



CITY OF
TUCSON

ACCOUNTING
DIVISION

Monthly Financial Statements
For July 31, 2014

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 ONE MONTH ENDED JULY 2014

	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 (July, 31): 8.3%					
Revenues:						
Primary Property Taxes	\$ 84,949	\$ 13,599,560	0.6%	\$ 85,393	\$ (444)	-0.5%
Business Privilege Tax	17,071,718	192,114,160	8.9%	13,973,391	3,098,327	22.2% 1a
Other Local Taxes	3,356,863	43,617,780	7.7%	3,262,883	93,980	2.9%
Grants and Shared Taxes	213,940	4,633,260	4.6%	244,206	(30,266)	-12.4%
State-Shared Income Tax Revenue	5,246,938	63,620,670	8.2%	4,835,569	411,369	8.5%
State-Shared Sales Tax	3,843,907	47,151,760	8.2%	3,706,530	137,377	3.7%
State Auto Lieu Tax	1,699,755	20,719,540	8.2%	836,364	863,391	103.2%
Licenses and Permits	4,225,032	20,531,520	20.6%	1,680,506	2,544,526	151.4% 1b
Fines, Forfeitures, and Penalties	1,152,399	14,799,250	7.8%	1,048,013	104,386	10.0%
Use of Money and Property	9,266	525,270	1.8%	215,680	(206,414)	-95.7%
Charges for Current Services	3,535,620	42,006,590	8.4%	3,480,300	55,320	1.6%
Miscellaneous Revenue	38,364	4,613,640	0.8%	61,064	(22,700)	-37.2%
Total General City Revenues:	40,478,751	467,933,000		33,429,899	7,048,852	
Other Financing Sources	133,333	1,600,000	8.3%	133,333		
Total Revenues and Other Financing Sources	\$ 40,612,084	\$ 469,533,000		\$ 33,563,232	\$ 7,048,852	
General Fund Expenditures:						
Elected and Official						
101 Mayor and Council	\$ 175,660	\$ 2,566,510	6.8%	\$ 217,715	\$ (42,055)	-19.3%
103 City Manager	325,585	7,800,290	4.2%	402,998	(77,413)	-19.2%
131 City Attorney	622,699	8,713,380	7.1%	679,443	(56,744)	-8.4%
151 City Clerk	158,192	2,971,150	5.3%	227,394	(69,202)	-30.4%
Total Elected and Official	1,282,136	22,051,330		1,527,550	(245,414)	
Public Safety & Justice Services						
141 City Court	730,066	11,644,260	6.3%	893,154	(163,088)	-18.3%
10E Equal Opportunity & Ind. Police Review				64,828	(64,828)	-100.0%
146 Public Defender	206,228	3,064,940	6.7%	233,125	(26,897)	-11.5%
301 Tucson Fire	6,417,212	89,211,330	7.2%	7,223,350	(806,138)	-11.2%
201 Tucson Police	10,272,560	147,050,540	7.0%	11,413,879	(1,141,319)	-10.0% 1c
Total Public Safety & Justice Services	17,626,066	250,971,070		19,828,336	(2,202,270)	
Community Enrichment & Development						
114 Housing & Community Development	63,962	3,104,840	2.1%	358,679	(294,717)	-82.2%
145 Office of Integrated Planning	115,023	1,632,540	7.0%		115,023	
601 Parks and Recreation	3,473,389	36,054,610	9.6%	3,554,399	(81,010)	-2.3%
174 Planning & Development Services	578,307	9,265,070	6.2%	545,220	33,087	6.1%
491 Transportation	124,450	2,021,260	6.2%	139,068	(14,618)	-10.5%
Total Community Enrichment & Development	4,355,131	52,078,320		4,597,366	(242,235)	
Support Services						
126 Budget and Internal Audit	97,562	1,462,790	6.7%	121,797	(24,235)	-19.9%
120 Finance	2,626,954	10,181,420	25.8%	2,729,721	(102,767)	-3.8%
410 General Services	1,023,038	11,513,970	8.9%	46,861	976,177	2083.1%
161 Human Resources	130,299	2,595,390	5.0%	155,318	(25,019)	-16.1%
155 Information Technology	2,032,761	17,393,070	11.7%	967,269	1,065,492	110.2% 1d
135 Procurement	393,182	3,216,530	12.2%	445,391	(52,209)	-11.7%
Total Support Services	6,303,796	46,363,170		4,466,357	1,837,439	
Total Non-Departmental	600,335	22,815,750	2.6%	576,299	24,036	4.2%
Capital Projects	14,514	5,898,010	0.2%	143,854	(129,340)	-89.9%
Debt Service and Fiscal Agent Fees	9,720	26,743,650	0.0%	9,900	(180)	-1.8%
Other Financing Uses	4,168,099	50,017,190	8.3%	3,855,814	312,285	8.1%
Total Expenditures & Other Financing Uses	\$ 34,359,797	\$ 476,938,490		\$ 35,005,476	\$ (645,679)	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
MASS TRANSIT FUND
FOR THE ONE MONTH ENDED JULY 2014

