



CITY OF TUCSON

ACCOUNTING
DIVISION

Monthly Financial Statements For January 31, 2015

This financial report is presented as required by Chapter XXIX, §3(4), of the City Charter. It is prepared to meet the needs of management, citizens, investors, and numerous governmental agencies. The financial statements included present the results of the City's operations and includes financial statements for general government funds, enterprise funds and internal service funds.

The general government statements report the revenues and expenditures for the General Fund, the Mass Transit Fund and the Highway User Revenue Fund (HURF). 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 transit systems: SunTran, SunVan and SunLink. The HURF Fund is used to record the state-shared gas tax revenue. The latter two funds' revenue sources are legally restricted to be expended for specific purposes.

Enterprise funds include Water, Environmental Services, and 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 Environmental Services Fund accounts for the financing and operation of all activities necessary to provide solid waste services to residential and commercial customers in the Tucson metropolitan area. The Golf Enterprise Fund accounts for the operation and maintenance of the City's golf courses, driving ranges, pro shops and clubhouses.

Finally, the report presents the revenues, expenses and changes in net assets for the internal service funds: Fleet Services, Self-Insurance and General Services. These funds are full accrual funds that support core City functions and charge cost-recovery fees to the City departments they serve.

Significant variances between current year actual amounts vs. prior year actual amounts are indicated by a bolded number, for example: **1a**. Explanations for these variances can be found on the final page of the report. Suggestions and comments are welcome and should be directed to Michael Mason, Finance Administrator, at (520) 837-4330.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE SEVEN MONTHS ENDED JANUARY 2015

