-	-	-
Charges for Services/Other	1.8	2.3	2.2	2.6	(0.4)	-15%
Building Permit Fees & Charges	1.1	1.3	1.3	1.2	0.1	9%
Interest Earnings *	0.2	0.2	0.1	0.0	-	53%
Indirect/Direct Cost Allocation	0.6	0.5	0.5	0.5	-	-
Bond Proceeds **	-	-	-	-	-	-
Total Revenue	\$22.2	\$24.3	\$24.5	\$24.0	\$0.4	2%
Transfers In	0.6	0.6	0.6	0.6	-	-
Total Sources	\$22.8	\$25.0	\$25.1	\$24.7	\$0.4	2%
% Change vs. Prior Year	5%	9%	0%	-1%		

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$88.9	\$96.1	\$101.0	\$98.0	\$3.0	3%
State-Shared Revenues	43.1	46.6	49.7	48.9	0.8	2%
Property Taxes	22.8	23.8	23.6	23.6	-	-
Franchise Fees/In-Lieu Taxes	11.0	11.2	11.1	11.1	0.1	1%
Charges for Services/Other	22.6	21.7	26.2	22.5	3.7	16%
Building Permit Fees & Charges	10.4	13.8	13.9	11.0	2.9	27%
Interest Earnings *	1.3	1.6	0.9	0.5	0.3	62%
Indirect/Direct Cost Allocation	6.4	6.0	5.9	5.9	-	-
Bond Proceeds **	31.0	-	-	-	-	-
Total Revenue	\$237.6	\$220.8	\$232.3	\$221.5	\$10.8	5%
Transfers In	6.6	6.5	7.9	8.2	(0.3)	-4%
Total Sources	\$244.2	\$227.3	\$240.2	\$229.7	\$10.5	5%
% Change vs. Prior Year	13%	-7%	6%	1%		

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

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

### Sales Taxes

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

	Fiscal Year-to-Date: May 2015				Actual vs. Budget	
	2012/13	2013/14	2014/15	2014/15	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised	Amount	Percent
	Actual	Actual	Actual	Budget		
1.00% General Purpose Sales Tax	\$81.0	\$87.5	\$92.0	\$89.3	\$2.7	3%
0.10% Public Safety Sales Tax	7.9	8.5	9.0	8.7	0.3	3%
Total General Fund Sales Taxes	\$88.9	\$96.1	\$101.0	\$98.0	\$3.0	3%
% Change vs. Prior Year	4%	8%	5%	2%		

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

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

### State-Shared Revenues

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

	Fiscal Year-to-Date: May 2015				Actual vs. Budget	
	2012/13	2013/14	2014/15	2014/15	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised	Amount	Percent
	Actual	Actual	Actual	Budget		
State Shared Sales Tax	\$16.2	\$17.3	\$18.1	\$17.9	\$0.2	1%
State Shared Income Tax	20.4	22.2	24.1	24.1	-	-
Auto Lieu Tax	6.6	7.1	7.5	6.9	0.6	9%
Total State Shared Revenues	\$43.1	\$46.6	\$49.7	\$48.9	\$0.8	2%
% Change vs. Prior Year	10%	8%	7%	5%		

**Actual to Revised Budget variance of \$0.8 million or 2%:**

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

### Property Taxes

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

No explanation is necessary.

### Franchise Fees and In-Lieu Taxes

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

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Budget	Amount	Percent
Electric and Gas Franchise	\$8.2	\$8.2	\$8.2	\$8.4	(\$0.2)	-2%
Cable TV License Fee	2.6	2.8	2.8	2.5	0.3	10%
Salt River Project Lieu Tax	0.3	0.1	0.1	0.1	-	-
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$11.0</b>	<b>\$11.2</b>	<b>\$11.1</b>	<b>\$11.1</b>	<b>\$0.1</b>	<b>1%</b>
% Change vs. Prior Year	4%	1%	0%	-1%		

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

No explanation is necessary.

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

	Fiscal Year-to-Date: May 2015				Actual vs. Budget	
	2012/13	2013/14	2014/15	2014/15	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
<i>Licenses, Permits &amp; Fees</i>						
Recreation Fees	\$2.9	\$3.0	\$3.0	\$2.9	\$0.1	5%
WestWorld	2.3	2.8	3.4	2.7	0.7	26%
Fire Service Charges	0.6	0.7	0.9	0.6	0.4	64%
Business Licenses & Fees	1.7	1.7	1.8	1.7	-	-
<i>Fines &amp; Forfeitures</i>						
Court Fines	3.8	3.9	3.8	4.4	(0.6)	-13%
Photo Enforcement Revenue	2.0	1.7	2.6	1.9	0.7	35%
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	0.8	0.9	0.8	0.8	-	-
Property Rental	2.0	2.1	2.4	1.5	0.9	60%
Intergovernmental Revenue	1.1	1.2	1.2	1.0	0.2	15%
Contributions/Donations	0.1	0.0	0.0	-	-	-
Miscellaneous	1.4	1.8	4.2	3.3	0.9	27%
Reimbursements	3.4	1.5	1.5	1.1	0.4	32%
Total Charges for Services/Other	\$22.6	\$21.7	\$26.2	\$22.5	\$3.7	16%
% Change vs. Prior Year	-2%	-4%	20%	3%		

**Actual to Revised Budget variance of \$3.7 million or 16%:**

The favorable variance in WestWorld is due to positive results in facilities rentals, concession fees, and parking, plus the contributions from AZ Quarter & Ariabian were not budgeted in FY 2014/15. The favorable variance in Fire Service Charges is due to the timing of receipts received from PMT for the previous fiscal year. The unfavorable variance in Court Fines is due to a decline in the amount of citations filed by 10% YTD, while the favorable variance in Photo Enforcement Revenue is due to a 26% increase YTD in citations filed. The favorable variance in Property Rental is primarily attributed to the initial two unbudgeted payments for Phase 1 and 2 for SkySong, as well as increases in cell tower and outdoor dining leases. The favorable variance in Intergovernmental Revenue is due to the timing of Palomino Library money received from Scottsdale Unified School District. The favorable variance in Miscellaneous is primarily due to the sale of property as the McKnight building sold for more than what was anticipated. The favorable variance in Reimbursements is due to a large reimbursement of expense for training received from AZ POST.

### Building Permit Fees and Charges

**Actual to Revised Budget variance of \$2.9 million or 27%:**

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

### Interest Earnings

**Actual to Revised Budget variance of \$0.3 million or 62%:**

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

### Indirect/Direct Cost Allocations

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

No explanation is necessary.

### Transfers In

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

	Fiscal Year-to-Date: May 2015					Actual vs. Budget	
	2012/13	2013/14	2014/15	2014/15 Revised	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Budget	Amount	Percent	
CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Tourism Development - Bed Tax	-	-	1.5	1.5	-	-	
Tourism Development - WW	-	-	-	-	-	-	
30 Day Tow	0.3	0.3	0.4	0.4	-	-	
Fleet Transfer	-	-	-	-	-	-	
Special Programs	0.3	-	-	-	-	-	
Other	-	-	-	-	-	-	
Enterprise In Lieu Franchise Fees	6.0	6.2	6.0	6.4	(0.3)	-5%	
Enterprise In Lieu Property Tax	-	-	-	-	-	-	
Total Transfers In	<u>\$6.6</u>	<u>\$6.5</u>	<u>\$7.9</u>	<u>\$8.2</u>	<u>(\$0.3)</u>	<u>-4%</u>	
% Change vs. Prior Year	-27%	-2%	20%	26%			

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

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



**Uses**

(\$ in millions: Rounding differences may occur)

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

	One Month: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Expenses:						
Personnel Services	\$12.0	\$12.4	\$13.2	\$13.2	\$0.1	1%
Contractual	3.9	3.4	3.8	3.8	(0.1)	-1%
Commodities	0.9	0.7	0.8	0.6	(0.1)	-23%
Capital Outlays	0.4	0.3	0.2	-	(0.2)	-100%
Total Operating Expenses	<u>\$17.2</u>	<u>\$16.8</u>	<u>\$17.9</u>	<u>\$17.6</u>	<u>(\$0.3)</u>	<u>-1%</u>
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Uses	<u>\$17.2</u>	<u>\$16.8</u>	<u>\$17.9</u>	<u>\$17.6</u>	<u>(\$0.3)</u>	<u>-1%</u>
% Change vs. Prior Year	3%	-2%	6%	5%		

