



CITY OF TUCSON

ACCOUNTING
DIVISION

Monthly Financial Statements For April 30, 2018

This financial report is presented as required by Chapter XXIX, §3(4), of the City Charter. It is prepared to meet the needs of citizens, those charged with governance and various other stakeholders. In addition, a more detailed set of monthly data is also available to the public. The data being presented in two sources is done to increase both the readability and the transparency for all interested parties.

The financial statements included herein present the results of the City's chief governmental operations and certain other significant operations as well. The statements focus on those activities which are most significant to the City, or are individually significant to the Mayor and Council; for example, this report includes the financial statements of the Golf activities since the results of financial operations have been of specific interest to Mayor and Council. This report excludes certain funds which appear less significant; for example, it excludes the activities of the Park Tucson fund since the revenues and expenditures are less than 5% of that fund type. Each of the financial statements included has been organized and compared to the legally adopted budget of the Mayor and Council.

The detailed financial data, available on the same web page as this financial statement report, is prepared on a monthly basis. It contains a working trial balance for each fund operated by the City, showing the balance in each general ledger account code. The financial data has not been summarized or adjusted for presentation, and therefore information in the data may not equal the financial statement presented here.

The general government statements report the revenues and expenditures for the General Fund, and the Mass Transit Fund (which includes the Sun Link Fund in this presentation). The General Fund serves as the City's chief operating fund and is used to account for all financial resources not accounted for in another fund. The Mass Transit Fund is used to account for the proceeds of specific revenue sources related to the operations of the City's SunTran, SunVan, and Sun Link services.

Enterprise funds include Water Utility, and Tucson Golf. The Water Utility Fund accounts for the financing and operation of all activities necessary to provide water services to the Tucson metropolitan area. The Tucson Golf Fund accounts for the operation and maintenance of the City's golf courses, driving ranges, pro shops and clubhouses.

Significant variances between current year actual amounts vs. legally budgeted amounts are indicated by an icon, for example,  is an icon of a roadway and refers to the Transportation Department. Explanations for these variances can be found on report itself. Suggestions and comments are welcome and should be directed to Pete Saxton, Finance Director, at Pete.Saxton@tucsonaz.gov.

City of Tucson

General Fund

For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

The overall revenue is slightly lower than expectations.



Revenues	YTD		% of Prorated (Y-T-D) Budget
	YTD Actuals (in millions)	Actuals Graphed	
Primary Property Taxes	\$9.9		79.2%
Business Privilege Tax	\$170.6		102.7%
Other Local Taxes	\$45.9		104.8%
Contributions and Subsidies	\$4.7		79.3%
State-Shared Income Tax	\$54.8		98.5%
State-Shared Sales Tax	\$43.3		104.9%
State Auto Lieu Tax	\$19.3		93.7%
Licenses and Permits	\$28.8		115.5%
Charges for Current Services	\$31.1		88.2%
Miscellaneous Revenue	\$8.3		53.1%
Total:	\$416.6		98.8%

Explanations for individually significant variances are discussed on next page.

Sources:

"YTD Actuals" are made up of amounts recorded as of the end of the month; any future changes will be reflected in future YTD amounts.

"% of Prorated Budget" is based on a straight line formula for budget expectations (months elapsed / 12 months in the year) applied to total budget and compared to YTD Actuals

Overall Evaluation of Expenditures:

The majority of department expenditure totals are below the budgeted values; some are above. Overall, the sum of all general fund expenditures are below budgeted projections.



Expenditures by Dept for Operations	YTD		% of Prorated (Y-T-D) Budget
	YTD Actuals (in millions)	Actuals Graphed	
Mayor and Council	\$2.0		95.5%
City Manager	\$3.1		79.1%
Housing & Community Development	\$1.8		81.1%
Finance	\$5.7		86.4%
City Attorney	\$6.2		95.6%
Procurement	\$2.4		88.0%
City Court	\$7.2		91.0%
City Public Defender	\$2.2		98.2%
City Clerk	\$2.7		88.9%
Information Technology	\$15.0		84.6%
Human Resources	\$2.1		103.1%
Planning & Development Services	\$5.1		92.5%
General Government	\$24.1		68.6%
Police Department	\$132.3		102.6%
Fire Department	\$84.5		104.9%
General Services Department	\$11.1		67.8%
Environmental Services	\$1.4		93.8%
Transportation Department	\$1.0		98.2%
Parks & Recreation	\$19.4		84.9%
Net Transfers	\$41.2		93.3%
Total Operations:	\$370.5		95.5%
Expenditures for Capital & Debt			
Debt	\$4.8		23.0%
Capital	\$5.7		80.5%
Total Capital & Debt:	\$10.5		37.6%



