



## CITY OF TUCSON

ACCOUNTING  
DIVISION

### Monthly Financial Statements For June 30, 2016

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 Utility, Environmental Services, 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 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 Tucson Golf 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 or [Shane.Oman@tucsonaz.gov](mailto:Shane.Oman@tucsonaz.gov).

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**GENERAL FUND**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual**	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>General Fund Revenues and Other Financing Sources:</b>		Straight-line Budget	100.0%			
<b>Revenues:</b>						
Primary Property Taxes	\$ 13,985,798	\$ 14,350,250	97.5%	\$ 13,413,148	\$ 572,650	4.3%
Business Privilege Tax	193,697,375	191,096,440	101.4%	190,280,011	3,417,364	1.8%
Other Local Taxes	43,753,750	43,113,660	101.5%	41,913,127	1,840,623	4.4%
Grants and Shared Taxes	5,143,127	4,925,650	104.4%	5,500,193	(357,066)	-6.5%
State-Shared Income Tax Revenue	62,621,898	63,205,510	99.1%	62,963,258	(341,360)	-0.5%
State-Shared Sales Tax	49,300,745	48,935,140	100.7%	47,236,388	2,064,357	4.4%
State Auto Lieu Tax	22,747,192	21,968,250	103.5%	19,657,925	3,089,267	15.7%
Licenses and Permits	29,721,325	28,349,160	104.8%	27,316,771	2,404,554	8.8%
Fines, Forfeitures, and Penalties	12,174,558	14,331,870	84.9%	16,012,725	(3,838,167)	-24.0%
Use of Money and Property	1,173,672	648,930	180.9%	624,750	548,922	87.9%
Charges for Services	40,285,714	39,053,170	103.2%	40,250,037	35,677	0.1%
Miscellaneous Revenue	16,594,684	10,382,120	159.8%	5,099,648	11,495,036	225.4%
<b>Total Revenues:</b>	<u>491,199,838</u>	<u>480,360,150</u>		<u>470,267,981</u>	<u>20,931,857</u>	
<b>Other Financing Sources</b>	<u>1,600,000</u>	<u>1,600,000</u>	100.0%	<u>2,865,000</u>	<u>(1,265,000)</u>	-44.2%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 492,799,838</u>	<u>\$ 481,960,150</u>		<u>\$ 473,132,981</u>	<u>\$ 19,666,857</u>	
<b>General Fund Expenditures:</b>						
<b>Elected and Official</b>						
Mayor and Council	\$ 2,505,316	\$ 2,464,880	101.6%	\$ 2,492,096	\$ 13,220	0.5%
City Manager	4,599,727	4,728,240	97.3%	7,665,958	(3,066,231)	-40.0%
City Attorney	7,497,445	7,717,080	97.2%	8,063,003	(565,558)	-7.0%
City Clerk	2,890,171	3,773,960	76.6%	2,484,110	406,061	16.3%
<b>Total Elected and Official</b>	<u>17,492,659</u>	<u>18,684,160</u>		<u>20,705,167</u>	<u>(3,212,508)</u>	
<b>Public Safety &amp; Justice Services</b>						
City Court	10,620,621	11,669,160	91.0%	11,129,549	(508,928)	-4.6%
Public Defender	2,961,435	3,091,610	95.8%	2,969,526	(8,091)	-0.3%
Tucson Fire	95,489,882	93,682,740	101.9%	88,741,972	6,747,910	7.6%
Tucson Police	154,120,200	156,702,290	98.4%	147,276,959	6,843,241	4.6%
<b>Total Public Safety &amp; Justice Services</b>	<u>263,192,138</u>	<u>265,145,800</u>		<u>250,118,006</u>	<u>13,074,132</u>	
<b>Community Enrichment &amp; Development</b>						
Housing & Community Development	2,445,410	2,596,180	94.2%	2,883,675	(438,265)	-15.2%
Office of Integrated Planning	1,613,418	1,780,980	90.6%	1,589,116	24,302	1.5%
Parks and Recreation	34,228,559	35,728,200	95.8%	36,039,690	(1,811,131)	-5.0%
Planning & Development Services	7,919,490	8,482,250	93.4%	8,874,540	(955,050)	-10.8%
Transportation	2,047,402	2,777,320	73.7%	2,757,043	(709,641)	-25.7%
<b>Total Community Enrichment &amp; Development</b>	<u>48,254,279</u>	<u>51,364,930</u>		<u>52,144,064</u>	<u>(3,889,785)</u>	
<b>Support Services</b>						
Budget and Internal Audit	1,182,754	1,293,020	91.5%	1,290,265	(107,511)	-8.3%
Finance	8,169,404	8,246,560	99.1%	9,855,699	(1,686,295)	-17.1%
General Services	10,591,223	10,587,550	100.0%	11,388,076	(796,853)	-7.0%
Human Resources	2,176,019	2,394,950	90.9%	2,354,951	(178,932)	-7.6%
Information Technology	18,706,172	18,995,110	98.5%	17,075,113	1,631,059	9.6%
Procurement	2,869,445	2,915,060	98.4%	3,176,198	(306,753)	-9.7%
<b>Total Support Services</b>	<u>43,695,017</u>	<u>44,432,250</u>		<u>45,140,302</u>	<u>(1,445,285)</u>	
<b>Total General Government</b>	<u>23,197,225</u>	<u>27,532,840</u>	84.3%	<u>20,540,202</u>	<u>2,657,023</u>	12.9%
<b>Capital Outlay</b>	<u>2,745,751</u>	<u>3,793,020</u>	72.4%	<u>6,007,500</u>	<u>(3,261,749)</u>	-54.3%
<b>Capital Projects</b>	<u>844,836</u>	<u>1,031,800</u>	81.9%	<u>683,242</u>	<u>161,594</u>	23.7%
<b>Debt Service and Fiscal Agent Fees</b>	<u>24,885,816</u>	<u>23,884,000</u>	104.2%	<u>24,520,813</u>	<u>365,003</u>	1.5%
<b>Other Financing Uses</b>	<u>61,205,557</u>	<u>52,571,400</u>	116.4%	<u>51,553,907</u>	<u>9,651,650</u>	18.7%
<b>Total Expenditures &amp; Other Financing Uses</b>	<u>\$ 485,513,278</u>	<u>\$ 488,440,200</u>		<u>\$ 471,413,203</u>	<u>\$ 14,100,075</u>	

\* Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

\*\*In order to align year-to-year comparisons and revenue reporting, fiscal year 2015 numbers have been revised to eliminate revenue accrual transactions.

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**MASS TRANSIT FUND**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Mass Transit Revenues and Other Financing Sources:</b>	Straight-line Budget		100.0%			
<b>Revenues:</b>						
Federal Grants and Contributions	\$ 19,788,670	\$ 28,303,470	69.9%	\$ 20,549,955	\$ (761,285)	-3.7%
Other Agencies	11,646,821	13,829,020	84.2%	12,029,090	(382,269)	-3.2%
Use of Money and Property	600,797	360,000	166.9%	474,748	126,049	26.6%
Charges for Current Services	10,617,808	13,156,630	80.7%	13,542,492	(2,924,684)	-21.6%
Miscellaneous Revenue	803,069	100,370	800.1%	472,098	330,971	70.1%
<b>Total Revenues:</b>	<u>43,457,165</u>	<u>55,749,490</u>		<u>47,068,383</u>	<u>(3,611,218)</u>	
<b>Other Financing Sources</b>	<u>45,483,070</u>	<u>45,483,070</u>	100.0%	<u>44,279,140</u>	<u>1,203,930</u>	2.7%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 88,940,235</u>	<u>\$ 101,232,560</u>		<u>\$ 91,347,523</u>	<u>\$ (2,407,288)</u>	
<b>Mass Transit Expenditures:</b>						
Community Enrichment & Development						
Transportation	\$ 71,713,920	\$ 77,638,450	92.4%	\$ 74,670,592	\$ (2,956,672.00)	-4.0%
<b>Total Community Enrichment &amp; Development</b>	<u>71,713,920</u>	<u>77,638,450</u>		<u>74,670,592</u>	<u>(2,956,672)</u>	
<b>Capital Outlay</b>	<u>11,016,880</u>	<u>12,529,180</u>	87.9%	<u>15,765,280</u>	<u>(4,748,400)</u>	-30.1%
<b>Capital Projects</b>	<u>3,860,269</u>	<u>11,189,750</u>	34.5%	<u>1,605,025</u>	<u>2,255,244</u>	140.5%
<b>Total Expenditures</b>	<u>\$ 86,591,069</u>	<u>\$ 101,357,380</u>		<u>\$ 92,040,897</u>	<u>\$ (5,449,828)</u>	

