



CITY OF
TUCSON

ACCOUNTING
DIVISION

Monthly Financial Statements
For October 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 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.

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE FOUR MONTHS ENDED OCTOBER 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	33.3%			
Revenues:						
Primary Property Taxes	\$ 1,254,246	\$ 14,350,250	8.7%	\$ 1,347,369	\$ (93,123)	-6.9%
Business Privilege Tax	61,158,249	197,118,630	31.0%	62,985,508	(1,827,259)	-2.9%
Other Local Taxes	15,245,511	40,308,200	37.8%	13,811,063	1,434,448	10.4%
Grants and Shared Taxes	1,356,187	4,925,650	27.5%	1,029,488	326,699	31.7%
State-Shared Income Tax Revenue	20,873,966	63,205,510	33.0%	20,987,753	(113,787)	-0.5%
State-Shared Sales Tax	15,832,843	48,935,140	32.4%	14,959,083	873,760	5.8%
State Auto Lieu Tax	8,400,203	21,968,250	38.2%	6,164,975	2,235,228	36.3%
Licenses and Permits	10,897,072	28,349,160	38.4%	7,415,607	3,481,465	46.9%
Fines, Forfeitures, and Penalties	4,399,524	14,331,870	30.7%	4,555,514	(155,990)	-3.4%
Use of Money and Property	127,099	648,930	19.6%	20,635	106,464	515.9%
Charges for Current Services	13,515,889	39,053,170	34.6%	10,580,808	2,935,081	27.7%
Miscellaneous Revenue	277,215	10,382,120	2.7%	2,226,004	(1,948,789)	-87.5%
Total Revenues:	<u>153,338,004</u>	<u>483,576,880</u>		<u>146,083,807</u>	<u>7,254,197</u>	
Other Financing Sources	<u>533,333</u>	<u>1,600,000</u>	33.3%	<u>533,333</u>		
Total Revenues and Other Financing Sources	<u>\$ 153,871,337</u>	<u>\$ 485,176,880</u>		<u>\$ 146,617,140</u>	<u>\$ 7,254,197</u>	
General Fund Expenditures:						
Elected and Official						
Mayor and Council	\$ 841,444	\$ 2,559,710	32.9%	\$ 771,553	\$ 69,891	9.1%
City Manager	1,825,935	5,426,800	33.6%	2,628,948	(803,013)	-30.5%
City Attorney	2,676,312	8,191,610	32.7%	2,600,119	76,193	2.9%
City Clerk	1,027,563	4,300,410	23.9%	797,736	229,827	28.8%
Total Elected and Official	<u>6,371,254</u>	<u>20,478,530</u>		<u>6,798,356</u>	<u>(427,102)</u>	
Public Safety & Justice Services						
City Court	3,582,875	11,878,640	30.2%	3,353,899	228,976	6.8%
Public Defender	995,435	3,191,360	31.2%	900,861	94,574	10.5%
Tucson Fire	32,919,177	93,856,190	35.1%	26,784,679	6,134,498	22.9% 1a
Tucson Police	53,885,787	157,044,040	34.3%	44,643,203	9,242,584	20.7% 1a
Total Public Safety & Justice Services	<u>91,383,274</u>	<u>265,970,230</u>		<u>75,682,642</u>	<u>15,700,632</u>	
Community Enrichment & Development						
Housing & Community Development	561,158	3,042,460	18.4%	461,423	99,735	21.6%
Office of Integrated Planning	558,470	1,902,190	29.4%	469,585	88,885	18.9%
Parks and Recreation	12,627,491	36,454,370	34.6%	12,351,526	275,965	2.2%
Planning & Development Services	2,882,627	8,953,620	32.2%	2,643,071	239,556	9.1%
Transportation	578,774	2,916,810	19.8%	689,564	(110,790)	-16.1%
Total Community Enrichment & Development	<u>17,208,520</u>	<u>53,269,450</u>		<u>16,615,169</u>	<u>593,351</u>	
Support Services						
Budget and Internal Audit	444,429	1,482,770	30.0%	397,789	46,640	11.7%
Finance	5,029,934	10,492,840	47.9%	4,540,908	489,026	10.8%
General Services	3,812,816	10,678,790	35.7%	3,934,111	(121,295)	-3.1%
Human Resources	764,234	2,596,060	29.4%	650,954	113,280	17.4%
Information Technology	6,135,366	17,901,270	34.3%	5,635,845	499,521	8.9%
