



CITY OF
TUCSON

ACCOUNTING
DIVISION

Monthly Financial Statements
For July 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, Sun Link 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 SunTran and SunVan services. The Sun Link Fund accounts for all financial resources related to the modern streetcar operations. The HURF Fund is used to record the state-shared gas tax revenue that can only be used for their authorized transportation 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 position 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 Shane Oman, Finance Administrator, at (520) 837-4330.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE ONE MONTH ENDED JULY 31, 2015

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
General Fund Revenues and Other Financing Sources:		Straight-line Budget	8.3%			
Revenues:						
Primary Property Taxes	\$ 74,189	\$ 14,350,250	0.5%	\$ 84,949	\$ (10,760)	-12.7%
Business Privilege Tax	15,656,651	197,118,630	7.9%	17,152,418	(1,495,767)	-8.7%
Other Local Taxes	3,454,249	41,191,210	8.4%	3,356,863	97,386	2.9%
Grants and Shared Taxes	884,711	6,075,650	14.6%	213,940	670,771	313.5%
State-Shared Income Tax Revenue	5,218,491	63,205,510	8.3%	5,246,938	(28,447)	-0.5%
State-Shared Sales Tax	4,140,265	48,935,140	8.5%	3,843,907	296,358	7.7%
State Auto Lieu Tax	1,864,026	21,968,250	8.5%	1,699,755	164,271	9.7%
Licenses and Permits	4,784,097	26,316,150	18.2%	4,225,032	559,065	13.2%
Fines, Forfeitures, and Penalties	1,134,950	14,331,870	7.9%	1,152,399	(17,449)	-1.5%
Use of Money and Property	106,749	648,930	16.5%	9,266	97,483	1052.1%
Charges for Current Services	3,531,653	39,053,170	9.0%	3,535,620	(3,967)	-0.1%
Miscellaneous Revenue	25,234	10,382,120	0.2%	38,364	(13,130)	-34.2%
Total Revenues:	40,875,265	483,576,880		40,559,451	315,814	
Other Financing Sources	133,333	1,600,000	8.3%	133,333		
Total Revenues and Other Financing Sources	\$ 41,008,598	\$ 485,176,880		\$ 40,692,784	\$ 315,814	
General Fund Expenditures:						
Elected and Official						
Mayor and Council	\$ 187,576	\$ 2,559,710	7.3%	\$ 175,660	\$ 11,916	6.8%
City Manager	341,095	5,426,800	6.3%	325,585	15,510	4.8%
City Attorney	552,189	8,191,610	6.7%	622,699	(70,510)	-11.3%
City Clerk	258,150	4,300,410	6.0%	158,192	99,958	63.2%
Total Elected and Official	1,339,010	20,478,530		1,282,136	56,874	
Public Safety & Justice Services						
City Court	777,904	11,878,640	6.5%	730,066	47,838	6.6%
Public Defender	202,015	3,191,360	6.3%	206,228	(4,213)	-2.0%
Tucson Fire	6,884,959	93,838,090	7.3%	6,417,212	467,747	7.3%
Tucson Police	13,514,444	157,097,060	8.6%	10,272,560	3,241,884	31.6% 1a
Total Public Safety & Justice Services	21,379,322	266,005,150		17,626,066	3,753,256	
Community Enrichment & Development						
Housing & Community Development	68,553	3,042,460	2.3%	63,962	4,591	7.2%
Office of Integrated Planning	106,011	1,902,190	5.6%	115,023	(9,012)	-7.8%
Parks and Recreation	3,077,492	36,454,370	8.4%	3,473,389	(395,897)	-11.4%
Planning & Development Services	573,851	8,953,620	6.4%	578,307	(4,456)	-0.8%
Transportation	57,398	2,916,810	2.0%	124,450	(67,052)	-53.9%
Total Community Enrichment & Development	3,883,305	53,269,450		4,355,131	(471,826)	
Support Services						
Budget and Internal Audit	87,171	1,482,770	5.9%	97,562	(10,391)	-10.7%
Finance	2,595,462	10,492,840	24.7%	2,626,954	(31,492)	-1.2%
General Services	1,101,142	10,678,790	10.3%	1,023,038	78,104	7.6%
Human Resources	159,505	2,614,020	6.1%	130,299	29,206	22.4%
Information Technology	520,480	17,992,270	2.9%	2,032,761	(1,512,281)	-74.4% 1b
Procurement	319,191	3,156,990	10.1%	393,182	(73,991)	-18.8%
Total Support Services	4,782,951	46,417,680		6,303,796	(1,520,845)	
Total Non-Departmental	965,227	27,477,840	3.5%	600,335	364,892	60.8%
Capital Outlay	190	3,000,640	0.0%	14,463	(14,273)	-98.7%
Capital Projects		1,031,800	0.0%	51	(51)	-100.0%
Debt Service and Fiscal Agent Fees	39,139	23,884,000	0.2%	9,720	29,419	302.7%
Other Financing Uses	4,380,950	52,571,400	8.3%	4,168,099	212,851	5.1%
Total Expenditures & Other Financing Uses	\$ 36,770,094	\$ 494,136,490		\$ 34,359,797	\$ 2,410,297	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
MASS TRANSIT FUND
FOR THE ONE MONTH ENDED JULY 31, 2015