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Expenses:						
Personnel Services	\$145.3	\$150.9	\$156.6	\$155.9	(\$0.7)	0%
Contractual	42.5	45.9	48.0	49.0	1.0	2%
Commodities	6.5	6.4	6.7	6.6	(0.1)	-2%
Capital Outlays	0.9	0.5	0.3	0.2	(0.1)	-53%
Total Operating Expenses	<u>\$195.2</u>	<u>\$203.7</u>	<u>\$211.6</u>	<u>\$211.7</u>	<u>\$0.1</u>	<u>0%</u>
Debt Service & Contracts Payable	33.9 **	1.6	1.6	1.6	-	-
Transfers Out	3.4	0.4	-	-	-	-
Total Uses	<u>\$232.5</u>	<u>\$205.8</u>	<u>\$213.2</u>	<u>\$213.3</u>	<u>\$0.1</u>	<u>0%</u>
% Change vs. Prior Year	13%	-12%	4%	4%		

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Expenses:						
Mayor & Council and Charter Officers	\$16.3	16.3	\$16.6	\$17.3	\$0.7	4%
Administrative Services	12.7	13.7	13.8	14.3	0.5	3%
Community & Economic Dev	20.8	21.3	22.3	21.8	(0.5)	-2%
Community Services	30.0	29.9	30.8	31.2	0.5	1%
Public Safety - Fire	26.7	29.0	30.4	29.8	(0.6)	-2%
Public Safety - Police	73.0	77.1	81.3	81.1	(0.2)	0%
Public Works	15.7	16.4	16.4	16.2	(0.2)	-1%
Total Operating Expenses	<u>\$195.2</u>	<u>\$203.7</u>	<u>\$211.6</u>	<u>\$211.7</u>	<u>\$0.1</u>	<u>0%</u>

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

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

<b>Personnel Services</b>					
Twelve Months: Fiscal Year					
	2012/13	2013/14	2014/15	2014/15	2014/15
	Actual	Actual	Adopted	Revised	Approved
			Budget	Budget	Adjustments
Salaries and Wages	\$112.5	\$115.6	\$119.3 *	\$119.6 *	\$0.3
Overtime	6.9	7.2	6.1	6.2	0.1
FICA	7.7	7.9	8.2	8.1	-
Retirement	15.7	17.2	18.6	18.7	0.1
Health/Dental/Miscellaneous	15.0	15.6	16.6	16.1	( 0.5)
<b>Total Personnel Services</b>	<b>\$157.7</b>	<b>\$163.6</b>	<b>\$168.8 *</b>	<b>\$168.7 *</b>	<b>\$ -</b>
% Change vs. Prior Year	2%	4%	3%	3%	

<b>Fiscal Year-to-Date: May 2015</b>						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised	Favorable / (Unfavorable)	
				Budget	Amount	Percent
Salaries and Wages	\$103.7	\$106.6	\$110.1	\$110.9	\$0.7	1%
Overtime	6.3	6.7	7.4	5.6	( 1.8)	-31%
FICA	7.1	7.3	7.5	7.5	-	-
Retirement	14.5	15.9	17.0	17.2	0.1	1%
Health/Dental/Miscellaneous	13.7	14.3	14.5	14.7	0.3	2%
<b>Total Personnel Services</b>	<b>\$145.3</b>	<b>\$150.9</b>	<b>\$156.6</b>	<b>\$155.9</b>	<b>(\$0.7)</b>	<b>0%</b>
% Change vs. Prior Year	3%	4%	4%	3%		
Pay Periods	24	24	24			

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

**Actual to Revised Budget variance of (\$0.7) million or (0%):**

The favorable variance in Salaries & Wages of approximately \$0.7 million is largely related to Police who have had recent retirements resulting in movement through the ranks, impacting where officers are in their pay grade with new officers earning less than the previous incumbent. Additionally, the favorable variance is related to Community Services due to full-time positions hiring at rates lower than budgeted and having vacant part-time positions. The unfavorable variance in Overtime is primarily related to Public Safety Police and Fire with variances of (\$0.6) million and (\$0.6) million, respectively. The Police portion is being driven by various investigations such as a homicide and barricade, a large scale investigation with the secret service, several SWAT call-outs, Criminal Intelligence due to dignitary protection and minimum staffing requirements in Communications. The Fire portion is due to multiple staff being out on various leaves (6 on light duty, 1 on non-duty, and 1 on FMLA). The remaining unfavorable variance in overtime is due to the Superbowl and in April most citywide expenses were moved to this location in the Community and Economic Development Division resulting in an unfavorable variance of (\$0.8) million in Personnel Services with (\$0.6) million related to Overtime.

<b>Macro Personnel Adjustments</b>					
	2012/13	2013/14	2014/15	2014/15	
	Actual	Actual	Adopted	Year-To-Date	
			Budget	Saved/(Used)	Remaining
Citywide Pay Program	\$ -	\$2.8	\$4.6	(\$4.6)	\$ -
2% Pay for Performance	2.7	-	-	-	-
Compensation Adjustments	0.6	0.6	-	-	-
Vacancy Savings	( 3.9)	( 3.8)	( 3.8)	3.4	( 0.4)
Vacation Leave Payouts	0.8	0.5	0.9	( 0.6)	0.3
Medical Leave Payouts	1.0	0.8	1.0	( 1.5)	( 0.5)
<b>Total Vacancy Savings/Payouts</b>	<b>\$1.2</b>	<b>\$0.9</b>	<b>\$2.7</b>	<b>(\$3.3)</b>	<b>(\$0.6)</b>

**Total Saved/(Used) YTD of (\$3.3) million:**

The City has achieved \$3.4 million in vacancy savings year-to-date offset by (\$2.1) million in vacation and medical leave payouts. In July the Citywide Pay Program was funded and implemented initiating the use of ongoing and one-time dollars for compensation.

**Contractual Services**

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

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

**Commodities**

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

No explanation is necessary.

**Capital Outlays**

**Actual to Revised Budget variance of (\$0.1) million or (53%):**

The unfavorable variance is related to the purchase of computer equipment being used in a citywide pilot project. There were 15 tablets purchased citywide and deployed to various divisions during the initial test phase. If successful, this equipment would be budgeted for in each respective division wishing to participate.

**Debt Service & Contracts Payable**

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

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
Debt Service Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	-
MPC Excise Debt Fund	-	-	-	-	-	-
Contracts Payable	32.7 *	0.3	0.3	0.3	-	-
COP - Radio Financing	1.3	1.3	1.3	1.3	-	-
<b>Debt Service &amp; Contracts Payable</b>	<b>\$33.9</b>	<b>\$1.6</b>	<b>\$1.6</b>	<b>\$1.6</b>	<b>\$ -</b>	<b>-</b>
% Change vs. Prior Year	nm	-95%	-4%	-4%		

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

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

No explanation is necessary.

**Transfers-Out**

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

	Fiscal Year-to-Date: May 2015					
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>
CIP - Stadium	\$0.1	\$0.1	\$ -	\$ -	\$ -	-
CIP - PAYGO	-	-	-	-	-	-
Spec Pgms Fund - Comm Svcs	0.2	-	-	-	-	-
Spec Pgms Fund - Fire	0.1	-	-	-	-	-
Spec Pgms Fund - Planning & Dev	-	-	-	-	-	-
Spec Pgms Fund - SW Gas Fund	0.1	-	-	-	-	-
Tourism Development Fund	3.0	-	-	-	-	-
Grants Fund - CDBG	-	0.4	-	-	-	-
<b>Total Transfers Out</b>	<b>\$3.4</b>	<b>\$0.4</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
% Change vs. Prior Year	-67%	-88%	-89%	-100%		

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

No explanation is necessary.

