

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

Report to the City Council  
Prepared by City Treasurer  
January 19, 2016



## FINANCIAL REPORT YEAR-TO-DATE OCTOBER 2015

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

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

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**General Fund- Summary**

<b>FY 2015/16 - GENERAL FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted vs. Revised Favorable/(Unfavorable)	
			Amount	Percent
Sources	\$263.9	\$263.9	\$0.0	0%
Uses	263.8	263.8	-	0%
Change in Fund Balance	\$0.1	\$0.1	\$0.0	
Beginning Fund Balance	<u>\$46.2</u>	<u>\$50.3</u>	<u>\$4.1</u>	
Ending Fund Balance	<u>\$46.3</u>	<u>\$50.4</u>	<u>\$4.1</u>	
Reserved*	\$24.6	\$24.6	\$0.0	
Contingency	\$3.0	\$3.0	\$0.0	
Unreserved	\$18.7	\$22.8	\$4.1	

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

<b>October 2015: Current Month and YTD</b>						
(\$ in millions: Rounding differences may occur)						
	October Actual	October Revised Budget	YTD Actuals	YTD Revised Budget	Actual vs. Budget Favorable/(Unfavorable)	
					Amount	Percent
Sources	\$24.9	\$23.2	\$84.3	\$79.6	\$4.7	6%
Uses	19.2	18.7	84.8	86.2	1.3	2%
Change in Fund Balance	\$5.7	\$4.5	(\$0.5)	(\$6.6)	\$6.0	

## Sources

(\$ in millions: Rounding differences may occur)

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

	One Month: October 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised		
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$7.8	\$8.3	\$8.9	\$8.4	\$0.5	6%
State-Shared Revenues	3.8	4.4	4.6	4.5	0.1	2%
Property Taxes	2.7	3.2	3.4	2.8	0.6	22%
Franchise Fees/In-Lieu Taxes	3.5	3.5	3.7	3.5	0.2	6%
Charges for Services/Other	1.4	2.0	1.9	1.8	0.1	5%
Building Permit Fees & Charges	1.4	1.1	1.3	1.0	0.3	27%
Interest Earnings *	0.1	0.1	0.0	0.1	(0.1)	-98%
Indirect/Direct Cost Allocation	0.5	0.5	0.5	0.5	-	-
Total Revenue	\$21.4	\$23.2	\$24.2	\$22.6	\$1.7	7%
Transfers In	0.6	0.6	0.6	0.6	-	-
Total Sources	\$22.0	\$23.8	\$24.9	\$23.2	\$1.7	7%
% Change vs. Prior Year	1%	8%	5%	-2%		

	Fiscal Year-to-Date: October 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised		
	Actual	Actual	Actual	Budget	Amount	Percent
1.1% Sales Taxes	\$30.3	\$32.3	\$34.0	\$32.3	\$1.8	5%
State-Shared Revenues	16.4	17.4	18.3	18.1	0.2	1%
Property Taxes	3.2	3.7	3.9	3.3	0.6	19%
Franchise Fees/In-Lieu Taxes	5.5	5.3	5.4	5.5	(0.1)	-2%
Charges for Services/Other	6.0	7.6	11.4	9.1	2.3	25%
Building Permit Fees & Charges	4.8	5.6	4.6	4.7	(0.2)	-3%
Interest Earnings *	0.6	0.2	0.4	0.3	0.1	32%
Indirect/Direct Cost Allocation	2.2	2.1	2.0	2.0	-	-
Total Revenue	\$69.0	\$74.2	\$79.9	\$75.2	\$4.7	6%
Transfers In	2.7	4.2	4.3	4.3	-	-
Total Sources	\$71.7	\$78.4	\$84.3	\$79.6	\$4.7	6%
% Change vs. Prior Year	5%	9%	8%	1%		

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

### Sales Taxes

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
1.00% General Purpose Sales Tax	\$95.6	\$100.6	\$100.2	\$100.2
0.10% Public Safety Sales Tax	9.3	9.8	9.8	9.8
Total General Fund Sales Taxes	\$104.9	\$110.4	\$110.0	\$110.0
% Change vs. Prior Year	7%	5%	0%	0%

	Fiscal Year-to-Date: October 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
1.00% General Purpose Sales Tax	\$27.5	\$29.4	\$31.0	\$29.4	\$1.6	5%
0.10% Public Safety Sales Tax	2.7	2.9	3.1	2.9	0.2	6%
Total General Fund Sales Taxes	\$30.3	\$32.3	\$34.0	\$32.3	\$1.8	5%
% Change vs. Prior Year	8%	7%	5%	0%		

**Actual to Revised Budget variance of \$1.8 million or 5%:**

The favorable variance is due to increases in miscellaneous retail, automotive sales, computer hardware/software wholesalers, as well as several large one-time audit payments.

### State-Shared Revenues

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
State Shared Sales Tax	\$18.9	\$19.9	\$20.8	\$20.8
State Shared Income Tax	24.2	26.3	26.2	26.2
Auto Lieu Tax	7.8	8.3	8.6	8.6
Total State Shared Revenues	\$50.9	\$54.5	\$55.5	\$55.5
% Change vs. Prior Year	8%	7%	2%	2%

	Fiscal Year-to-Date: October 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
State Shared Sales Tax	\$6.0	\$6.3	\$6.6	\$6.6	\$ -	-
State Shared Income Tax	8.1	8.8	8.7	8.7	-	-
Auto Lieu Tax	2.3	2.4	2.9	2.8	0.2	6%
Total State Shared Revenues	\$16.4	\$17.4	\$18.3	\$18.1	\$0.2	1%
% Change vs. Prior Year	7%	6%	5%	4%		

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

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

### Property Taxes

**Actual to Revised Budget variance of \$0.6 million or 19%:**

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

### Franchise Fees and In-Lieu Taxes

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
Electric and Gas Franchise	\$8.2	\$8.4	\$8.3	\$8.3
Cable TV License Fee	3.7	3.7	3.4	3.4
Salt River Project Lieu Tax	0.3	0.3	0.2	0.2
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$12.2</b>	<b>\$12.4</b>	<b>\$12.0</b>	<b>\$12.0</b>
% Change vs. Prior Year	1%	2%	-3%	-3%

	Fiscal Year-to-Date: October 2015				Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)	
	Actual	Actual	Actual	Revised Budget	Amount	Percent
Electric and Gas Franchise	\$4.7	\$4.4	\$4.5	\$4.7	(\$0.2)	-4%
Cable TV License Fee	0.8	0.9	0.9	0.8	0.1	11%
Salt River Project Lieu Tax	-	-	-	-	-	-
<b>Total Franchise Fees/In-Lieu Taxes</b>	<b>\$5.5</b>	<b>\$5.3</b>	<b>\$5.4</b>	<b>\$5.5</b>	<b>(\$0.1)</b>	<b>-2%</b>
% Change vs. Prior Year	1%	-4%	3%	5%		

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

The unfavorable variance is due to timing of the FY2014/15 Southwest Gas' quarterly payment that was budgeted in July, but received in June.

**Charges for Services/Other**

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted Budget	Revised Budget
<i>Licenses, Permits &amp; Fees</i>				
Recreation Fees	\$3.7	\$3.9	\$3.6	\$3.6
WestWorld	3.4	4.2	5.1	5.1
Fire Service Charges	0.7	0.9	0.8	0.8
Business Licenses & Fees	1.8	1.9	1.8	1.8
<i>Fines &amp; Forfeitures</i>				
Court Fines	4.2	4.1	4.2	4.2
Photo Enforcement Revenue	1.9	2.9	2.9	2.9
Parking Fines	0.2	0.2	0.2	0.2
Library Fines & Fees	0.3	0.3	0.3	0.3
<i>Miscellaneous</i>				
Stormwater Water Quality Charge	0.9	0.9	0.9	0.9
Property Rental	2.2	2.9	3.0	3.0
Intergovernmental Revenue	1.2	1.2	1.2	1.2
Miscellaneous	1.9	4.3	4.9	4.9
Reimbursements	1.8	1.8	1.1	1.1
Total Charges for Services/Other	\$24.3	\$29.5	\$30.1	\$30.1
% Change vs. Prior Year	-4%	21%	2%	2%

	Fiscal Year-to-Date: October 2015					
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable/(Unfavorable) Amount	Percent
<i>Licenses, Permits &amp; Fees</i>						
Recreation Fees	\$1.2	\$1.2	\$1.2	\$1.2	\$0.1	7%
WestWorld	0.3	0.5	0.7	0.8	(0.1)	-15%
Fire Service Charges	0.2	0.2	0.3	0.2	0.1	55%
Business Licenses & Fees	0.3	0.3	0.3	0.3	-	-
<i>Fines &amp; Forfeitures</i>						
Court Fines	1.4	1.3	1.2	1.3	(0.1)	-4%
Photo Enforcement Revenue	0.5	1.0	1.2	1.0	0.2	19%
Parking Fines	0.1	0.1	0.1	0.1	-	-
Library Fines & Fees	0.1	0.1	0.1	0.1	-	-
<i>Miscellaneous</i>						
Stormwater Water Quality Charge	0.3	0.3	0.3	0.3	-	-
Property Rental	0.5	0.6	0.8	0.7	-	-
Intergovernmental Revenue	0.4	0.6	0.5	0.4	0.1	27%
Contributions/Donations	0.0	0.3	-	-	-	-
Miscellaneous	0.4	0.4	4.3	2.4	1.9	79%
Reimbursements	0.5	0.6	0.4	0.4	0.1	15%
Total Charges for Services/Other	\$6.0	\$7.6	\$11.4	\$9.1	\$2.3	25%
% Change vs. Prior Year	-1%	25%	51%	20%		

**Actual to Revised Budget variance of \$2.3 million or 25%:**

The favorable variance is primarily due to timing of the sale of the Graphics building. The revenue has been received, but the budget was slated for collection in a later period. Additionally, the favorable variance continues to be driven in part by photo enforcement, as well as by the increase of recreation fees, and a one-time reimbursement of expenses for 1 FTE Fire Captain-Paramedic for the Mobile Integrated Health Program, according to the contract signed with Honor Health at the beginning of this fiscal year, for which there was no budget. All slightly offset by timing on the collection of Westworld fees and the decline in court fillings.

**Building Permit Fees and Charges**

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

The unfavorable variance is driven mainly by multi-family development valuations which shows a 22% decrease from the same period last fiscal year. This has been offset somewhat by permit valuations for single family residential, which remains strong.

**Interest Earnings**

**Actual to Revised Budget variance of \$0.1 million or 32%:**

The favorable variance is due mainly to higher rates than expected as well as having \$40 million more in investment funds than budgeted.