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Mass Transit Revenues and Other Financing Sources:		Straight-line Budget	8.3%			
Revenues:						
Federal Grants and Contributions	\$ 158,111	\$ 28,303,470	0.6%	\$ 4,818,983	\$ (4,660,872)	-96.7%
Other Agencies	17,110	13,829,020	0.1%	34,938	(17,828)	-51.0%
Use of Money and Property	523	360,000	0.1%	523		
Charges for Current Services	133,559	13,156,630	1.0%	712,959	(579,400)	-81.3%
Miscellaneous Revenue	29,788	100,370	29.7%	33,278	(3,490)	-10.5%
Total Revenues:	<u>339,091</u>	<u>55,749,490</u>		<u>5,600,681</u>	<u>(5,261,590)</u>	
Other Financing Sources	<u>3,790,256</u>	<u>45,483,070</u>	8.3%	<u>3,689,928</u>	<u>100,328</u>	2.7%
Total Revenues and Other Financing Sources	<u>\$ 4,129,347</u>	<u>\$ 101,232,560</u>		<u>\$ 9,290,609</u>	<u>\$ (5,161,262)</u>	
Mass Transit Expenditures:						
Community Enrichment & Development						
Transportation	\$ 5,821,086	\$ 77,585,280	7.5%	\$ 5,246,447	\$ 574,639	11.0%
Total Community Enrichment & Development	<u>5,821,086</u>	<u>77,585,280</u>		<u>5,246,447</u>	<u>574,639</u>	
Capital Outlay	<u>124,586</u>	<u>23,622,100</u>	0.5%	<u>8,814,599</u>	<u>(8,690,013)</u>	-98.6%
Total Expenditures & Other Financing Uses	<u>\$ 5,945,672</u>	<u>\$ 101,207,380</u>		<u>\$ 14,061,046</u>	<u>\$ (8,115,374)</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
SUN LINK
FOR THE ONE MONTH ENDED JULY 31, 2015