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

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

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

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

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

**May 2015: 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	\$3.7	\$2.7	\$31.3	\$31.3	\$ -	-
Uses	1.4	2.4	21.2	21.9	0.7	3%
Change in Fund Balance	\$2.2	\$0.3	\$10.1	\$9.4	\$0.7	

**One Month: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$1.2	\$1.2	\$1.3	\$1.1	\$0.3	24%
0.20% City Sales Tax	1.5	1.6	1.6	1.6	-	-
Other	0.3	0.1	0.7	0.1	0.7	nm
Total Revenues	\$3.0	\$3.0	\$3.7	\$2.7	\$0.9	33%
Transfers In	-	-	-	-	-	-
Total Sources	\$3.0	\$3.0	\$3.7	\$2.7	\$0.9	33%
% Change vs. Prior Year	12%	0%	22%	-9%		

**Fiscal Year-to-Date: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
HURF Taxes	\$10.7	\$11.1	\$12.1	\$11.9	\$0.3	2%
0.20% City Sales Tax	15.3	16.6	17.5	16.9	0.6	3%
Other	3.2	1.9	1.7	2.5	( 0.8)	-33%
Total Revenues	\$29.3	\$29.6	\$31.3	\$31.3	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$29.3	\$29.6	\$31.3	\$31.3	\$ -	-
% Change vs. Prior Year	3%	1%	6%	6%		

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

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

One Month: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$0.4	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	1.6	1.2	0.8	1.8	0.9	53%
Commodities	0.1	0.1	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$2.0	\$1.7	\$1.4	\$2.4	\$1.0	41%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$2.0	\$1.7	\$1.4	\$2.4	\$1.0	41%
% Change vs. Prior Year	4%	-14%	-19%	37%		

Fiscal Year-to-Date: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual	vs. Budget
	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Expenses:						
Personnel Services	\$5.0	\$5.1	\$5.4	\$5.4	\$ -	-
Contractual	12.7	13.6	15.1	15.7	0.6	4%
Commodities	0.5	0.6	0.8	0.8	-	-
Capital Outlays	-	-	-	0.1	-	-
Total Operating Expenses	\$18.2	\$19.4	\$21.2	\$21.9	\$0.7	3%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$18.2	\$19.4	\$21.2	\$21.9	\$0.7	3%
% Change vs. Prior Year	9%	6%	10%	13%		

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

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

**FY 2014/15 - TOURISM DEVELOPMENT FUND**

(\$ in millions: Rounding differences may occur)

	Adopted <u>Budget</u>	Revised <u>Budget</u>	Adopted Favorable / <u>Amount</u>	vs. Revised (Unfavorable) <u>Percent</u>
Sources	\$17.4	\$17.4	\$ -	-
Uses	19.8	19.8	-	-
Change in Fund Balance	<u>(\$2.4)</u>	<u>(\$2.4)</u>	<u>\$ -</u>	
Beginning Fund Balance	\$7.6	\$8.9	\$1.3	
Ending Fund Balance	<u>\$5.3</u>	<u>\$6.6</u>	<u>\$1.3</u>	

Twelve Months: Fiscal Year

	2012/13 <u>Actual</u>	2013/14 <u>Actual</u>	2014/15 Adopted <u>Budget</u>	2014/15 Revised <u>Budget</u>	2014/15 Approved <u>Adjustments</u>
Revenues:					
Bed Taxes	\$13.9	\$15.3	\$15.8	\$15.8	\$ -
Hospitality Trolley Sponsorship	0.1	-	-	-	-
Princess Hotel Lease	1.4	1.7	1.6	1.6	-
Total Revenues	<u>\$15.4</u>	<u>\$17.0</u>	<u>\$17.4</u>	<u>\$17.4</u>	<u>\$ -</u>
Transfers In	3.1	0.1	-	-	-
Transfers In - CIP	-	-	-	-	-
Total Sources	<u>\$18.5</u>	<u>\$17.1</u>	<u>\$17.4</u>	<u>\$17.4</u>	<u>\$ -</u>
% Change vs. Prior Year	n/a	-7%	1%	1%	

Twelve Months: Fiscal Year

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

**May 2015: 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	\$1.9	\$2.0	\$17.4	\$15.9	\$1.6	10%
Uses	1.0	0.8	14.1	13.8	( 0.3)	-2%
Change in Fund Balance	\$0.9	\$1.2	\$3.3	\$2.0	\$1.3	

One Month: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$1.6	\$1.8	\$1.8	\$1.8	\$ -	-
Hospitality Trolley Sponsorship	-	-	-	-	-	-
Princess Hotel Lease	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$1.7	\$1.9	\$1.9	\$2.0	\$ -	-
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.7	\$1.9	\$1.9	\$2.0	\$ -	-
% Change vs. Prior Year	n/a	9%	0%	3%		

Fiscal Year-to-Date: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$12.7	\$14.0	\$15.8	\$14.5	\$1.3	9%
Hospitality Trolley Sponsorship	0.1	-	-	-	-	-
Princess Hotel Lease	1.2	1.4	1.5	1.4	0.2	14%
Total Revenues	\$14.0	\$15.4	\$17.4	\$15.9	\$1.5	9%
Transfers In	3.0	-	-	-	-	-
Transfers In - CIP	-	-	0.1	-	0.1	n/a
Total Sources	\$17.0	\$15.4	\$17.4	\$15.9	\$1.6	10%
% Change vs. Prior Year	n/a	-9%	13%	3%		

**Actual to Revised Budget variance of \$1.6 million or 10%:**

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



One Month: May 2015						
Expenses:	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Marketing (CVB)	0.5	0.8	0.7	0.7	-	-
Events & Event Development	0.3	0.2	0.3	0.1	(0.3)	nm
Hospitality Trolley	\$0.1	\$ -	\$ -	\$ -	\$ -	-
Admin/Research	-	-	-	-	-	-
Mayor and City Council	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$0.8</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$0.8</b>	<b>(\$0.3)</b>	<b>-37%</b>
Transfers Out						
CIP	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$0.9</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$0.8</b>	<b>(\$0.3)</b>	<b>-37%</b>
<b>% Change vs. Prior Year</b>	<b>n/a</b>	<b>13%</b>	<b>-</b>	<b>-26%</b>		

Fiscal Year-to-Date: May 2015						
Expenses:	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Marketing (CVB)	\$6.0	\$6.6	\$7.2	\$7.2	-	-
Events & Event Development	0.9	1.0	1.8	1.7	-	-
Hospitality Trolley	0.1	0.1	0.2	0.2	-	-
Admin/Research	0.3	0.4	1.2	0.5	(0.7)	nm
Mayor and City Council	-	-	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$7.3</b>	<b>\$8.1</b>	<b>\$10.4</b>	<b>\$9.7</b>	<b>(\$0.7)</b>	<b>-8%</b>
Transfers Out						
CIP	-	0.2	2.2	2.7	0.4	17%
Debt Service	-	-	-	-	-	-
General Fund	-	-	1.5	1.5	-	-
<b>Total Uses</b>	<b>\$7.3</b>	<b>\$8.3</b>	<b>\$14.1</b>	<b>\$13.8</b>	<b>(\$0.3)</b>	<b>-2%</b>
<b>% Change vs. Prior Year</b>	<b>n/a</b>	<b>13%</b>	<b>71%</b>	<b>67%</b>		

**Actual to Revised Budget variance of (\$0.3) million or (2%):**

The unfavorable variance in Admin/Research is the result of the matching contribution for FY 2013/14 and FY 2014/15 for the Museum of the West. Additionally, the favorable variance in Transfers Out - CIP is the result of timing as additional transfers will occur by fiscal year end.