**Indirect/Direct Cost Allocations**

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

No explanation is necessary.

**Transfers In**

	Twelve Months: Fiscal Year			
	2013/14	2014/15	2015/16	2015/16
	Actual	Actual	Adopted	Revised
	Actual	Actual	Budget	Budget
Enterprise In Lieu Franchise Fees	\$7.0	\$6.8	\$7.2	\$7.2
Debt Stabilization	0.0	1.1	0.0	0.0
Tourism Development - Bed Tax	3.1	1.5	1.5	1.5
Tourism Development - WW	2.1	0.0	0.0	0.0
SW Gas Agreement (Excess Rev)	0.0	0.2	0.0	0.0
Transfers-In - CIP	0.0	0.0	0.0	0.0
30 Day Tow	0.3	0.4	0.4	0.4
Total Transfers In	\$12.5	\$10.0	\$9.1	\$9.1
% Change vs. Prior Year	18%	-20%	-9%	-9%

	Fiscal Year-to-Date: October 2015					Actual vs. Budget	
	2013/14	2014/15	2015/16	2015/16	Favorable/(Unfavorable)		
	Actual	Actual	Actual	Revised	Amount	Percent	
	Actual	Actual	Actual	Budget	Amount	Percent	
Enterprise In Lieu Franchise Fees	\$2.6	\$2.5	\$2.7	\$2.7	-	-	
Tourism Development - Bed Tax	0.0	1.5	1.5	1.5	-	-	
Tourism Development - WW	0.0	0.0	0.0	0.0	-	-	
Transfers-In - CIP	0.0	0.0	0.0	0.0	-	-	
30 Day Tow	0.1	0.1	0.1	0.1	-	-	
Total Transfers In	\$2.7	\$4.2	\$4.3	\$4.3	-	-	
% Change vs. Prior Year	-31%	54%	4%	4%			

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

No explanation is necessary.



**Uses**

(\$ in millions: Rounding differences may occur)

	Twelve Months: Fiscal Year				
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Adopted Budget</u>	2015/16 <u>Revised Budget</u>	2015/16 <u>Approved Adjustments</u>
Expenses:					
Personnel Services	\$163.6	\$169.6	\$177.8 *	\$177.8 *	\$ -
Contractual	53.3	54.1	56.6	56.6	-
Commodities	7.6	7.8	7.9	7.9	-
Capital Outlays	0.6	0.5	0.5	0.5	-
Total Operating Expenses	<u>\$225.0</u>	<u>\$232.0</u>	<u>\$242.8</u>	<u>\$242.8</u>	<u>\$ -</u>
Debt Service & Contracts Payable	15.7	15.4	14.8	14.8	-
Transfers Out	6.3	13.0	6.2	6.2	-
Total Uses	<u>\$247.0</u>	<u>\$260.3</u>	<u>\$263.8 *</u>	<u>\$263.8 *</u>	<u>\$ -</u>
% Change vs. Prior Year	-8%	5%	1%	1%	

	One Month: October 2015					Actual vs. Budget	
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Favorable / <u>Amount</u>	(Unfavorable) <u>Percent</u>	
Expenses:							
Personnel Services	\$12.6	\$12.9	\$13.5	\$13.6	\$ -	-	
Contractual	4.6	5.0	5.1	4.5	(0.5)	-12%	
Commodities	0.9	0.7	0.5	0.5	-	-	
Capital Outlays	-	-	-	0.1	-	-	
Total Operating Expenses	<u>\$18.1</u>	<u>\$18.7</u>	<u>\$19.2</u>	<u>\$18.7</u>	<u>(\$0.5)</u>	<u>-3%</u>	
Debt Service & Contracts Payable	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	
Total Uses	<u>\$18.1</u>	<u>\$18.7</u>	<u>\$19.2</u>	<u>\$18.7</u>	<u>(\$0.5)</u>	<u>-3%</u>	
% Change vs. Prior Year	-8%	3%	3%	0%			

	Fiscal Year-to-Date: October 2015					Actual vs. Budget	
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Favorable / <u>Amount</u>	(Unfavorable) <u>Percent</u>	
Expenses:							
Personnel Services	\$56.1	\$58.3	\$60.4	\$60.6	\$0.3	0%	
Contractual	18.1	20.1	20.5	21.2	0.7	3%	
Commodities	2.0	2.2	1.9	2.3	0.3	14%	
Capital Outlays	0.1	-	-	0.1	0.1	74%	
Total Operating Expenses	<u>\$76.3</u>	<u>\$80.7</u>	<u>\$82.8</u>	<u>\$84.1</u>	<u>\$1.3</u>	<u>2%</u>	
Debt Service & Contracts Payable	-	-	-	-	-	-	
Transfers Out	-	-	2.0	2.0	-	-	
Total Uses	<u>\$76.3</u>	<u>\$80.7</u>	<u>\$84.8</u>	<u>\$86.2</u>	<u>\$1.3</u>	<u>2%</u>	
% Change vs. Prior Year	-1%	6%	5%	7%			

	Fiscal Year-to-Date: October 2015					Actual vs. Budget	
	2013/14 <u>Actual</u>	2014/15 <u>Actual</u>	2015/16 <u>Actual</u>	2015/16 <u>Revised Budget</u>	Favorable / <u>Amount</u>	(Unfavorable) <u>Percent</u>	
Expenses:							
Mayor & Council and Charter Officers	\$6.1	\$6.4	\$7.4	\$7.6	\$0.2	2%	
Administrative Services	5.4	5.6	5.8	6.1	0.3	4%	
Community & Economic Dev	8.4	8.8	8.6	8.7	0.1	1%	
Community Services	11.6	11.7	11.9	12.1	0.2	2%	
Public Safety - Fire	10.5	11.3	12.0	11.6	(0.4)	-3%	
Public Safety - Police	28.7	30.9	31.6	32.1	0.6	2%	
Public Works	5.5	5.9	5.5	5.8	0.3	6%	
Total Operating Expenses	<u>\$76.3</u>	<u>\$80.7</u>	<u>\$82.8</u>	<u>\$84.1</u>	<u>\$1.3</u>	<u>2%</u>	

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

**Personnel Services**

	Twelve Months: Fiscal Year				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
Salaries and Wages	\$115.6	\$119.3	\$122.3 *	\$122.3 *	\$ -
Overtime	7.2	8.0	7.1	7.1	-
FICA	7.9	8.1	8.5	8.5	-
Retirement	17.2	18.4	22.3	22.4	0.1
Health/Dental/Miscellaneous	15.6	15.8	17.7	17.5	( 0.2)
Total Personnel Services	<u>\$163.6</u>	<u>\$169.6</u>	<u>\$177.8 *</u>	<u>\$177.8 *</u>	<u>\$ -</u>
% Change vs. Prior Year	4%	4%	5%	5%	

	Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget		
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Favorable / (Unfavorable) Amount</u>	<u>Percent</u>	
Salaries and Wages	\$39.8	\$41.7	\$42.4	\$42.6	\$0.2	0%	
Overtime	2.5	2.2	2.3	2.1	( 0.1)	-7%	
FICA	2.7	2.8	2.9	2.9	-	-	
Retirement	5.8	6.3	7.2	7.3	0.1	1%	
Health/Dental/Miscellaneous	5.2	5.3	5.6	5.6	0.1	2%	
Total Personnel Services	<u>\$56.1</u>	<u>\$58.3</u>	<u>\$60.4</u>	<u>\$60.6</u>	<u>\$0.3</u>	<u>0%</u>	
% Change vs. Prior Year	2%	4%	3%	4%			
Pay Periods	9	9	9				

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

**Actual to Revised Budget variance of \$0.3 million or 0%:**

The favorable variance in Personnel Services is due primarily to savings in Full and Part-Time Wages in Community Services. The division has hired a number of new incumbents at rates less than the existing budget and has also maximized the hours worked and scheduling of part-time staff to allow for greater coverage with existing staff. Additionally, the favorable variance is due to Retirement, specifically in the Deferred Retirement Option Plan (DROP) program within the Police Department. The City does not pay retirement for those sworn employees in the DROP program and therefore, a retirement budget is not programmed for DROP employees. However, there was a larger number of employees than originally anticipated who entered the DROP program after the budget was adopted, so for those DROP employees their retirement budget will go unspent and a favorable variance will result.

**Macro Personnel Adjustments**

	2013/14	2014/15	2015/16	2015/16	
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Year-To-Date Saved/(Used)</u>	<u>Remaining</u>
Pay for Performance	\$2.8	\$4.6	\$3.1	(\$3.0)	\$0.1
Retirement Savings	-	-	-	0.4	0.4
Compensation Adjustments	0.6	-	-	-	-
Vacancy Savings	( 3.8)	( 3.8)	( 3.8)	1.7	( 2.1)
Vacation Leave Payouts	0.5	0.7	0.9	( 0.3)	0.6
Medical Leave Payouts	0.8	1.6	1.0	( 0.6)	0.4
Total Vacancy Savings/Payouts	<u>\$0.9</u>	<u>\$3.1</u>	<u>\$1.2</u>	<u>(\$1.8)</u>	<u>(\$0.6)</u>

**Total Saved/(Used) YTD of (\$1.8) million:**

The City has achieved \$1.7 million in vacancy savings year-to-date offset by (\$0.9) million in vacation and medical leave payouts. In July, the Citywide Pay Program was funded and implemented initiating the use of ongoing dollars for compensation. Additionally, Arizona State Retirement System (ASRS) rates were budgeted higher than the actual rates. Therefore, the ASRS budget within divisions was reduced to the actual need and the savings was placed in a macro holding account and will go unused for FY 2015/16. Similarly, for Public Safety Personnel Retirement System (PSPRS), all 3 pay periods in July were budgeted at the new year rate of 35.53% when the first pay period should have been budgeted at 28.38% so a budget transfer occurred to modify the month of July and to reduce division budgets.

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

The favorable variance is attributable to fewer callouts for building maintenance in city buildings than was anticipated based on previous activity levels. This variance also relates to contracts that did not receive the expected invoices during this period, including invoices for Public Safety and various other invoices such as computer hardware and software related updates. Although the budget for these items is in the period where staff believed the payment would exist there have been delays in the timely receipt of these and other invoices.

**Commodities**

**Actual to Revised Budget variance of \$0.3 million or 14%:**

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

**Capital Outlays**

**Actual to Revised Budget variance of \$0.1 million or 74%:**

No explanation is necessary.

**Debt Service & Contracts Payable**

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

	Fiscal Year-to-Date: October 2015				
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable) Amount Percent
MPC Excise Debt Fund	\$ -	\$ -	\$ -	\$ -	\$ - -
Contracts Payable	-	-	-	-	- -
COP - Radio Financing	-	-	-	-	- -
Debt Service & Contracts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u> -
% Change vs. Prior Year	-97%	0%	0%	0%	

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

No explanation is necessary.