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Sun Link Revenues and Other Financing Sources:		Straight-line Budget	8.3%			
Revenues:						
Federal Grants and Contributions	\$	\$		\$	\$	
Other Agencies		2,000,000				
Use of Money and Property						
Charges for Current Services	28,118	1,396,280	2.0%		28,118	100.0%
Miscellaneous Revenue	568				568	100.0%
Total Revenues:	<u>28,686</u>	<u>3,396,280</u>			<u>28,686</u>	
Other Financing Sources	<u>192,648</u>	<u>2,311,770</u>		<u>75,431</u>	<u>117,217</u>	155.4%
Total Revenues and Other Financing Sources	<u>\$ 221,334</u>	<u>\$ 5,708,050</u>		<u>\$ 75,431</u>	<u>\$ 145,903</u>	
Sun Link Expenditures:						
Community Enrichment & Development						
Transportation	\$ 186,979	\$ 4,220,800	4.4%	\$ 126,450	\$ 60,529	47.9%
Total Community Enrichment & Development	<u>186,979</u>	<u>4,220,800</u>		<u>126,450</u>	<u>60,529</u>	
Debt Service and Fiscal Agent Fees		<u>1,512,430</u>				
Other Financing Uses						
Total Expenditures & Other Financing Uses	<u>\$ 186,979</u>	<u>\$ 5,733,230</u>		<u>\$ 126,450</u>	<u>\$ 60,529</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
HIGHWAY USER REVENUE FUND (HURF)
FOR THE ONE MONTH ENDED JULY 31, 2015

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
HURF Revenues and Other Financing Sources:						
Revenues:						
Licenses and Permits	\$ 4,673	\$ (403,000)	-1.2%	\$ 50,000	\$ (45,327)	-90.7%
Other Agencies	3,473,927	(36,492,310)	-9.5%	2,988,488	485,439	16.2%
Use of Money and Property	45,453	(635,840)	-7.1%	44,245	1,208	2.7%
Charges for Current Services	35,250	(140,000)	-25.2%	58,137	(22,887)	-39.4%
Miscellaneous Revenue	15,634	(500,000)	-3.1%	5,812	9,822	169.0%
Total Revenues	<u>\$ 3,574,937</u>	<u>\$ (38,171,150)</u>		<u>\$ 3,146,682</u>	<u>\$ 428,255</u>	
HURF Expenditures:						
Community Enrichment and Development						
Transportation	1,801,086	31,947,360	5.6%	1,774,764	26,322	1.5%
Total Community Enrichment and Development	<u>1,801,086</u>	<u>31,947,360</u>		<u>1,774,764</u>	<u>26,322</u>	
Non-Departmental						
Outside Agencies		100,580	0.0%	50,290	(50,290)	-100.0%
Total Non-Departmental		<u>100,580</u>		<u>50,290</u>	<u>(50,290)</u>	
Capital Expenditures		1,035,650	0.0%			0.0%
Capital Projects	3,338	1,998,620	0.2%	829	2,509	302.7%
Other Financing Uses		9,821,590	0.0%			0.0%
Total Expenditures & Other Financing Uses	<u>\$ 1,804,424</u>	<u>\$ 44,903,800</u>		<u>\$ 1,825,883</u>	<u>\$ (21,459)</u>	

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

	<u>Water Utility Fund</u>	<u>Environmental Services</u>	<u>Tucson Golf Enterprise Fund</u>
<u>ASSETS</u>			
Current assets:			
Cash and Cash Equivalents	\$ 50,482,041	\$ 30,329,167	\$ 9,550
Cash and Investments - Restricted	30,276,027		
Cash and Investments with Fiscal Agent - Restricted	4,304,668		
Accounts Receivable, Net	27,588,989	4,094,014	408,653
Due from Other Agencies		14,356	
Interest Receivable	104,895	66,353	
Inventories	4,301,746		233,796
Other Assets	2,502,583		
Total current assets	<u>119,560,949</u>	<u>34,503,890</u>	<u>651,999</u>
Noncurrent assets:			
Long Term Accounts Receivable	208,172		
Other Assets - Restricted	332,227		
Deferred Charges			38,948
Land and Construction in Progress	167,382,427	21,291,114	2,701,865
Other Capital Assets, Net	1,053,301,988	19,591,400	12,700,668
Water Rights	52,126,968		
Total noncurrent assets	<u>1,273,351,782</u>	<u>40,882,514</u>	<u>15,441,481</u>
Total assets	<u>1,392,912,731</u>	<u>75,386,404</u>	<u>16,093,480</u>
<u>DEFERRED OUTFLOWS</u>			
Loss on Refunding of Debt	17,042,625		
Total deferred outflows	<u>17,042,625</u>		
Total assets and deferred outflows	<u>1,409,955,356</u>		
<u>LIABILITIES</u>			
Current liabilities:			
Accounts Payable	1,708,572	144,305	174,235
Accrued Interest Payable			1,141
Accrued Payroll Liabilities		(144)	41,711
Interfund Payable			433,808
Due to Other Agencies		817	34,279
Accrued Interest Payable			
Refundable Deposits	2,643,575	75,279	1,362
Current Portion of Bonds Payable	1,632,424		
Current Portion of Contracts Payable		268,000	
Current Portion of Compensated Absences	1,760,284	601,042	
Liabilities Payable from Restricted Assets	176,924		
Advances From Customers			74,945
Current Portion of Long Term Liabilities		737,937	
Total current liabilities	<u>7,921,779</u>	<u>1,827,236</u>	<u>761,481</u>