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

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

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

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

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

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

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Sources	\$11.6	\$12.0	\$139.7	\$144.0	(\$4.3)	-3%
Uses	6.6	7.1	79.0	83.3	4.3	5%
Change in Fund Balance	\$4.9	\$4.9	\$60.7	\$60.7	\$ -	

One Month: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$7.7	\$7.8	\$7.1	\$7.8	(\$0.7)	-9%
Water Reclamation Charges	3.2	3.2	3.2	3.2	-	-
Non-Potable Water Fees	0.8	1.1	1.1	0.8	0.3	33%
Interest Earnings	0.1	0.1	-	-	-	-
Miscellaneous Revenue	0.1	0.8	0.1	0.1	-	-
Total Revenues	\$11.9	\$13.0	\$11.5	\$11.9	(\$0.4)	-3%
Transfers In	0.1	0.1	0.1	0.1	-	-
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$11.9	\$13.1	\$11.6	\$12.0	(\$0.4)	-3%
% Change vs. Prior Year	9%	10%	-12%	-9%		

Fiscal Year-to-Date: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Water Service Charges	\$81.7	\$81.4	\$78.1	\$82.1	(\$4.0)	-5%
Water Reclamation Charges	32.7	35.2	35.2	34.6	0.6	2%
Non-Potable Water Fees	8.7	9.6	8.7	9.3	(0.6)	-7%
Interest Earnings	0.9	1.1	0.5	0.4	0.1	36%
Miscellaneous Revenue	1.5	2.0	1.3	1.7	(0.4)	-24%
Total Revenues	\$125.4	\$129.2	\$123.8	\$128.1	(\$4.3)	-3%
Transfers In	16.5	16.8	16.0	15.9	0.1	0%
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$141.9	\$146.0	\$139.7	\$144.0	(\$4.3)	-3%
% Change vs. Prior Year	-4%	3%	-4%	-1%		

**Actual to Revised Budget variance of (\$4.3) million or (3%)**

The unfavorable variance for Water Service Charges is driven by record rainfall resulting in a decline in billed potable water. The favorable variance for Water Reclamation Charges is driven by higher than expected water deliveries during the prior winter period. The unfavorable variance for Non-Potable Water Fees is driven by an unanticipated refund of a prior year settlement. The unfavorable variance for Miscellaneous Revenue is driven by the timing of the sale of the water administration building which was actually sold in the prior fiscal year.

One Month: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$1.3	\$1.3	\$1.4	\$1.5	\$ -	-
Contractual	2.2	1.8	2.1	2.4	0.3	11%
Commodities	2.5	2.4	2.1	2.2	0.1	4%
Capital Outlays	-	0.1	-	-	-	-
Total Operating Expenses	\$6.0	\$5.7	\$5.7	\$6.1	\$0.4	6%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.6	0.6	0.6	0.6	-	-
Indirect/Direct Charges	0.5	0.4	0.4	0.4	-	-
Total Uses	\$7.1	\$6.7	\$6.6	\$7.1	\$0.4	6%
% Change vs. Prior Year	2%	-6%	0%	6%		

Fiscal Year-to-Date: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$15.7	\$16.1	\$16.8	\$17.1	\$0.3	2%
Contractual	18.4	19.9	22.3	24.1	1.7	7%
Commodities	20.8	22.1	21.5	23.2	1.7	7%
Capital Outlays	0.3	0.1	-	-	-	-
Total Operating Expenses	\$55.1	\$58.3	\$60.7	\$64.4	\$3.7	6%
Debt Service & Contracts Payable	8.2	7.9	7.6	8.0	0.5	6%
Transfers Out						
CIP Fund	18.8	-	0.3	-	(0.3)	n/a
Franchise Fees	6.0	6.2	6.0	6.4	0.3	5%
Indirect/Direct Charges	5.0	4.6	4.5	4.5	-	-
Total Uses	\$93.2	\$77.1	\$79.0	\$83.3	\$4.3	5%
% Change vs. Prior Year	-30%	-17%	3%	8%		

**Actual to Revised Budget variance of \$4.3 million or 5%**

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

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

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

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

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

**May 2015: 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	\$0.4	\$0.3	\$4.4	\$3.7	\$0.7	19%
Uses	0.2	0.2	4.2	2.6	( 1.7)	-65%
Change in Fund Balance	\$0.2	\$0.1	\$0.2	\$1.1	(\$1.0)	

**One Month: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$0.3	\$0.3	\$0.3	\$0.3	\$0.1	18%
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.3	\$0.3	\$0.4	\$0.3	\$0.1	17%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$0.3	\$0.3	\$0.4	\$0.3	\$0.1	17%
% Change vs. Prior Year	0%	22%	0%	0%		

**Fiscal Year-to-Date: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Aviation Fees	\$3.0	\$3.2	\$3.6	\$3.0	\$0.6	19%
Privilege and Use Tax – Jet Fuel	0.1	0.1	0.2	0.1	-	-
Interest Earnings	0.1	-	-	-	-	-
Miscellaneous Revenue	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$3.3	\$3.5	\$3.9	\$3.3	\$0.6	18%
Transfers In	-	0.8	0.1	-	0.1	n/a
Transfers In - CIP	-	1.1	0.4	0.4	-	-
Total Sources	\$3.3	\$5.4	\$4.4	\$3.7	\$0.7	19%
% Change vs. Prior Year	5%	62%	-19%	-32%		

**Actual to Revised Budget variance of \$0.7 million or 19%:**

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

One Month: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.1	\$0.2	\$0.1	\$0.1	\$ -	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Indirect/Direct Charges	-	-	-	-	-	-
Total Uses	\$0.1	\$0.2	\$0.2	\$0.2	\$ -	-
% Change vs. Prior Year	-36%	39%	0%	0%		

Fiscal Year-to-Date: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Amount / Percent
Personnel Services	\$1.0	\$1.0	\$1.0	\$1.0	\$ -	-
Contractual	0.6	0.6	0.6	0.8	0.2	27%
Commodities	0.1	0.1	-	0.1	-	-
Capital Outlays	-	-	-	0.1	-	-
Total Operating Expenses	\$1.6	\$1.7	\$1.7	\$2.0	\$0.3	15%
Transfers Out						
CIP Fund	4.1	1.1	2.1	0.1	( 2.0)	nm
Indirect/Direct Charges	0.4	0.4	0.4	0.4	-	-
Total Uses	\$6.1	\$3.1	\$4.2	\$2.6	(\$1.7)	-65%
% Change vs. Prior Year	nm	-49%	34%	-18%		

**Actual to Revised Budget variance of (\$1.7) million or (65%):**

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

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

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

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

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

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



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

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Sources	\$1.6	\$1.7	\$18.6	\$18.5	\$0.1	1%
Uses	1.6	1.7	18.7	18.9	0.2	1%
Change in Fund Balance	\$ -	\$ -	(\$0.1)	(\$0.4)	\$0.3	

**One Month: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Revenues:						
Solid Waste Charges	\$1.7	\$1.7	\$1.6	\$1.7	\$ -	-
Interest Earnings <sup>a</sup>	-	-	-	-	-	-
Total Revenues	\$1.7	\$1.7	\$1.6	\$1.7	\$ -	-
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.7	\$1.7	\$1.6	\$1.7	\$ -	-
% Change vs. Prior Year	3%	0%	-5%	-3%		

**Fiscal Year-to-Date: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget Percent
Revenues:						
Solid Waste Charges	\$18.6	\$18.6	\$18.5	\$18.4	\$0.1	1%
Interest Earnings <sup>a</sup>	0.1	0.1	0.1	-	-	-
Total Revenues	\$18.7	\$18.7	\$18.6	\$18.5	\$0.1	1%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$18.7	\$18.7	\$18.6	\$18.5	\$0.1	1%
% Change vs. Prior Year	-2%	0%	-1%	-1%		

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

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

The favorable variance for Solid Waste Charges is driven by higher than anticipated residential service charges partially offset by lower recycling revenue resulting from depressed commodity prices.