**Transfers-Out**

	Twelve Months: Fiscal Year				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Approved Adjustments</u>
CIP - Stadium	\$0.1	\$0.1	\$0.1	\$0.1	\$ -
CIP - PAYGO	5.8	12.8	6.1	6.1	-
Spec Pgms Fund - Planning & Dev	0.1	0.1	0.1	0.1	-
Grants Fund - CDBG	0.4	-	-	-	-
Total Transfers Out	<u>\$6.3</u>	<u>\$13.0</u>	<u>\$6.2</u>	<u>\$6.2</u>	<u>\$ -</u>
% Change vs. Prior Year	-28%	nm	(52%)	(52%)	

	Fiscal Year-to-Date: October 2015				
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	Favorable / (Unfavorable) Amount Percent
CIP - Stadium	\$ -	\$ -	\$ -	\$ -	\$ - -
CIP - PAYGO	-	-	2.0	2.0	- -
Spec Pgms Fund - Planning & Dev	-	-	-	-	- -
Grants Fund - CDBG	-	-	-	-	- -
Total Transfers Out	<u>\$ -</u>	<u>\$ -</u>	<u>\$2.0</u>	<u>\$2.0</u>	<u>\$ -</u> -
% Change vs. Prior Year	-100%	0%	0%	0%	

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

No explanation is necessary.

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

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

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

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

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

October 2015: Current Month and YTD (\$ in millions: Rounding differences may occur)						
	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$2.7	\$2.6	\$11.1	\$10.5	\$0.5	5%
Uses	2.0	2.0	6.8	7.3	0.6	8%
Change in Fund Balance	\$0.6	\$0.7	\$4.3	\$3.2	\$1.1	

One Month: October 2015						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
HURF Taxes	\$1.0	\$1.0	\$1.1	\$1.1	\$ -	-
0.20% City Sales Tax	1.4	1.5	1.5	1.5	0.1	5%
Other	0.1	-	0.1	-	-	-
Total Revenues	\$2.4	\$2.5	\$2.7	\$2.6	\$0.1	2%
Transfers In	-	-	-	-	-	-
Total Sources	\$2.4	\$2.5	\$2.7	\$2.6	\$0.1	2%
% Change vs. Prior Year	0%	7%	6%	4%		

Fiscal Year-to-Date: October 2015						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
HURF Taxes	\$4.0	\$4.3	\$4.5	\$4.5	\$ -	-
0.20% City Sales Tax	5.3	5.7	5.9	5.6	0.3	6%
Other	0.3	0.4	0.6	0.4	0.2	60%
Total Revenues	\$9.5	\$10.4	\$11.1	\$10.5	\$0.5	5%
Transfers In	-	-	-	-	-	-
Total Sources	\$9.5	\$10.4	\$11.1	\$10.5	\$0.5	5%
% Change vs. Prior Year	-4%	9%	6%	1%		

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

The favorable variance is driven by higher than expected collections of 0.20% City Sales Tax. See Appendix 1 for a detailed breakdown by Sales Tax category. The favorable variance in Other is due to the receipt of ADA reimbursements from Valley Metro that corresponded to FY 2014/15.

One Month: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$0.5	\$0.5	\$0.5	\$0.5	\$ -	-
Contractual	1.6	1.7	1.4	1.4	-	-
Commodities	0.1	0.1	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$2.2	\$2.3	\$2.0	\$2.0	\$ -	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$2.2	\$2.3	\$2.0	\$2.0	\$ -	-
% Change vs. Prior Year	80%	7%	-13%	-16%		

Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$2.0	\$2.1	\$2.2	\$2.2	\$ -	-
Contractual	4.0	4.4	4.2	4.7	0.5	11%
Commodities	0.2	0.3	0.2	0.3	-	-
Capital Outlays	-	-	0.2	0.2	-	-
Total Operating Expenses	\$6.2	\$6.8	\$6.8	\$7.3	\$0.6	8%
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$6.2	\$6.8	\$6.8	\$7.3	\$0.6	8%
% Change vs. Prior Year	17%	9%	0%	8%		

**Actual to Revised Budget variance of \$0.6 million or 8%:**

The favorable variance in Contractual is due to contract changes with Phoenix including a new payment schedule; the taxi vouchers redeemed during the period were not as high as originally estimated; and timing for payments for other contracts such as ROW median maintenance and miscellaneous maintenance and repairs.

<b>FY 2015/16 - TOURISM DEVELOPMENT FUND</b>				
<b>(\$ in millions: Rounding differences may occur)</b>				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$18.5	\$18.5	\$ -	-
Uses	17.3	17.3	-	-
Change in Fund Balance	\$1.3	\$1.3	\$ -	
Beginning Fund Balance	\$6.9	\$9.5	\$2.6	
Ending Fund Balance	\$8.1	\$10.8	\$2.6	
Operating Contingency	\$2.5	\$2.5	\$ -	
Unreserved Fund Balance	5.6	8.3	2.6	
Ending Fund Balance	\$8.1	\$10.8	\$2.6	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Bed Taxes	\$15.3	\$16.9	\$16.9	\$16.9	\$ -
Miscellaneous Revenue	-	0.2	-	-	-
Princess Hotel Lease	1.7	1.8	1.6	1.6	-
Total Revenues	\$17.0	\$18.9	\$18.5	\$18.5	\$ -
Transfers In	0.1	-	-	-	-
Transfers In - CIP	-	0.1	-	-	-
Total Sources	\$17.1	\$18.9	\$18.5	\$18.5	\$ -
% Change vs. Prior Year	-7%	10%	-2%	-2%	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Marketing (CVB)	\$7.7	\$8.5	\$8.5	\$8.5	\$ -
Events & Event Development	1.1	1.9	2.2	2.2	-
Downtown Trolley	-	-	0.3	0.3	-
Hospitality Trolley	0.1	0.2	-	-	-
Admin/Research	0.4	1.2	0.5	0.5	-
Mayor and City Council	-	0.1	0.1	0.1	-
Capital Outlays	-	-	0.5	0.5	-
Total Operating Expenses	\$9.3	\$11.9	\$12.0	\$12.0	\$ -
Transfers Out					
CIP	0.2	2.2	0.2	0.2	-
Debt Service	1.8	2.7	3.6	3.6	-
General Fund	3.7	1.5	1.5	1.5	-
Total Uses	\$15.1	\$18.3	\$17.3	\$17.3	\$ -
% Change vs. Prior Year	34%	22%	-6%	-6%	

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

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.0	\$1.1	\$3.3	\$3.4	(\$0.1)	-2%
Uses	1.0	0.8	4.8	4.6	( 0.2)	-4%
Change in Fund Balance	\$ -	\$0.3	(\$1.5)	(\$1.2)	(\$0.2)	

**One Month: October 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$0.9	\$0.9	\$0.9	\$1.0	(\$0.1)	-8%
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$1.0	\$1.1	\$1.0	\$1.1	(\$0.1)	-7%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.0	\$1.1	\$1.0	\$1.1	(\$0.1)	-7%
% Change vs. Prior Year	-75%	7%	-5%	0%		

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Bed Taxes	\$2.7	\$3.0	\$2.9	\$3.0	(\$0.1)	-2%
Miscellaneous Revenue	-	-	-	-	-	-
Princess Hotel Lease	0.4	0.4	0.4	0.4	-	-
Total Revenues	\$3.1	\$3.3	\$3.3	\$3.4	(\$0.1)	-2%
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$3.1	\$3.3	\$3.3	\$3.4	(\$0.1)	-2%
% Change vs. Prior Year	-46%	10%	-2%	0%		

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

The unfavorable variance in Bed Taxes is due to normal business fluctuations.



One Month: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Marketing (CVB)	\$0.6	\$0.7	\$0.7	\$0.7	\$ -	-
Events & Event Development	-	-	0.3	-	( 0.2)	nm
Downtown Trolley	-	-	-	-	-	-
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	-	-	-	-	-	-
Mayor and City Council	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$0.6	\$0.7	\$1.0	\$0.8	(\$0.2)	-24%
Transfers Out						
CIP	-	0.7	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	-	-	-	-	-
Total Uses	\$0.6	\$1.4	\$1.0	\$0.8	(\$0.2)	-26%
% Change vs. Prior Year	-69%	nm	-30%	-44%		

Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Expenses:						
Marketing (CVB)	\$2.3	\$2.6	\$2.8	\$2.8	\$ -	-
Events & Event Development	-	-	0.3	-	( 0.2)	nm
Downtown Trolley	-	-	-	0.1	0.1	100%
Hospitality Trolley	-	-	-	-	-	-
Admin/Research	0.1	0.1	0.1	0.1	-	-
Mayor and City Council	-	-	0.1	0.1	-	-
Capital Outlays	-	-	-	-	-	-
Total Operating Expenses	\$2.5	\$2.8	\$3.3	\$3.1	(\$0.2)	-5%
Transfers Out						
CIP	0.2	4.1	-	-	-	-
Debt Service	-	-	-	-	-	-
General Fund	-	1.5	1.5	1.5	-	-
Total Uses	\$2.7	\$8.5	\$4.8	\$4.6	(\$0.2)	-4%
% Change vs. Prior Year	-31%	nm	-43%	-46%		

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

The unfavorable variance in Events & Event Development is due to timing: some of the payments that have occurred were expected to happen at a later period.

