



## CITY OF TUCSON

ACCOUNTING  
DIVISION

### Monthly Financial Statements For November 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 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 Pete Saxton, Finance Administrator, at (520) 837-4330 or [Pete.Saxton@tucsonaz.gov](mailto:Pete.Saxton@tucsonaz.gov).

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**GENERAL FUND**  
**FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2016**

	Fiscal Year 2017		%	Fiscal Year 2016	\$ Change	% Change
	Actual	Revised Budget	Budget	Actual	CFY vs PFY	CFY vs PFY
<b>General Fund Revenues and Other Financing Sources:</b>		Straight-line Budget	41.7%			
<b>Revenues:</b>						
Primary Property Taxes	\$ 4,891,108	\$ 14,494,430	33.7%	\$ 4,312,602	\$ 578,506	13.4%
Business Privilege Tax	81,013,943	192,539,300	42.1%	78,897,419	2,116,524	2.7% 1a
Other Local Taxes	20,133,340	50,093,750	40.2%	18,699,221	1,434,119	7.7%
Grants and Shared Taxes	2,612,223	6,170,640	42.3%	1,478,551	1,133,672	76.7%
State-Shared Income Tax Revenue	27,118,343	65,118,880	41.6%	26,092,457	1,025,886	3.9%
State-Shared Sales Tax	19,151,040	50,099,800	38.2%	19,771,215	(620,175)	-3.1%
State Auto Lieu Tax	9,441,954	22,790,790	41.4%	10,021,980	(580,026)	-5.8%
Licenses and Permits	14,522,643	29,074,730	49.9%	12,775,265	1,747,378	13.7%
Fines, Forfeitures, and Penalties	3,612,650	10,478,630	34.5%	5,211,492	(1,598,842)	-30.7%
Use of Money and Property	89,023	448,790	19.8%	266,952	(177,929)	-66.7%
Charges for Current Services	15,835,790	43,327,230	36.5%	16,562,269	(726,479)	-4.4%
Miscellaneous Revenue	181,213	9,026,410	2.0%	318,740	(137,527)	-43.1%
<b>Total Revenues:</b>	<b>198,603,270</b>	<b>493,663,380</b>		<b>194,408,163</b>	<b>4,195,107</b>	
<b>Other Financing Sources</b>	<b>967,664</b>	<b>1,918,300</b>	<b>50.4%</b>	<b>666,667</b>	<b>300,997</b>	<b>45.1%</b>
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 199,570,934</b>	<b>\$ 495,581,680</b>		<b>\$ 195,074,830</b>	<b>\$ 4,496,104</b>	
<b>General Fund Expenditures:</b>						
Elected and Official						
Mayor and Council	\$ 918,813	\$ 2,386,810	38.5%	\$ 1,028,042	\$ (109,229)	-10.6%
City Manager	1,597,691	4,156,670	38.4%	2,166,020	(568,329)	-26.2%
City Attorney	3,106,210	7,435,540	41.8%	3,281,990	(175,780)	-5.4%
City Clerk	794,228	3,172,710	25.0%	1,372,219	(577,991)	-42.1%
<b>Total Elected and Official</b>	<b>6,416,942</b>	<b>17,151,730</b>		<b>7,848,271</b>	<b>(1,431,329)</b>	
Public Safety & Justice Services						
City Court	3,663,107	9,193,940	39.8%	4,415,866	(752,759)	-17.0%
Public Defender	1,063,077	2,700,840	39.4%	1,225,016	(161,939)	-13.2%
Tucson Fire	37,653,855	90,901,700	41.4%	40,778,495	(3,124,640)	-7.7% 1b
Tucson Police	60,647,830	146,698,520	41.3%	66,124,359	(5,476,529)	-8.3% 1b,1c
<b>Total Public Safety &amp; Justice Services</b>	<b>103,027,869</b>	<b>249,495,000</b>		<b>112,543,736</b>	<b>(9,515,867)</b>	
Community Enrichment & Development						
Housing & Community Development	804,956	2,553,900	31.5%	760,303	44,653	5.9%
Parks and Recreation	10,282,880	27,034,310	38.0%	15,118,615	(4,835,735)	-32.0% 1b
Planning & Development Services	2,525,985	5,853,130	43.2%	4,162,663	(1,636,678)	-39.3% 1d
Transportation	201,574	2,361,620	8.5%	757,015	(555,441)	-73.4%
Environmental Services	721,944	2,061,600	35.0%	721,944	100.0%	
<b>Total Community Enrichment &amp; Development</b>	<b>14,537,339</b>	<b>39,864,560</b>		<b>20,798,596</b>	<b>(6,261,257)</b>	
Support Services						
Finance	3,365,191	8,363,620	40.2%	6,217,741	(2,852,550)	-45.9% 1e
General Services	11,680,662	29,076,870	40.2%	4,536,931	7,143,731	157.5% 1b
Human Resources	826,992	2,325,420	35.6%	915,937	(88,945)	-9.7%
Information Technology	8,649,261	20,093,220	43.0%	7,639,649	1,009,612	13.2% 1e
Procurement	1,393,453	3,311,340	42.1%	1,470,708	(77,255)	-5.3%
<b>Total Support Services</b>	<b>25,915,559</b>	<b>63,170,470</b>		<b>20,780,966</b>	<b>5,134,593</b>	
<b>Total General Government</b>	<b>5,880,834</b>	<b>34,012,990</b>	<b>17.3%</b>	<b>8,469,490</b>	<b>(2,588,656)</b>	<b>-30.6%</b>
<b>Capital Outlay</b>	<b>242,901</b>	<b>6,730,910</b>	<b>3.6%</b>	<b>630,345</b>	<b>(387,444)</b>	<b>-61.5%</b>
<b>Capital Projects</b>	<b>68,868</b>	<b>890,900</b>	<b>7.7%</b>	<b>226,948</b>	<b>(158,080)</b>	<b>-69.7%</b>
<b>Debt Service and Fiscal Agent Fees</b>	<b>202,854</b>	<b>24,717,140</b>	<b>0.8%</b>	<b>39,889</b>	<b>162,965</b>	<b>408.5%</b>
<b>Other Financing Uses</b>	<b>21,756,567</b>	<b>53,394,380</b>	<b>40.7%</b>	<b>22,143,328</b>	<b>(386,761)</b>	<b>-1.7%</b>
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>\$ 178,049,733</b>	<b>\$ 489,428,080</b>		<b>\$ 193,481,569</b>	<b>\$ (15,431,836)</b>	