Procurement	1,203,172	3,156,990	38.1%	1,170,941	32,231	2.8%
Total Support Services	<u>17,389,951</u>	<u>46,308,720</u>		<u>16,330,548</u>	<u>1,059,403</u>	
Total Non-Departmental	<u>6,376,711</u>	<u>27,477,840</u>	23.2%	<u>3,298,823</u>	<u>3,077,888</u>	93.3%
Capital Outlay	<u>548,858</u>	<u>3,112,560</u>	17.6%	<u>563,566</u>	<u>(14,708)</u>	-2.6%
Capital Projects	<u>120,284</u>	<u>1,031,800</u>	11.7%	<u>5,826</u>	<u>114,458</u>	1964.6%
Debt Service and Fiscal Agent Fees	<u>39,889</u>	<u>23,884,000</u>	0.2%	<u>9,720</u>	<u>30,169</u>	310.4%
Other Financing Uses	<u>17,762,378</u>	<u>52,571,400</u>	33.8%	<u>16,682,420</u>	<u>1,079,958</u>	6.5%
Total Expenditures & Other Financing Uses	<u>\$ 157,201,119</u>	<u>\$ 494,104,530</u>		<u>\$ 135,987,070</u>	<u>\$ 21,214,049</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
MASS TRANSIT FUND
FOR THE FOUR MONTHS ENDED OCTOBER 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	33.3%			
Revenues:						
Federal Grants and Contributions	\$ 8,893,967	\$ 28,303,470	31.4%	\$ 8,630,693	\$ 263,274	3.1%
Other Agencies	3,642,015	13,829,020	26.3%	3,702,863	(60,848)	-1.6%
Use of Money and Property	133,958	360,000	37.2%	115,123	18,835	16.4%
Charges for Current Services	2,683,344	13,156,630	20.4%	4,289,549	(1,606,205)	-37.4%
Miscellaneous Revenue	108,922	100,370	108.5%	68,646	40,276	58.7%
Total Revenues:	<u>15,462,206</u>	<u>55,749,490</u>		<u>16,806,874</u>	<u>(1,344,668)</u>	
Other Financing Sources	<u>15,161,023</u>	<u>45,483,070</u>	33.3%	<u>14,759,714</u>	<u>401,309</u>	2.7%
Total Revenues and Other Financing Sources	<u>\$ 30,623,229</u>	<u>\$ 101,232,560</u>		<u>\$ 31,566,588</u>	<u>\$ (943,359)</u>	
Mass Transit Expenditures:						
Community Enrichment & Development						
Transportation	\$ 22,835,271	\$ 77,672,310	29.4%	\$ 24,545,689	\$ (1,710,418)	-7.0%
Total Community Enrichment & Development	<u>22,835,271</u>	<u>77,672,310</u>		<u>24,545,689</u>	<u>(1,710,418)</u>	
Capital Outlay	<u>8,993,884</u>	<u>23,535,070</u>	38.2%	<u>9,257,450</u>	<u>(263,566)</u>	-2.8%
Total Expenditures & Other Financing Uses	<u>\$ 31,829,155</u>	<u>\$ 101,207,380</u>		<u>\$ 33,803,139</u>	<u>\$ (1,973,984)</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
SUN LINK
FOR THE FOUR MONTHS ENDED OCTOBER 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	33.3%			
Revenues:						
Other Agencies	\$ 503,800	\$ 2,000,000	25.2%	\$	\$ 503,800	
Charges for Current Services	484,110	1,396,280	34.7%	221,201	262,909	118.9%
Miscellaneous Revenue	568		100.0%		568	
Total Revenues:	<u>988,478</u>	<u>3,396,280</u>		<u>221,201</u>	<u>767,277</u>	
Other Financing Sources	<u>770,590</u>	<u>2,311,770</u>	33.3%	<u>301,723</u>	<u>468,867</u>	155.4%
Total Revenues and Other Financing Sources	<u>\$ 1,759,068</u>	<u>\$ 5,708,050</u>		<u>\$ 522,924</u>	<u>\$ 1,236,144</u>	
Sun Link Expenditures:						
Community Enrichment & Development						
Transportation	\$ 1,050,180	\$ 4,220,800	24.9%	\$ 1,044,836	\$ 5,344	0.5%
Total Community Enrichment & Development	<u>1,050,180</u>	<u>4,220,800</u>		<u>1,044,836</u>	<u>5,344</u>	
Debt Service and Fiscal Agent Fees	<u></u>	<u>1,512,430</u>		<u></u>	<u></u>	
Total Expenditures & Other Financing Uses	<u>\$ 1,050,180</u>	<u>\$ 5,733,230</u>		<u>\$ 1,044,836</u>	<u>\$ 5,344</u>	