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
General Fund Revenues and Other Financing Sources:	Straight-line Budget (January, 31): 58.3%					
Revenues:						
Primary Property Taxes	\$ 7,514,528	13,599,560	55.3%	\$ 7,263,069	\$ 251,459	3.5%
Business Privilege Tax	93,967,302	192,114,160	48.9%	94,491,893	(524,591)	-0.6%
Other Local Taxes	21,556,219	43,617,780	49.4%	18,153,780	3,402,439	18.7% 1a
Grants and Shared Taxes	2,654,728	4,633,260	57.3%	2,232,418	422,310	18.9%
State-Shared Income Tax Revenue	26,234,691	63,620,670	41.2%	24,177,845	2,056,846	8.5% 1b
State-Shared Sales Tax	18,776,666	47,151,760	39.8%	17,853,621	923,045	5.2%
State Auto Lieu Tax	7,310,937	20,719,540	35.3%	7,066,403	244,534	3.5%
Licenses and Permits	11,514,646	20,531,520	56.1%	10,891,643	623,003	5.7%
Fines, Forfeitures, and Penalties	8,428,221	14,799,250	57.0%	7,545,252	882,969	11.7%
Use of Money and Property	113,278	433,020	26.2%	567,141	(453,863)	-80.0%
Charges for Current Services	23,054,235	42,006,590	54.9%	21,202,697	1,851,538	8.7% 1c
Miscellaneous Revenue	3,840,209	4,613,640	83.2%	1,093,941	2,746,268	251.0% 1d
Total Revenues:	<u>224,965,660</u>	<u>467,840,750</u>		<u>212,539,703</u>	<u>12,425,957</u>	
Other Financing Sources	<u>933,333</u>	<u>1,600,000</u>	58.3%	<u>533,333</u>	<u>400,000</u>	75.0%
Total Revenues and Other Financing Sources	\$ <u>225,898,993</u>	\$ <u>469,440,750</u>		\$ <u>213,073,036</u>	\$ <u>12,825,957</u>	
General Fund Expenditures:						
Elected and Official						
101 Mayor and Council	\$ 1,409,810	2,566,510	54.9%	\$ 1,392,737	\$ 17,073	1.2%
103 City Manager	4,738,910	7,800,290	60.8%	4,680,674	58,236	1.2%
131 City Attorney	4,523,381	8,713,380	51.9%	4,770,926	(247,545)	-5.2%
151 City Clerk	1,394,731	2,874,886	48.5%	2,418,616	(1,023,885)	-42.3% 1e
Total Elected and Official	<u>12,066,832</u>	<u>21,955,066</u>		<u>13,262,953</u>	<u>(1,196,121)</u>	
Public Safety & Justice Services						
141 City Court	6,226,525	11,641,920	53.5%	6,005,980	220,545	3.7%
10E Equal Opportunity & Ind. Police Review				424,501	(424,501)	-100.0%
146 Public Defender	1,728,476	3,064,940	56.4%	1,670,378	58,098	3.5%
301 Tucson Fire	50,174,492	89,179,330	56.3%	48,676,841	1,497,651	3.1% 1f
201 Tucson Police	84,284,080	147,451,510	57.2%	80,858,140	3,425,940	4.2% 1g
Total Public Safety & Justice Services	<u>142,413,573</u>	<u>251,337,700</u>		<u>137,635,840</u>	<u>4,777,733</u>	
Community Enrichment & Development						
114 Housing & Community Development	1,086,442	3,080,840	35.3%	2,707,120	(1,620,678)	-59.9% 1h
145 Office of Integrated Planning	887,671	1,632,540	54.4%	277,662	610,009	219.7%
601 Parks and Recreation	20,800,381	36,051,250	57.7%	20,496,421	303,960	1.5%
174 Planning & Development Services	5,081,293	9,265,070	54.8%	4,219,510	861,783	20.4%
491 Transportation	1,071,447	2,021,260	53.0%	1,216,178	(144,731)	-11.9%
Total Community Enrichment & Development	<u>28,927,234</u>	<u>52,050,960</u>		<u>28,916,891</u>	<u>10,343</u>	
Support Services						
126 Budget and Internal Audit	747,906	1,462,790	51.1%	857,253	(109,347)	-12.8%
120 Finance	6,697,143	10,181,420	65.8%	6,721,774	(24,631)	-0.4%
410 General Services	6,742,805	11,513,970	58.6%	4,782,780	1,960,025	41.0% 1i
161 Human Resources	1,291,389	2,595,390	49.8%	1,112,486	178,903	16.1%
155 Information Technology	9,745,989	17,131,390	56.9%	9,623,278	122,711	1.3%
135 Procurement	1,976,606	3,216,530	61.5%	1,916,997	59,609	3.1%
Total Support Services	<u>27,201,838</u>	<u>46,101,490</u>		<u>25,014,568</u>	<u>2,187,270</u>	
Total Non-Departmental	<u>11,066,653</u>	<u>22,827,750</u>	48.5%	<u>9,899,696</u>	<u>1,166,957</u>	11.8% 1j
Capital Projects	<u>3,521,344</u>	<u>6,144,754</u>	57.3%	<u>916,105</u>	<u>2,605,239</u>	284.4% 1k
Debt Service and Fiscal Agent Fees	<u>5,512,356</u>	<u>25,231,870</u>	21.8%	<u>311,605</u>	<u>5,200,751</u>	1669.0% 1l
Other Financing Uses	<u>29,753,636</u>	<u>50,017,190</u>	59.5%	<u>27,109,324</u>	<u>2,644,312</u>	9.8% 1m
Total Expenditures & Other Financing Uses	\$ <u>260,463,466</u>	\$ <u>475,666,780</u>		\$ <u>243,066,982</u>	\$ <u>17,396,484</u>	

**CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
MASS TRANSIT FUND
FOR THE SEVEN MONTHS ENDED JANUARY 2015**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Mass Transit Revenues and Other Financing Sources:	Straight-line Budget (January, 31): 58.3%					
Revenues:						
Federal Grants and Contributions	\$ 11,650,926	26,415,740	44.1%	\$ 1,277,095	\$ 10,373,831	812.3% 2a
Other Agencies	6,319,905	12,786,510	49.4%	6,907,022	(587,117)	-8.5%
Use of Money and Property	221,941	366,400	60.6%	232,617	(10,676)	-4.6%
Charges for Current Services	8,000,267	15,253,680	52.4%	7,394,407	605,860	8.2%
Miscellaneous Revenue	138,329	328,200	42.1%	123,273	15,056	12.2%
Total Revenues:	<u>26,331,368</u>	<u>55,150,530</u>		<u>15,934,414</u>	<u>10,396,954</u>	
Other Financing Sources	<u>25,829,497</u>	<u>44,279,140</u>	58.3%	<u>24,927,607</u>	<u>901,890</u>	3.6%
Total Revenues and Other Financing Sources	\$ <u>52,160,865</u>	\$ <u>99,429,670</u>		\$ <u>40,862,021</u>	\$ <u>11,298,844</u>	
Mass Transit Expenditures:						
Transportation	\$ 41,974,386	\$ 78,355,550	53.6%	\$ 44,083,099	\$ (2,108,713)	-4.8% 2b
Total Community Enrichment & Development	<u>41,974,386</u>	<u>78,355,550</u>		<u>44,083,099</u>	<u>(2,108,713)</u>	
Capital Expenditures	<u>9,595,694</u>	<u>20,925,150</u>	45.9%	<u>999,465</u>	<u>8,596,229</u>	860.1% 2a
Total Expenditures & Other Financing Uses	\$ <u>51,570,080</u>	\$ <u>99,280,700</u>		\$ <u>45,082,564</u>	\$ <u>6,487,516</u>	

**CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
SUN LINK FUND
FOR THE SEVEN MONTHS ENDED JANUARY 2015**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Sun Link Revenues and Other Financing Sources:	Straight-line Budget (January, 31): 58.3%					
Revenues:						
Other Agencies	\$	\$ 2,000,000		\$	\$	
Charges for Current Services	596,364	1,296,390	46.0%		596,364	
Miscellaneous Revenue	<u>4,533</u>	<u></u>		<u></u>	<u>4,533</u>	
Total Revenues:	<u>600,897</u>	<u>3,296,390</u>		<u></u>	<u>600,897</u>	
Other Financing Sources	<u>1,094,935</u>	<u>905,170</u>	121.0%	<u></u>	<u></u>	
Total Revenues and Other Financing Sources	\$ <u>1,695,832</u>	\$ <u>4,201,560</u>		\$ <u></u>	\$ <u>600,897</u>	
Sun Link Expenditures:						
Transportation	\$ 2,559,761	\$ 5,713,340	44.8%	\$	\$	
Total Community Enrichment & Development	<u>2,559,761</u>	<u>5,713,340</u>		<u></u>	<u></u>	
Total Expenditures & Other Financing Uses	\$ <u>2,559,761</u>	\$ <u>5,713,340</u>		\$ <u></u>	\$ <u></u>	

Sun Link was combined with Mass Transit in FY2014

**CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
HIGHWAY USER REVENUE FUND (HURF)
FOR THE SEVEN MONTHS ENDED JANUARY 2015**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
HURF Revenues and Other Financing Sources:	Straight-line Budget (January, 31):			58.3%		
Revenues:						
Licenses and Permits	\$ 67,751	\$	0.0%	\$ 220,233	\$ (152,482)	-69.2%
Other Agencies	17,173,857	36,556,190	47.0%	15,807,062	1,366,795	8.6%
Use of Money and Property	312,249	570,070	54.8%	842,914	(530,665)	-63.0%
Charges for Current Services	287,574	690,000	41.7%	383,550	(95,976)	-25.0%
Miscellaneous Revenue	1,057,162	239,800		1,355,420	(298,258)	-22.0%
Total Revenues	<u>\$ 18,898,593</u>	<u>\$ 38,056,060</u>		<u>\$ 18,609,179</u>	<u>\$ 289,414</u>	
HURF Expenditures:						
Transportation	15,626,304	28,530,830	54.8%	15,605,289	21,015	0.1%
Total Community Enrichment and Development	15,626,304	28,530,830		15,605,289	21,015	
Non-Departmental						
Outside Agencies	50,290	100,580	50.0%	50,290		0.0%
Total Non-Departmental	50,290	100,580		50,290		
Capital Expenditures	10,000	657,200	1.5%	16,245	(6,245)	0.0%
Capital Projects	635,931	228,370	278.5%	1,880,946	(1,245,015)	-66.2%
Other Financing Uses		9,837,070	0.0%			0.0%
Total Expenditures & Other Financing Uses	<u>\$ 16,322,525</u>	<u>\$ 39,354,050</u>		<u>\$ 17,552,770</u>	<u>\$ (1,230,245)</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
January 31, 2015