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

LIABILITIES (continued)

Noncurrent liabilities:

Bonds Payable	553,239,819		
Contracts Payable		10,361,136	348,665
Compensated Absences	1,734,448	651,474	
Other Postemployment Benefits	1,183,620	477,736	
Loans and Notes Payable			8,554,615
Long Term Liabilities		56,977,918	
Total noncurrent liabilities	<u>556,157,887</u>	<u>68,468,264</u>	<u>8,903,280</u>
Total liabilities	<u>564,079,666</u>	<u>70,295,500</u>	<u>9,664,761</u>

DEFERRED INFLOWS

Deferred Revenue	<u>89,894</u>		
Total deferred inflows	<u>89,894</u>		
Total liabilities and deferred inflows	<u>564,169,560</u>		

NET POSITION

Net Investment in capital assets	765,357,002	30,253,378	15,053,868
Amounts Restricted for:			
Debt Service	4,304,668		
Capital			
Unrestricted Amounts (deficit)	76,124,126	(44,203,321)	(8,625,149)
Closure/Post Closure Liability		7,894,247	
New Landfill Cell Construction		11,146,600	
Total net position	<u>\$ 845,785,796</u>	<u>\$ 5,090,904</u>	<u>\$ 6,428,719</u>

* Net position will change once fiscal year 2015 Comprehensive Annual Financial Report is finalized.

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
WATER UTILITY FUND
FOR THE ONE MONTH ENDED JULY 31, 2015

	Fiscal Year 2016	Fiscal Year 2015	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 21,242,355	\$ 21,325,707	\$ (83,352)	-0.4%
Total operating revenues	<u>21,242,355</u>	<u>21,325,707</u>	<u>(83,352)</u>	
Operating expenses:				
Salaries, Wages and Benefits	2,552,708	2,609,532	(56,824)	-2.2%
Contractual Services	6,889,961	6,256,314	633,647	10.1%
Commodities	611,003	592,923	18,080	3.0%
Depreciation/Amortization	2,933,000	2,500,000	433,000	17.3%
Total operating expenses	<u>12,986,672</u>	<u>11,958,769</u>	<u>1,027,903</u>	
Operating Income (Loss)	<u>8,255,683</u>	<u>9,366,938</u>	<u>(1,111,255)</u>	
Nonoperating revenues (expenses):				
Investment Income	43,251	(378,025)	421,276	-111.4%
Gain (Loss) on Sale of Property/Equipment	20,179	28,854	(8,675)	-30.1%
Federal Grants and Contributions				0.0%
Interest Expense	(1,402,427)	(1,562,973)	160,546	-10.3%
Amortization of Cost Issuance				0.0%
Other Nonoperating Income (Expenses)	(25,850)	(127,701)	101,851	-79.8%
Total nonoperating revenues (expenses)	<u>(1,364,847)</u>	<u>(2,039,845)</u>	<u>674,998</u>	
Income (loss) before capital contributions and transfers	<u>6,890,836</u>	<u>7,327,093</u>	<u>(436,257)</u>	
Capital Contributions	208,269	209,359	(1,090)	-0.5%
Transfers Out	<u>(133,333)</u>	<u>(133,333)</u>		0.0%
Changes in net position	<u>6,965,772</u>	<u>7,403,119</u>	<u>(437,347)</u>	
Total net position, beginning of year	838,820,024	816,693,410		
Total net position, July 31, 2015	<u>\$ 845,785,796</u>	<u>\$ 824,096,529</u>		