CITY OF TUCSON, ARIZONA
STATEMENT OF REVENUES AND EXPENDITURES
HIGHWAY USER REVENUE FUND (HURF)
FOR THE FOUR MONTHS ENDED OCTOBER 31, 2015

	Fiscal Year 2016			Fiscal Year 2015		% Change CFY vs PFY	% Change CFY vs PFY
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY		
HURF Revenues and Other Financing Sources:		Straight-line Budget	33.3%				
Revenues:							
Licenses and Permits	\$ 195,672	\$ 403,000	48.6%	\$ 67,751	\$ 127,921	188.8%	
Other Agencies	12,519,302	36,492,310	34.3%	11,838,101	681,201	5.8%	
Use of Money and Property	282,047	635,840	44.4%	162,044	120,003	74.1%	
Charges for Current Services	69,277	140,000	49.5%	179,103	(109,826)	-61.3%	
Miscellaneous Revenue	214,192	500,000	42.8%	584,746	(370,554)	-63.4%	
Total Revenues	<u>\$ 13,280,490</u>	<u>\$ 38,171,150</u>		<u>\$ 12,831,745</u>	<u>\$ 448,745</u>		
HURF Expenditures:							
Community Enrichment and Development							
Transportation	\$ 9,240,360	\$ 31,947,360	28.9%	\$ 8,256,476	\$ 983,884	11.9%	
Total Community Enrichment and Development	<u>9,240,360</u>	<u>31,947,360</u>		<u>8,256,476</u>	<u>983,884</u>		
Non-Departmental							
Outside Agencies	84,500	100,580	84.0%	50,290	34,210	68.0%	
Total Non-Departmental	<u>84,500</u>	<u>100,580</u>		<u>50,290</u>	<u>34,210</u>		
Capital Expenditures	78,260	1,035,650	7.6%		78,260	100.0%	
Capital Projects	291,489	1,998,620	14.6%	358,114	(66,625)	-18.6%	
Other Financing Uses		(9,821,590)	0.0%			0.0%	
Total Expenditures & Other Financing Uses	<u>\$ 9,694,609</u>	<u>\$ 25,260,620</u>		<u>\$ 8,664,880</u>	<u>\$ 1,029,729</u>		