FY 2015/16 - WATER AND WATER RECLAMATION FUNDS				
(\$ in millions: Rounding differences may occur)				
	Adopted	Revised	Adopted vs. Revised	
	Budget	Budget	Favorable / (Unfavorable)	Percent
			Amount	
Sources	\$163.5	\$163.5	\$ -	-
Uses	160.5	160.5	-	-
Change in Fund Balance	\$3.0	\$3.0	\$ -	
Beginning Fund Balance	\$63.0	\$90.0	\$27.0	
Ending Fund Balance	\$65.9	\$93.0	\$27.0	
60 to 90 Day Operating Reserve	\$15.0	\$15.0	\$ -	
Repair/Replacement Reserve	38.2	38.2	-	
Revenue Bond Debt Reserve	4.6	4.6	-	
Special Contractual	8.1	8.1	-	
Unreserved Fund Balance	-	27.0	27.0	
Ending Fund Balance	\$65.9	\$93.0	\$27.0	

Twelve Months: Fiscal Year					
	2013/14	2014/15	2015/16	2015/16	2015/16
	Actual	Actual	Adopted	Revised	Approved
			Budget	Budget	Adjustments
Revenues:					
Water Service Charges	\$90.1	\$85.6	\$92.2	\$92.2	\$ -
Water Reclamation Charges	38.4	38.7	39.2	39.2	-
Non-Potable Water Fees	10.9	11.4	12.6	12.6	-
Stormwater Charges Fee	-	-	0.1	0.1	-
Interest Earnings <sup>a</sup>	0.5	0.5	0.6	0.6	-
Miscellaneous Revenue	1.8	2.1	1.8	1.8	-
Department Indirect Cost Allocation	-	-	0.9	0.9	-
Total Revenues	\$141.7	\$138.3	\$147.4	\$147.4	\$ -
Transfers In	16.9	16.1	16.1	16.1	-
Bond Proceeds	-	-	-	-	-
Total Sources	\$158.6	\$154.4	\$163.5	\$163.5	\$ -
% Change vs. Prior Year	2%	-3%	6%	6%	

Twelve Months: Fiscal Year					
	2013/14	2014/15	2015/16	2015/16	2015/16
	Actual	Actual	Adopted	Revised	Approved
			Budget	Budget	Adjustments
Expenses:					
Personnel Services	\$17.4	\$18.1	\$19.3	\$19.3	\$ -
Contractual	25.1	26.9	30.7	30.7	-
Commodities	24.2	21.8	27.6	27.6	-
Capital Outlays	0.3	-	0.1	0.1	-
Indirect/Direct Charges	5.0	4.9	4.4	4.4	-
Department Indirect Cost Allocation	-	-	0.9	0.9	-
Total Operating Expenses	\$72.1	\$71.7	\$83.1	\$83.1	\$ -
Debt Service & Contracts Payable	28.8	28.4	29.9	29.9	-
Transfers Out					
CIP Fund	49.5	27.3	40.3	40.3	-
Franchise Fees	7.0	6.8	7.2	7.2	-
Total Uses	\$157.3	\$134.1	\$160.5	\$160.5	\$ -
% Change vs. Prior Year	3%	-15%	20%	20%	

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

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

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$13.4	\$12.4	\$55.7	\$54.7	\$1.0	2%
Uses	8.1	7.2	27.0	28.3	1.3	4%
Change in Fund Balance	\$5.3	\$5.2	\$28.7	\$26.5	\$2.3	

One Month: October 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Water Service Charges	\$8.0	\$7.0	\$7.8	\$7.8	\$ -	-
Water Reclamation Charges	3.2	3.2	3.2	3.2	-	-
Non-Potable Water Fees	1.0	1.0	1.2	1.2	-	-
Stormwater Charges Fee	-	-	-	-	-	-
Interest Earnings <sup>a</sup>	0.1	0.1	-	0.1	( 0.1)	-100%
Miscellaneous Revenue	-	0.1	1.1	0.1	1.0	nm
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Revenues	\$12.2	\$11.3	\$13.3	\$12.3	\$1.0	8%
Transfers In	0.1	0.1	0.1	0.1	-	-
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$12.3	\$11.4	\$13.4	\$12.4	\$1.0	8%
% Change vs. Prior Year	3%	-8%	18%	9%		

Fiscal Year-to-Date: October 2015

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Water Service Charges	\$36.0	\$34.2	\$36.2	\$36.1	\$0.1	0%
Water Reclamation Charges	12.7	12.7	12.8	12.7	0.1	1%
Non-Potable Water Fees	4.0	4.4	4.7	5.0	( 0.3)	-5%
Stormwater Charges Fee	-	-	-	-	-	-
Interest Earnings <sup>a</sup>	0.4	0.1	0.3	0.2	-	-
Miscellaneous Revenue	0.5	0.3	1.4	0.4	1.0	nm
Department Indirect Cost Allocation	-	-	-	-	-	-
Total Revenues	\$53.5	\$51.8	\$55.4	\$54.4	\$1.0	2%
Transfers In	0.3	0.3	0.3	0.3	-	-
Bond Proceeds	-	-	-	-	-	-
Total Sources	\$53.8	\$52.1	\$55.7	\$54.7	\$1.0	2%
% Change vs. Prior Year	1%	-3%	7%	5%		

<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 \$1.0 million or 2%:**

The favorable variance for Water Service Charges is a result of slightly higher water sales; no rate changes were in effect until November 1, 2015. The favorable variance for Water Reclamation Charges is driven by slightly higher water deliveries in the prior winter period than forecasted. The unfavorable variance for Non-Potable Water Fees is a result of lower water deliveries for RWDS & IWDS and lower North Indian Bend Wash Groundwater Treatment Facility activity than projected. The favorable variance for Miscellaneous Revenue is driven by the unanticipated water recharge incentive payments from the SRP Groundwater Savings Facility.

One Month: October 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
	\$ -	\$ -	\$ -	\$ -	\$ -	-
Personnel Services	1.5	1.4	1.5	1.5	-	-
Contractual	2.0	2.4	3.1	2.6	(0.5)	-18%
Commodities	1.7	1.9	2.6	2.1	(0.5)	-24%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.4	0.4	0.4	0.4	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$5.6</b>	<b>\$6.2</b>	<b>\$7.5</b>	<b>\$6.5</b>	<b>(\$0.9)</b>	<b>-15%</b>
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	0.6	0.5	0.6	0.6	-	-
<b>Total Uses</b>	<b>\$6.2</b>	<b>\$6.8</b>	<b>\$8.1</b>	<b>\$7.2</b>	<b>(\$0.9)</b>	<b>-13%</b>
<b>% Change vs. Prior Year</b>	<b>-9%</b>	<b>8%</b>	<b>20%</b>	<b>6%</b>		

Fiscal Year-to-Date: October 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$6.0	\$6.2	\$6.6	\$6.5	(\$0.1)	-1%
Contractual	7.2	8.0	8.0	8.4	0.3	4%
Commodities	6.5	8.1	8.3	9.2	0.9	10%
Capital Outlays	0.1	-	-	-	-	-
Indirect/Direct Charges	1.7	1.6	1.5	1.5	-	-
Department Indirect Cost Allocation	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$21.5</b>	<b>\$24.0</b>	<b>\$24.4</b>	<b>\$25.6</b>	<b>\$1.2</b>	<b>5%</b>
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Franchise Fees	2.6	2.5	2.7	2.7	-	-
<b>Total Uses</b>	<b>\$24.1</b>	<b>\$26.5</b>	<b>\$27.0</b>	<b>\$28.3</b>	<b>\$1.3</b>	<b>4%</b>
<b>% Change vs. Prior Year</b>	<b>3%</b>	<b>10%</b>	<b>2%</b>	<b>6%</b>		

**Actual to Revised Budget variance of \$1.3 million or 4%:**

The unfavorable variance for Personnel Services is driven by budget spread of vacancy savings. The favorable variance for Contractual is driven by lower than anticipated requirements on maintenance and professional services. The favorable variance for Commodities is driven by the budget spreads for Purchased Water, Treated RO, and Treatment Filter Media; budget adjustments will follow.

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

	<u>Budget</u>	<u>Budget</u>	Favorable / (Unfavorable)
Sources	\$4.0	\$4.0	\$ -
Uses	3.0	3.0	-
Change in Fund Balance	<u>\$1.1</u>	<u>\$1.1</u>	<u>\$ -</u>
Beginning Fund Balance	\$6.9	\$5.8	(\$1.1)
Ending Fund Balance	<u>\$7.9</u>	<u>\$6.9</u>	<u>(\$1.1)</u>
60 to 90 Day Operating Reserve	\$0.7	\$0.7	\$ -
Fleet Replacement Reserve	1.6	1.6	-
Repair/Replacement Reserve	1.1	1.1	-
Unreserved	4.5	3.4	( 1.1)
Ending Fund Balance	<u>\$7.9</u>	<u>\$6.9</u>	<u>(\$1.1)</u>

	Twelve Months: Fiscal Year				
	<u>2013/14 Actual</u>	<u>2014/15 Actual</u>	<u>2015/16 Adopted Budget</u>	<u>2015/16 Revised Budget</u>	<u>2015/16 Approved Adjustments</u>
Revenues:					
Aviation Fees	\$3.5	\$3.8	\$3.6	\$3.6	\$ -
Interest Earnings <sup>a</sup>	0.1	-	-	-	-
Privilege and Use Tax – Jet Fuel	0.2	0.2	0.2	0.2	-
Miscellaneous Revenue	0.1	0.1	0.1	0.1	-
Total Revenues	<u>\$3.8</u>	<u>\$4.1</u>	<u>\$3.9</u>	<u>\$3.9</u>	<u>\$ -</u>
Transfers In	0.8	0.1	-	-	-
Transfers In - CIP	1.1	0.4	0.1	0.1	-
Total Sources	<u>\$5.7</u>	<u>\$4.7</u>	<u>\$4.0</u>	<u>\$4.0</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>52%</u>	<u>-18%</u>	<u>-13%</u>	<u>-13%</u>	

	Twelve Months: Fiscal Year				
	<u>2013/14 Actual</u>	<u>2014/15 Actual</u>	<u>2015/16 Adopted Budget</u>	<u>2015/16 Revised Budget</u>	<u>2015/16 Approved Adjustments</u>
Expenses:					
Personnel Services	\$1.1	\$1.1	\$1.2	\$1.2	\$ -
Contractual	0.7	0.7	0.9	0.9	-
Commodities	0.1	0.1	0.1	0.1	-
Capital Outlays	-	-	-	-	-
Indirect/Direct Charges	0.5	0.5	0.5	0.5	-
Total Operating Expenses	<u>\$2.3</u>	<u>\$2.4</u>	<u>\$2.6</u>	<u>\$2.6</u>	<u>\$ -</u>
Debt Service & Contracts Payable	-	-	0.4	0.4	-
Transfers Out					
CIP Fund	1.1	2.1	-	-	-
Total Uses	<u>\$3.4</u>	<u>\$4.5</u>	<u>\$3.0</u>	<u>\$3.0</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>-46%</u>	<u>32%</u>	<u>-34%</u>	<u>-34%</u>	

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

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

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$0.3	\$0.3	\$1.0	\$1.1	(\$0.1)	-9%
Uses	0.2	0.3	0.7	1.0	0.2	25%
Change in Fund Balance	\$0.1	\$ -	\$0.2	\$0.1	\$0.1	

**One Month: October 2015**

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

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Aviation Fees	\$1.0	\$1.0	\$0.9	\$1.0	(\$0.1)	-9%
Privilege and Use Tax – Jet Fuel	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$1.1	\$1.1	\$1.0	\$1.1	(\$0.1)	-9%
Transfers In	0.8	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$1.8	\$1.1	\$1.0	\$1.1	(\$0.1)	-9%
% Change vs. Prior Year	90%	-40%	-10%	0%		

<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 at (\$0.1) million or (9%):**

The unfavorable variance in Aviation Fees is due to lower than expected revenues for fuel, transient parking, percentage fees for Able Boded Passengers (ABP) and rental car concessions revenue.