* Beginning of year net position is subject to change until final audit of the fiscal year 2015 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 31, 2015

	Fiscal Year 2016	Fiscal Year 2015	\$ Change	% Change
	Actual	Actual	CFY vs PFY	CFY vs PFY
Operating revenues:				
Charges for Services	\$ 4,545,163	\$ 4,688,082	\$ (142,919)	-3.0%
Miscellaneous	51,830	114,097	(62,267)	-54.6%
Total operating revenues	<u>4,596,993</u>	<u>4,802,179</u>	<u>(205,186)</u>	
Operating expenses:				
Salaries, Wages and Benefits	1,043,007	1,125,713	(82,706)	-7.3%
Contractual Services	1,400,480	1,226,701	173,779	14.2%
Commodities	194,285	321,685	(127,400)	-39.6%
Depreciation/Amortization	4,347	460,000	(455,653)	-99.1%
Total operating expenses	<u>2,642,119</u>	<u>3,134,099</u>	<u>(491,980)</u>	
Operating Income (Loss)	<u>1,954,874</u>	<u>1,668,080</u>	<u>286,794</u>	
Nonoperating revenues (expenses):				
Investment Income	20,698	(177,743)	198,441	-111.6%
Gain (Loss) on Sale of Property/Equipment	(86,518)		(86,518)	0.0%
Other Agencies	2,975		2,975	0.0%
Interest Expense				0.0%
Amortization of Cost Issuance				0.0%
Total nonoperating revenues (expenses)	<u>(62,845)</u>	<u>(177,743)</u>	<u>114,898</u>	
Income (loss) before capital contributions and transfers	<u>1,892,029</u>	<u>1,490,337</u>	<u>401,692</u>	
Transfers In				0.0%
Changes in net position	<u>1,892,029</u>	<u>1,490,337</u>	<u>401,692</u>	
Total net position, beginning of year	3,198,875	10,973,097	(7,774,222)	
Total net position, July 31, 2015	<u>\$ 5,090,904</u>	<u>\$ 12,463,434</u>	<u>\$ (7,372,530)</u>	

* Beginning of year net position is subject to change until final audit of the fiscal year 2015 Comprehensive Annual Financial Report.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
TUCSON GOLF ENTERPRISE FUND
FOR THE ONE MONTH ENDED JULY 31, 2015