	<u>Water Utility Fund</u>	<u>Environmental Services</u>	<u>Tucson Golf Enterprise Fund</u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Current assets:			
Pooled Cash and Investments	\$ 52,046,758	\$ 35,087,939	\$ 9,550
Cash and Investments - Restricted	21,367,694		
Cash and Investments with Fiscal Agent - Restricted	16,203,288		
Accounts Receivable, Net	11,008,981	3,807,965	408,099
Due from Other Agencies		51,737	
Interest Receivable	136,197	77,712	
Inventories	4,288,168		181,002
Other Assets	4,256,906		
Total current assets	<u>109,307,992</u>	<u>39,025,353</u>	<u>598,651</u>
Noncurrent assets:			
Long Term Accounts Receivable	239,372		
Other Assets - Restricted	248,617		
Land and Construction in Progress	207,305,081	13,052,165	2,701,865
Other Capital Assets, Net	1,001,722,279	20,146,477	13,087,975
Water Rights	52,126,968		
Total noncurrent assets	<u>1,261,642,317</u>	<u>33,198,642</u>	<u>15,789,840</u>
Total assets	<u>1,370,950,309</u>	<u>72,223,995</u>	<u>16,388,491</u>
Deferred Outflows			
Unamortized Loss on Refunding	12,354,647		
Total deferred outflows	<u>12,354,647</u>		
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Liabilities			
Current liabilities:			
Accounts Payable	992,883	240,752	68,521
Accrued Payroll Liabilities		16	
Interfund Payable			1,211,246
Due to Other Agencies		153	59,808
Accrued Interest Payable			2,623
Refundable Deposits	3,036,470	70,234	205
Current Portion of Bonds Payable	31,758,863		
Current Portion of Contracts Payable		124,000	
Current Portion of Compensated Absences	1,630,059	601,042	
Liabilities Payable from Restricted Assets	141,749		
Advances From Customers			69,017
Current Portion of Long Term Liabilities		737,937	
Total current liabilities	<u>37,560,024</u>	<u>1,774,134</u>	<u>1,411,420</u>

**CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
January 31, 2015**

<u>LIABILITIES AND DEFERRED INFLOWS (continued)</u>	<u>Water Utility Fund</u>	<u>Environmental Services</u>	<u>Tucson Golf Enterprise Fund</u>
Noncurrent liabilities:			
Bonds Payable	\$ 523,999,069	\$	\$
Contracts Payable		10,629,136	395,634
Compensated Absences	1,804,759	651,474	
Other-Post-employment Benefits	1,183,620	477,736	
Loans and Notes Payable			7,906,447
Long Term Liabilities		<u>56,977,918</u>	
Total non-current liabilities	<u>526,987,448</u>	<u>68,736,264</u>	<u>8,302,081</u>
Total liabilities	<u>564,547,472</u>	<u>70,510,398</u>	<u>9,713,501</u>
Deferred Inflows			
Unavailable Revenue	<u>81,058</u>		
Total deferred inflows	<u>81,058</u>		
<u>NET POSITION</u>			
Net Investment in capital assets	739,367,354	22,445,506	15,394,206
Amounts Restricted for:			
Debt Service	16,203,288		
Unrestricted Amounts (deficit)	63,105,784	(37,648,896)	(8,719,216)
Closure/Post Closure Liability		6,870,387	
New Landfill Cell Construction		<u>10,046,600</u>	
Total net position	<u>\$ 818,676,426</u>	<u>\$ 1,713,597</u>	<u>\$ 6,674,990</u>