One Month: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	-	0.1	0.1	0.1	-	-
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	-	-	-	-	-	-
Total Operating Expenses	\$0.1	\$0.2	\$0.2	\$0.3	\$ -	-
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$0.2	\$0.2	\$0.2	\$0.3	\$ -	-
% Change vs. Prior Year	0%	0%	0%	29%		

Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	Percent
					Amount	
Expenses:						
Personnel Services	\$0.4	\$0.4	\$0.4	\$0.4	\$ -	-
Contractual	0.2	0.2	0.2	0.4	0.2	44%
Commodities	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.2	0.2	0.2	-	-
Total Operating Expenses	\$0.7	\$0.7	\$0.7	\$1.0	\$0.2	25%
Debt Service & Contracts Payable	-	-	-	-	-	-
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	\$0.7	\$0.7	\$0.7	\$1.0	\$0.2	25%
% Change vs. Prior Year	0%	0%	0%	33%		

**Actual to Revised Budget at \$0.2 million or 25%:**

The favorable variance in Contractual is driven by the airport's quarterly payment to the U.S. Customs that was less than projected due to lower demand for the service.

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

	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Adopted Favorable / Amount</u>	<u>vs. Revised (Unfavorable) Percent</u>
Sources	\$22.0	\$22.0	\$ -	-
Uses	23.5	23.5	-	-
Change in Fund Balance	<u>(\$1.5)</u>	<u>(\$1.5)</u>	<u>\$ -</u>	
Beginning Fund Balance	\$10.5	\$10.6	\$0.1	
Ending Fund Balance	<u><u>\$9.0</u></u>	<u><u>\$9.1</u></u>	<u><u>\$0.1</u></u>	
60 to 90 Day Operating Reserve	\$5.8	\$5.8	\$ -	
Unreserved Fund Balance	3.2	3.3	0.1	
Ending Fund Balance	<u><u>\$9.0</u></u>	<u><u>\$9.1</u></u>	<u><u>\$0.1</u></u>	

Twelve Months: Fiscal Year					
	<u>2013/14 Actual</u>	<u>2014/15 Actual</u>	<u>2015/16 Adopted Budget</u>	<u>2015/16 Revised Budget</u>	<u>2015/16 Approved Adjustments</u>
Revenues:					
Solid Waste Charges	\$20.2	\$20.2	\$20.0	\$20.0	\$ -
Interest Earnings <sup>a</sup>	0.1	0.1	0.1	0.1	-
Miscellaneous Revenue <sup>b</sup>	-	(0.5)	-	-	-
Total Revenues	<u>\$20.2</u>	<u>\$19.8</u>	<u>\$20.1</u>	<u>\$20.1</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-
Transfers In - CIP	0.8	-	1.9	1.9	-
Total Sources	<u><u>\$21.0</u></u>	<u><u>\$19.8</u></u>	<u><u>\$22.0</u></u>	<u><u>\$22.0</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	3%	-6%	11%	11%	

Twelve Months: Fiscal Year					
	<u>2013/14 Actual</u>	<u>2014/15 Actual</u>	<u>2015/16 Adopted Budget</u>	<u>2015/16 Revised Budget</u>	<u>2015/16 Approved Adjustments</u>
Expenses:					
Personnel Services	\$6.7	\$7.1	\$7.0	\$7.0	\$ -
Contractual	10.7	11.1	12.0	12.0	-
Commodities	0.7	0.8	0.7	0.7	-
Capital Outlays	-	-	0.1	0.1	-
Indirect/Direct Charges	1.6	1.6	1.6	1.6	-
Total Operating Expenses	<u>\$19.7</u>	<u>\$20.7</u>	<u>\$21.4</u>	<u>\$21.4</u>	<u>\$ -</u>
Transfers Out					
CIP Fund	1.7	0.1	2.1	2.1	-
Total Uses	<u><u>\$21.4</u></u>	<u><u>\$20.8</u></u>	<u><u>\$23.5</u></u>	<u><u>\$23.5</u></u>	<u><u>\$ -</u></u>
% Change vs. Prior Year	12%	-3%	13%	13%	

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

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



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

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.7	\$1.7	\$6.7	\$6.7	\$ -	-
Uses	1.8	1.7	6.6	6.8	0.2	3%
Change in Fund Balance	\$ -	\$ -	\$0.1	(\$0.1)	\$0.2	

**One Month: October 2015**

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

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Solid Waste Charges	\$6.7	\$6.8	\$6.7	\$6.7	\$ -	-
Interest Earnings <sup>a</sup>	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$6.8	\$6.8	\$6.7	\$6.7	\$ -	-
Transfers In	-	-	-	-	-	-
Transfers In - CIP	-	-	-	-	-	-
Total Sources	\$6.8	\$6.8	\$6.7	\$6.7	\$ -	-
% Change vs. Prior Year	1%	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 \$0.0 million or 0%:**

No explanation is necessary.

One Month: October 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$0.5	\$0.6	\$0.6	\$0.5	\$ -	-
Contractual	0.9	1.0	0.9	1.0	0.1	5%
Commodities	0.1	0.2	0.1	0.1	(0.1)	nm
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.1	0.1	0.1	0.1	-	-
Total Operating Expenses	<u>\$1.7</u>	<u>\$1.9</u>	<u>\$1.8</u>	<u>\$1.7</u>	<u>\$ -</u>	<u>-</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	<u>\$1.7</u>	<u>\$1.9</u>	<u>\$1.8</u>	<u>\$1.7</u>	<u>\$ -</u>	<u>-</u>
% Change vs. Prior Year	<u>4%</u>	<u>13%</u>	<u>-8%</u>	<u>-10%</u>		

Fiscal Year-to-Date: October 2015						
Expenses:	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable) Amount	(Unfavorable) Percent
Personnel Services	\$2.3	\$2.5	\$2.6	\$2.4	(\$0.1)	-5%
Contractual	3.2	3.5	3.4	3.6	0.3	7%
Commodities	0.4	0.3	0.2	0.2	0.1	21%
Capital Outlays	-	-	-	-	-	-
Indirect/Direct Charges	0.5	0.5	0.5	0.5	-	-
Total Operating Expenses	<u>\$6.5</u>	<u>\$6.8</u>	<u>\$6.6</u>	<u>\$6.8</u>	<u>\$0.2</u>	<u>3%</u>
Transfers Out						
CIP Fund	-	-	-	-	-	-
Total Uses	<u>\$6.5</u>	<u>\$6.8</u>	<u>\$6.6</u>	<u>\$6.8</u>	<u>\$0.2</u>	<u>3%</u>
% Change vs. Prior Year	<u>8%</u>	<u>5%</u>	<u>-2%</u>	<u>0%</u>		

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

The unfavorable variance in Personnel Services is driven by overtime, which is primarily due to increased demand for brush and bulk services. The favorable variance in Contractual is a result of lower than forecasted expenses for fleet fuel and maintenance. Finally, the favorable variance in Commodities is driven by the timing of payment for refuse containers.

<b>FY 2015/16 - FLEET FUND</b>				
(\$ in millions: Rounding differences may occur)				
	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$20.7	\$20.7	\$ -	-
Uses	21.2	21.2	-	-
Change in Fund Balance	(\$0.5)	(\$0.5)	\$ -	
Beginning Fund Balance	\$9.1	\$10.0	\$0.8	
Ending Fund Balance	<u>\$8.6</u>	<u>\$9.5</u>	<u>\$0.8</u>	
Contingency Reserve	\$0.8	\$0.8	\$ -	
Future Acquisition	5.5	5.5	-	
Unreserved, Undesignated	2.3	3.2	0.8	
Ending Fund Balance	<u>\$8.6</u>	<u>\$9.5</u>	<u>\$0.8</u>	

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

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$3.2	\$3.4	\$3.5 *	\$3.5 *	\$ -
Contractual	1.5	1.6	1.6	1.6	-
Commodities	7.1	6.6	7.8	7.8	-
Capital Outlays	5.2	8.1	7.5	7.5	-
Total Operating Expenses	<u>\$17.0</u>	<u>\$19.6</u>	<u>\$20.4</u>	<u>\$20.4</u>	<u>\$ -</u>
Transfers Out					
Transfer Out CIP	-	0.3	0.8	0.8	-
Transfers to Operating Funds	0.8	-	-	-	-
Total Uses	<u>\$17.7</u>	<u>\$19.9</u>	<u>\$21.2 *</u>	<u>\$21.2 *</u>	<u>\$ -</u>
% Change vs. Prior Year	<u>-1%</u>	<u>12%</u>	<u>6%</u>	<u>6%</u>	

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

**October 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$1.6	\$1.7	\$6.2	\$6.9	(\$0.7)	-10%
Uses	1.1	2.4	4.3	7.0	2.7	38%
Change in Fund Balance	\$0.5	(\$0.6)	\$1.9	(\$0.1)	\$2.0	

**One Month: October 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$0.8	\$0.7	\$0.6	\$0.6	\$ -	-
Replacement Rates	0.6	0.6	0.6	0.6	-	-
Fuel Rates	0.4	0.4	0.2	0.4	( 0.2)	-42%
Other Revenue	-	-	0.1	-	-	-
Total Revenues	\$1.8	\$1.7	\$1.6	\$1.7	(\$0.1)	-8%
Transfers In	-	-	-	-	-	-
Total Sources	\$1.8	\$1.7	\$1.6	\$1.7	(\$0.1)	-8%
% Change vs. Prior Year	-5%	-5%	-6%	-		

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Maintenance/Operation Rates	\$2.7	\$2.7	\$2.4	\$2.6	(\$0.1)	-5%
Replacement Rates	2.3	2.4	2.5	2.5	-	-
Fuel Rates	1.5	1.5	1.1	1.7	( 0.6)	-35%
Other Revenue	0.1	0.1	0.1	0.1	-	-
Total Revenues	\$6.5	\$6.7	\$6.2	\$6.9	(\$0.7)	-10%
Transfers In	-	-	-	-	-	-
Total Sources	\$6.5	\$6.7	\$6.2	\$6.9	(\$0.7)	-10%
% Change vs. Prior Year	6%	3%	-8%	3%		

**Actual to Revised Budget variance of (\$0.7) million or (10%):**

The unfavorable variance in Maintenance/Operation Rates is partly due to newer vehicles requiring less maintenance. The unfavorable variance in Fuel Rates is due to lower than anticipated fuel prices.