	<u>Randolph</u>	<u>El Rio</u>	<u>Silverbell</u>	<u>Enke</u>	<u>Combined</u>	<u>Total Straight- line Budget</u>	<u>% Budget</u>
COURSE OPERATIONS:							
Operating revenues:							
Green Fees	\$ 62,451	\$ 14,063	\$ 20,967	\$ 15,262	\$ 112,743	\$ 7,688,730	
Cart Rentals	66,039	23,811	15,336	20,961	126,147		
Driving Range	24,064	334	5,738	10,348	40,484		
Clubhouse	23,934	14,258	10,898	10,954	60,044		
Other Revenue	52,439	5,697	5,181	5,854	69,171	10,130	
Total Operating Revenues	<u>228,927</u>	<u>58,163</u>	<u>58,120</u>	<u>63,379</u>	<u>408,589</u>	<u>7,698,860</u>	5.3%
Operating expenses:							
Salaries, Wages and Benefits	1,299	758	758	758	3,573	45,840	
Contractual Services	255,959	118,151	84,065	117,523	575,698	5,537,470	10.4%
Commodities	26,614	9,022	8,305	12,189	56,130	1,297,850	4.3%
Cost of Goods Sold	(29,501)	12,357	15,622	12,309	10,787	646,280	1.7%
Depreciation/Amortization	20,341	11,067	19,209	9,614	60,231		
Total Operating Expenses	<u>274,712</u>	<u>151,355</u>	<u>127,959</u>	<u>152,393</u>	<u>706,419</u>	<u>7,527,440</u>	9%
Operating Income (Loss)	<u>(45,785)</u>	<u>(93,192)</u>	<u>(69,839)</u>	<u>(89,014)</u>	<u>(297,830)</u>	<u>171,420</u>	
Nonoperating revenues (expenses):							
Interest Expense	(733)	(367)	(367)	(367)	(1,834)	7,970	
Other	-	-	-	-	-	94,250	
Total nonoperating revenues (expenses)	<u>(733)</u>	<u>(367)</u>	<u>(367)</u>	<u>(367)</u>	<u>(1,834)</u>	<u>102,220</u>	
Income (Loss) before capital contributions and transfers	<u>(46,518)</u>	<u>(93,559)</u>	<u>(70,206)</u>	<u>(89,381)</u>	<u>(299,664)</u>	<u>273,640</u>	
Changes in net position	<u>(46,518)</u>	<u>(93,559)</u>	<u>(70,206)</u>	<u>(89,381)</u>	<u>(299,664)</u>	<u>\$ 273,640</u>	
Total net position, beginning of year	2,018,515	1,816,663	1,345,677	1,547,528	6,728,383		
Total net position	<u>\$ 1,971,997</u>	<u>\$ 1,723,104</u>	<u>\$ 1,275,471</u>	<u>\$ 1,458,147</u>	<u>\$ 6,428,719</u>		

* Beginning of year net position is subject to change until final audit of the fiscal year 2015 Comprehensive Annual Financial Report.

Note: OB Sports and City of Tucson statements will report immaterial differences due to timing and reconciliation issues.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE ONE MONTH ENDED JULY 31, 2015

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
Operating revenues:			
Charges for Services	\$ 1,836,954	\$ 1,602,654	\$ 1,303,648
Miscellaneous	41,540		341
Total operating revenues	<u>1,878,494</u>	<u>1,602,654</u>	<u>1,303,989</u>
Operating expenses:			
Salaries, Wages and Benefits	405,382	84,223	602,718
Contractual Services	435,805	121,543	357,528
Commodities	816,546	10,123	170,591
Benefits and Claims		484,644	
Depreciation	124,415	1,260	5,308
Total operating expenses	<u>1,782,148</u>	<u>701,793</u>	<u>1,136,145</u>
Operating income (loss)	<u>96,346</u>	<u>900,861</u>	<u>167,844</u>
Nonoperating revenues (expenses):			
Investment Income	(2,097)	3,610	4,047
Property Taxes		7,816	
Gain (loss) on Sale of Property/Equipment			
Federal Non Grant Contributions			
Interest Expense			
Total nonoperating revenues (expenses)	<u>(2,097)</u>	<u>11,426</u>	<u>4,047</u>
Income (loss) before capital contributions and transfers	<u>94,249</u>	<u>912,287</u>	<u>171,891</u>
Capital Contributions			
Transfers In			
Transfers Out			
Changes in net position	<u>94,249</u>	<u>912,287</u>	<u>171,891</u>
Total net position, beginning of year	7,731,660	1,229,176	(10,715,963)
Total net position	<u>\$ 7,825,909</u>	<u>\$ 2,141,463</u>	<u>\$ (10,544,072)</u>

* Beginning of year net position is subject to change until final audit of the fiscal year 2015 Comprehensive Annual Financial Report.

City of Tucson, Arizona
Variance Explanations
For July 2015

General Fund:

- (1a) Tucson Police expenditures increased \$3.2 million due to the higher pension cost for fiscal year 2016.
- (1b) Fiscal year 2016 Software maintenance agreement costs are being paid in increments; in fiscal year 2015 costs were paid in full.

Mass Transit:

- (2a) Increase in fiscal year 2015 is due to federal grant funding spent for nineteen buses and thirty-five vans.
- (2b) Revenue charges for current services decreases in fiscal year 2016 due to a halt in services caused by an economic strike of unionized bus drivers and mechanics.