\*Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**SUN LINK**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016			Fiscal Year 2015		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Sun Link Revenues and Other Financing Sources:</b>	Straight-line Budget		100.0%			
<b>Revenues:</b>						
Other Agencies	1,507,600	2,000,000	75.4%	2,068,990	(561,390)	-27.1%
Charges for Current Services	1,085,477	1,396,280	77.7%	978,081	107,396	11.0%
Miscellaneous Revenue	22,996		100.0%	5,422	17,574	324.1%
<b>Total Revenues:</b>	<u>2,616,073</u>	<u>3,396,280</u>		<u>3,052,493</u>	<u>(436,420)</u>	
<b>Other Financing Sources</b>	<u>2,311,770</u>	<u>2,311,770</u>	100.0%	<u>2,416,954</u>	<u>(105,184)</u>	-4.4%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 4,927,843</u>	<u>\$ 5,708,050</u>		<u>\$ 5,469,447</u>	<u>\$ (541,604)</u>	
<b>Sun Link Expenditures:</b>						
Community Enrichment & Development						
Transportation	\$ 3,388,735	\$ 4,220,800	80.3%	\$ 4,986,118	\$ (1,597,383)	-32.0%
<b>Total Community Enrichment &amp; Development</b>	<u>3,388,735</u>	<u>4,220,800</u>		<u>4,986,118</u>	<u>(1,597,383)</u>	
<b>Capital Outlay</b>	<u>2,551</u>		100.0%	<u>8,526</u>	<u>(5,975)</u>	-70.1%
<b>Debt Service and Fiscal Agent Fees</b>	<u>1,133,714</u>	<u>1,512,430</u>	75.0%		<u>1,133,714</u>	100.0%
<b>Total Expenditures</b>	<u>\$ 4,525,000</u>	<u>\$ 5,733,230</u>		<u>\$ 4,994,644</u>	<u>\$ (469,644)</u>	