One Month: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	0.3	0.2	0.1	0.1	-	-
Commodities	0.5	0.8	0.5	0.7	0.2	24%
Capital Outlays	0.2	1.0	0.2	1.3	1.1	83%
Total Operating Expenses	\$1.2	\$2.2	\$1.1	\$2.4	\$1.3	54%
Transfers Out						
Transfer Out CIP	-	-	-	-	-	-
Transfers to Operating Funds	-	-	-	-	-	-
Total Uses	\$1.2	\$2.2	\$1.1	\$2.4	\$1.3	54%
% Change vs. Prior Year	5%	89%	-50%	7%		

Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual vs. Budget	
	Actual	Actual	Actual	Revised Budget	Favorable / (Unfavorable)	
					Amount	Percent
Expenses:						
Personnel Services	\$1.1	\$1.2	\$1.2	\$1.2	\$ -	-
Contractual	0.5	0.4	0.4	0.5	0.1	21%
Commodities	1.6	1.8	1.5	2.4	0.9	39%
Capital Outlays	0.3	1.9	1.2	2.9	1.6	58%
Total Operating Expenses	\$3.5	\$5.3	\$4.3	\$7.0	\$2.7	38%
Transfers Out						
Transfer Out CIP	-	0.2	-	-	-	-
Transfers to Operating Funds	0.8	-	-	-	-	-
Total Uses	\$4.3	\$5.6	\$4.3	\$7.0	\$2.7	38%
% Change vs. Prior Year	31%	30%	-22%	26%		

**Actual to Revised Budget variance of \$2.7 million or 38%:**

The favorable variance in Commodities continues to be the result of diesel and unleaded fuel's average price per gallon coming in below budgeted cost per gallon. The Capital Outlays variance is attributable to equipment deliveries not meeting estimated times forecasted when the orders were placed.

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

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$11.4	\$11.4	\$ -	-
Uses	8.8	8.8	-	-
Change in Fund Balance	\$2.6	\$2.6	\$ -	
Beginning Fund Balance	\$14.9	\$14.1	(\$0.8)	
Ending Fund Balance	\$17.4	\$16.7	(\$0.8)	
Accruals (short term)	\$5.1	\$5.1	\$ -	
Accruals (long term)	9.1	9.0	(0.1)	
Property Casualty Reserve	0.7	-	(0.7)	
Contingency	2.5	2.5	-	
Ending Fund Balance	\$17.4	\$16.7	(\$0.8)	

	Twelve Months: Fiscal Year				
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Property, Liability, Work Comp Rates	\$6.5	\$9.2	\$9.6	\$9.6	\$ -
Unemployment Taxes	0.1	0.1	0.1	0.1	-
Property Tax (Tort Claims)	0.1	2.1	1.3	1.3	-
Insurance/Claims Recoveries	0.4	0.5	0.3	0.3	-
Other/Miscellaneous Revenue	0.1	0.1	0.1	0.1	-
Total Revenues	\$7.3	\$12.0	\$11.4	\$11.4	\$ -
Transfers In	-	-	-	-	-
Total Sources	\$7.3	\$12.0	\$11.4	\$11.4	\$ -
% Change vs. Prior Year	53%	66%	(5%)	(5%)	

	Twelve Months: Fiscal Year				
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services	\$0.7	\$0.8	\$0.8	\$0.8	\$ -
Contractual	6.8	9.0	7.9	7.9	-
Commodities	0.1	0.1	0.1	0.1	-
Total Operating Expenses	\$7.6	\$9.8	\$8.8	\$8.8	\$ -
Transfers Out					
Transfers Out CIP	-	-	-	-	-
Total Uses	\$7.6	\$9.8	\$8.8	\$8.8	\$ -
% Change vs. Prior Year	(5%)	28%	(10%)	(10%)	

**October 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Sources	\$0.9	\$0.8	\$3.4	\$3.3	\$0.1	2%
Uses	0.7	0.6	4.1	4.4	0.3	6%
Change in Fund Balance	\$0.2	\$0.3	(\$0.8)	(\$1.1)	\$0.3	

**One Month: October 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$0.5	\$0.8	\$0.8	\$0.8	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Property Tax (Tort Claims)	-	-	-	-	-	-
Insurance/Claims Recoveries	-	-	0.1	-	-	-
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$0.6	\$0.8	\$0.9	\$0.8	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$0.6	\$0.8	\$0.9	\$0.8	\$ -	-
% Change vs. Prior Year	58%	45%	7%	0%		

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Revenues:						
Property, Liability, Work Comp Rates	\$2.2	\$3.1	\$3.2	\$3.2	\$ -	-
Unemployment Taxes	-	-	-	-	-	-
Property Tax (Tort Claims)	-	-	-	-	-	-
Insurance/Claims Recoveries	0.1	0.1	0.2	0.1	0.1	nm
Other/Miscellaneous Revenue	-	-	-	-	-	-
Total Revenues	\$2.3	\$3.2	\$3.4	\$3.3	\$0.1	2%
Transfers In	-	-	-	-	-	-
Total Sources	\$2.3	\$3.2	\$3.4	\$3.3	\$0.1	2%
% Change vs. Prior Year	63%	41%	7%	5%		

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

The favorable variance in Insurance/Claims Recoveries is related to subrogation recoveries. When possible the City will seek reimbursement by third parties and their insurance companies for accidents or damages.

One Month: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Contractual	0.2	0.5	0.6	0.5	( 0.1)	-26%
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$0.3	\$0.6	\$0.7	\$0.6	(\$0.1)	-22%
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	\$0.3	\$0.6	\$0.7	\$0.6	(\$0.1)	-22%
% Change vs. Prior Year	(24%)	94%	15%	-		

Fiscal Year-to-Date: October 2015						
	2013/14	2014/15	2015/16	2015/16	Actual	vs. Budget
Expenses:	Actual	Actual	Actual	Revised	Favorable /	(Unfavorable)
				Budget	Amount	Percent
Personnel Services	\$0.2	\$0.3	\$0.3	\$0.3	\$ -	-
Contractual	2.4	3.8	3.8	4.1	0.3	6%
Commodities	-	-	-	-	-	-
Total Operating Expenses	\$2.7	\$4.1	\$4.1	\$4.4	\$0.3	6%
Transfers Out						
Transfers Out CIP	-	-	-	-	-	-
Total Uses	\$2.7	\$4.1	\$4.1	\$4.4	\$0.3	6%
% Change vs. Prior Year	nm	55%	0%	7%		

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

The favorable variance in Contractual Services is related to ongoing litigation that was expected to settle in the beginning of this fiscal year but settled at the end of the prior fiscal year. Due to the ongoing expenses of this fund and the nature in which these expenses are recognized, the existing budget was not pushed to a later period and the favorable variance could be eliminated by year end.



**FY 2015/16 - BENEFITS SELF INSURANCE**

(\$ in millions: Rounding differences may occur)

	Adopted Budget	Revised Budget	Adopted Favorable / Amount	vs. Revised (Unfavorable) Percent
Sources	\$28.9	\$28.9	\$ -	-
Uses	28.6	28.6	-	-
Change in Fund Balance	\$0.3	\$0.3	\$ -	
Beginning Fund Balance	\$6.7	\$5.6	(\$1.1)	
Ending Fund Balance	\$7.0	\$5.9	(\$1.1)	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Revenues:					
Medical Premiums - COS	\$18.6	\$19.0	\$20.7	\$20.7	\$ -
Dental Premiums - COS	0.8	0.8	0.8	0.8	-
Medical Premiums - EE	5.9	6.0	5.9	5.9	-
Dental Premiums - EE	0.8	0.8	0.7	0.7	-
Medical Premiums - Retiree	0.6	0.2	0.3	0.3	-
Other Revenue	0.1	0.1	0.5	0.5	-
Total Revenues	\$26.9	\$26.9	\$28.9	\$28.9	\$ -
Transfers In	-	-	-	-	-
Total Sources	\$26.9	\$26.9	\$28.9	\$28.9	\$ -
% Change vs. Prior Year	1%	0%	8%	8%	

Twelve Months: Fiscal Year					
	2013/14 Actual	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget	2015/16 Approved Adjustments
Expenses:					
Personnel Services - COS	0.2	0.1	0.1	0.1	-
Contractual - COS	0.1	0.1	0.1	0.1	-
Medical Claims	21.2	24.0	24.3	24.3	-
Medical Claims - Retirees	0.7	0.2	-	-	-
Dental Claims	1.4	1.3	1.6	1.6	-
Provider Admin Fees	1.3	0.8	0.8	0.8	-
Behavioral Health Claims	0.7	0.1	0.7	0.7	-
Stop Loss Insurance	0.6	0.7	0.8	0.8	-
Wellness Incentive	0.1	0.2	0.2	0.2	-
Total Uses	\$26.2	\$27.3	\$28.6	\$28.6	\$ -
% Change vs. Prior Year	5%	4%	5%	5%	

**October 2015: Current Month and YTD**

(\$ in millions: Rounding differences may occur)

	October Actual	October Revised Budget	YTD Actual	YTD Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Sources	\$2.3	\$2.4	\$9.4	\$9.7	(\$0.3)	-3%
Uses	2.4	2.5	9.7	9.6	( 0.2)	-2%
Change in Fund Balance	(\$0.1)	(\$0.1)	(\$0.4)	\$0.1	(\$0.5)	

**One Month: October 2015**

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Medical Premiums -COS	\$1.6	\$1.6	\$1.7	\$1.7	\$ -	-
Dental Premiums - COS	0.1	0.1	-	0.1	-	-
Medical Premiums - EE	0.5	0.5	0.5	0.5	-	-
Dental Premiums - EE	0.1	0.1	0.1	0.1	-	-
Medical Premiums - Retiree	0.1	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
Total Revenues	\$2.3	\$2.3	\$2.3	\$2.4	\$ -	-
Transfers In	-	-	-	-	-	-
Total Sources	\$2.3	\$2.3	\$2.3	\$2.4	\$ -	-
% Change vs. Prior Year	5%	0%	4%	5%		

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

	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
Revenues:						
Medical Premiums -COS	\$6.2	\$6.3	\$6.7	\$6.9	(\$0.2)	-2%
Dental Premiums - COS	0.3	0.3	0.3	0.3	-	-
Medical Premiums - EE	1.9	2.0	2.0	2.0	0.1	5%
Dental Premiums - EE	0.3	0.2	0.2	0.2	-	-
Medical Premiums - Retiree	0.2	0.1	0.1	0.1	-	-
Other Revenue	-	-	-	0.2	( 0.2)	-99%
Total Revenues	\$8.9	\$8.9	\$9.4	\$9.7	(\$0.3)	-3%
Transfers In	-	-	-	-	-	-
Total Sources	\$8.9	\$8.9	\$9.4	\$9.7	(\$0.3)	-3%
% Change vs. Prior Year	0%	0%	5%	9%		

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

The unfavorable variance in Medical Premiums - COS is due to self-insurance coming in slightly lower than estimated due to plan participation and migration. Plans are budgeted and adopted prior to participants plan selection for the fiscal year which causes differences between employees actual selection of plans and the assumption of what plans they would choose. The unfavorable variance in Other Revenue is related to various healthcare and prescription rebates the city receives, which are not received on a consistent basis and amounts fluctuate between periods. Based on updated information the city is expecting to receive a large prescription rebate in February 2016.