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**MASS TRANSIT FUND**  
**FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2016**

	Fiscal Year 2017		% Budget	Fiscal Year 2016	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Revised Budget		Actual		
<b>Mass Transit Revenues and Other Financing Sources:</b>	Straight-line Budget		41.7%			
<b>Revenues:</b>						
Federal Grants and Contributions	\$ 432,525	\$ 18,527,880	2.3%	\$ 9,341,450	\$ (8,908,925)	-95.4% <b>2a</b>
Other Agencies	5,158,696	13,960,980	37.0%	3,729,850	1,428,846	38.3% <b>2b</b>
Use of Money and Property	193,822	414,100	46.8%	265,316	(71,494)	-26.9%
Charges for Current Services	5,418,095	12,821,400	42.3%	3,846,076	1,572,019	40.9% <b>2b</b>
Miscellaneous Revenue	262,018	650,360	40.3%	129,098	132,920	103.0%
<b>Total Revenues:</b>	<u>11,465,156</u>	<u>46,374,720</u>		<u>17,311,790</u>	<u>(5,846,634)</u>	
<b>Other Financing Sources</b>	<u>18,568,300</u>	<u>44,563,920</u>	41.7%	<u>18,951,279</u>	<u>(382,979)</u>	-2.0%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 30,033,456</u>	<u>\$ 90,938,640</u>		<u>\$ 36,263,069</u>	<u>\$ (6,229,613)</u>	
<b>Mass Transit Expenditures:</b>						
Community Enrichment & Development						
Transportation	\$ 29,137,374	\$ 77,833,980	37.4%	\$ 29,415,095	\$ (277,721)	-0.9%
<b>Total Community Enrichment &amp; Development</b>	<u>29,137,374</u>	<u>77,833,980</u>		<u>29,415,095</u>	<u>(277,721)</u>	
<b>Capital Outlay</b>	<u>134,105</u>	<u>2,065,850</u>	6.5%	<u>8,422,692</u>	<u>(8,288,587)</u>	-98.4% <b>2a</b>
<b>Capital Projects</b>	<u>156,682</u>	<u>11,038,810</u>	1.4%	<u>1,122,755</u>	<u>(966,073)</u>	-86.0%
<b>Total Expenditures</b>	<u>\$ 29,428,161</u>	<u>\$ 90,938,640</u>		<u>\$ 38,960,542</u>	<u>\$ (9,532,381)</u>	