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**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**HIGHWAY USER REVENUE FUND (HURF)**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016			Fiscal Year 2015		% Change CFY vs PFY	% Change CFY vs PFY
	Actual	Total FY Budget	% Budget	Actual			
<b>HURF Revenues:</b>		Straight-line Budget	100.0%				
<b>Revenues:</b>							
Licenses and Permits	\$ 549,787	\$ 543,000	101.2%	\$ 548,691	\$ 1,096		0.2%
Other Agencies	41,960,587	36,492,310	115.0%	36,662,906	5,297,681		14.4%
Use of Money and Property	606,518	635,840	95.4%	650,718	(44,200)		-6.8%
Charges for Current Services	32,580		100.0%	28,112	4,468		15.9%
Miscellaneous Revenue	1,188,184	500,000	237.6%	1,191,761	(3,577)		-0.3%
<b>Total Revenues</b>	<u>\$ 44,337,656</u>	<u>\$ 38,171,150</u>		<u>\$ 39,082,188</u>	<u>\$ 5,255,468</u>		
<b>HURF Expenditures:</b>							
Community Enrichment and Development							
Transportation	\$ 30,262,831	\$ 31,960,360	94.7%	\$ 29,022,165	\$ 1,240,666		4.3%
<b>Total Community Enrichment and Development</b>	<u>30,262,831</u>	<u>31,960,360</u>		<u>29,022,165</u>	<u>1,240,666</u>		
Non-Departmental							
Outside Agencies	218,028	100,580	216.8%	100,580	117,448		116.8%
<b>Total Non-Departmental</b>	<u>218,028</u>	<u>100,580</u>		<u>100,580</u>	<u>117,448</u>		
<b>Capital Outlay</b>	845,523	1,092,650	77.4%	589,192	256,331		43.5%
<b>Capital Projects</b>	830,750	2,004,620	41.4%	302,675	528,075		174.5%
<b>Debt Service and Fiscal Agent Fees</b>	64,312		100.0%		64,312		100.0%
<b>Other Financing Uses (Sources)</b>	<u>(14,948,962)</u>	<u>9,821,590</u>	-152.2%	<u>(8,877,066)</u>	<u>(6,071,896)</u>		68.4%
<b>Total Expenditures &amp; Other Financing Uses</b>	<u>\$ 17,272,482</u>	<u>\$ 44,979,800</u>		<u>\$ 21,137,546</u>	<u>\$ (3,865,064)</u>		

\*Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF NET POSITION**  
**ENTERPRISE FUNDS**  
**6/30/2016\***

	Water Utility Fund	Environmental Services	Tucson Golf Enterprise Fund
<b>ASSETS</b>			
Current assets:			
Cash and Cash Equivalents	\$ 41,827,733	\$ 29,949,834	\$ 1,840,684
Cash and Investments - Restricted	24,288,800		
Cash and Investments with Fiscal Agent - Restricted	24,806,878		
Accounts Receivable, Net	26,375,197	3,788,270	404,632
Due from Other Agencies		79,584	
Interest Receivable	110,191	57,299	
Inventories	5,238,774		206,158
Other Assets	7,817,881		
<b>Total current assets</b>	<b>130,465,454</b>	<b>33,874,987</b>	<b>2,451,474</b>
Noncurrent assets:			
Long Term Accounts Receivable	205,529		
Other Assets - Restricted	315,371		76,903
Land and Construction in Progress	174,212,934	18,257,561	2,701,864
Other Capital Assets, Net	1,069,319,313	28,689,290	12,055,797
Water Rights	52,126,968		
<b>Total noncurrent assets</b>	<b>1,296,180,115</b>	<b>46,946,851</b>	<b>14,834,564</b>
<b>Total assets</b>	<b>1,426,645,569</b>	<b>80,821,838</b>	<b>17,286,038</b>
<b>DEFERRED OUTFLOWS</b>			
Loss on Refunding of Debt	16,568,421		
Pension Plans	3,162,060	1,205,606	
<b>Total deferred outflows</b>	<b>19,730,481</b>	<b>1,205,606</b>	
<b>LIABILITIES</b>			
Current liabilities:			
Accounts Payable	5,709,018	1,196,808	55,578
Accrued Payroll Liabilities	514,164	179,148	55,583
Interfund Payable			2,264,403
Due to Other Agencies	292,915	1,227	35,223
Accrued Interest Payable			3,889
Refundable Deposits	2,627,398	90,578	7,628
Current Portion of Bonds Payable	32,698,491		
Current Portion of Contracts Payable			84,026
Current Portion of Compensated Absences	1,760,284	609,062	
Liabilities Payable from Restricted Assets	1,518,599		
Advances From Customers			87,344
Current Portion of Long Term Liabilities		750,551	
<b>Total current liabilities</b>	<b>45,120,869</b>	<b>2,827,374</b>	<b>2,593,674</b>
Noncurrent liabilities:			
Bonds Payable	537,120,910		
Contracts Payable		10,349,118	189,437
Compensated Absences	1,734,448	663,493	
Other Postemployment Benefits	1,447,762	598,024	
Pension Liability	51,601,140	19,674,093	
Loans and Notes Payable			1,202,594
Long Term Liabilities		56,355,386	
<b>Total noncurrent liabilities</b>	<b>591,904,260</b>	<b>87,640,114</b>	<b>1,392,031</b>
<b>Total liabilities</b>	<b>637,025,129</b>	<b>90,467,488</b>	<b>3,985,705</b>
<b>DEFERRED INFLOWS</b>			
Deferred Revenue	92,902		
Pension Plans	5,461,526	2,082,329	
<b>Total deferred inflows</b>	<b>5,554,428</b>	<b>2,082,329</b>	
<b>NET POSITION</b>			
Net Investment in capital assets	770,155,152	36,597,732	14,484,198
Amounts Restricted for:			
Debt Service	24,806,878		
Unrestricted Amounts (deficit)	8,834,465	(66,160,952)	(1,183,865)
Closure/Post Closure Liability		7,894,247	
New Landfill Cell Construction		11,146,600	
<b>Total net position</b>	<b>\$ 803,796,495</b>	<b>\$ (10,522,373)</b>	<b>\$ 13,300,333</b>