One Month: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$0.5	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	0.9	1.0	0.9	1.0	0.1	6%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$1.4	\$1.5	\$1.5	\$1.5	\$0.1	5%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.1	0.1	0.1	-	-
Total Uses	\$1.5	\$1.6	\$1.6	\$1.7	\$0.1	4%
% Change vs. Prior Year	5%	6%	0%	5%		

Fiscal Year-to-Date: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$6.1	\$6.2	\$6.6	\$6.4	(\$0.2)	-3%
Contractual	8.9	9.5	9.9	10.3	0.4	4%
Commodities	0.6	0.6	0.8	0.7	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$15.5	\$16.3	\$17.2	\$17.4	\$0.2	1%
Transfers Out						
CIP Fund	0.3	-	-	-	-	-
Indirect/Direct Charges	1.5	1.5	1.5	1.5	-	-
Total Uses	\$17.3	\$17.8	\$18.7	\$18.9	\$0.2	1%
% Change vs. Prior Year	4%	3%	5%	6%		

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

The unfavorable variance for Personnel Services is driven by overtime which is primarily due to increased demand for brush and bulk services. The favorable variance for Contractual is driven by lower fuel expenses partially offset with higher than anticipated fleet maintenance costs.

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

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

Twelve Months: Fiscal Year					
	2012/13 <u>Actual</u>	2013/14 <u>Actual</u>	2014/15 <u>Adopted Budget</u>	2014/15 <u>Revised Budget</u>	2014/15 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$3.1	\$3.2	\$3.4 *	\$3.4 *	\$ -
Contractual	1.5	1.5	1.5	1.5	-
Commodities	7.1	7.1	7.9	7.9	-
Capital Outlays	5.6	5.2	7.2	7.2	-
Total Operating Expenses	<u>\$17.3</u>	<u>\$17.0</u>	<u>\$19.9</u>	<u>\$19.9</u>	<u>\$ -</u>
Transfers Out					
Transfer Out CIP	0.8	-	0.6	0.6	-
Transfers to Operating Funds	-	0.8	-	-	-
Total Uses	<u>\$18.1</u>	<u>\$17.7</u>	<u>\$20.5 *</u>	<u>\$20.5 *</u>	<u>\$ -</u>
% Change vs. Prior Year	0%	-1%	16%	16%	

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

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

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Sources	\$1.8	\$1.7	\$17.6	\$18.2	(\$0.6)	-3%
Uses	0.8	1.7	15.5	16.3	0.7	5%
Change in Fund Balance	\$0.9	(\$0.1)	\$2.0	\$1.9	\$0.1	

**One Month: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$1.1	\$0.6	\$0.6	\$0.6	\$ -	-
Replacement Rates	0.5	0.6	0.6	0.6	-	-
Fuel Rates	-	0.4	0.3	0.4	( 0.1)	-33%
Other Revenue	-	0.1	0.3	-	0.3	nm
Total Revenues	\$1.6	\$1.7	\$1.8	\$1.7	\$0.1	6%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.6	\$1.7	\$1.8	\$1.7	\$0.1	6%
% Change vs. Prior Year	0%	7%	5%	0%		

**Fiscal Year-to-Date: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Actual vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$10.9	\$6.8	\$6.7	\$6.6	\$0.1	1%
Replacement Rates	5.2	6.3	6.5	6.6	-	-
Fuel Rates	-	3.9	3.5	4.6	( 1.1)	-24%
Other Revenue	0.4	0.4	0.8	0.4	0.5	nm
Total Revenues	\$16.5	\$17.4	\$17.6	\$18.2	(\$0.6)	-3%
Transfers In	-	-	-	-	-	-
Total Sources	\$16.5	\$17.4	\$17.6	\$18.2	(\$0.6)	-3%
% Change vs. Prior Year	18%	6%	1%	4%		

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

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

One Month: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable /	(Unfavorable)
					Amount	Percent
Personnel Services	\$0.2	\$0.2	\$0.3	\$0.3	\$ -	-
Contractual	0.1	0.1	0.1	0.1	-	-
Commodities	0.3	0.8	0.5	0.7	0.2	28%
Capital Outlays	0.4	1.7	-	0.7	0.7	100%
Total Operating Expenses	\$1.1	\$2.9	\$0.8	\$1.7	\$0.9	52%
Transfers Out						
Transfer Out CIP	-	-	-	-	-	-
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$1.1	\$2.9	\$0.8	\$1.7	\$0.9	52%
% Change vs. Prior Year	-15%	nm	-71%	-40%		

Fiscal Year-to-Date: May 2015						
	2012/13	2013/14	2014/15	2014/15	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised Budget	Favorable /	(Unfavorable)
					Amount	Percent
Personnel Services	\$2.9	\$2.9	\$3.1	\$3.1	\$ -	-
Contractual	1.3	1.4	1.4	1.4	-	-
Commodities	5.2	5.8	5.4	7.2	1.8	25%
Capital Outlays	4.6	3.1	5.4	4.6	(0.8)	-18%
Total Operating Expenses	\$13.9	\$13.2	\$15.3	\$16.3	\$1.0	6%
Transfers Out						
Transfer Out CIP	-	-	0.2	-	(0.2)	n/a
Transfers to Operating Funds	-	0.8	-	-	-	-
Total Uses	\$13.9	\$14.0	\$15.5	\$16.3	\$0.7	5%
% Change vs. Prior Year	-12%	0%	11%	16%		

**Actual to Revised Budget variance of \$0.7 million or 5%:**

The favorable variance in Commodities is due to the lower costs of unleaded and diesel fuel than forecasted. Capital Outlays continues to show an unfavorable variance related to vehicles that were scheduled for purchase in FY 2013/14, but were received and invoiced in FY 2014/15.

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

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$11.7	\$11.7	\$ -	-
Uses	8.3	8.3	-	-
Change in Fund Balance	\$3.4	\$3.4	\$ -	
Beginning Fund Balance	\$11.1	\$11.8	\$0.7	
Ending Fund Balance	\$14.6	\$15.3	\$0.7	
Accruals (short term)	\$3.0	\$3.0	\$ -	
Accruals (long term)	5.6	5.6	-	
Property Casualty Reserve	3.4	4.1	0.7	
Contingency	2.5	2.5	-	
Ending Fund Balance	\$14.6	\$15.3	\$0.7	

Twelve Months: Fiscal Year

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

Twelve Months: Fiscal Year

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

**May 2015: 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	\$0.8	\$0.8	\$11.2	\$10.9	\$0.3	3%
Uses	0.3	0.5	9.0	7.7	( 1.3)	-17%
Change in Fund Balance	\$0.5	\$0.3	\$2.2	\$3.2	(\$1.0)	

One Month: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$0.3	\$0.5	\$0.8	\$0.8	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Property Tax (Tort Claims)	-	-	-	-	-	-
Insurance/Claims Recoveries	-	-	-	-	-	-
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.4	\$0.6	\$0.8	\$0.8	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.4	\$0.6	\$0.8	\$0.8	\$ -	-
% Change vs. Prior Year	0%	56%	42%	42%		

Fiscal Year-to-Date: May 2015

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$3.7	\$6.0	\$8.4	\$8.4	\$ -	-
Unemployment Taxes	0.3	0.1	0.1	0.1	-	-
Property Tax (Tort Claims)	0.2	0.1	2.1	2.1	-	-
Insurance/Claims Recoveries	0.1	0.3	0.5	0.2	0.3	nm
Other/Miscellaneous Revenue	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$4.3	\$6.6	\$11.2	\$10.9	\$0.3	3%
Transfers In	-	-	-	-	-	-
Total Sources	\$4.3	\$6.6	\$11.2	\$10.9	\$0.3	3%
% Change vs. Prior Year	0%	53%	69%	64%		

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

The favorable variance is due to an increase in claims investigations and subrogation. The City has been able to recover on reimbursable items at a rate that has exceeded prior years. These activities have exceeded what was originally anticipated.