City of Tucson

General Fund

For the period July 1, 2017 through April 30, 2018

Explanation of Revenue Variances



Primary Property Taxes are lower than budget by \$2.6 million due to timing of collections. The City is currently in between semi-annual billing cycles.



Contributions and Subsidies are \$1.2 million under budget due primarily to the timing of IGA Billings.



Charges for Current Services are \$4.2 million lower than budget projections due mainly to Paramedic Service Charges (\$2.9 million lower than projected), Zoo Admissions (\$0.4 million lower than projected) and Vehicle Impoundment Fees (\$0.4 million lower than projected).



Miscellaneous Revenues are lower than projected mainly due to: Court Fees and Fines are lower than expected by \$1.3 million. Sales of Real Property are under budget by \$1.9 million, a decision was made not to sell the building, so the variance will be \$2.5 million by the end of the year.



Human Resources exceeded budgeted expenditures by \$345,000 in personnel due to reorganization of the Business Services Department.



Fire and Police expenditures are higher than the prorated budget amount, due to a one-time distribution made to employees as the result of a lawsuit filed against the Public Safety Personnel Retirement System. However, the overage is trending down.



When analyzed on a monthly basis debt payments are less than budgeted because debt service payments only occur twice a year, at the mid-point and final annual periods. Annual budgeted amounts are built to be in alignment with the scheduled annual payments.



Capital expenditures are less than expected due to scheduling of capital project expenditures. These projects include the Access Tucson real estate acquisition and the Permits Plus upgrade.

City of Tucson

Mass Transit including Sun Tran, Sun Van and Sun Link
For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link & Sun Van revenue is less than the current expectation.



Overall Evaluation of Expenditures:

While individual line items are either above or below the expected budgetary value, the sum of all expenditures meets the current expectation.



Data for Sun Tran and Sun Van

Sun Tran and Sun Van combined

Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Rental and Lease Revenue	\$0.1		33.9%
Grant Revenue	2.9		24.1%
Operating Revenue - Other Agencies	9.8		86.4%
Fare Revenue	10.2		91.2%
General Fund Subsidy	36.4		100.0%
Advertising Revenue	0.5		176.7%
Miscellaneous Revenue	0.5		126.9%
Total:	\$60.5		83.8%

Revenue Performance



Rental and lease revenue has decreased due to reduction in occupancy.



Grant Revenue is below budget due to projects budgeted but not yet in progress. This includes new Sun Vans, a CNG fueling station and storm water projects.



Operating Revenue - Other Agencies billings are behind pending an approved IGA.

Sun Tran

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.2		32.2%
Contractor Personnel Costs	33.4		104.8%
Outside Services	6.0		68.0%
Supplies	8.7		83.5%
Total:	\$48.4		93.4%

Sun Van

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.0		No Budget
Contractor Personnel Costs	8.3		87.8%
Outside Services	2.8		84.5%
Supplies	0.9		78.7%
Total:	\$12.0		85.7%

Sun Tran and Sun Van combined

Non-Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Debt	\$0.0		0.0%
Capital	1.5		20.4%
Total:	\$1.5		17.4%

Expenditure Performance



Contractor Personnel Costs for both Sun Tran and Sun Van are both over budget by non-significant amounts. They had been slightly under budget over the past fiscal year, and expenditures are expected to come in near budgeted amounts for Fiscal Year 2018.



Capital Outlay is below budget by \$4.6 million due to grant related projects not yet in progress. This includes new Sun Vans, a CNG fueling station, and storm water projects.

City of Tucson

Mass Transit including Sun Tran, Sun Van and Sun Link
For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link revenue is less than the current expectation.



Overall Evaluation of Expenditures:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link expenditures meets the current expectation.