	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 (July, 31): 8.3%					
Revenues:						
Federal Grants and Contributions	\$ 4,818,983	\$ 26,415,740	18.2%	\$ 1,706,203	\$ 3,112,780	182.4%
Other Agencies	34,938	14,786,510	0.2%	4,832	30,106	623.1%
Use of Money and Property	523	366,400	0.1%	523		
Charges for Current Services	712,959	16,550,070	4.3%	120,572	592,387	491.3%
Miscellaneous Revenue	33,278	328,200	10.1%	15,318	17,960	117.2%
Total Revenues:	<u>5,600,681</u>	<u>58,446,920</u>		<u>1,847,448</u>	<u>3,753,233</u>	
Other Financing Sources	3,765,359	45,184,310	8.3%	3,561,086	204,273	5.7%
Total Revenues and Other Financing Sources	<u>\$ 9,366,040</u>	<u>\$ 103,631,230</u>		<u>\$ 5,408,534</u>	<u>\$ 3,957,506</u>	
Mass Transit Expenditures:						
Community Enrichment & Development						
Transportation	\$ 5,372,896	\$ 81,708,830	6.6%	\$ 5,393,916	\$ (21,020)	-0.4%
Total Community Enrichment & Development	<u>5,372,896</u>	<u>81,708,830</u>		<u>5,393,916</u>	<u>(21,020)</u>	
Capital Expenditures	<u>8,814,599</u>	<u>21,922,400</u>	40.2%	<u>1,014,524</u>	<u>7,800,075</u>	768.8%
Total Expenditures & Other Financing Uses	<u>\$ 14,187,495</u>	<u>\$ 103,631,230</u>		<u>\$ 6,408,440</u>	<u>\$ 7,779,055</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
HIGHWAY USER REVENUE FUND (HURF)
FOR THE ONE MONTH ENDED JULY 2014

	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 (July, 31): 8.3%					
Revenues:						
Licenses and Permits	\$ 50,000	\$	0.0%	\$	\$ 50,000	100.0%
Other Agencies	2,988,488	36,556,190	8.2%	3,175,040	(186,552)	-5.9%
Use of Money and Property	44,245	570,070	7.8%	284,682	(240,437)	-84.5%
Charges for Current Services	58,137	690,000	8.4%	94,768	(36,631)	-38.7%
Miscellaneous Revenue	5,812	239,800		577,050	(571,238)	-99.0%
Total Revenues	<u>\$ 3,146,682</u>	<u>\$ 38,056,060</u>		<u>\$ 4,131,540</u>	<u>\$ (984,858)</u>	
HURF Expenditures:						
Public Safety & Justice Services						
Neighborhood Resources Department	\$	\$	0.0%	\$ 17,826	\$ (17,826)	-100.0%
Total Public Safety & Justice Services				<u>17,826</u>	<u>(17,826)</u>	
Community Enrichment and Development						
Transportation	<u>1,774,764</u>	<u>28,463,350</u>	6.2%	<u>2,884,764</u>	<u>(1,110,000)</u>	-38.5%
Total Community Enrichment and Development	<u>1,774,764</u>	<u>28,463,350</u>		<u>2,884,764</u>	<u>(1,110,000)</u>	
Non-Departmental						
Outside Agencies	<u>50,290</u>	<u>100,580</u>	50.0%		<u>50,290</u>	100.0%
Total Non-Departmental	<u>50,290</u>	<u>100,580</u>			<u>50,290</u>	
Capital Expenditures		<u>624,000</u>	0.0%			0.0%
Capital Projects	<u>829</u>	<u>260,300</u>	0.3%	<u>6,018</u>	<u>(5,189)</u>	-86.2%
Other Financing Uses		<u>9,837,070</u>	0.0%			0.0%
Total Expenditures & Other Financing Uses	<u>\$ 1,825,883</u>	<u>\$ 39,285,300</u>		<u>\$ 2,908,608</u>	<u>\$ (1,082,725)</u>	