One Month: October 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services - COS	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	2.2	2.2	2.1	2.0	-	-
Medical Claims - Retirees	-	-	-	-	-	-
Dental Claims	0.1	0.1	0.1	0.1	-	-
Provider Admin Fees	0.1	-	-	-	-	-
Behavioral Health Claims	0.1	-	-	0.1	0.1	91%
Stop Loss Insurance	0.1	0.1	-	0.1	-	-
Wellness Incentive	-	-	0.1	0.2	-	-
<b>Total Uses</b>	<b>\$2.5</b>	<b>\$2.4</b>	<b>\$2.4</b>	<b>\$2.5</b>	<b>\$0.1</b>	<b>3%</b>
<b>% Change vs. Prior Year</b>	<b>26%</b>	<b>(4%)</b>	<b>0%</b>	<b>4%</b>		

Fiscal Year-to-Date: October 2015						
Expenses:	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Revised Budget	Actual Favorable / Amount	vs. Budget (Unfavorable) Percent
Personnel Services - COS	\$0.1	\$ -	\$ -	\$ -	\$ -	-
Contractual - COS	-	-	-	-	-	-
Medical Claims	7.3	7.7	8.7	8.1	( 0.6)	-7%
Medical Claims - Retirees	0.2	0.2	-	-	-	-
Dental Claims	0.4	0.4	0.5	0.5	-	-
Provider Admin Fees	0.4	0.1	0.2	0.2	-	-
Behavioral Health Claims	0.2	-	-	0.2	0.2	91%
Stop Loss Insurance	0.2	0.2	0.2	0.3	0.1	31%
Wellness Incentive	-	-	0.1	0.2	-	-
<b>Total Uses</b>	<b>\$8.8</b>	<b>\$8.6</b>	<b>\$9.7</b>	<b>\$9.6</b>	<b>(\$0.2)</b>	<b>-2%</b>
<b>% Change vs. Prior Year</b>	<b>7%</b>	<b>(3%)</b>	<b>13%</b>	<b>11%</b>		

**Actual to Revised Budget variance of (\$0.2) million or (2%):**

The unfavorable variance in Medical Claims is due to a spike in the number of claims exceeding large thresholds caused by unavoidable treatments and care. While these claims are not uncommon, the number of them seen year-to-date is uncommon based on historical data. This variance is expected to impact the fund unfavorably through the end of the fiscal year. The favorable variance in Behavioral Health Claims is due to current activities being lower than expected.

Statement of Operations - WestWorld

City of Scottsdale  
WestWorld  
Statement of Operations

	Twelve Months: Fiscal Year					
	2011/12 Actual	2012/13 Actual	2013/14 Actual <sup>d</sup>	2014/15 Actual	2015/16 Adopted Budget	2015/16 Revised Budget
<b><u>Operating Revenue</u></b>						
Rental Facilities	\$1,405,932	\$1,617,444	\$2,050,602	\$2,134,970	\$2,632,000	\$2,632,000
RV Rental	230,161	257,509	232,802	270,661	455,900	455,900
Feed/Bedding Sales	474,133	499,264	548,330	499,691	813,100	813,100
Labor Fees	240,871	233,486	266,860	240,173	343,100	343,100
Concession Fees	230,728	223,836	191,380	354,902	366,600	366,600
Parking	44,004	48,834	58,591	110,931	75,200	75,200
Other Income	55,923	105,121	142,732	135,192	44,300	44,300
Council Approved Authorized Carryover <sup>c</sup>			2,048,000			
<b>Operating Revenue</b>	<b>\$2,681,751</b>	<b>\$2,985,494</b>	<b>\$5,539,297</b>	<b>\$3,746,520</b>	<b>\$4,730,200</b>	<b>\$4,730,200</b>
<b><u>Operating Expenses</u></b>						
<b>Personnel Services</b>						
Wages/Salaries/Benefits	\$1,466,780	\$1,527,275	\$1,564,608	\$1,616,913	\$1,832,763	\$1,833,674
Overtime	17,498	28,259	21,195	25,558	20,883	21,507
<b>Contractual Services</b>						
Contractual Workers	63,530	74,914	84,004	92,292	75,000	75,000
Telephone	35,063	25,637	32,164	30,650	37,488	37,488
Utilities	429,769	558,010	1,016,731	1,219,326	967,290	967,290
Maintenance & Equipment Rental & Fleet	422,247	591,505	601,739	652,492	714,648	714,648
License and Permits	73,499	124,251	73,018	73,356	126,155	126,155
Property, Liability & Workers' Comp	16,951	18,114	30,724	37,376	51,525	51,525
Advertising/Marketing Contract	11,932	11,492	212,869	208,815	350,000	350,000
Other	192,989	212,162	232,224	268,443	300,325	300,325
<b>Commodities and Capital Outlays</b>						
Agriculture & Horticulture & Other Supply	107,537	125,040	128,597	71,411	131,545	131,545
Maintenance & Repairs Supply, Equipment	66,997	68,781	74,067	84,344	135,035	135,035
Inventory Purchased for Resale	229,795	258,927	260,507	304,481	495,000	495,000
Construction - Other	55,349	94,323	10,695		17,000	17,000
Other Expenses	33,462	39,526	35,951	45,959	33,690	33,690
<b>BOR Admin</b>						
BOR Admin/WestWorld	121,551	127,628	134,010	140,710	147,746	147,746
<b>Allocated Expenses<sup>b</sup></b>						
Facilities Maintenance	319,572	402,988	402,988	713,808	670,566	670,566
COS Indirect Costs	458,880	241,136	255,887	276,504	338,575	338,575
<b>Operating Expenses</b>	<b>\$4,123,402</b>	<b>\$4,529,966</b>	<b>\$5,171,979</b>	<b>\$5,862,440</b>	<b>\$6,445,234</b>	<b>\$6,446,769</b>
<b>Operating Income</b>	<b>(\$1,441,651)</b>	<b>(\$1,544,472)</b>	<b>\$367,317</b>	<b>(\$2,115,919)</b>	<b>(\$1,715,034)</b>	<b>(\$1,716,569)</b>
<b><u>Debt Service (Less contributions)</u></b>						
Debt Service - (52 & 17 acres)	\$2,352,373	\$2,364,123	\$2,012,576	\$2,250,353	\$2,273,677	\$2,273,677
Debt Service - TNEC		588,503	2,746,675	2,743,925	2,724,125	2,724,125
Bed Tax Contributions - TNEC		(588,503)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Equidome Project Use Fee <sup>a</sup>			(75,000)	(555,000)	(360,000)	(360,000)
<b>Net Debt Service</b>	<b>\$2,352,373</b>	<b>\$2,364,123</b>	<b>\$3,484,251</b>	<b>\$3,239,278</b>	<b>\$3,437,802</b>	<b>\$3,437,802</b>
<b>Operating Income After Debt Service</b>	<b>(\$3,794,024)</b>	<b>(\$3,908,595)</b>	<b>(\$3,116,934)</b>	<b>(\$5,355,197)</b>	<b>(\$5,152,836)</b>	<b>(\$5,154,371)</b>

<sup>a</sup> This was previously reported as a contribution reducing debt service but has been modified to be shown as revenue.

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

<sup>c</sup> One-time Council Authorized transfer from Tourism Fund using available carryover to offset lost revenue during TNEC construction.

<sup>d</sup> Certain account activities were adjusted due to reconciliation of prior years.

Statement of Operations for October 2015 / 4 Months YTD

	FY 2011/12 YTD Actual	FY 2012/13 YTD Actual	FY 2013/14 YTD Actual <sup>d</sup>	FY 2014/15 YTD Actual	FY 2015/16 YTD Actual	FY 2015/16 Approved YTD Budget	Actual vs. Budget Favorable / (Unfavorable) Amount	Percent
<b>Operating Revenue</b>								
Rental Facilities	\$97,649	\$67,129	\$166,066	\$325,699	\$370,818	\$180,000	\$190,818	nm
RV Rental	31,013	20,989	21,773	19,920	24,768	31,183	( 6,415)	-21%
Feed/Bedding Sales	100,707	73,232	81,551	86,987	94,377	216,924	( 122,547)	-56%
Labor Fees	6,762	3,376	14,895	16,489	28,165	19,600	8,565	44%
Concession Fees	21,757	11,172	7,856	49,623	77,705	36,500	41,205	nm
Parking	5,385	-	-	25,554	30,165	-	30,165	n/a
Other Income	5,044	6,450	1,219	608	1,288	832	456	55%
Council Approved Authorized Carryover	-	-	-	-	-	-	-	-
<b>Operating Revenue</b>	<b>\$268,318</b>	<b>\$182,349</b>	<b>\$293,361</b>	<b>\$524,880</b>	<b>\$627,286</b>	<b>\$485,039</b>	<b>\$142,247</b>	<b>29%</b>
<b>Operating Expenses</b>								
<b>Personnel Services</b>								
Wages/Salaries/Benefits	\$470,729	\$485,615	\$480,536	\$524,490	\$535,879	\$560,846	\$24,967	4%
Overtime	3,438	1,476	1,836	3,931	4,174	4,334	160	4%
<b>Contractual Services</b>								
Contractual Workers	5,504	5,235	11,883	13,362	11,822	3,000	( 8,822)	nm
Telephone	11,201	9,375	10,304	11,723	6,225	10,801	4,576	42%
Utilities	54,757	37,875	159,208	282,938	282,559	182,284	( 100,275)	-55%
Maintenance & Equipment Rental & Fleet	135,210	172,091	158,201	198,114	201,657	227,210	25,553	11%
License and Permits	73,318	72,985	72,852	73,449	73,050	73,070	20	0%
Property, Liability & Workers' Comp	5,652	6,040	10,240	12,460	17,176	17,176	-	-
Advertising/Marketing Contract	2,271	3,960	4,017	203,060	205,349	203,960	( 1,389)	-1%
Other	27,194	19,653	22,208	28,584	32,565	33,766	1,201	4%
<b>Commodities and Capital Outlays</b>								
Agriculture & Horticulture & Other Supply	38,334	74,858	55,163	32,919	38,587	36,709	( 1,878)	-5%
Maintenance & Repairs Supply, Equipment	22,716	13,125	27,087	31,116	25,447	37,578	12,131	32%
Inventory Purchased for Resale	95,402	77,373	66,321	76,664	64,235	113,000	48,765	43%
Construction - Other	363	-	10,695	-	38	-	( 38)	n/a
Other Expenses	12,539	13,018	13,845	23,001	19,339	5,662	( 13,677)	nm
<b>BOR Admin</b>								
BOR Admin/WestWorld	-	-	-	-	-	-	-	-
<b>Allocated Expenses<sup>b</sup></b>								
Facilities Maintenance	106,524	134,328	134,328	237,936	223,524	223,524	-	-
COS Indirect Costs	152,960	80,380	85,296	92,168	112,860	112,860	-	-
<b>Operating Expenses</b>	<b>\$1,218,111</b>	<b>\$1,207,387</b>	<b>\$1,324,018</b>	<b>\$1,845,917</b>	<b>\$1,854,487</b>	<b>\$1,845,780</b>	<b>(\$8,707)</b>	<b>0%</b>
<b>Operating Income</b>	<b>(\$949,793)</b>	<b>(\$1,025,038)</b>	<b>(\$1,030,658)</b>	<b>(\$1,321,037)</b>	<b>(\$1,227,201)</b>	<b>(\$1,360,741)</b>	<b>\$133,540</b>	<b>10%</b>
<b>Debt Service (Less contributions)</b>								
Debt Service - (52 & 17 acres)	\$250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Debt Service - TNEC	-	-	-	-	-	-	-	-
Bed Tax Contributions - TNEC	-	-	-	-	-	-	-	-
Equidome Project Use Fee <sup>a</sup>	-	-	-	( 285,000)	( 90,000)	( 360,000)	( 270,000)	-75%
<b>Net Debt Service</b>	<b>\$250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(\$285,000)</b>	<b>(\$90,000)</b>	<b>(\$360,000)</b>	<b>(\$270,000)</b>	<b>-75%</b>
<b>Operating Income After Debt Service</b>	<b>(\$950,043)</b>	<b>(\$1,025,038)</b>	<b>(\$1,030,658)</b>	<b>(\$1,036,037)</b>	<b>(\$1,137,201)</b>	<b>(\$1,000,741)</b>	<b>(\$136,460)</b>	<b>-14%</b>