Data for Sun Link

Sun Link

Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Grant Revenue	\$0.0		No Budget
Operating Revenue - Other Agencies	0.9		90.0%
Fare Revenue	0.5		78.0%
General Fund Subsidy	\$2.5		100.0%
Advertising Revenue	0.2		123.5%
Miscellaneous Revenue	0.1		215.1%
Total:	\$4.1		96.1%

Sun Link

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.0		No Budget
Contractor Personnel Costs	1.5		98.8%
Outside Services	1.4		90.6%
Supplies	0.2		92.4%
Total:	\$3.0		94.6%

Sun Link

Non-Operating Expenditures	YTD Actuals (in millions)	% of Prorated (Y-T-D) Budget
Debt	\$0.4	29.2%
Capital	0.0	0.0%
Total:	\$0.4	0.9%

Revenue Performance



Other Agencies Revenue consists of payments received from the Regional Transit Authority (RTA). Receipts are on a quarterly basis and will catch up with budgeted revenue as of the third quarter of Fiscal Year 2018.



Fare Revenues are under budget due to lower than budgeted ridership. This trend is expected to continue, but with a partial offset by a fare revenue increase made effective in January.

Expenditure Performance



Budgeted debt interest expense is spread evenly over the year. There are two interest payments that will take place during the year. The first has already been paid; whereas the second payment will occur in June which will align actual expenditures with budgeted expenditures.

City of Tucson

Water Utility Fund

For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

All revenue line items meet or exceed the current expectation.



Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y- T-D) Budget
Metered Water Sales	\$133.3		110.2%
Other Fees Charged for Service	44.9		107.7%
Capital Contributions	4.8		206.7%
Investment Income	1.3		410.4%
Grants	0.0		No Budget
Miscellaneous Revenue	7.9		326.8%
Total:	\$192.2		114.1%

Overall Evaluation of Expenditures:

All expenditures are within or near the current expectation.



Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y- T-D) Budget
Salaries, Wages, Benefits	\$32.0		102.7%
Contractual Services	59.2		84.5%
Commodities	6.5		70.2%
Interest Expense	14.4		31.3%
Miscellaneous Expense	0.9		No Budget
Net Transfers	1.6		No Budget
Total:	\$114.5		74.6%

Depreciation does not require the use of funds, so it is not budgeted.

Depreciation Expense	YTD Actuals (in millions)	YTD Actuals Graphed
Depreciation/Amortization	31.0	

Revenue Performance



At the beginning of fiscal year 2018, water rates were increased on metered and reclaimed sales. Water usage is cyclical and the first three quarters of the year accounts for 72% of the annual water usage.



Other Fees Charged for Service is higher than budget for fiscal year 2018 due to \$2.6 million in Central Arizona Project surcharge fees and reclaimed water sales.

Expense Performance



Salaries, Wages, Benefits actual expenditures are slightly higher than budget due to positions transferred to Water and some job reclassifications.



\$3 million in budget was transferred to Contractual Services in anticipation of a Parks irrigation project, so currently Contractual Services is below budget.



Interest expense is below budget for the period due to timing of the payments.

CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
TUCSON GOLF ENTERPRISE FUND
April 30, 2018

ASSETS

Current assets:

Cash and Cash Equivalents	\$ 1,827,504
Accounts Receivable, Net	397,869
Inventories	250,598
Total current assets	<u>2,475,971</u>

Noncurrent assets:

Other Assets - Restricted	102,133
Land and Construction in Progress	2,701,865
Other Capital Assets, Net	10,801,307
Total noncurrent assets	<u>13,605,305</u>
Total assets	<u><u>16,081,276</u></u>

LIABILITIES

Current liabilities:

Accounts Payable	115,155
Accrued Payroll Liabilities	136,741
Interfund Payable	1,403,929
Due to Other Agencies	70,544
Accrued Interest Payable	4,064
Refundable Deposits	4,752
Current Portion of Contracts Payable	86,154
Advances From Customers	91,746
Total current liabilities	<u>1,913,085</u>

Noncurrent liabilities:

Contracts Payable	31,277
Loans and Notes Payable	1,554,656
Total noncurrent liabilities	<u>1,585,933</u>
Total liabilities	<u><u>3,499,018</u></u>