\*Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**WATER UTILITY FUND**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016 Actual	Fiscal Year 2015 Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Operating revenues:</b>				
Charges for Services	\$ 187,994,416	\$ 183,887,621	\$ 4,106,795	2.2%
<b>Total operating revenues</b>	<u>187,994,416</u>	<u>183,887,621</u>	<u>4,106,795</u>	
<b>Operating expenses:</b>				
Salaries, Wages and Benefits	35,348,765	32,678,863	2,669,902	8.2%
Contractual Services	70,655,983	66,967,785	3,688,198	5.5%
Commodities	9,058,220	8,059,998	998,222	12.4%
Depreciation/Amortization	34,204,268	35,208,410	(1,004,142)	-2.9%
<b>Total operating expenses</b>	<u>149,267,236</u>	<u>142,915,056</u>	<u>6,352,180</u>	
<b>Operating Income (Loss)</b>	<u>38,727,180</u>	<u>40,972,565</u>	<u>(2,245,385)</u>	
<b>Nonoperating revenues (expenses):</b>				
Investment Income	1,122,438	893,175	229,263	25.7%
Gain (Loss) on Sale of Property/Equipment	325,453	(230,350)	555,803	-241.3%
Federal Grants and Contributions	738,581	734,619	3,962	0.5%
Interest Expense	(20,880,567)	(15,022,790)	(5,857,777)	39.0%
Other Nonoperating Income (Expenses)	(4,290,127)	(8,884,811)	4,594,684	-51.7%
<b>Total nonoperating revenues (expenses)</b>	<u>(22,984,222)</u>	<u>(22,510,157)</u>	<u>(474,065)</u>	<b>4a</b>
<b>Income (loss) before transfers</b>	<u>15,742,958</u>	<u>18,462,408</u>	<u>(2,719,450)</u>	
<b>Capital Contributions</b>	8,659,293	6,845,262	1,814,031	26.5%
<b>Transfers In</b>	2,000,000		2,000,000	0.0%
<b>Transfers Out</b>	(3,600,000)	(1,600,000)	(2,000,000)	125.0%
<b>Changes in net position</b>	<u>22,802,251</u>	<u>23,707,670</u>	<u>(905,419)</u>	
<b>Total net position, beginning of year</b>	780,994,245	760,457,882 **	20,536,363	
<b>Total net position</b>	<u>\$ 803,796,496</u>	<u>\$ 784,165,552</u>	<u>\$ 19,630,944</u>	

\* Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

\*\* Fiscal year 2015 beginning net position restated. See fiscal year 2015 CAFR.