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
WATER UTILITY FUND
FOR THE SEVEN MONTHS ENDED JANUARY, 2015

	Fiscal Year 2015	Fiscal Year 2014	\$ Change CFY vs PFY	% Change CFY vs PFY	
	Actual	Actual			
Operating revenues:					
Charges for Services	\$ 97,281,924	\$ 91,944,894	\$ 5,337,030	5.8%	4a
Total operating revenues	<u>97,281,924</u>	<u>91,944,894</u>	<u>5,337,030</u>		
Operating expenses:					
Personal Services	20,083,378	20,193,060	(109,682)	-0.5%	
Contractual Services	36,988,030	36,572,521	415,509	1.1%	
Commodities	4,752,577	4,652,353	100,224	2.2%	
Depreciation/Amortization	18,364,132	17,603,775	760,357	4.3%	
Total operating expenses	<u>80,188,117</u>	<u>79,021,709</u>	<u>1,166,408</u>		
Operating Income (Loss)	<u>17,093,807</u>	<u>12,923,185</u>	<u>4,170,622</u>		
Nonoperating revenues (expenses):					
Investment Income(Loss)	247,141	522,980	(275,839)	-52.7%	
Gain (Loss) on Sale of Property/Equipment	207,404	154,204	53,200	34.5%	
Interest Expense	(11,598,552)	(11,476,694)	(121,858)	1.1%	
Non-Grant Contributions	367,309	1,138,039	(770,730)	-67.7%	
Other Nonoperating Income (Expenses)	(5,136,185)	(389,175)	(4,747,010)	1219.8%	4b
Total nonoperating revenues (expenses)	<u>(15,912,883)</u>	<u>(10,050,646)</u>	<u>(5,862,237)</u>		
Income (loss) before capital contributions and transfers	<u>1,180,924</u>	<u>2,872,539</u>	<u>(1,691,615)</u>		
Capital Contributions	1,360,192	1,532,912	(172,720)	-11.3%	
Transfers Out	<u>(933,333)</u>	<u>(533,333)</u>	<u>(400,000)</u>	75.0%	
Changes in net position	<u>1,607,783</u>	<u>3,872,118</u>	<u>(2,264,335)</u>		
Total net position, beginning of year	817,068,643	789,874,655	27,193,988		
Total net position	<u>\$ 818,676,426</u>	<u>\$ 793,746,773</u>	<u>\$ 24,929,653</u>		

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENVIRONMENTAL SERVICES FUND
FOR THE SEVEN MONTHS ENDED JANUARY, 2015

	Fiscal Year 2015	Fiscal Year 2014	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 28,584,840	\$ 28,096,893	\$ 487,947	1.7%
Miscellaneous	573,074	830,819	(257,745)	-31.0%
Total operating revenues	<u>29,157,914</u>	<u>28,927,712</u>	<u>230,202</u>	
Operating expenses:				
Personal Services	8,745,361	8,630,006	115,355	1.3%
Contractual Services	9,853,052	10,020,314	(167,262)	-1.7%
Commodities	2,350,877	2,653,728	(302,851)	-11.4%
Depreciation/Amortization	2,096,321	3,007,369	(911,048)	-30.3%
Total operating expenses	<u>23,045,611</u>	<u>24,311,417</u>	<u>(1,265,806)</u>	
Operating Income (Loss)	<u>6,112,303</u>	<u>4,616,295</u>	<u>1,496,008</u>	
Nonoperating revenues (expenses):				
Investment Income(Loss)	46,244	139,226	(92,982)	-66.8%
Gain (Loss) on Sale of Property/Equipment	370,586	424,943	(54,357)	-12.8%
Other Agencies	57,306	49,289	8,017	16.3%
Interest Expense	(247,840)		(247,840)	0.0%
Total nonoperating revenues (expenses)	<u>226,296</u>	<u>613,458</u>	<u>(387,162)</u>	
Income (loss) before capital contributions and transfers	<u>6,338,599</u>	<u>5,229,753</u>	<u>1,108,846</u>	
Changes in net position	<u>6,338,599</u>	<u>5,229,753</u>	<u>1,108,846</u>	
Total net position, beginning of year	(4,625,002)	2,296,870	(6,921,872)	
Total net position	<u>\$ 1,713,597</u>	<u>\$ 7,526,623</u>	<u>\$ (5,813,026)</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION
TUCSON CITY GOLF FUND - BUDGET TO ACTUAL
FOR THE SEVEN MONTHS ENDED JANUARY, 2015