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**SUN LINK**  
**FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2016**

	Fiscal Year 2017		% Budget	Fiscal Year 2016	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Revised Budget		Actual		
<b>Sun Link Revenues and Other Financing Sources:</b>	Straight-line Budget		41.7%			
<b>Revenues:</b>						
Other Agencies	\$ 1,000,000	\$ 1,200,000	83.3%	\$ 503,800	\$ 496,200	98.5%
Charges for Current Services	366,146	1,085,340	33.7%	693,711	(327,565)	-47.2%
Miscellaneous Revenue	3,878	7,600	51.0%	568	3,310	582.7%
<b>Total Revenues:</b>	<u>1,370,024</u>	<u>2,292,940</u>		<u>1,198,079</u>	<u>171,945</u>	
<b>Other Financing Sources</b>	<u>1,323,033</u>	<u>3,175,280</u>	41.7%	<u>963,238</u>	<u>359,795</u>	37.4%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 2,693,057</u>	<u>\$ 5,468,220</u>		<u>\$ 2,161,317</u>	<u>\$ 531,740</u>	
<b>Sun Link Expenditures:</b>						
Community Enrichment & Development						
Transportation	\$ 1,360,935	\$ 3,992,100	34.1%	\$ 1,428,421	\$ (67,486)	-4.7%
<b>Total Community Enrichment &amp; Development</b>	<u>1,360,935</u>	<u>3,992,100</u>		<u>1,428,421</u>	<u>(67,486)</u>	
<b>Capital Outlay</b>				<u>2,551</u>	<u>(2,551)</u>	-100.0%
<b>Debt Service and Fiscal Agent Fees</b>		<u>1,514,120</u>	0.0%			0.0%
<b>Total Expenditures</b>	<u>\$ 1,360,935</u>	<u>\$ 5,506,220</u>		<u>\$ 1,430,972</u>	<u>\$ (70,037)</u>	