**CITY OF TUCSON, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**ENVIRONMENTAL SERVICES FUND**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fiscal Year 2016	Fiscal Year 2015	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
<b>Operating revenues:</b>				
Charges for Services	\$ 48,917,180	\$ 47,936,869	\$ 980,311	2.0%
Miscellaneous	904,651	917,899	(13,248)	-1.4%
<b>Total operating revenues</b>	<u>49,821,831</u>	<u>48,854,768</u>	<u>967,063</u>	
<b>Operating expenses:</b>				
Salaries, Wages and Benefits	15,333,775	15,014,897	318,878	2.1%
Contractual Services	19,915,665	17,988,330	1,927,335	10.7%
Commodities	3,237,783	4,294,268	(1,056,485)	-24.6%
Depreciation/Amortization	4,733,545	3,706,588	1,026,957	27.7%
<b>Total operating expenses</b>	<u>43,220,768</u>	<u>41,004,083</u>	<u>2,216,685</u>	
<b>Operating Income (Loss)</b>	<u>6,601,063</u>	<u>7,850,685</u>	<u>(1,249,622)</u>	
<b>Nonoperating revenues (expenses):</b>				
Investment Income	357,648	278,597	79,051	28.4%
Gain (Loss) on Sale of Property/Equipment	(276,699)	358,000	(634,699)	-177.3%
Other Agencies	113,053	108,177	4,876	4.5%
Interest Expense	(333,358)	(483,605)	150,247	-31.1%
<b>Total nonoperating revenues (expenses)</b>	<u>(139,356)</u>	<u>261,169</u>	<u>(400,525)</u>	
<b>Changes in net position</b>	<u>6,461,707</u>	<u>8,111,854</u>	<u>(1,650,147)</u>	
<b>Total net position, beginning of year</b>	(16,984,080)	(25,318,874) **	8,334,794	
<b>Total net position</b>	<u>\$ (10,522,373)</u>	<u>\$ (17,207,020)</u>	<u>\$ 6,684,647</u>	

\* Amounts presented are neither audited nor final. See fiscal year 2016 Comprehensive Annual Financial Report for audited statements (available November 2016).

\*\* Fiscal year 2015 beginning net position restated. See fiscal year 2015 CAFR.

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**TUCSON GOLF ENTERPRISE FUND**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Randolph	El Rio	Silverbell	Enke	Combined	% Budget
<b>COURSE OPERATIONS:</b>						
<b>Operating revenues:</b>						
Green Fees	\$ 1,515,996	\$ 440,759	\$ 579,228	\$ 379,161	\$ 2,915,144	\$ 7,688,730
Cart Rentals	804,303	305,730	262,669	266,429	1,639,131	
Driving Range	303,837	8,472	82,508	138,021	532,838	
Clubhouse	314,602	187,621	187,314	173,239	862,776	
Other Revenue	982,721	163,370	162,538	152,935	1,461,564	10,130
<b>Total Operating Revenues</b>	<u>3,921,459</u>	<u>1,105,952</u>	<u>1,274,257</u>	<u>1,109,785</u>	<u>7,411,453</u>	<u>7,698,860</u> 96.3%
<b>Operating expenses:</b>						
Salaries, Wages and Benefits	18,431	10,752	10,752	10,752	50,687	45,840
Contractual Services	1,871,965	1,121,265	825,769	1,080,217	4,899,216	5,537,470
Commodities	752,902	335,788	444,430	390,438	1,923,558	1,297,850
Cost of Goods Sold	336,603	114,749	106,242	102,806	660,400	646,280
Depreciation/Amortization	249,682	117,341	233,840	120,525	721,388	
<b>Total Operating Expenses</b>	<u>3,229,583</u>	<u>1,699,895</u>	<u>1,621,033</u>	<u>1,704,738</u>	<u>8,255,249</u>	<u>7,527,440</u> 110%
<b>Operating Income (Loss)</b>	<u>691,876</u>	<u>(593,943)</u>	<u>(346,776)</u>	<u>(594,953)</u>	<u>(843,796)</u>	<u>171,420</u>
<b>Nonoperating revenues (expenses):</b>						
Interest Expense	(5,264)	(2,632)	(2,632)	(2,632)	(13,160)	7,970
Other	(1,933)				(1,933)	94,250
<b>Total nonoperating revenues (expenses)</b>	<u>(7,197)</u>	<u>(2,632)</u>	<u>(2,632)</u>	<u>(2,632)</u>	<u>(15,093)</u>	<u>102,220</u> -15%
<b>Changes in net position</b>	<u>684,679</u>	<u>(596,575)</u>	<u>(349,408)</u>	<u>(597,585)</u>	<u>(858,889)</u>	<u>\$ 273,640</u>
<b>Total net position, beginning of year</b>	2,018,515	1,816,663	1,345,677	1,547,528	6,728,383	
<b>Total net position</b>	<u>\$ 2,703,194</u>	<u>\$ 1,220,088</u>	<u>\$ 996,269</u>	<u>\$ 949,943</u>	<u>\$ 5,869,494</u>	