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

	Water Utility Fund	Environmental Services	Tucson Golf Enterprise Fund
<u>ASSETS</u>			
Current assets:			
Cash and Cash Equivalents	\$ 60,209,143	\$ 32,694,951	\$ 9,550
Cash and Investments - Restricted	28,841,889		
Cash and Investments with Fiscal Agent - Restricted	15,837,940		187,980
Accounts Receivable, Net	25,715,178	3,917,511	407,992
Due from Other Agencies		73,157	
Interest Receivable	134,293	78,882	
Inventories	4,721,325		221,976
Other Assets	2,502,582		
Total current assets	137,962,350	36,764,501	827,498
Noncurrent assets:			
Long Term Accounts Receivable	208,172		
Other Assets - Restricted	331,551		43,252
Land and Construction in Progress	175,658,540	19,341,519	2,701,865
Other Capital Assets, Net	1,041,281,652	21,425,282	12,519,975
Water Rights	52,126,968		
Total noncurrent assets	1,269,606,883	40,766,801	15,265,092
Total assets	1,407,569,233	77,531,302	16,092,590
<u>DEFERRED OUTFLOWS</u>			
Loss on Refunding of Debt	16,527,269		
Pension Plans	3,162,060	1,205,606	
Total deferred outflows	19,689,329	1,205,606	
Total assets and deferred outflows	1,427,258,562	78,736,908	
<u>LIABILITIES</u>			
Current liabilities:			
Accounts Payable	3,232,500	165,148	265,112
Accrued Payroll Liabilities	1,468,343	569,574	55,459
Interfund Payable			1,290,447
Due to Other Agencies	286,947	1,540	43,994
Accrued Interest Payable			1,689
Refundable Deposits	2,285,552	79,262	3,722
Current Portion of Bonds Payable	38,755,359		
Current Portion of Contracts Payable		268,000	81,954
Current Portion of Compensated Absences	1,760,284	609,062	
Liabilities Payable from Restricted Assets	26,004		
Advances From Customers			73,245
Current Portion of Long Term Liabilities		750,551	
Total current liabilities	47,814,989	2,443,137	1,815,622

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

LIABILITIES (continued)

Noncurrent liabilities:			
Bonds Payable	519,852,101		
Contracts Payable		10,349,118	246,372
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			8,554,615
Long Term Liabilities		<u>56,355,386</u>	
Total noncurrent liabilities	<u>574,635,451</u>	<u>87,640,114</u>	<u>8,800,987</u>
Total liabilities	<u>622,450,440</u>	<u>90,083,251</u>	<u>10,616,609</u>

DEFERRED INFLOWS

Deferred Revenue	91,586		
Pension Plans	<u>5,461,526</u>	<u>2,082,329</u>	
Total deferred inflows	<u>5,553,112</u>	<u>2,082,329</u>	
Total liabilities and deferred inflows	<u>628,003,552</u>	<u>92,165,580</u>	

NET POSITION

Net Investment in capital assets	759,322,467	30,149,684	14,893,514
Amounts Restricted for:			
Debt Service	15,837,940		
Capital			187,980
Unrestricted Amounts (deficit)	24,094,603	(60,495,343)	(9,605,513)
Closure/Post Closure Liability		6,870,387	
New Landfill Cell Construction		<u>10,046,600</u>	
Total net position	<u>\$ 799,255,010</u>	<u>\$ (13,428,672)</u>	<u>\$ 5,475,981</u>

CITY OF TUCSON, ARIZONA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
WATER UTILITY FUND
FOR THE FOUR MONTHS ENDED OCTOBER 31, 2015

