

City of Tucson, Arizona
Monthly Financial Statement
For November 30, 2013

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 FIVE MONTHS ENDED NOVEMBER 2013

	Fiscal Year 2014			Fiscal Year 2013		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
General Fund Revenues and Other Financing Sources:	Straight-line Budget (November, 30): 41.7%					
Revenues:						
Primary Property Taxes	\$ 4,633,506	\$ 13,119,610	35.3%	\$ 4,219,334	\$ 414,172	9.8%
Business Privilege Tax	60,431,317	188,988,400	32.0%	59,426,435	1,004,882	1.7%
Other Local Taxes	12,937,307	43,791,600	29.5%	23,828,979	(10,891,672)	-45.7% 1a
Grants and Shared Taxes	1,047,852	3,882,980	27.0%	1,218,787	(170,935)	-14.0%
State-Shared Income Tax Revenue	14,506,707	57,800,600	25.1%	13,282,183	1,224,524	9.2% 1b
State-Shared Sales Tax	10,579,445	44,563,600	23.7%	9,922,142	657,303	6.6%
State Auto Lieu Tax	4,170,850	19,693,400	21.2%	3,909,609	261,241	6.7%
Licenses and Permits	5,657,525	20,937,150	27.0%	5,634,229	23,296	0.4%
Fines, Forfeitures, and Penalties	5,599,723	13,227,280	42.3%	4,045,680	1,554,043	38.4% 1c
Use of Money and Property	431,104	694,450	62.1%	146,006	285,098	195.3%
Charges for Current Services	14,394,320	41,880,960	34.4%	16,537,942	(2,143,622)	-13.0% 1d
Miscellaneous Revenue	1,120,178	3,475,640	32.2%	514,307	605,871	117.8%
Total General City Revenues:	<u>135,509,834</u>	<u>452,055,670</u>		<u>142,685,633</u>	<u>(7,175,799)</u>	
Other Financing Sources	533,333	14,806,000	3.6%	666,667	(133,334)	-20.0%
Total Revenues and Other Financing Sources	<u>\$ 136,043,167</u>	<u>\$ 466,861,670</u>		<u>\$ 143,352,300</u>	<u>\$ (7,309,133)</u>	
General Fund Expenditures:						
Elected and Official						
City Attorney	3,445,942	8,428,210	40.9%	3,443,604	2,338	0.1%
City Clerk	1,950,178	4,044,840	48.2%	1,051,564	898,614	85.5%
City Manager	3,333,173	8,641,450	38.6%	2,607,696	725,477	27.8%
Mayor and Council	\$ 1,017,489	\$ 2,736,430	37.2%	\$ 1,140,303	\$ (122,814)	-10.8%
Total Elected and Official	<u>9,746,782</u>	<u>23,850,930</u>		<u>8,243,167</u>	<u>1,503,615</u>	
Public Safety & Justice Services						
City Court	4,317,582	11,102,480	38.9%	4,366,267	(48,685)	-1.1%
Equal Opportunity Programs and Independence	310,260	787,220	39.4%	293,254	17,006	5.8%
Public Defender	1,207,084	3,157,720	38.2%	1,245,083	(37,999)	-3.1%
Tucson Fire	35,159,177	86,950,674	40.4%	36,253,704	(1,094,527)	-3.0%
Tucson Police	58,310,760	146,998,734	39.7%	62,462,772	(4,152,012)	-6.6% 1e
Total Public Safety & Justice Services	<u>99,304,863</u>	<u>248,996,828</u>		<u>104,621,080</u>	<u>(5,316,217)</u>	
Community Enrichment & Development						
Housing & Community Development	2,248,953	6,506,630	34.6%	2,367,220	(118,267)	-5.0%
Office of Integrated Planning	44,048		0.0%		44,048	0.0%
Parks and Recreation	15,525,336	35,952,290	43.2%	16,579,515	(1,054,179)	-6.4%
Planning & Development Services	2,843,631	7,247,040	39.2%	3,015,944	(172,313)	-5.7%
Transportation	808,834	2,195,900	36.8%	2,256,426	(1,447,592)	-64.2% 1f
Total Community Enrichment & Development	<u>21,470,802</u>	<u>51,901,860</u>		<u>24,219,105</u>	<u>(2,748,303)</u>	
Support Services						
Budget and Internal Audit	637,356	1,541,880	41.3%	608,495	28,861	4.7%
Finance	5,496,344	10,339,910	53.2%	3,587,435	1,908,909	53.2% 1g
General Services	3,457,444	9,339,400	37.0%	900,911	2,556,533	283.8% 1h
Human Resources	996,186	2,174,940	45.8%	871,491	124,695	14.3%
Information Technology	6,951,598	17,099,380	40.7%	7,740,527	(788,929)	-10.2%
Procurement	1,446,732	3,124,200	46.3%	1,477,061	(30,329)	-2.1%
Total Support Services	<u>18,985,660</u>	<u>43,619,710</u>		<u>15,185,920</u>	<u>3,799,740</u>	
Total Non-Departmental	<u>6,403,832</u>	<u>26,930,047</u>	23.8%	<u>6,388,970</u>	<u>14,862</u>	0.2%
Capital Projects	<u>100,022</u>	<u>1,954,605</u>	5.1%	<u>654,995</u>	<u>(554,973)</u>	-84.7%
Debt Service and Fiscal Agent Fees	<u>9,900</u>	<u>24,360,720</u>	0.0%	<u>263,292</u>	<u>(253,392)</u>	-96.2%
Other Financing Uses	<u>19,314,532</u>	<u>46,269,770</u>	41.7%	<u>18,298,944</u>	<u>1,015,588</u>	5.5%
Total Expenditures & Other Financing Uses	<u>\$ 175,336,393</u>	<u>\$ 467,884,470</u>		<u>\$ 177,875,473</u>	<u>\$ (2,539,080)</u>	

**CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
MASS TRANSIT FUND
FOR THE FIVE MONTHS ENDED NOVEMBER 2013**

	Fiscal Year 2014			Fiscal Year 2013			
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY	
Mass Transit Revenues and Other Financing Sources:	Straight-line Budget (November, 30):					41.7%	
Revenues:							
Federal Grants and Contributions	\$ 908,099	\$ 19,325,820	4.7%	\$ 32,697,959	\$ (31,789,860)	-97.2%	2a
Other Agencies	4,045,837	17,143,280	23.6%	3,206,359	839,478	26.2%	2b
Use of Money and Property	133,736	250,000	53.5%	109,776	23,960	21.8%	
Charges for Current Services	3,716,038	16,249,710	22.9%	5,919,756	(2,203,718)	-37.2%	2c
Miscellaneous Revenue	37,288	480,050	7.8%	123,033	(85,745)	-69.7%	
Total Revenues:	<u>8,840,998</u>	<u>53,448,860</u>		<u>42,056,883</u>	<u>(33,215,885)</u>		
Other Financing Sources	17,805,433	42,733,040	41.7%	16,846,163	959,270	5.7%	
Total Revenues and Other Financing Sources	<u>\$ 26,646,431</u>	<u>\$ 96,181,900</u>		<u>\$ 58,903,046</u>	<u>\$ (32,256,615)</u>		
Mass Transit Expenditures:							
Community Enrichment & Development							
Transportation	\$ 31,947,140	\$ 83,056,200	38.5%	\$ 29,854,042	\$ 2,093,098	7.0%	2d
Total Community Enrichment & Development	<u>31,947,140</u>	<u>83,056,200</u>		<u>29,854,042</u>	<u>2,093,098</u>		
Capital Expenditures	<u>705,765</u>	<u>15,878,500</u>	4.4%	<u>29,333,195</u>	<u>(28,627,430)</u>	-97.6%	2a
Total Expenditures & Other Financing Uses	<u>\$ 32,652,905</u>	<u>\$ 98,934,700</u>		<u>\$ 59,187,237</u>	<u>\$ (26,534,332)</u>		

**CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
HIGHWAY USER REVENUE FUND (HURF)
FOR THE FIVE MONTHS ENDED NOVEMBER 2013**