NET POSITION

Net Investment in capital assets	13,385,741
Unrestricted Amounts (deficit)	(803,483)
Total net position	<u><u>\$ 12,582,258</u></u>

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
TUCSON GOLF ENTERPRISE FUND
FOR THE TEN MONTHS ENDED APRIL 30, 2018

	<u>Randolph</u>	<u>El Rio</u>	<u>Silverbell</u>	<u>Enke</u>	<u>Combined</u>	<u>Total Budget</u>	<u>Budget</u>
<u>COURSE OPERATIONS:</u>							
Operating revenues:							
Green Fees	\$ 1,481,717	\$ 419,134	\$ 522,900	\$ 379,316	\$ 2,803,067	\$ 8,454,280	
Cart Rentals	658,725	243,617	217,957	213,559	1,333,858		
Driving Range	211,797	8,741	88,684	95,385	404,607		
Clubhouse	262,586	153,499	125,951	132,128	674,164		
Other Revenue	754,491	140,303	103,947	138,671	1,137,412	-	
Total Operating Revenues	<u>3,369,316</u>	<u>965,294</u>	<u>1,059,439</u>	<u>959,059</u>	<u>6,353,108</u>	<u>8,454,280</u>	<u>75.1%</u>
Operating expenses:							
Salaries, Wages and Benefits	15,496	9,039	9,041	9,039	42,615	51,460	
Contractual Services	1,658,742	833,239	551,872	737,957	3,781,810	5,896,120	
Commodities	682,866	306,649	347,354	314,367	1,651,236	1,217,150	
Cost of Goods Sold	269,261	80,126	62,027	77,318	488,732	687,480	
Depreciation/Amortization	195,205	93,759	195,474	100,948	585,386		
Total Operating Expenses	<u>2,821,570</u>	<u>1,322,812</u>	<u>1,165,768</u>	<u>1,239,629</u>	<u>6,549,779</u>	<u>7,852,210</u>	<u>83%</u>
Operating Income (Loss)	<u>547,746</u>	<u>(357,518)</u>	<u>(106,329)</u>	<u>(280,570)</u>	<u>(196,671)</u>	<u>602,070</u>	
Nonoperating revenues (expenses):							
Interest Expense	(7,141)	(3,571)	(3,571)	(3,571)	(17,854)	15,770	
Other					-	16,340	
Total nonoperating revenues (expenses)	<u>(7,141)</u>	<u>(3,571)</u>	<u>(3,571)</u>	<u>(3,571)</u>	<u>(17,854)</u>	<u>32,110</u>	
Changes in net position	<u>540,605</u>	<u>(361,089)</u>	<u>(109,900)</u>	<u>(284,141)</u>	<u>(214,525)</u>	<u>\$ 634,180</u>	
Total net position, beginning of year	3,839,035	3,455,131	2,559,357	2,943,260	12,796,783		
Total net position	<u>\$ 4,379,640</u>	<u>\$ 3,094,042</u>	<u>\$ 2,449,457</u>	<u>\$ 2,659,119</u>	<u>\$ 12,582,258</u>		

City of Tucson

General Fund

For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

The overall revenue is slightly lower than expectations.



Revenues	YTD		% of Prorated (Y-T-D) Budget
	YTD Actuals (in millions)	Actuals Graphed	
Primary Property Taxes	\$9.9		79.2%
Business Privilege Tax	\$170.6		102.7%
Other Local Taxes	\$45.9		104.8%
Driving Range	\$4.7		79.3%
State-Shared Income Tax	\$54.8		98.5%
State-Shared Sales Tax	\$43.3		104.9%
State Auto Lieu Tax	\$19.3		93.7%
Licenses and Permits	\$28.8		115.5%
Charges for Current Services	\$31.1		88.2%
Miscellaneous Revenue	\$8.3		53.1%
Total:	\$416.6		98.8%

Explanations for individually significant variances are discussed on next page.

Sources:

"YTD Actuals" are made up of amounts recorded as of the end of the month; any future changes will be reflected in future YTD amounts.

"% of Prorated Budget" is based on a straight line formula for budget expectations (months elapsed / 12 months in the year) applied to total budget and compared to YTD Actuals

Overall Evaluation of Expenditures:

The majority of department expenditure totals are below the budgeted values; some are above. Overall, the sum of all general fund expenditures are below budgeted projections.