One Month: May 2015						
Expenses:	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Personnel Services	\$0.1	\$0.1	\$ -	\$0.1	\$ -	-
Contractual	0.4	0.3	0.2	0.4	0.2	46%
Commodities	-	-	-	-	-	-
Total Operating Expenses	<u>\$0.5</u>	<u>\$0.4</u>	<u>\$0.3</u>	<u>\$0.5</u>	<u>\$0.2</u>	<u>42%</u>
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	<u>\$0.5</u>	<u>\$0.4</u>	<u>\$0.3</u>	<u>\$0.5</u>	<u>\$0.2</u>	<u>42%</u>
% Change vs. Prior Year	<u>-38%</u>	<u>-19%</u>	<u>-21%</u>	<u>36%</u>		

Fiscal Year-to-Date: May 2015						
Expenses:	2012/13	2013/14	2014/15	2014/15	Actual vs. Budget	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable)	(Unfavorable)
					Amount	Percent
Personnel Services	\$0.7	\$0.7	\$0.7	\$0.7	\$ -	-
Contractual	4.5	5.5	8.3	6.9	( 1.3)	-19%
Commodities	-	-	-	0.1	-	-
Total Operating Expenses	<u>\$5.2</u>	<u>\$6.2</u>	<u>\$9.0</u>	<u>\$7.7</u>	<u>(\$1.3)</u>	<u>-17%</u>
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	<u>\$5.2</u>	<u>\$6.2</u>	<u>\$9.0</u>	<u>\$7.7</u>	<u>(\$1.3)</u>	<u>-17%</u>
% Change vs. Prior Year	<u>-19%</u>	<u>19%</u>	<u>45%</u>	<u>24%</u>		

**Actual to Revised Budget variance of (\$1.3) million or (17%):**

The unfavorable variance in Contractual is due to the cost of renewing the City's liability policies. Premium increases are occurring industry wide across all lines of business impacting the rates various organizations will have to pay. Additionally, this expenditure was budgeted prior to the insurance policy renewal process where the current retention rate was kept (versus increasing this threshold), resulting in an unforeseen premium increase and in an unfavorable variance position that will carry forward throughout the fiscal year. Furthermore, the City has experienced increased claims filings due to occurrences in previous years. The City also settled a large legal claim during February which pushed this unfavorable variance through the end of the fiscal year, but will conversely save the City from ongoing any further litigation regarding this matter.



**FY 2014/15 - BENEFITS SELF INSURANCE**

(\$ in millions: Rounding differences may occur)

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

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

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

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

	May Actual	May Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$2.4	\$2.4	\$24.6	\$25.5	(\$0.9)	-4%
Uses	2.5	2.2	24.5	24.9	0.4	2%
Change in Fund Balance	(\$0.1)	\$0.2	\$0.1	\$0.6	(\$0.5)	

**One Month: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Medical Premiums -COS	\$1.5	\$1.5	\$1.6	\$1.6	\$ -	-
Dental Premiums - COS	0.1	0.1	0.1	0.1	-	-
Medical Premiums - EE	0.5	0.5	0.5	0.5	-	-
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Medical Premiums - Retiree	0.1	-	0.2	0.2	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	\$2.1	\$2.2	\$2.4	\$2.4	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.1	\$2.2	\$2.4	\$2.4	\$ -	-
% Change vs. Prior Year	4%	6%	0%	2%		

**Fiscal Year-to-Date: May 2015**

	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Medical Premiums -COS	\$16.1	\$17.1	\$17.4	\$17.6	(\$0.2)	-1%
Dental Premiums - COS	0.7	0.8	0.7	0.7	-	-
Medical Premiums - EE	5.1	5.4	5.5	5.7	(0.2)	-4%
Dental Premiums - EE	0.7	0.7	0.7	0.7	-	-
Medical Premiums - Retiree	0.8	0.6	0.2	0.2	-	-
Other Revenue	0.5	0.1	0.1	0.5	(0.4)	-86%
Total Revenues	\$23.9	\$24.6	\$24.6	\$25.5	(\$0.9)	-4%
Transfers In	-	-	-	-	-	-
Total Sources	\$23.9	\$24.6	\$24.6	\$25.5	(\$0.9)	-4%
% Change vs. Prior Year	-10%	3%	0%	3%		

**Actual to Revised Budget variance of (\$0.9) million or (4%):**

The unfavorable variances in Medical Premiums - COS and Medical Premiums - EE are both due to more migration to health plans with higher premiums than budgeted. The unfavorable variance in Other Revenue is due to timing issues on the Self-Insured prescription rebates.

One Month: May 2015						
Expenses:	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	1.9	2.2	2.3	1.8	( 0.4)	-23%
Medical Claims - Retirees	0.1	0.1	-	-	-	-
Dental Claims	0.1	0.1	0.1	0.1	-	-
Provider Admin Fees	0.1	0.1	-	0.1	0.1	59%
Behavioral Health Claims	-	0.1	-	0.1	0.1	93%
Stop Loss Insurance	-	0.1	0.1	0.1	-	-
Wellness Incentive	-	-	-	-	-	-
<b>Total Uses</b>	<b>\$2.4</b>	<b>\$2.6</b>	<b>\$2.5</b>	<b>\$2.2</b>	<b>(\$0.2)</b>	<b>-10%</b>
<b>% Change vs. Prior Year</b>	<b>0%</b>	<b>11%</b>	<b>-6%</b>	<b>-15%</b>		

Fiscal Year-to-Date: May 2015						
Expenses:	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services - COS	\$0.2	\$0.2	\$0.1	\$0.1	\$ -	-
Contractual - COS	-	0.1	0.1	0.1	-	-
Medical Claims	18.2	19.5	21.4	20.3	( 1.1)	-6%
Medical Claims - Retirees	1.2	0.6	0.2	0.1	( 0.1)	-78%
Dental Claims	1.2	1.2	1.1	1.4	0.3	20%
Provider Admin Fees	1.3	1.2	0.7	1.1	0.3	33%
Behavioral Health Claims	0.5	0.6	0.1	1.0	0.9	93%
Stop Loss Insurance	0.5	0.6	0.6	0.7	0.1	8%
Wellness Incentive	0.1	0.1	0.2	0.2	-	-
<b>Total Uses</b>	<b>\$23.3</b>	<b>\$23.9</b>	<b>\$24.5</b>	<b>\$24.9</b>	<b>\$0.4</b>	<b>2%</b>
<b>% Change vs. Prior Year</b>	<b>-5%</b>	<b>3%</b>	<b>2%</b>	<b>4%</b>		

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

The unfavorable variance in Medical Claims and Medical Claims - Retirees is due to cost of claims exceeding what was anticipated during the budget process, which is related partially to cost overruns in medical, with the remainder related to prescription benefits. Year-to-date claims are running at 105% of what was anticipated. The favorable variance in Dental Claims and Behavioral Health Claims is due to overall claim expenditures being less than budgeted due to services provided and invoice timing. Finally, Provider Admin Fees will continue to be favorable as current expenses are even less than what was originally anticipated.