<sup>a</sup> This was previously reported as a contribution reducing debt service but has been modified to be shown as revenue.

<sup>b</sup> Allocated expenses are not budgeted for in or expensed to WestWorld General Fund operations, but are captured to provide truer costs of operations.

<sup>c</sup> One-time Council Authorized transfer from the Tourism Fund using available carryover to offset lost revenue during TNEC construction.

<sup>d</sup> Certain account activities were adjusted due to reconciliation of prior years.



## Privilege (Sales) & Use Tax Collections For October 2015 (For Business Activity in September 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 5 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

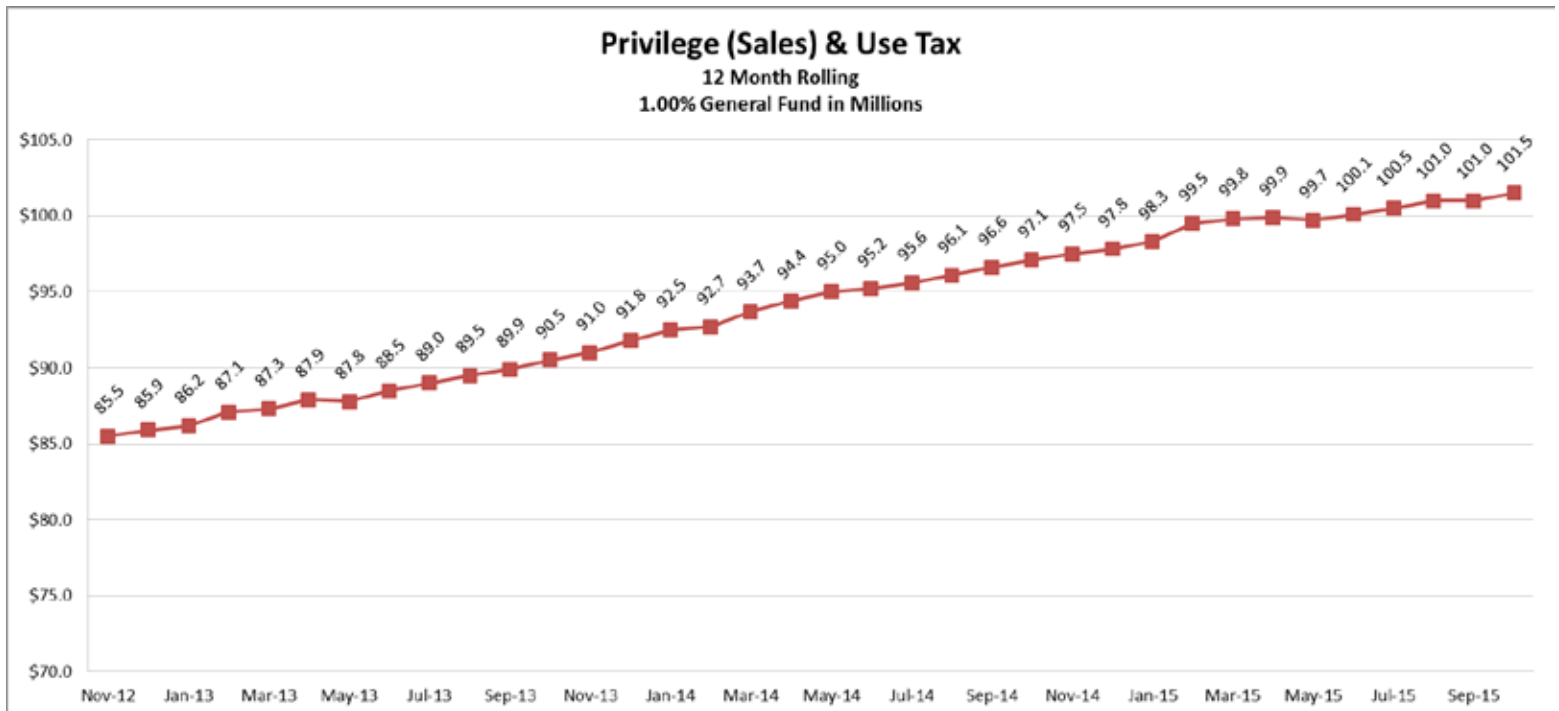
	Fiscal Year: Twelve Months				
	2013/14	2014/15	2015/16	2015/16	2015/16
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Approved</u> <u>Adjustments</u>
<b>1.00% General Purpose</b>					
Rentals	\$12.4	\$13.0	\$13.2	\$13.2	\$0.0
Misc. Retail Stores	16.1	17.1	17.8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

Rounding differences may occur.

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

Fiscal Year-to-Date: October 2015						
	2013/14 Actual	2014/15 Actual	2015/16 Actual	2015/16 Budget	Actual vs. Budget	
					Favorable/(Unfavorable) Amount	Percent
<b>1.00% General Purpose</b>						
Rentals	\$4.1	\$4.3	\$4.6	\$4.4	\$0.2	4%
Misc. Retail Stores	4.5	4.6	5.3	4.9	0.4	9%
Major Dept. Stores	2.7	2.8	2.8	3.0	(0.2)	-6%
Automotive	3.8	4.1	4.6	4.3	0.3	8%
Food Stores	1.9	2.0	2.1	2.0	0.1	4%
Construction	3.3	4.1	3.4	3.0	0.4	13%
Dining/ Entertainment	2.3	2.5	2.7	2.6	0.0	0%
Other Taxable Activity	1.9	2.0	2.5	2.1	0.4	16%
Hotel/Motel	1.0	1.0	1.1	1.1	0.0	0%
Utilities	1.6	1.6	1.7	1.6	0.0	0%
License fees, Penalty & Interest	0.4	0.4	0.3	0.4	(0.1)	-22%
Subtotal	\$27.5	\$29.4	\$31.0	\$29.4	\$1.6	5%
0.10% Public Safety	\$2.7	\$2.9	\$3.1	\$2.9	\$0.2	6%
0.20% Transportation	5.3	5.7	5.9	5.6	0.3	6%
0.20% McDowell Preserve 1995	5.4	5.8	6.1	5.8	0.3	6%
0.15% McDowell Preserve 2004	4.1	4.4	4.6	4.3	0.2	6%
Total	\$45.0	\$48.1	\$50.7	\$48.0	\$2.5	5%
% Change vs. Prior Year		7%	5%	0%		

Rounding differences may occur.



**Rental Sales Taxes**

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

**Actual to Revised Budget variance of \$0.2 million or 4%:** The increase is a result of a sale of an apartment complex.

**Miscellaneous Retail Stores Sales Taxes**

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

**Actual to Revised Budget variance of \$0.4 million or 9%:** The increase is due in part to increased sales in home furnishings, building supplies, and computer software/hardware.

**Major Department Stores Sales Taxes**

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

**Actual to Revised Budget variance of (\$0.2) million or (6%):** 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 \$0.3 million or 8%:** This is due to increased sales of new and used motor vehicles in addition to a new Mazda dealership.

**Food Stores Sales Taxes**

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

**Actual to Revised Budget variance of \$0.1 million or 4%:** Normal business fluctuations.

**Construction Sales Taxes**

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

**Actual to Revised Budget variance of \$0.4 million or 13%:** This is due to several large one-time audit payments.

**Dining/Entertainment Sales Taxes**

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

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

**Other Taxable Activity Sales Taxes**

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

**Actual to Revised Budget variance of \$0.4 million or 16%:** This is due in part to increase in taxable sales from computer hardware/software wholesalers.



**Hotel/Motel Sales Taxes**

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

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

**Utilities Sales Taxes**

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

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

**License Fees, Penalty & Interest**

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

**Actual to Revised Budget variance of (\$0.1) million or (22%):** This is due to a decrease in penalties and interest and due to fewer license renewals from the change in the law for construction contractors.

## Glossary

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

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

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

### GENERAL FUND SOURCES

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

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

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

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

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

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

### GENERAL FUND USES

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

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

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

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

## Glossary

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

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

### OTHER FUNDS

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

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

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

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

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

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

#### **Aviation Fund**

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

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

## Glossary

### **Solid Waste Fund**

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

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

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

### **Fleet Fund**

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

### **Risk Fund**

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

### **Benefits Self Insurance Fund**

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