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
WATER UTILITY FUND
FOR THE ONE MONTH ENDED JULY, 2014

	Fiscal Year 2015	Fiscal Year 2014	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 8,950,281	\$ 8,251,546	\$ 698,735	8.5%
Total operating revenues	<u>8,950,281</u>	<u>8,251,546</u>	<u>698,735</u>	
Operating expenses:				
Personal Services	2,609,532	2,779,747	(170,215)	-6.1%
Contractual Services	6,256,314	7,218,167	(961,853)	-13.3%
Commodities	592,923	565,847	27,076	4.8%
Depreciation/Amortization	2,500,000	2,500,000		0.0%
Total operating expenses	<u>11,958,769</u>	<u>13,063,761</u>	<u>(1,104,992)</u>	
Operating Income (Loss)	<u>(3,008,488)</u>	<u>(4,812,215)</u>	<u>1,803,727</u>	
Nonoperating revenues (expenses):				
Investment Income(Loss)	(378,025)	63,954	(441,979)	-691.1%
Gain (Loss) on Sale of Property/Equipment	28,854		28,854	0.0%
Interest Expense	(1,562,973)	(1,411,767)	(151,206)	10.7%
Other Nonoperating Income (Expenses)	(127,701)	74,853	(202,554)	-270.6%
Total nonoperating revenues (expenses)	<u>(2,039,845)</u>	<u>(1,272,960)</u>	<u>(766,885)</u>	
Income (loss) before capital contributions and transfers	<u>(5,048,333)</u>	<u>(6,085,175)</u>	<u>1,036,842</u>	
Capital Contributions	209,359	286,887	(77,528)	-27.0%
Transfers Out	<u>(133,333)</u>		<u>(133,333)</u>	0.0%
Changes in net position	<u>(4,972,307)</u>	<u>(5,798,288)</u>	<u>825,981</u>	
Total net position, beginning of year	816,693,410 *	789,874,656	26,818,754	
Total net position, (July 31)	<u>\$ 811,721,103</u>	<u>\$ 784,076,368</u>	<u>\$ 27,644,735</u>	

*Beginning of year net position is subject to change until final audit of the Fiscal Year 2014 Comprehensive Annual Financial Report

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
ENVIRONMENTAL SERVICES FUND
FOR THE ONE MONTH ENDED JULY, 2014

	Fiscal Year 2015		Fiscal Year 2014	
	Actual	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Operating revenues:				
Charges for Services	\$ 4,688,082	\$ 4,599,701	\$ 88,381	1.9%
Miscellaneous	114,097	106,856	7,241	6.8%
Total operating revenues	<u>4,802,179</u>	<u>4,706,557</u>	<u>95,622</u>	
Operating expenses:				
Personal Services	1,125,713	1,285,962	(160,249)	-12.5%
Contractual Services	1,226,701	1,239,739	(13,038)	-1.1%
Commodities	321,685	318,204	3,481	1.1%
Depreciation/Amortization	460,000	435,249	24,751	5.7%
Total operating expenses	<u>3,134,099</u>	<u>3,279,154</u>	<u>(145,055)</u>	
Operating Income (Loss)	<u>1,668,080</u>	<u>1,427,403</u>	<u>240,677</u>	
Nonoperating revenues (expenses):				
Investment Income(Loss)	(177,743)	38,926	(216,669)	-556.6%
Gain (Loss) on Sale of Property/Equipment		2,600	(2,600)	-100.0%
Other Agencies		44,597	(44,597)	-100.0%
Total nonoperating revenues (expenses)	<u>(177,743)</u>	<u>86,123</u>	<u>(263,866)</u>	
Income (loss) before capital contributions and transfers	<u>1,490,337</u>	<u>1,513,526</u>	<u>(23,189)</u>	
Changes in net position	<u>1,490,337</u>	<u>1,513,526</u>	<u>(23,189)</u>	
Total net position, beginning of year	10,973,097	* 2,296,870	8,676,227	
Total net position, (July 31)	<u>\$ 12,463,434</u>	<u>\$ 3,810,396</u>	<u>\$ 8,653,038</u>	

*Beginning of year net position is subject to change until final audit of the Fiscal Year 2014 Comprehensive Annual Financial Report