	Fiscal Year 2014			Fiscal Year 2013			
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY	
HURF Revenues and Other Financing Sources:	Straight-line Budget (November, 30):					41.7%	
Revenues:							
Licenses and Permits	\$ 128,639	\$	0.0%	\$ 43,250	\$ 85,389	197.4%	
Other Agencies	10,598,949	34,042,290	31.1%	5,141,180	5,457,769	106.2%	3a
Use of Money and Property	747,390	335,000	223.1%	214,652	532,738	248.2%	
Charges for Current Services	337,663	542,000	62.3%	230,884	106,779	46.2%	
Miscellaneous Revenue	1,100,969	3,200,000	34.4%	2,296,604	(1,195,635)	-52.1%	3b
Total Revenues	<u>\$ 12,913,610</u>	<u>\$ 38,119,290</u>		<u>\$ 7,926,570</u>	<u>\$ 4,987,040</u>		
HURF Expenditures:							
Public Safety & Justice Services							
Neighborhood Resources Department	\$ 46,367	\$	0.0%	\$ 18,924	\$ 27,443	145.0%	
Total Public Safety & Justice Services	<u>46,367</u>	<u></u>		<u>18,924</u>	<u>27,443</u>		
Community Enrichment and Development							
Transportation	10,821,689	32,553,580	33.2%	11,924,373	(1,102,684)	-9.2%	3c
Total Community Enrichment and Development	<u>10,821,689</u>	<u>32,553,580</u>		<u>11,924,373</u>	<u>(1,102,684)</u>		
Non-Departmental							
Outside Agencies		100,580	0.0%	25,145	(25,145)	-100.0%	
Total Non-Departmental	<u></u>	<u>100,580</u>		<u>25,145</u>	<u>(25,145)</u>		
Capital Projects	<u>1,549,811</u>	<u>2,681,270</u>	57.8%	<u>170,071</u>	<u>1,379,740</u>	811.3%	3d
Debt Service and Fiscal Agent Fees	<u></u>	<u></u>		<u>129,557</u>	<u>(129,557)</u>	-100.0%	
Other Financing Uses	<u></u>	<u>10,413,290</u>	0.0%	<u></u>	<u></u>		
Total Expenditures & Other Financing Uses	<u>\$ 12,417,867</u>	<u>\$ 45,748,720</u>		<u>\$ 12,268,070</u>	<u>\$ 149,797</u>		

CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
November 30, 2013

	<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	\$ 55,391,208	\$ 30,486,633	\$ 4,450
Cash and Investments - Restricted	11,287,169		
Cash and Investments with Fiscal Agent - Restricted	17,229,869		
Accounts Receivable, Net	14,511,484	4,198,678	22,396
Due from Other Agencies		2,828	
Interest Receivable	165,433	104,272	
Inventories	3,218,642		143,090
Other Assets	413,632		
Total current assets	<u>102,217,437</u>	<u>34,792,411</u>	<u>169,936</u>
Noncurrent assets:			
Long Term Accounts Receivable	451,895		
Other Assets - Restricted	278,908		
Land and Construction in Progress	197,313,728	11,196,009	2,701,865
Other Capital Assets, Net	996,070,138	18,977,202	13,411,455
Water Rights	52,126,968		
Total noncurrent assets	<u>1,246,241,637</u>	<u>30,173,211</u>	<u>16,113,320</u>
Total assets	<u>1,348,459,074</u>	<u>64,965,622</u>	<u>16,283,256</u>
Deferred Outflows			
Unamortized Loss on Refunding	13,819,131		
Total deferred outflows	<u>13,819,131</u>		
Total assets and deferred outflows	<u>1,362,278,205</u>	<u>64,965,622</u>	<u>16,283,256</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Liabilities			
Current liabilities:			
Accounts Payable	1,168,559	133,424	51,305
Accrued Payroll Liabilities	1,482,011	801,850	104,382
Interfund Payable			1,049,882
Due to Other Agencies	(41,495)	903	
Accrued Interest Payable			12,198
Refundable Deposits	2,880,904	52,412	
Current Portion of Bonds Payable	31,501,322		
Current Portion of Contracts Payable		121,000	
Current Portion of Compensated Absences	1,744,436	608,131	89,858
Liabilities Payable from Restricted Assets	1,454,482		
Advances From Customers			142,115
Current Portion of Long Term Liabilities		740,330	
Total current liabilities	<u>40,190,219</u>	<u>2,458,050</u>	<u>1,449,740</u>

**CITY OF TUCSON, ARIZONA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
November 30, 2013**

LIABILITIES AND DEFERRED INFLOWS (continued)