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

	Fiscal Year 2017		% Budget	Fiscal Year 2016	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Revised Budget		Actual		
<b>HURF Revenues:</b>		Straight-line Budget	41.7%			
<b>Revenues:</b>						
Licenses and Permits	\$ 170,644	\$ 674,800	25.3%	\$ 286,957	\$ (116,313)	-40.5%
Other Agencies	15,494,548	38,274,480	40.5%	15,554,879	(60,331)	-0.4%
Use of Money and Property	181,801	630,000	28.9%	214,791	(32,990)	-15.4%
Miscellaneous Revenue	762,307	600,000	127.1%	266,969	495,338	185.5%
<b>Total Revenues</b>	<u>\$ 16,609,300</u>	<u>\$ 40,179,280</u>		<u>\$ 16,323,596</u>	<u>\$ 285,704</u>	
<b>HURF Expenditures:</b>						
Community Enrichment and Development						
Transportation	\$ 12,148,895	\$ 34,911,230	34.8%	\$ 11,406,542	\$ 742,353	6.5%
<b>Total Community Enrichment and Development</b>	<u>12,148,895</u>	<u>34,911,230</u>		<u>11,406,542</u>	<u>742,353</u>	
Non-Departmental						
Outside Agencies		100,580	0.0%	134,790	(134,790)	-100.0%
<b>Total Non-Departmental</b>		<u>100,580</u>		<u>134,790</u>	<u>(134,790)</u>	
<b>Capital Outlay</b>	314,541	1,396,500	22.5%	97,390	217,151	223.0%
<b>Capital Projects</b>	6,560,345	10,377,600	63.2%	345,789	6,214,556	1797.2% <b>3a</b>
<b>Other Financing Uses (Sources)</b>		<u>9,939,640</u>	0.0%			0.0%
<b>Total Expenditures &amp; Other Financing Uses</b>	<u>\$ 19,023,781</u>	<u>\$ 56,725,550</u>		<u>\$ 11,984,511</u>	<u>\$ 7,039,270</u>	

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF NET POSITION**  
**ENTERPRISE FUNDS**  
**November 30, 2016**

	Water Utility Fund	Environmental Services	Tucson Golf Enterprise Fund
<b>ASSETS</b>			
Current assets:			
Cash and Cash Equivalents	\$ 66,562,290	\$ 35,516,520	\$ 1,880,166
Cash and Investments - Restricted			
Cash and Investments with Fiscal Agent - Restricted	18,637,318		
Accounts Receivable, Net	25,019,983	3,727,159	408,167
Due from Other Agencies		11,318	
Interest Receivable	131,573	61,709	
Inventories	5,244,251		257,917
Other Assets	10,112,609		
<b>Total current assets</b>	<b>125,708,024</b>	<b>39,316,706</b>	<b>2,546,250</b>
Noncurrent assets:			
Long Term Accounts Receivable	176,022		
Other Assets - Restricted			35,767
Land and Construction in Progress	148,398,093	13,234,480	2,701,865
Other Capital Assets, Net	1,093,883,169	30,049,071	11,800,009
Water Rights	52,126,968		
<b>Total noncurrent assets</b>	<b>1,294,584,252</b>	<b>43,283,551</b>	<b>14,537,641</b>
<b>Total assets</b>	<b>1,420,292,276</b>	<b>82,600,257</b>	<b>17,083,891</b>
<b>DEFERRED OUTFLOWS</b>			
Loss on Refunding of Debt	15,453,684	1,217,512	
Pension Plans	8,065,463	2,873,383	
<b>Total deferred outflows</b>	<b>23,519,147</b>	<b>4,090,895</b>	
<b>LIABILITIES</b>			
Current liabilities:			
Accounts Payable	1,582,254	2,293,839	154,308
Accrued Payroll Liabilities	1,540,300	588,992	54,264
Interfund Payable			2,678,517
Due to Other Agencies	281,904	37	58,077
Accrued Interest Payable			4,833
Refundable Deposits	2,289,673	95,255	4,011
Current Portion of Bonds Payable	38,214,816		
Current Portion of Contracts Payable		192,600	84,026
Current Portion of Compensated Absences	1,769,251	514,889	
Advances From Customers			67,065
Current Portion of Long Term Liabilities		758,158	
<b>Total current liabilities</b>	<b>45,678,198</b>	<b>4,443,770</b>	<b>3,105,101</b>
Noncurrent liabilities:			
Bonds Payable	504,343,382		
Contracts Payable		11,522,842	154,681
Compensated Absences	1,835,388	608,388	
Other Postemployment Benefits	1,485,509	584,846	
Pension Liability	59,877,724	21,331,898	
Loans and Notes Payable			1,626,413
Long Term Liabilities		57,350,501	
<b>Total noncurrent liabilities</b>	<b>567,542,003</b>	<b>91,398,475</b>	<b>1,781,094</b>
<b>Total liabilities</b>	<b>613,220,201</b>	<b>95,842,245</b>	<b>4,886,195</b>
<b>DEFERRED INFLOWS</b>			
Deferred Revenue	92,902		
Pension Plans	5,055,230	1,800,965	
<b>Total deferred inflows</b>	<b>5,148,132</b>	<b>1,800,965</b>	
<b>NET POSITION</b>			
Net Investment in capital assets	775,369,178	31,568,109	14,263,167
Amounts Restricted for:			
Debt Service	18,637,318		
Capital			
Unrestricted Amounts (deficit)	31,436,594	(60,561,881)	(2,065,471)
Closure/Post Closure Liability		6,145,628	
New Landfill Cell Construction		11,896,085	
<b>Total net position</b>	<b>\$ 825,443,090</b>	<b>\$ (10,952,059)</b>	<b>\$ 12,197,696</b>