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
TUCSON GOLF ENTERPRISE FUND
FOR THE ONE MONTH ENDED JULY, 2014

	Fiscal Year 2015	Fiscal Year 2014	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 345,268	\$ 394,514	\$ (49,246)	-12.5%
Miscellaneous	1,354		1,354	0.0%
Total operating revenues	<u>346,622</u>	<u>394,514</u>	<u>(47,892)</u>	
Operating expenses:				
Personnel Services		248,604	(248,604)	-100.0% 6a
Contractual Services	594,345	250,725	343,620	137.1% 6b
Commodities	57,213	52,715	4,498	8.5%
Cost of Goods Sold	17,338	22,770	(5,432)	-23.9%
Depreciation/Amortization	56,893	58,505	(1,612)	-2.8%
Total operating expenses	<u>725,789</u>	<u>633,319</u>	<u>92,470</u>	
Operating Income (Loss)	<u>(379,167)</u>	<u>(238,805)</u>	<u>(140,362)</u>	
Nonoperating revenues (expenses):				
Investment Income(Loss)		(7,611)	7,611	-100.0%
Interest Expense	(690)		(690)	0.0%
Total nonoperating revenues (expenses)	<u>(690)</u>	<u>(7,611)</u>	<u>6,921</u>	
Income (loss) before capital contributions and transfers	<u>(379,857)</u>	<u>(246,416)</u>	<u>(133,441)</u>	
Changes in net position	<u>(379,857)</u>	<u>(246,416)</u>	<u>(133,441)</u>	
Total net position, beginning of year	7,828,742 *	8,562,393	(733,651)	
Total net position, (July 31)	<u>\$ 7,448,885</u>	<u>\$ 8,315,977</u>	<u>\$ (867,092)</u>	

*Beginning of year net position is subject to change until final audit of the Fiscal Year 2014 Comprehensive Annual Financial Report

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE ONE MONTH ENDED JULY 31, 2014

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
Operating revenues:			
Charges for Services	\$ 1,848,971	\$ 1,998,045	\$ 1,749,790
Miscellaneous	41,428	444	2,796
Total operating revenues	<u>1,890,399</u>	<u>1,998,489</u>	<u>1,752,586</u>
Operating expenses:			
Personal Services	435,354	73,815	632,854
Contractual Services	347,875	1,134,991	216,793
Commodities	1,013,154	32,677	160,895
Depreciation	153,892	11,832	3,745
Total operating expenses	<u>1,950,275</u>	<u>1,253,315</u>	<u>1,014,287</u>
Operating income (loss)	<u>(59,876)</u>	<u>745,174</u>	<u>738,299</u>
Nonoperating revenues (expenses):			
Property Taxes		18,354	
Investment Income	(70)	(17,869)	(9,806)
Total nonoperating revenues (expenses)	<u>(70)</u>	<u>485</u>	<u>(9,806)</u>
Income (loss) before capital contributions and transfers	<u>(59,946)</u>	<u>745,659</u>	<u>728,493</u>
Changes in net position	<u>(59,946)</u>	<u>745,659</u>	<u>728,493</u>
Total net position, beginning of year	7,932,216 *	(4,314,849) *	(2,232,491) *
Total net position, July 31	<u>\$ 7,872,270</u>	<u>\$ (3,569,190)</u>	<u>\$ (1,503,998)</u>

*Beginning of year net position is subject to change until final audit of the Fiscal Year 2014 Comprehensive Annual Financial Report

**City of Tucson, Arizona
Variance Explanations
For July 2014, Fiscal Year 2015**

General Fund (pg. 2):

- (1a) Prior year July sales allocation of \$3.0 M was posted to the month of August.
- (1b) Tucson Electric's \$2.6 million franchise fee was deposited in July this fiscal year compared to August in the prior fiscal year.
- (1c) Decrease of Tucson Police expenditures, primarily due to increase of vacancies.
- (1d) Fiscal year 2015 CGI maintenance agreement costs were paid in full this month.

Mass Transit (pg. 3):

- (2a) Increase is due to federal grant funding spent for replacement buses.
- (2b) Fare box revenue increase due to prior year posting challenges of the new SunGo card system.

Highway User Revenue Fund (pg. 3):

- (3a) Decrease due to collection of previous years' Western Emulsions rental payments in July 2013.
- (3b) Miscellaneous revenue decreased by \$571,238 or 99% from prior year. In FY14, a single cash receipt accounted for sale of real property in the amount of \$457,000 (RES 2019-019 sale R/W 43,393 sq. ft.).
- (3c) Transportation's expenses decreased by \$1,110,000 or 38.5% from prior year. Approximately \$1,003,051 of this variance is largely related to 2013 Pavement Preservation Program costs overlapping into fiscal year 2014.

Water Utility Fund (pg. 5):

- (4a) In FY14 there were 2 catch up CAP Water Service Charge payments processed.

Environmental Services Fund (pg. 6):

- (5a) Workman's Compensation insurance annual expenditures posted to July 2013 compared to this fiscal year; current year expenditures will post through the new HRM payroll system.

Tucson Golf Fund (pg. 8):

- (6a) Personal services decreased by \$248,604 or 100% from prior year. The variance is due to contracting of Tucson City Golf by OB Sports.
- (6b) Contractual services increased by \$343,620 or 137.1% from prior year due to contracting of Tucson City Golf by OB Sports.