Noncurrent liabilities:			
Bonds Payable	517,716,972		
Contracts Payable		10,593,000	7,369,981
Compensated Absences	1,889,495	701,672	93,821
Other-Post-employment Benefits	972,264	419,502	45,706
Long Term Liabilities		44,220,917	
Total non-current liabilities	<u>520,578,731</u>	<u>55,935,091</u>	<u>7,509,508</u>
Total liabilities	<u>560,768,950</u>	<u>58,393,141</u>	<u>8,959,248</u>
Deferred Inflows			
Unavailable Revenue	<u>68,932</u>		
Total deferred inflows	<u>68,932</u>		
Total liabilities and deferred inflows	<u>560,837,882</u>	<u>58,393,141</u>	<u>8,959,248</u>
<u>NET POSITION</u>			
Net Investment in capital assets	721,553,750	19,459,211	16,113,320
Amounts Restricted for:			
Debt Service	17,229,869		
Unrestricted Amounts (deficit)	62,656,704	(23,679,717)	(8,789,312)
Closure/Post Closure Liability		4,846,387	
New Landfill Cell Construction		5,946,600	
Total net position	<u>\$ 801,440,323</u>	<u>\$ 6,572,481</u>	<u>\$ 7,324,008</u>

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
WATER UTILITY FUND
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2013

	Fiscal Year 2014	Fiscal Year 2013	\$ Change CFY vs PFY	% Change CFY vs PFY	
	<u>Actual</u>	<u>Actual</u>			
Operating revenues:					
Charges for Services	\$ 70,032,601	\$ 61,763,248	\$ 8,269,353	13.4%	4a
Miscellaneous	224,883	383,575	(158,692)	-41.4%	
Total operating revenues	<u>70,257,484</u>	<u>62,146,823</u>	<u>8,110,661</u>		
Operating expenses:					
Personal Services	14,276,404	14,602,283	(325,879)	-2.2%	
Contractual Services	23,898,413	23,429,391	469,022	2.0%	
Commodities	3,331,209	3,505,474	(174,265)	-5.0%	
Depreciation/Amortization	12,521,752	11,947,559	574,193	4.8%	
Total operating expenses	<u>54,027,778</u>	<u>53,484,707</u>	<u>543,071</u>		
Operating Income (Loss)	<u>16,229,706</u>	<u>8,662,116</u>	<u>7,567,590</u>		
Nonoperating revenues (expenses):					
Investment Income	377,490	185,280	192,210	103.7%	
Gain (Loss) on Sale of Property/Equipment	129,546	(159,670)	289,216	-181.1%	
Federal Grants and Contributions		147	(147)	-100.0%	
Interest Expense	(6,552,207)	(8,246,509)	1,694,302	-20.5%	4b
Non-Grant Contributions	770,334			0.0%	
Amortization of Cost Issuance		(156,596)	156,596	-100.0%	
Other Nonoperating Income (Expenses)	(3,000)	(3,000)		0.0%	
Total nonoperating revenues (expenses)	<u>(5,277,837)</u>	<u>(8,380,348)</u>	<u>3,102,511</u>		
Income (loss) before capital contributions and transfers	<u>10,951,869</u>	<u>281,768</u>	<u>10,670,101</u>		
Capital Contributions	1,147,132	1,245,186	(98,054)	-7.9%	
Transfers Out	<u>(533,333)</u>	<u>(666,667)</u>	<u>133,334</u>	-20.0%	
Changes in net position	<u>11,565,668</u>	<u>860,287</u>	<u>10,705,381</u>		
Total net position, beginning of year	789,874,655	766,475,908	23,398,747		
Total net position, November 30	<u>\$ 801,440,323</u>	<u>\$ 767,336,195</u>	<u>\$ 34,104,128</u>		

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
ENVIRONMENTAL SERVICES FUND
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2013