City of Scottsdale

WestWorld

## Statement of Operations for May 2015

	Twelve Months: Fiscal Year					
	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Adopted Budget	2014/15 Revised Budget
<b><u>Operating Revenue</u></b>						
Rental Facilities	\$1,369,513	\$1,405,932	\$1,617,444	\$2,050,602	\$2,192,000	\$2,192,000
RV Rental	234,653	230,161	257,509	232,802	380,000	380,000
Feed/Bedding Sales	458,488	474,133	499,264	548,330	680,000	680,000
Labor Fees	219,659	240,871	233,486	266,860	288,000	288,000
Concession Fees	212,521	230,728	223,836	191,380	304,000	304,000
Parking	46,469	44,004	48,834	58,591	64,000	64,000
Equidome Project Use Fee *	-	-	-	75,000	-	-
Other Income	38,603	55,923	105,121	142,732	42,020	42,020
Council Authorized Carryover ***	-	-	-	2,048,000	-	-
	<b>\$2,579,905</b>	<b>\$2,681,751</b>	<b>\$2,985,494</b>	<b>\$5,614,297</b>	<b>\$3,950,020</b>	<b>\$3,950,020</b>
<b><u>Operating Expenses</u></b>						
<b>Personnel Services</b>						
Wages/Salaries/Benefits	\$1,601,280	\$1,466,780	\$1,527,275	\$1,564,608	\$1,624,170	\$1,657,261
Overtime	6,088	17,498	28,259	21,195	14,221	14,648
<b>Contractual Services</b>						
Contractual Workers	41,979	63,530	74,914	84,004	75,000	75,000
Telephone	34,737	35,063	25,637	32,164	36,776	36,776
Utilities	350,156	429,769	558,010	1,016,731	913,428	1,243,428
Maintenance & Equipment Rental & Fleet	323,010	422,247	591,505	601,739	652,032	652,032
License and Permits	75,941	73,499	124,251	73,018	124,364	124,364
Property, Liability & Workers' Comp	21,232	16,951	18,114	30,724	37,376	37,376
Advertising/Marketing Contract	5,861	11,932	11,492	212,869	300,000	300,000
Other	144,418	192,989	212,162	224,979	225,598	225,598
<b>Commodities and Capital Outlays</b>						
Agriculture & Horticulture & Other Supply	82,299	107,537	125,040	128,597	106,545	106,545
Maintenance & Repairs Supply, Equipment	58,766	66,997	68,781	74,067	161,335	161,335
Inventory Purchased for Resale	225,820	229,795	258,927	260,507	280,000	280,000
Construction - Other	151,425	55,349	94,323	10,695	17,000	17,000
Other Expenses	24,741	33,462	39,526	35,951	33,690	33,690
<b>BOR Admin</b>						
BOR Admin/WestWorld	115,763	121,551	127,628	134,010	140,710	140,710
<b>Allocated Expenses **</b>						
Facilities Maintenance	328,980	319,572	402,988	402,988	713,808	713,808
COS Indirect Costs	462,276	458,880	241,136	255,887	276,504	276,504
	<b>\$4,054,772</b>	<b>\$4,123,402</b>	<b>\$4,529,966</b>	<b>\$5,164,734</b>	<b>\$5,732,557</b>	<b>\$6,096,075</b>
<b>Operating Income</b>	<b>(\$1,474,867)</b>	<b>(\$1,441,651)</b>	<b>(\$1,544,472)</b>	<b>\$449,563</b>	<b>(\$1,782,537)</b>	<b>(\$2,146,055)</b>
<b><u>Debt Service (Less contributions)</u></b>						
Debt Service - (52 & 17 acres)	\$1,402,123	\$2,352,373	\$2,364,123	\$2,012,576	\$2,381,879	\$2,381,879
Debt Service - TNEC	-	-	588,503	1,200,000	2,743,925	2,743,925
Bed Tax Contributions - TNEC	-	-	( 588,503)	( 1,200,000)	(1,200,000)	(1,200,000)
	<b>\$1,402,123</b>	<b>\$2,352,373</b>	<b>\$2,364,123</b>	<b>\$2,012,576</b>	<b>\$3,925,804</b>	<b>\$3,925,804</b>
<b>Operating Income After Debt Service</b>	<b>(\$2,876,990)</b>	<b>(\$3,794,024)</b>	<b>(\$3,908,596)</b>	<b>(\$1,563,014)</b>	<b>(\$5,708,341)</b>	<b>(\$6,071,859)</b>

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

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

\*\*\*Updated 9/23/2015 to include a one-time Council Authorized transfer from the Tourism Fund using available carryover to offset lost revenue during TNEC construction.

Statement of Operations for May 2015 11 Months YTD

	FY 2010/11 YTD Actual	FY 2011/12 YTD Actual	FY 2012/13 YTD Actual	FY 2013/14 YTD Actual	FY 2014/15 YTD Actual	FY 2014/15 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Budget (Unfavorable) Percent
<b>Operating Revenue</b>								
Rental Facilities	\$1,058,937	\$1,173,446	\$1,212,585	\$1,618,320	\$1,495,123	\$1,390,000	\$105,123	8%
RV Rental	181,942	211,618	180,901	205,206	238,909	209,000	29,909	14%
Feed/Bedding Sales	460,505	445,761	496,982	528,251	494,688	580,000	( 85,312)	-15%
Labor Fees	169,549	192,702	169,436	233,103	130,888	182,000	( 51,112)	-28%
Concession Fees	174,366	232,506	164,852	191,661	364,140	230,000	134,140	58%
Parking	46,469	44,005	48,896	51,748	107,193	64,000	43,193	67%
Equidome Project Use Fee *	-	-	-	-	525,000	-	525,000	n/a
Other Income	15,014	14,219	18,001	9,687	8,320	6,440	1,880	29%
<b>Operating Revenue</b>	<b>\$2,106,782</b>	<b>\$2,314,256</b>	<b>\$2,291,652</b>	<b>\$2,837,976</b>	<b>\$3,364,261</b>	<b>\$2,661,440</b>	<b>\$702,821</b>	<b>26%</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$1,464,356	\$1,352,756	\$1,406,602	\$1,443,493	\$1,513,330	\$1,538,622	\$25,292	2%
Overtime	5,910	17,498	28,259	20,827	25,451	14,648	( 10,803)	-74%
<b>Contractual Services</b>								
Contractual Workers	41,096	56,177	70,897	83,812	92,100	75,000	( 17,100)	-23%
Telephone	30,354	34,064	23,759	29,316	29,504	32,133	2,629	8%
Utilities	325,651	401,209	409,857	858,487	1,073,517	1,067,650	( 5,867)	-1%
Maintenance & Equipment Rental & Fleet	296,690	379,630	561,677	561,009	574,900	583,989	9,089	2%
License and Permits	76,108	73,518	124,222	73,052	73,749	124,259	50,510	41%
Property, Liability & Workers' Comp	19,756	15,543	16,610	28,160	34,265	34,265	-	-
Advertising/Marketing Contract	5,861	8,577	10,581	212,519	208,815	210,570	1,755	1%
Other	141,818	179,304	204,550	217,057	243,927	203,448	( 40,479)	-20%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	79,881	99,861	121,841	112,545	69,928	84,545	14,617	17%
Maintenance & Repairs Supply, Equipment	38,690	62,855	65,768	70,242	81,279	132,745	51,466	39%
Inventory Purchased for Resale	225,820	225,763	258,927	258,468	304,481	268,000	( 36,481)	-14%
Construction - Other	142,950	52,424	4,714	10,695	-	-	-	-
Other Expenses	22,305	29,484	34,269	34,031	43,846	20,501	( 23,345)	nm
<b>BOR Admin</b>								
BOR Admin/WestWorld	115,763	121,551	127,628	134,010	140,710	140,710	-	-
<b>Allocated Expenses **</b>								
Facilities Maintenance	301,565	292,941	369,402	369,402	654,324	654,324	-	-
COS Indirect Costs	423,753	420,640	221,045	234,564	253,462	253,462	-	-
<b>Operating Expenses</b>	<b>\$3,758,325</b>	<b>\$3,823,797</b>	<b>\$4,060,608</b>	<b>\$4,751,688</b>	<b>\$5,417,586</b>	<b>\$5,438,871</b>	<b>\$21,285</b>	<b>0%</b>
<b>Operating Income</b>	<b>(\$1,651,543)</b>	<b>(\$1,509,541)</b>	<b>(\$1,768,956)</b>	<b>(\$1,913,712)</b>	<b>(\$2,053,325)</b>	<b>(\$2,777,431)</b>	<b>\$724,106</b>	<b>26%</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$701,826	\$702,076	\$682,826	\$662,826	\$280,279	\$641,582	\$361,303	56%
Debt Service - TNEC	-	-	-	769,063	750,913	749,463	(1,450)	0%
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
<b>Net Debt Service</b>	<b>\$701,826</b>	<b>\$702,076</b>	<b>\$682,826</b>	<b>\$1,431,889</b>	<b>\$1,031,192</b>	<b>\$1,391,045</b>	<b>\$359,853</b>	<b>26%</b>
<b>Operating Income After Debt Service</b>	<b>(\$2,353,370)</b>	<b>(\$2,211,617)</b>	<b>(\$2,451,782)</b>	<b>(\$3,345,601)</b>	<b>(\$3,084,517)</b>	<b>(\$4,168,476)</b>	<b>\$1,083,959</b>	<b>26%</b>

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

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



## Privilege (Sales) & Use Tax Collections For May 2015

(For Business Activity in April 2015)

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

The fiscal year to date Privilege and Use Tax (1.0 percent General Purpose) collections increased 3 percent compared to the Budget, and increased 5 percent compared to the same period a year ago.