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

	Fiscal Year 2017 Actual	Fiscal Year 2016 Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Operating revenues:</b>				
Charges for Services	\$ 89,570,609	\$ 84,578,288	\$ 4,992,321	5.9%
<b>Total operating revenues</b>	<u>89,570,609</u>	<u>84,578,288</u>	<u>4,992,321</u>	
<b>Operating expenses:</b>				
Salaries, Wages and Benefits	15,548,634	14,542,166	1,006,468	6.9%
Contractual Services	29,324,348	27,489,126	1,835,222	6.7%
Commodities	3,749,202	3,618,220	130,982	3.6%
Depreciation/Amortization	14,778,911	14,665,000	113,911	0.8%
<b>Total operating expenses</b>	<u>63,401,095</u>	<u>60,314,512</u>	<u>3,086,583</u>	
<b>Operating Income (Loss)</b>	<u>26,169,514</u>	<u>24,263,776</u>	<u>1,905,738</u>	
<b>Nonoperating revenues (expenses):</b>				
Investment Income	66,146	179,422	(113,276)	-63.1%
Gain (Loss) on Sale of Property/Equipment	176,160	70,713	105,447	149.1%
Interest Expense	(7,716,372)	(7,520,430)	(195,942)	2.6%
Other Nonoperating Income (Expenses)	(2,410,314)	(494,473)	(1,915,841)	387.5%
<b>Total nonoperating revenues (expenses)</b>	<u>(9,884,380)</u>	<u>(7,764,768)</u>	<u>(2,119,612)</u>	<b>4a</b>
<b>Income (loss) before transfers</b>	<u>16,285,134</u>	<u>16,499,008</u>	<u>(213,874)</u>	
<b>Transfers In</b>	3,489,522	1,322,356	2,167,166	163.9%
<b>Transfers Out</b>	<u>(799,294)</u>	<u>(666,667)</u>	<u>(132,627)</u>	19.9%
<b>Changes in net position</b>	<u>18,975,362</u>	<u>17,154,697</u>	<u>1,820,665</u>	
<b>Total net position, beginning of year</b>	806,467,728	780,994,245	25,473,483	
<b>Total net position</b>	<u>\$ 825,443,090</u>	<u>\$ 798,148,942</u>	<u>\$ 27,294,148</u>	