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

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2016\***

	Fleet Services	Self Insurance	General Services
<b>Operating revenues:</b>			
Charges for Services	\$ 21,734,723	\$ 16,006,663	\$ 18,351,871
Miscellaneous	121,202	25,778	12,607
<b>Total operating revenues</b>	<u>21,855,925</u>	<u>16,032,441</u>	<u>18,364,478</u>
<b>Operating expenses:</b>			
Salaries, Wages and Benefits	5,822,561	1,231,065	9,085,205
Contractual Services	5,766,717	4,232,710	5,835,724
Commodities	9,869,646	94,924	1,775,588
Benefits and Claims		5,979,061	
Depreciation	1,931,192	11,910	62,122
<b>Total operating expenses</b>	<u>23,390,116</u>	<u>11,549,670</u>	<u>16,758,639</u>
<b>Operating income (loss)</b>	<u>(1,534,191)</u>	<u>4,482,771</u>	<u>1,605,839</u>
<b>Nonoperating revenues (expenses):</b>			
Property Taxes		2,445,781	
Investment Income	20,224	161,553	21,626
Gain (loss) on Sale of Property/Equipment	177,948		
Federal Non Grant Contributions			288,393
Interest Expense			(241,116)
<b>Total nonoperating revenues (expenses)</b>	<u>198,172</u>	<u>2,607,334</u>	<u>68,903</u>
<b>Income (loss) before capital contributions and transfers</b>	<u>(1,336,019)</u>	<u>7,090,105</u>	<u>1,674,742</u>
<b>Capital Contributions</b>	297,979		
<b>Transfers In</b>			280,065
<b>Changes in net position</b>	<u>(1,038,040)</u>	<u>7,090,105</u>	<u>1,954,807</u>
<b>Total net position, beginning of year</b>	<u>11,322,038</u>	<u>830,874</u>	<u>(10,781,094)</u>
<b>Total net position</b>	<u>\$ 10,283,998</u>	<u>\$ 7,920,979</u>	<u>\$ (8,826,287)</u>

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City of Tucson, Arizona  
Variance Explanations  
For June 30, 2016

**General Fund:**

- (1a) The City sold real estate property in March 2016.
- (1b) Public Safety Pension for Tucson Fire and Tucson Police increased from fiscal year 2015 due to an increase to the employer pension contribution rate.

**Mass Transit:**

- (2a) Charges for current service revenue decreased in fiscal year 2016 due to a halt in services caused by an economic strike of unionized bus drivers and mechanics.
- (2b) In fiscal year 2015 mass transit increased their fleet with twenty-nine new compressed natural gas buses.
- (2c) Capital project costs have increased due to the construction of a compressed natural gas plant.

**Highway User Revenue Fund:**

- (3a) Other financing sources in fiscal year 2016 are lease proceeds related to LED lighting project; other financing sources in fiscal year 2015 is an operating transfer to the HURF debt service fund.

**Water Utility Fund:**

- (4a) \$4.7 million in construction in progress reclassifications occurred in fiscal year 2015.

**Environmental Services Fund:**

- (5a) Contractual services expense increased due to a landfill compactor rebuild and vehicle maintenance costs.