Expenditures by Dept for Operations	YTD		% of Prorated (Y-T-D) Budget
	YTD Actuals (in millions)	Actuals Graphed	
Mayor and Council	\$2.0		95.5%
City Manager	\$3.1		79.1%
Housing & Community Development	\$1.8		81.1%
Finance	\$5.7		86.4%
City Attorney	\$6.2		95.6%
Procurement	\$2.4		88.0%
City Court	\$7.2		91.0%
City Public Defender	\$2.2		98.2%
City Clerk	\$2.7		88.9%
Information Technology	\$15.0		84.6%
Human Resources	\$2.1		103.1%
Planning & Development Services	\$5.1		92.5%
General Government	\$24.1		68.6%
Police Department	\$132.3		102.6%
Fire Department	\$84.5		104.9%
General Services Department	\$11.1		67.8%
Environmental Services	\$1.4		93.8%
Transportation Department	\$1.0		98.2%
Parks & Recreation	\$19.4		84.9%
Net Transfers	\$41.2		93.3%
Total Operations:	\$370.5		95.5%
Expenditures for Capital & Debt			
Debt	\$4.8		23.0%
Capital	\$5.7		80.5%
Total Capital & Debt:	\$10.5		37.6%



City of Tucson

General Fund

For the period July 1, 2017 through April 30, 2018

Explanation of Revenue Variances



Primary Property Taxes are lower than budget by \$2.6 million due to timing of collections. The City is currently in between semi-annual billing cycles.



Contributions and Subsidies are \$1.2 million under budget due primarily to the timing of IGA Billings.



Charges for Current Services are \$4.2 million lower than budget projections due mainly to Paramedic Service Charges (\$2.9 million lower than projected), Zoo Admissions (\$0.4 million lower than projected) and Vehicle Impoundment Fees (\$0.4 million lower than projected).



Miscellaneous Revenues are lower than projected mainly due to: Court Fees and Fines are lower than expected by \$1.3 million. Sales of Real Property are under budget by \$1.9 million, a decision was made not to sell the building, so the variance will be \$2.5 million by the end of the year.

Explanation of Expenditure Variances



Human Resources exceeded budgeted expenditures by \$345,000 in personnel due to reorganization of the Business Services Department.



Fire and Police expenditures are higher than the prorated budget amount, due to a one-time distribution made to employees as the result of a lawsuit filed against the Public Safety Personnel Retirement System. However, the overage is trending down.



When analyzed on a monthly basis debt payments are less than budgeted because debt service payments only occur twice a year, at the mid-point and final annual periods. Annual budgeted amounts are built to be in alignment with the scheduled annual payments.



Capital expenditures are less than expected due to scheduling of capital project expenditures. These projects include the Access Tucson real estate acquisition and the Permits Plus upgrade.

City of Tucson

Mass Transit including Sun Tran, Sun Van and Sun Link
For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link & Sun Van revenue is less than the current expectation.



Overall Evaluation of Expenditures:

While individual line items are either above or below the expected budgetary value, the sum of all expenditures meets the current expectation.



Data for Sun Tran and Sun Van

Sun Tran and Sun Van combined

Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Driving Range	#N/A	#N/A	#N/A
Grant Revenue	2.9		24.1%
Operating Revenue - Other Agencies	9.8		86.4%
Fare Revenue	10.2		91.2%
General Fund Subsidy	36.4		100.0%
Advertising Revenue	0.5		176.7%
Miscellaneous Revenue	0.5		126.9%
Total:	#N/A		#N/A

Revenue Performance



Rental and lease revenue has decreased due to reduction in occupancy.



Grant Revenue is below budget due to projects budgeted but not yet in progress. This includes new Sun Vans, a CNG fueling station and storm water projects.



Operating Revenue - Other Agencies billings are behind pending an approved IGA.