	Fiscal Year 2014	Fiscal Year 2013	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 20,434,619	\$ 20,355,312	\$ 79,307	0.4%
Miscellaneous	572,372	455,540	116,832	25.6%
Total operating revenues	<u>21,006,991</u>	<u>20,810,852</u>	<u>196,139</u>	
Operating expenses:				
Personal Services	6,278,077	6,613,033	(334,956)	-5.1%
Contractual Services	7,242,445	7,224,199	18,246	0.3%
Commodities	1,647,304	1,998,753	(351,449)	-17.6%
Depreciation/Amortization	2,161,100	2,274,272	(113,172)	-5.0%
Total operating expenses	<u>17,328,926</u>	<u>18,110,257</u>	<u>(781,331)</u>	
Operating Income (Loss)	<u>3,678,065</u>	<u>2,700,595</u>	<u>977,470</u>	
Nonoperating revenues (expenses):				
Investment Income	130,482	37,995	92,487	243.4%
Gain (Loss) on Sale of Property/Equipment	437,235	402,466	34,769	8.6%
Other Agencies	29,829	117,879	(88,050)	-74.7%
Interest Expense		(9,601)	9,601	-100.0%
Amortization of Cost Issuance		(7,461)	7,461	-100.0%
Total nonoperating revenues (expenses)	<u>597,546</u>	<u>541,278</u>	<u>56,268</u>	
Income (loss) before capital contributions and transfers	<u>4,275,611</u>	<u>3,241,873</u>	<u>1,033,738</u>	
Changes in net position	<u>4,275,611</u>	<u>3,241,873</u>	<u>1,033,738</u>	
Total net position, beginning of year	2,296,870	(3,479,259)	5,776,129	
Total net position, November 30	<u>\$ 6,572,481</u>	<u>\$ (237,386)</u>	<u>\$ 6,809,867</u>	

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
TUCSON GOLF ENTERPRISE FUND
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2013

	Fiscal Year 2014	Fiscal Year 2013	\$ Change CFY vs PFY	% Change CFY vs PFY
	Actual	Actual		
Operating revenues:				
Charges for Services	\$ 1,939,273	\$ 1,991,587	\$ (52,314)	-2.6%
Miscellaneous	1,623	245	1,378	562.4%
Total operating revenues	<u>1,940,896</u>	<u>1,991,832</u>	<u>(50,936)</u>	
Operating expenses:				
Personnel Services	1,203,927	1,326,161	(122,234)	-9.2%
Contractual Services	1,091,914	1,031,258	60,656	5.9%
Commodities	510,712	487,757	22,955	4.7%
Cost of Goods Sold	64,999	64,874	125	0.2%
Depreciation/Amortization	290,314	294,608	(4,294)	-1.5%
Total operating expenses	<u>3,161,866</u>	<u>3,204,658</u>	<u>(42,792)</u>	
Operating Income (Loss)	<u>(1,220,970)</u>	<u>(1,212,826)</u>	<u>(8,144)</u>	
Nonoperating revenues (expenses):				
Interest Expense	(17,415)	(16,328)	(1,087)	6.7%
Amortization of Cost Issuance		(3,048)	3,048	-100.0%
Total nonoperating revenues (expenses)	<u>(17,415)</u>	<u>(19,376)</u>	<u>1,961</u>	
Income (loss) before capital contributions and transfers	<u>(1,238,385)</u>	<u>(1,232,202)</u>	<u>(6,183)</u>	
Changes in net position	<u>(1,238,385)</u>	<u>(1,232,202)</u>	<u>(6,183)</u>	
Total net position, beginning of year	8,562,393	6,359,649	2,202,744	
Total net position, November 30	<u>\$ 7,324,008</u>	<u>\$ 5,127,447</u>	<u>\$ 2,196,561</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2013

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
Operating revenues:			
Charges for Services	\$ 10,556,924	\$ 5,312,241	\$ 7,276,980
Miscellaneous	117,315	5,336	1,531
Total operating revenues	<u>10,674,239</u>	<u>5,317,577</u>	<u>7,278,511</u>
Operating expenses:			
Personal Services	2,545,677	499,610	3,744,843
Contractual Services	2,612,527	1,669,983	2,301,517
Commodities	5,914,420	54,094	903,957
Benefits and Claims		5,103,509	
Depreciation	904,288	5,871	220,266
Total operating expenses	<u>11,976,912</u>	<u>7,333,067</u>	<u>7,170,583</u>
Operating income (loss)	<u>(1,302,673)</u>	<u>(2,015,490)</u>	<u>107,928</u>
Nonoperating revenues (expenses):			
Property Taxes		998,503	
Investment Income	2,107		10,020
Gain (loss) on Sale of Property/Equipment	5,733		
Interest Expense		(12,070)	
Total nonoperating revenues (expenses)	<u>7,840</u>	<u>986,433</u>	<u>10,020</u>
Income (loss) before capital contributions and transfers	<u>(1,294,833)</u>	<u>(1,029,057)</u>	<u>117,948</u>
Capital Contributions	25,335		
Transfers Out			(6,146,153)
Changes in net position	<u>(1,269,498)</u>	<u>(1,029,057)</u>	<u>(6,028,205)</u>
Total net position, beginning of year	10,361,694	(12,635,103)	(1,974,255)
Total net position, November 30, 2013	<u>\$ 9,092,196</u>	<u>\$ (13,664,160)</u>	<u>\$ (8,002,460)</u>