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

	Fiscal Year 2017 Actual	Fiscal Year 2016 Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Operating revenues:</b>				
Charges for Services	\$ 20,788,115	\$ 20,579,545	\$ 208,570	1.0%
Miscellaneous	481,220	235,084	246,136	104.7%
<b>Total operating revenues</b>	<u>21,269,335</u>	<u>20,814,629</u>	<u>454,706</u>	
<b>Operating expenses:</b>				
Salaries, Wages and Benefits	6,294,053	6,248,625	45,428	0.7%
Contractual Services	5,629,065	7,966,585	(2,337,520)	-29.3% <b>5a</b>
Commodities	1,335,984	1,296,460	39,524	3.0%
Depreciation/Amortization	2,077,071	1,544,412	532,659	34.5%
<b>Total operating expenses</b>	<u>15,336,173</u>	<u>17,056,082</u>	<u>(1,719,909)</u>	
<b>Operating Income (Loss)</b>	<u>5,933,162</u>	<u>3,758,547</u>	<u>2,174,615</u>	
<b>Nonoperating revenues (expenses):</b>				
Investment Income	(77,116)	47,740	(124,856)	-261.5%
Gain (Loss) on Sale of Property/Equipment	137,550	88,072	49,478	56.2%
Other Agencies	12,465	73,157	(60,692)	-83.0%
Interest Expense	6,274		6,274	100.0%
<b>Total nonoperating revenues (expenses)</b>	<u>79,173</u>	<u>208,969</u>	<u>(129,796)</u>	
<b>Changes in net position</b>	<u>6,012,335</u>	<u>3,967,516</u>	<u>2,044,819</u>	
<b>Total net position, beginning of year</b>	(16,964,394)	(16,984,080)	19,686	
<b>Total net position</b>	<u>\$ (10,952,059)</u>	<u>\$ (13,016,564)</u>	<u>\$ 2,064,505</u>	

CITY OF TUCSON, ARIZONA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
TUCSON GOLF ENTERPRISE FUND  
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2016

	Randolph	El Rio	Silverbell	Enke	Combined	Total Budget Straight-line	Budget 41.7%
<b>COURSE OPERATIONS:</b>							
<b>Operating revenues:</b>							
Green Fees	\$ 440,541	\$ 145,068	\$ 145,495	\$ 126,366	\$ 857,470	\$ 8,130,370	
Cart Rentals	293,807	111,523	73,106	91,974	570,410		
Driving Range	117,978	3,141	37,051	50,315	208,485		
Clubhouse	117,827	74,098	54,044	66,864	312,833		
Other Revenue	364,604	70,467	54,433	70,559	560,063	13,730	
<b>Total Operating Revenues</b>	<u>1,334,757</u>	<u>404,297</u>	<u>364,129</u>	<u>406,078</u>	<u>2,509,261</u>	<u>8,144,100</u>	<u>30.8%</u>
<b>Operating expenses:</b>							
Salaries, Wages and Benefits	7,701	4,492	4,492	4,492	21,177	50,530	
Contractual Services	872,523	447,365	301,248	426,462	2,047,598	5,843,450	
Commodities	440,090	167,921	205,165	197,281	1,010,457	1,238,580	
Cost of Goods Sold	120,480	39,219	33,101	48,009	240,809	669,710	
Depreciation/Amortization	103,941	47,778	97,743	50,633	300,095		
<b>Total Operating Expenses</b>	<u>1,544,735</u>	<u>706,775</u>	<u>641,749</u>	<u>726,877</u>	<u>3,620,136</u>	<u>7,802,270</u>	<u>46%</u>
<b>Operating Income (Loss)</b>	<u>(209,978)</u>	<u>(302,478)</u>	<u>(277,620)</u>	<u>(320,799)</u>	<u>(1,110,875)</u>	<u>341,830</u>	
<b>Nonoperating revenues (expenses):</b>							
Interest Expense	(4,821)	(2,411)	(2,411)	(2,411)	(12,054)	6,740	
Other	1,000				1,000	93,400	
<b>Total nonoperating revenues (expenses)</b>	<u>(3,821)</u>	<u>(2,411)</u>	<u>(2,411)</u>	<u>(2,411)</u>	<u>(11,054)</u>	<u>100,140</u>	
<b>Changes in net position</b>	<u>(213,799)</u>	<u>(304,889)</u>	<u>(280,031)</u>	<u>(323,210)</u>	<u>(1,121,929)</u>	<u>\$ 441,970</u>	
<b>Total net position, beginning of year</b>	<u>3,995,887</u>	<u>3,596,299</u>	<u>2,663,925</u>	<u>3,063,514</u>	<u>13,319,625</u>		
<b>Total net position</b>	<u>\$ 3,782,088</u>	<u>\$ 3,291,410</u>	<u>\$ 2,383,894</u>	<u>\$ 2,740,304</u>	<u>\$ 12,197,696</u>		