	Randolph	El Rio	Silverbell	Enke	Combined	January 31 Total Straight- line Budget	% Budget 58%
COURSE OPERATIONS:							
Operating revenues:							
Green Fees	\$ 738,775	\$ 228,619	\$ 264,348	\$ 208,849	\$ 1,440,591	\$ 8,130,050	
Cart Rentals	276,168	126,437	111,159	130,948	644,712		
Driving Range	149,342	3,272	47,649	69,449	269,712		
Clubhouse	259,340	74,882	82,484	66,738	483,444		
Other Revenue	227,900	69,222	90,022	81,840	468,984		
Total Operating Revenues	<u>1,651,525</u>	<u>502,432</u>	<u>595,662</u>	<u>557,824</u>	<u>3,307,443</u>	<u>8,130,050</u>	<u>40.7%</u>
Operating expenses:							
Personnel Services	9,322	4,661	4,661	4,661	23,305		
Contractual Services	1,410,474	681,000	534,557	659,695	3,285,726	6,048,720	54.3%
Commodities	301,992	118,281	162,550	146,070	728,893	1,238,130	58.9%
Cost of Goods Sold	155,403	34,550	38,242	32,203	260,398	709,240	36.7%
Depreciation/Amortization	132,103	75,592	129,655	58,342	395,692		
Total Operating Expenses	<u>2,009,294</u>	<u>914,084</u>	<u>869,665</u>	<u>900,971</u>	<u>4,694,014</u>	<u>7,996,090</u>	<u>59%</u>
Operating Income (Loss)	<u>(357,769)</u>	<u>(411,652)</u>	<u>(274,003)</u>	<u>(343,147)</u>	<u>(1,386,571)</u>	<u>133,960</u>	
Nonoperating revenues (expenses):							
Interest Expense	(2,810)	(1,406)	(1,406)	(1,406)	(7,028)		
Other	212,150				212,150		
Total nonoperating revenues (expenses)	<u>209,340</u>	<u>(1,406)</u>	<u>(1,406)</u>	<u>(1,406)</u>	<u>205,122</u>		
Income (Loss) before capital contributions and transfers	<u>(148,429)</u>	<u>(413,058)</u>	<u>(275,409)</u>	<u>(344,553)</u>	<u>(1,181,449)</u>	<u>133,960</u>	
Changes in net position	<u>(148,429)</u>	<u>(413,058)</u>	<u>(275,409)</u>	<u>(344,553)</u>	<u>(1,181,449)</u>	<u>\$ 133,960</u>	
Total net position, beginning of year	2,396,795	2,099,272	1,565,553	1,794,819	7,856,439		
Total net position	<u>\$ 2,248,366</u>	<u>\$ 1,686,214</u>	<u>\$ 1,290,144</u>	<u>\$ 1,450,266</u>	<u>\$ 6,674,990</u>		

Note: OB Sports and City of Tucson statements will not agree due to timing and reconciliation issues.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 2015