Sun Tran

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.2		32.2%
Contractor Personnel Costs	33.4		104.8%
Outside Services	6.0		68.0%
Supplies	8.7		83.5%
Total:	\$48.4		93.4%

Sun Van

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.0		No Budget
Contractor Personnel Costs	8.3		87.8%
Outside Services	2.8		84.5%
Supplies	0.9		78.7%
Total:	\$12.0		85.7%

Sun Tran and Sun Van combined

Non-Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Debt	\$0.0		0.0%
Capital	1.5		20.4%
Total:	\$1.5		17.4%

Expenditure Performance



Contractor Personnel Costs for both Sun Tran and Sun Van are both over budget by non-significant amounts. They had been slightly under budget over the past fiscal year, and expenditures are expected to come in near budgeted amounts for Fiscal Year 2018.



Capital Outlay is below budget by \$4.6 million due to grant related projects not yet in progress. This includes new Sun Vans, a CNG fueling station, and storm water projects.

City of Tucson

Mass Transit including Sun Tran, Sun Van and Sun Link
For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link revenue is less than the current expectation.



Overall Evaluation of Expenditures:

While individual line items are either above or below the expected budgetary value, the sum of all Sun Link expenditures meets the current expectation.



Data for Sun Link

Sun Link

Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
Grant Revenue	\$0.0		No Budget
Operating Revenue - Other Agencies	0.9		90.0%
Fare Revenue	0.5		78.0%
General Fund Subsidy	\$2.5		100.0%
Advertising Revenue	0.2		123.5%
Miscellaneous Revenue	0.1		215.1%
Total:	\$4.1		96.1%

Sun Link

Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y-T-D) Budget
City Personnel Costs	\$0.0		No Budget
Contractor Personnel Costs	1.5		98.8%
Outside Services	1.4		90.6%
Supplies	0.2		92.4%
Total:	\$3.0		94.6%

Sun Link

Non-Operating Expenditures	YTD Actuals (in millions)	% of Prorated (Y-T-D) Budget
Debt	\$0.4	29.2%
Capital	0.0	0.0%
Total:	\$0.4	0.9%

Revenue Performance



Other Agencies Revenue consists of payments received from the Regional Transit Authority (RTA). Receipts are on a quarterly basis and will catch up with budgeted revenue as of the third quarter of Fiscal Year 2018.



Fare Revenues are under budget due to lower than budgeted ridership. This trend is expected to continue, but with a partial offset by a fare revenue increase made effective in January.

Expenditure Performance



Budgeted debt interest expense is spread evenly over the year. There are two interest payments that will take place during the year. The first has already been paid; whereas the second payment will occur in June which will align actual expenditures with budgeted expenditures.

City of Tucson

Water Utility Fund

For the period July 1, 2017 through April 30, 2018

Overall Evaluation of Revenues:

All revenue line items meet or exceed the current expectation.



Revenues	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y- T-D) Budget
Metered Water Sales	\$133.3		110.2%
Other Fees Charged for Service	44.9		107.7%
Capital Contributions	4.8		206.7%
Driving Range	1.3		410.4%
Grants	0.0		No Budget
Miscellaneous Revenue	7.9		326.8%
Total:	\$192.2		114.1%

Overall Evaluation of Expenditures:

All expenditures are within or near the current expectation.



Operating Expenditures	YTD Actuals (in millions)	YTD Actuals Graphed	% of Prorated (Y- T-D) Budget
Salaries, Wages, Benefits	\$32.0		102.7%
Contractual Services	59.2		84.5%
Commodities	6.5		70.2%
Interest Expense	14.4		31.3%
Miscellaneous Expense	0.9		No Budget
Net Transfers	1.6		No Budget
Total:	\$114.5		74.6%

Depreciation does not require the use of funds, so it is not budgeted.

Depreciation Expense	YTD Actuals (in millions)	YTD Actuals Graphed
Depreciation/Amortization	31.0	

Revenue Performance



At the beginning of fiscal year 2018, water rates were increased on metered and reclaimed sales. Water usage is cyclical and the first three quarters of the year accounts for 72% of the annual water usage.



Other Fees Charged for Service is higher than budget for fiscal year 2018 due to \$2.6 million in Central Arizona Project surcharge fees and reclaimed water sales.

Expense Performance



Salaries, Wages, Benefits actual expenditures are slightly higher than budget due to positions transferred to Water and some job reclassifications.



\$3 million in budget was transferred to Contractual Services in anticipation of a Parks irrigation project, so currently Contractual Services is below budget.



Interest expense is below budget for the period due to timing of the payments.

CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
TUCSON GOLF ENTERPRISE FUND
April 30, 2018

ASSETS

Current assets:

Cash and Cash Equivalents	\$ 1,827,504
Accounts Receivable, Net	397,869
Driving Range	250,598
Total current assets	<u>2,475,971</u>

Noncurrent assets:

Other Assets - Restricted	102,133
Land and Construction in Progress	2,701,865
Other Capital Assets, Net	10,801,307
Total noncurrent assets	<u>13,605,305</u>
Total assets	<u><u>16,081,276</u></u>

LIABILITIES

Current liabilities:

Accounts Payable	115,155
Accrued Payroll Liabilities	136,741
Interfund Payable	1,403,929
Due to Other Agencies	70,544
Accrued Interest Payable	4,064
Refundable Deposits	4,752
Current Portion of Contracts Payable	86,154
Advances From Customers	91,746
Total current liabilities	<u>1,913,085</u>

Noncurrent liabilities:

Contracts Payable	31,277
Loans and Notes Payable	1,554,656
Total noncurrent liabilities	<u>1,585,933</u>
Total liabilities	<u><u>3,499,018</u></u>

NET POSITION

Net Investment in capital assets	13,385,741
Unrestricted Amounts (deficit)	(803,483)
Total net position	<u><u>\$ 12,582,258</u></u>

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
TUCSON GOLF ENTERPRISE FUND
FOR THE TEN MONTHS ENDED APRIL 30, 2018

	<u>Randolph</u>	<u>El Rio</u>	<u>Silverbell</u>	<u>Enke</u>	<u>Combined</u>	<u>Total Budget</u>	<u>Budget</u>
<u>COURSE OPERATIONS:</u>							
Operating revenues:							
Green Fees	\$ 1,481,717	\$ 419,134	\$ 522,900	\$ 379,316	\$ 2,803,067	\$ 8,454,280	
Cart Rentals	658,725	243,617	217,957	213,559	1,333,858		
Driving Range	211,797	8,741	88,684	95,385	404,607		
Clubhouse	262,586	153,499	125,951	132,128	674,164		
Other Revenue	754,491	140,303	103,947	138,671	1,137,412	-	
Total Operating Revenues	<u>3,369,316</u>	<u>965,294</u>	<u>1,059,439</u>	<u>959,059</u>	<u>6,353,108</u>	<u>8,454,280</u>	<u>75.1%</u>
Operating expenses:							
Salaries, Wages and Benefits	15,496	9,039	9,041	9,039	42,615	51,460	
Contractual Services	1,658,742	833,239	551,872	737,957	3,781,810	5,896,120	
Commodities	682,866	306,649	347,354	314,367	1,651,236	1,217,150	
Cost of Goods Sold	269,261	80,126	62,027	77,318	488,732	687,480	
Depreciation/Amortization	195,205	93,759	195,474	100,948	585,386		
Total Operating Expenses	<u>2,821,570</u>	<u>1,322,812</u>	<u>1,165,768</u>	<u>1,239,629</u>	<u>6,549,779</u>	<u>7,852,210</u>	<u>83%</u>
Operating Income (Loss)	<u>547,746</u>	<u>(357,518)</u>	<u>(106,329)</u>	<u>(280,570)</u>	<u>(196,671)</u>	<u>602,070</u>	
Nonoperating revenues (expenses):							
Interest Expense	(7,141)	(3,571)	(3,571)	(3,571)	(17,854)	15,770	
Other					-	16,340	
Total nonoperating revenues (expenses)	<u>(7,141)</u>	<u>(3,571)</u>	<u>(3,571)</u>	<u>(3,571)</u>	<u>(17,854)</u>	<u>32,110</u>	
Changes in net position	<u>540,605</u>	<u>(361,089)</u>	<u>(109,900)</u>	<u>(284,141)</u>	<u>(214,525)</u>	<u>\$ 634,180</u>	
Total net position, beginning of year	3,839,035	3,455,131	2,559,357	2,943,260	12,796,783		
Total net position	<u>\$ 4,379,640</u>	<u>\$ 3,094,042</u>	<u>\$ 2,449,457</u>	<u>\$ 2,659,119</u>	<u>\$ 12,582,258</u>		