	Fiscal Year 2016		Fiscal Year 2015	
	Actual	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Operating revenues:				
Charges for Services	\$ 72,335,388	\$ 71,441,613	\$ 893,775	1.3%
Total operating revenues	<u>72,335,388</u>	<u>71,441,613</u>	<u>893,775</u>	
Operating expenses:				
Salaries, Wages and Benefits	12,223,651	10,644,219	1,579,432	14.8%
Contractual Services	22,458,056	24,048,074	(1,590,018)	-6.6%
Commodities	2,854,626	2,886,898	(32,272)	-1.1%
Depreciation/Amortization	11,732,000	10,430,331	1,301,669	12.5%
Total operating expenses	<u>49,268,333</u>	<u>48,009,522</u>	<u>1,258,811</u>	
Operating Income (Loss)	<u>23,067,055</u>	<u>23,432,091</u>	<u>(365,036)</u>	
Nonoperating revenues (expenses):				
Investment Income	729,033	(105,641)	834,674	-790.1%
Gain (Loss) on Sale of Property/Equipment	54,183		54,183	0.0%
Federal Grants and Contributions				0.0%
Interest Expense	(6,094,977)	(6,132,719)	37,742	-0.6%
Other Nonoperating Income (Expenses)		(2,449,263)	2,449,263	-100.0%
Total nonoperating revenues (expenses)	<u>(5,311,761)</u>	<u>(8,687,623)</u>	<u>3,375,862</u>	
Income (loss) before capital contributions and transfers	<u>17,755,294</u>	<u>14,744,468</u>	<u>3,010,826</u>	
Capital Contributions	1,038,804	587,208	451,596	76.9%
Transfers In				0.0%
Transfers Out	<u>(533,333)</u>	<u>(400,000)</u>	<u>(133,333)</u>	33.3%
Changes in net position	<u>18,260,765</u>	<u>14,931,676</u>	<u>3,329,089</u>	
Total net position, beginning of year	780,994,245	817,068,643 *	(36,074,398)	
Total net position	<u>\$ 799,255,010</u>	<u>\$ 832,000,319</u>	<u>\$ (32,745,309)</u>	

*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 FOUR MONTHS ENDED OCTOBER 31, 2015

	Fiscal Year 2016	Fiscal Year 2015	\$ Change	% Change
	Actual	Actual	CFY vs PFY	CFY vs PFY
Operating revenues:				
Charges for Services	\$ 17,022,093	\$ 17,010,336	\$ 11,757	0.1%
Miscellaneous	231,192	368,385	(137,193)	-37.2%
Total operating revenues	<u>17,253,285</u>	<u>17,378,721</u>	<u>(125,436)</u>	
Operating expenses:				
Salaries, Wages and Benefits	5,026,349	4,687,767	338,582	7.2%
Contractual Services	6,754,650	5,527,236	1,227,414	22.2%
Commodities	1,085,246	1,494,875	(409,629)	-27.4%
Depreciation/Amortization	1,235,529	1,216,268	19,261	1.6%
Total operating expenses	<u>14,101,774</u>	<u>12,926,146</u>	<u>1,175,628</u>	
Operating Income (Loss)	<u>3,151,511</u>	<u>4,452,575</u>	<u>(1,301,064)</u>	
Nonoperating revenues (expenses):				
Investment Income	242,668	(78,786)	321,454	-408.0%
Gain (Loss) on Sale of Property/Equipment	88,072	516,044	(427,972)	-82.9%
Other Agencies	73,157	9,170	63,987	697.8%
Total nonoperating revenues (expenses)	<u>403,897</u>	<u>446,428</u>	<u>(42,531)</u>	
Changes in net position	<u>3,555,408</u>	<u>4,899,003</u>	<u>(1,343,595)</u>	
Total net position, beginning of year	(16,984,080)	(4,625,002) *	(12,359,078)	
Total net position	<u>\$ (13,428,672)</u>	<u>\$ 274,001</u>	<u>\$ (13,702,673)</u>	

*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 FOUR MONTHS ENDED OCTOBER 31, 2015