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
Operating revenues:			
Charges for Services	\$ 13,699,204	\$ 10,364,855	\$ 11,553,965
Miscellaneous	140,378	6,718	7,617
Total operating revenues	<u>13,839,582</u>	<u>10,371,573</u>	<u>11,561,582</u>
Operating expenses:			
Personal Services	3,408,389	631,435	5,065,572
Contractual Services	2,730,354	2,490,907	3,483,986
Commodities	7,496,016	46,155	1,044,210
Benefits and Claims		3,518,569	
Depreciation	973,920	9,220	40,761
Total operating expenses	<u>14,608,679</u>	<u>6,696,286</u>	<u>9,634,529</u>
Operating income (loss)	<u>(769,097)</u>	<u>3,675,287</u>	<u>1,927,053</u>
Nonoperating revenues (expenses):			
Property Taxes		810,198	
Investment Income	(1,938)	(1,834)	935
Gain (loss) on Sale of Property/Equipment	58,488		
Federal Non Grant Contributions			158,460
Interest Expense			(360,000)
Total nonoperating revenues (expenses)	<u>56,550</u>	<u>808,364</u>	<u>(200,605)</u>
Income (loss) before capital contributions and transfers	<u>(712,547)</u>	<u>4,483,651</u>	<u>1,726,448</u>
Capital Contributions			
Transfers In			
Transfers Out			
Changes in net position	<u>(712,547)</u>	<u>4,483,651</u>	<u>1,726,448</u>
Total net position, beginning of year	8,632,069	(2,386,650)	(12,951,155)
Total net position	<u>\$ 7,919,522</u>	<u>\$ 2,097,001</u>	<u>\$ (11,224,707)</u>

**City of Tucson, Arizona
Variance Explanations
January 2015, Fiscal Year 2015**

General Fund (pg. 2):

- (1a) A TEP utility transaction for \$1.7 million was accrued from FY14 to FY13 reducing the FY14 revenues. Last year the January allocation for \$1.9 million was recorded in February instead of January.
- (1b) The State-Shared Income Tax increased by \$411,369 per month for fiscal year 2015.
- (1c) Permit/Inspection fees and Review fees increased \$1,103,880.96 over last year due to more development. The Zoo's revenue increased \$316,478 over last year because of added attractions which increased attendance. Police has an increase in Impound fees this fiscal year and a \$5 a day storage fee from a vendor that started last March.
- (1d) The City sold parcels of land at 22nd Street and I-10 and on Park and Tyndall for \$1.5 million each.
- (1e) The decrease in expenditures was due to election expenses in fiscal year 2014.
- (1f) Tucson Fire Pension expenditures have increased over prior fiscal year by \$662,351. The rates for public liability and Workman's Compensation increased \$337,278 compared to last fiscal year. Retirement sick leave payments and sick leave buyback payouts increased \$187,506 over last fiscal year.
- (1g) Tucson Police's pension expenses have increased \$1,271,720 over last fiscal year. The rates for public liability and Workman's Compensation increased by \$1,007,794 compared to last fiscal year. Tucson Police lease payments for vehicles was \$200,000 more than last fiscal year. Police also purchased \$188,811 in guns and ammunition for training. Salary and overtime increased \$395,162. Tucson Police spent \$153,887 for Helicopter repair.
- (1h) Code Enforcement and Planning divisions' expenses were moved from Housing and Community Development's department to Planning & Development Services and Office of Integrated Planning departments.
- (1i) Security Charges for City Hall and the TPD portion of wireless integrated network charges were paid by General Services this year which is a change from last fiscal year.
- (1j) The retiree medical insurance expenses were reduced last year by \$947,368 from (ERRP) Early Retiree Reinsurance Program, the health care reform law's reimbursement for pre-Medicare early retirees.
- (1k) Police purchased 23 new vehicles for \$980,585. The City Clerk's office purchased new election equipment for \$862,344 this year.
- (1l) Last year the debt payment was made in March compared to February of this year.
- (1m) The subsidies to Mass Transit, TCC and Sun Link increased \$393,273 per month over the last fiscal year.

Mass Transit (pg. 3):

- (2a) In FY15 \$9.0M has been spent on replacement buses.
- (2b) FY15 costs decreased by \$2.1M which consisted of: Fuel \$850K, Equipment Repair & Maintenance of \$1.25M.

Highway User Revenue Fund (pg. 4):

- (3a) Other Agencies revenues are generated from state-collected gasoline tax. The State distribution is higher in FY 2015 as compared to FY 2014.
- (3b) Capital project expenses decreased from prior year. Approximately, \$1,812,021 related to Houghton Road/Irvington to Valencia (SR1E-unit) project.

Water Utility Fund (pg. 7):

- (4a) At the beginning of FY15 water rates were increased on Metered Sales.
- (4b) In FY15 there are \$4.7M in CIP write offs.