### Privilege (Sales) & Use Tax by Category and Fund

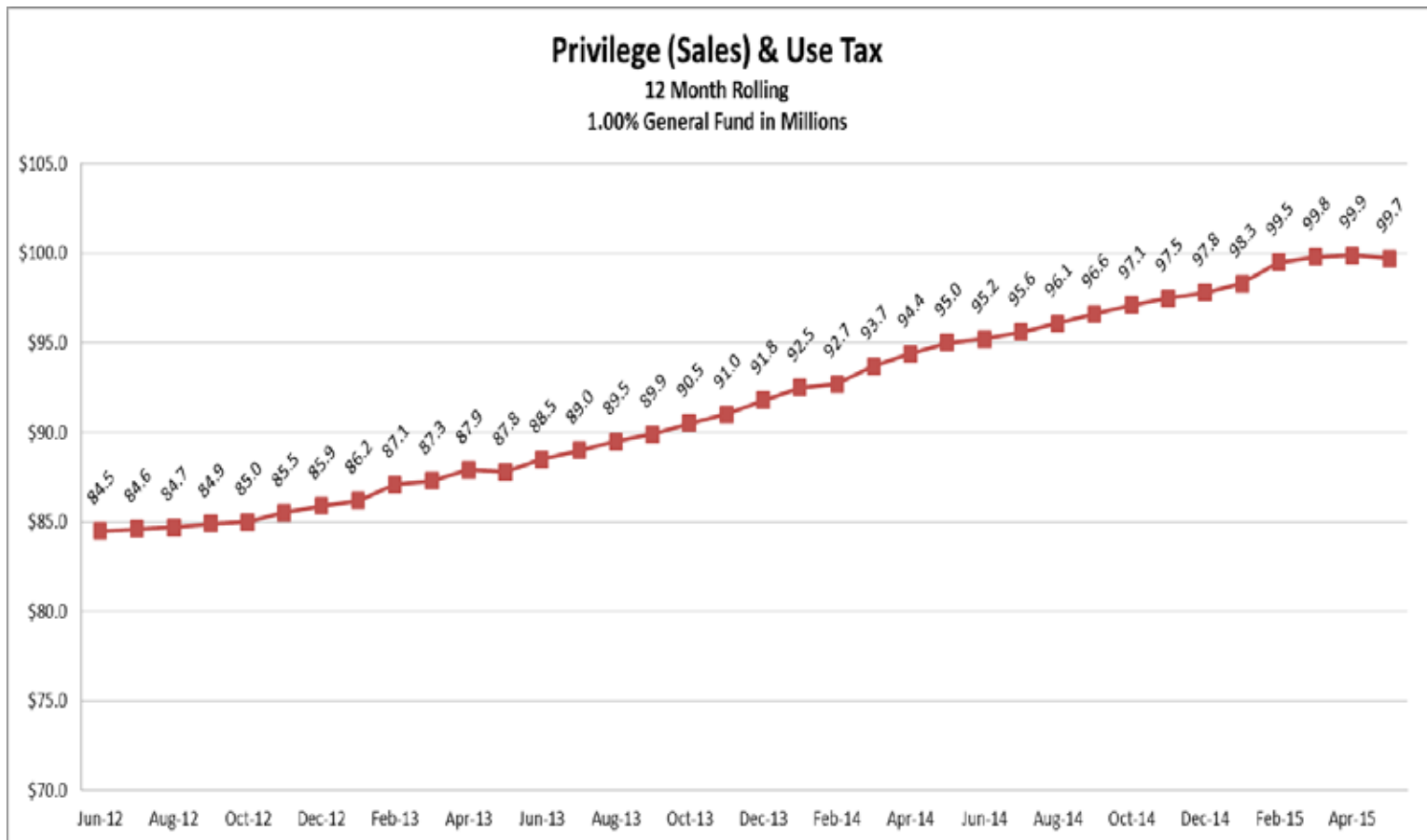
	Fiscal Year: Twelve Months				
	2012/13	2013/14	2014/15	2014/15	2014/15
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Rentals	\$12.6	\$12.4	\$12.9	\$12.9	\$0.0
Misc. Retail Stores	14.5	16.1	16.5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

Rounding differences may occur.

**Privilege (Sales) & Use Tax by Category and Fund**

Fiscal Year-to-Date: May 2015						
	2012/13 Actual	2013/14 Actual	2014/15 Actual	2014/15 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
<b>1.00% General Purpose</b>						
Rentals	\$11.5	\$11.5	\$11.8	\$11.8	\$0.0	0%
Misc. Retail Stores	13.3	14.8	15.5	15.2	0.3	2%
Major Dept. Stores	8.5	8.5	8.7	8.8	(0.1)	-1%
Automotive	9.9	11.2	12.3	11.7	0.6	5%
Food Stores	5.9	6.1	6.4	6.2	0.2	3%
Construction	8.0	10.0	10.5	9.5	1.0	10%
Dining/ Entertainment	7.3	7.8	8.5	8.0	0.5	6%
Other Taxable Activity	6.3	6.9	7.2	7.1	0.1	2%
Hotel/Motel	4.1	4.5	4.9	4.8	0.2	3%
Utilities	4.0	4.1	4.1	4.0	0.1	3%
License fees, Penalty & Interest	2.1	2.2	2.1	2.2	(0.1)	-4%
Subtotal	\$81.0	\$87.5	\$92.0	\$89.3	\$2.7	3%
<b>0.10% Public Safety</b>						
0.10% Public Safety	\$7.9	\$8.5	\$9.0	\$8.7	\$0.3	3%
<b>0.20% Transportation</b>						
0.20% Transportation	15.3	16.6	17.5	16.9	0.6	3%
<b>0.20% McDowell Preserve 1995</b>						
0.20% McDowell Preserve 1995	15.8	17.1	18.0	17.4	0.6	3%
<b>0.15% McDowell Preserve 2004</b>						
0.15% McDowell Preserve 2004	11.8	12.8	13.5	13.1	0.4	3%
Total	\$131.9	\$142.5	\$150.0	\$145.4	\$4.5	3%
% Change vs. Prior Year		8%	5%	2%		

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

**Miscellaneous Retail Stores Sales Taxes**

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

**Actual to Revised Budget variance of \$0.3 million or 2%:** The increase is due in part to increased sales in home furnishings.

**Major Department Stores Sales Taxes**

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

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

**Automotive Sales Taxes**

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

**Actual to Revised Budget variance of \$0.6 million or 5%:** This is due to increased sales of new and used motor vehicles in addition to a new Mazda dealership.

**Food Stores Sales Taxes**

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

**Actual to Revised Budget variance of \$0.2 million or 3%:** This is due in part to a large one-time audit payment.

**Construction Sales Taxes**

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

**Actual to Revised Budget variance of \$1.0 million or 10%:** This is due to an increase in single family and multifamily homes. Additionally, the effect of the change in the State statutes hasn't decreased the category as much as initially projected.

**Dining/Entertainment Sales Taxes**

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

**Actual to Revised Budget variance of \$0.5 million or 6%:** This is due in part to the Super Bowl and the Pro Bowl.

**Other Taxable Activity Sales Taxes**

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

**Actual to Revised Budget variance of \$0.1 million or 2%:** This is due in part to increase in taxable sales from computer hardware/software wholesalers and to a couple of large one-time audit payments.



**Hotel/Motel Sales Taxes**

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

**Actual to Revised Budget variance of \$0.2 million or 3%:** This is due in part to the Super Bowl and the Pro Bowl.

**Utilities Sales Taxes**

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

**Actual to Revised Budget variance of \$0.1 million or 3%:** Normal business fluctuations.

**License Fees, Penalty & Interest**

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

**Actual to Revised Budget variance of (\$0.1) million or (4%):** This is due to a decrease in penalties and interest and due to fewer license renewals from the change in the law for construction contractors.

## Glossary

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

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

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

### GENERAL FUND SOURCES

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

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

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

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

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

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

### GENERAL FUND USES

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

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

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

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

## Glossary

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

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

### OTHER FUNDS

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

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

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

#### **Water & Water Reclamation Funds**

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

- Water Service 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.