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

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
<b>Operating revenues:</b>			
Charges for Services	\$ 8,332,172	\$ 4,714,832	\$ 7,322,466
Miscellaneous	42,981	10,000	7,897
<b>Total operating revenues</b>	<u>8,375,153</u>	<u>4,724,832</u>	<u>7,330,363</u>
<b>Operating expenses:</b>			
Salaries, Wages and Benefits	2,422,112	518,308	3,324,629
Contractual Services	2,154,408	1,567,597	2,284,552
Commodities	3,970,901	47,599	682,580
Benefits and Claims		2,321,336	
Depreciation	1,071,153	4,592	243,540
<b>Total operating expenses</b>	<u>9,618,574</u>	<u>4,459,432</u>	<u>6,535,301</u>
<b>Operating income (loss)</b>	<u>(1,243,421)</u>	<u>265,400</u>	<u>795,062</u>
<b>Nonoperating revenues (expenses):</b>			
Property Taxes		888,934	
Investment Income	(5,411)	(42,517)	(5,216)
Gain (loss) on Sale of Property/Equipment	40,828		
<b>Total nonoperating revenues (expenses)</b>	<u>35,417</u>	<u>846,417</u>	<u>(5,216)</u>
<b>Changes in net position</b>	<u>(1,208,004)</u>	<u>1,111,817</u>	<u>789,846</u>
<b>Total net position, beginning of year *</b>	<u>10,283,998</u>	<u>8,490,035</u>	<u>(8,826,287)</u>
<b>Total net position</b>	<u>\$ 9,075,994</u>	<u>\$ 9,601,852</u>	<u>\$ (8,036,441)</u>

City of Tucson, Arizona  
Variance Explanations  
For November, 2016

**General Fund:**

- (1a) The timing of business privilege tax collections in fiscal year 2017 caused an increase of \$2.1 million when compared to fiscal year 2016.
- (1b) Water, electric and vehicle maintenance expenditures related to non-internal service areas are recorded in the General Services department for fiscal year 2017 instead of being allocated to various departments as done in fiscal year 2016.
- (1c) \$3 million pension contribution for Tucson Police made in fiscal year 2016 from car impound proceeds; was not repeated in fiscal year 2017.
- (1d) The code enforcement program was moved from Planning & Development Services to Environmental Services for fiscal year 2017. Additional position reduction resulted in fewer expenditures in fiscal year 2017.
- (1e) ERP software maintenance of \$ 2,018,975 paid in Finance department in fiscal year 2016 but was paid by the Information Technology department in fiscal year 2017.

**Mass Transit:**

- (2a) Capital outlay and the related federal grants and contributions were higher in fiscal year 2016 due to \$5.8 million in replacement buses and vans, the construction of the compressed natural gas plant of \$498,783, the Regional Paratransit Expansion of \$250,288 and the Greyhound Transit Center of \$114,319. In fiscal year 2017 actual grant expenditures will catch up budgeted expenditures for the 7new design and construction of fueling system and Sun Van replacements vans.
- (2b) Revenue charges for current services and other agencies were reduced in fiscal year 2016 due to a halt in services caused by an economic strike of unionized bus drivers and mechanics.

**Highway User Revenue Fund:**

- (3a) Fiscal year 2016 includes the LED light conversion project not present in fiscal year 2015; expenditures to date are \$6.1 million.

**Water Utility Fund:**

- (4a) \$2.4 million in construction in progress reclassifications occurred in fiscal year 2017.

**Environmental Services Fund:**

- (5a) Water, electric and vehicle maintenance expenditures related to non-internal service areas are recorded in the General Services department for fiscal year 2017 instead of being allocated to various departments as done in fiscal year 2016.