City of Tucson, Arizona
Variance Explanations
For November 30, 2013

General Fund (pg. 2):

- (1a) In FY13 \$6,691,590 of secondary taxes were receipted in the General Fund that should have been recorded in the General Obligation Bond and Interest fund. This transaction was corrected in January of 2013. Also in FY 13, Business Privilege tax had \$2,114,540 in revenue recorded that should be recorded in other local taxes. Due to an accounting policy change \$1,739,816 of the FY13 online Public Utility Tax revenue that was received in FY14 was accrued to FY13, decreasing FY14 revenues compared to prior fiscal year.
- (1b) The Urban Revenue Sharing from State Shared Income Tax increased by \$408,174 per month over the previous year.
- (1c) Due to an increase in citations the revenues for court fees and fines have increased over a million dollars. Defensive Driving went up \$300,140, Court Base Fines went up \$334,052, Photo fines increased \$135,733, and Case Processing Fees increased \$318,336. The \$166,911 in revenues for the Arizona Criminal Justice Commission were posted in October for this fiscal year compared to January in the last fiscal year.
- (1d) Planning and Development Service decreased \$1,322,901 in revenues for permits, building plan reviews and other services compared to previous year. This is due to the building of a large student housing and some Walmart projects in the last fiscal year which needed permits. This fiscal year's Fire department's medical transports went down by 400 trips, decreasing the revenue by \$480,000.
- (1e) Due to an accounting system change the Police Department's group insurance and Workman's Compensation will be expensed each month over this fiscal year. In the last fiscal year the department was charged in the beginning of the year for the full amount instead of each month. Through November the expenditures decreased \$3,395,285 over the last fiscal year. Overtime decreased \$484,767 compared to last fiscal year due to the training for the new computer aided dispatch software last year. Police Pension increased \$753,850 compared to last year. The monthly maintenance expense for all the departments is being paid in one central location in General Services instead of Police due to a change in policy. The variance is \$870,506 less than last year.

- (1f) In the last fiscal year, Transportation paid outside contractors \$620,637 for a paving project on Oracle, between Miracle Mile and Drachman and \$351,247 for road Maintenance on Stone, between River and Wetmore. Chip sealing material was also used last fiscal year for a cost of \$202,033 for Golf Links and Harrison.
- (1g) Finance spent \$2,000,000 on the new accounting software system this fiscal year that was not spent last year.
- (1h) For this fiscal year all general funded facility costs were moved to one central location under General Services instead of the individual departments. This is a total of \$2,456,973 in additional expenses for this fiscal year compared to last fiscal year.

Mass Transit (pg. 3):

- (2a) Modern Streetcar construction project and replacement buses are completed. \$24,841,115 and \$5,051,320 was spent on the Modern Streetcar and replacement buses respectively as of November 30, 2012.
- (2b) RTA billings are occurring more timely compared to FY13.
- (2c) Day Pass Farebox and the Regular/Economy monthly pass show lower revenues in FY14 due to the new electronic Smartcard collection process. Smartcard processing should be caught up in the second quarter of FY14.
- (2d) Operating expenditures increased by \$1M due to repairs and maintenance of vehicles, printing of transfer tickets, software upgrade, and a transit survey.

Highway User Revenue Fund (pg. 3):

- (3a) A HURF deposit for \$2,456,833 in FY13 was posted in the wrong Fund in period 5 and a deposit for FY14 has not yet been received.
- (3b) Several real properties were sold in FY13.
- (3c) Lower personnel cost due to vacancy management.
- (3d) Houghton Road Project.

Water Utility Fund (pg. 6):

(4a) Increase in Charges for Services represents increased water rates for Central Arizona Project (CAP) surcharges and Metered Sales.

(4b) Decrease in Interest Expense due to bond refunding.