	Randolph	El Rio	Silverbell	Enke	Combined	Total Straight- line Budget	% Budget
<u>COURSE OPERATIONS:</u>							
Operating revenues:							
Green Fees	\$ 268,540	\$ 77,218	\$ 98,289	\$ 61,815	\$ 505,862	\$ 7,688,730	
Cart Rentals	259,830	102,942	67,646	86,427	516,845		
Driving Range	97,849	2,748	21,614	41,082	163,293		
Clubhouse	105,766	60,055	50,229	49,427	265,477		
Other Revenue	239,681	31,652	22,031	42,933	336,297	10,130	
Total Operating Revenues	<u>971,666</u>	<u>274,615</u>	<u>259,809</u>	<u>281,684</u>	<u>1,787,774</u>	<u>7,698,860</u>	<u>23.2%</u>
Operating expenses:							
Salaries, Wages and Benefits	6,216	3,625	3,625	3,626	17,092	45,840	
Contractual Services	759,611	434,596	310,637	417,989	1,922,833	5,537,470	34.7%
Commodities	279,147	102,866	156,173	123,475	661,661	1,297,850	51.0%
Cost of Goods Sold	103,739	32,655	25,704	29,279	191,377	646,280	29.6%
Depreciation/Amortization	81,364	44,268	76,836	38,456	240,924		
Total Operating Expenses	<u>1,230,077</u>	<u>618,010</u>	<u>572,975</u>	<u>612,825</u>	<u>3,033,887</u>	<u>7,527,440</u>	<u>40%</u>
Operating Income (Loss)	<u>(258,411)</u>	<u>(343,395)</u>	<u>(313,166)</u>	<u>(331,141)</u>	<u>(1,246,113)</u>	<u>171,420</u>	
Nonoperating revenues (expenses):							
Interest Expense	(2,336)	(1,168)	(1,168)	(1,168)	(5,840)	7,970	
Other	(449)				(449)	94,250	
Total nonoperating revenues (expenses)	<u>(2,785)</u>	<u>(1,168)</u>	<u>(1,168)</u>	<u>(1,168)</u>	<u>(6,289)</u>	<u>102,220</u>	
Changes in net position	<u>(261,196)</u>	<u>(344,563)</u>	<u>(314,334)</u>	<u>(332,309)</u>	<u>(1,252,402)</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>\$ 1,757,319</u>	<u>\$ 1,472,100</u>	<u>\$ 1,031,343</u>	<u>\$ 1,215,219</u>	<u>\$ 5,475,981</u>		

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 FOUR MONTHS ENDED October 31, 2015

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
Operating revenues:			
Charges for Services	\$ 7,736,973	\$ 4,653,837	\$ 5,687,804
Miscellaneous	52,448	8,742	1,738
Total operating revenues	<u>7,789,421</u>	<u>4,662,579</u>	<u>5,689,542</u>
Operating expenses:			
Salaries, Wages and Benefits	1,952,482	364,197	3,072,367
Contractual Services	2,227,404	1,470,890	1,726,258
Commodities	3,477,178	25,493	666,828
Benefits and Claims		1,660,286	
Depreciation	562,130	5,040	21,230
Total operating expenses	<u>8,219,194</u>	<u>3,525,906</u>	<u>5,486,683</u>
Operating income (loss)	<u>(429,773)</u>	<u>1,136,673</u>	<u>202,859</u>
Nonoperating revenues (expenses):			
Property Taxes		200,494	
Investment Income	13,236	75,548	18,673
Gain (loss) on Sale of Property/Equipment	123,608		
Total nonoperating revenues (expenses)	<u>136,844</u>	<u>276,042</u>	<u>18,673</u>
Changes in net position	<u>(292,929)</u>	<u>1,412,715</u>	<u>221,532</u>
Total net position, beginning of year	11,322,038	830,874	(10,781,094)
Total net position	<u>\$ 11,029,109</u>	<u>\$ 2,243,589</u>	<u>\$ (10,559,562)</u>

City of Tucson, Arizona
Variance Explanations
For October 2015

General Fund:

- (1a) Public Safety Pension for Tucson Fire and Tucson Police increased 16% from fiscal year 2015 due to a pension rate change and timing of pay periods. October fiscal year 2016 includes three pay periods compared to two pay periods in fiscal year 2015.

Mass Transit:

- (2a) Revenue charges for current services and fuel expenses decreased in fiscal year 2016 due to a halt in services caused by an economic strike of unionized bus drivers and mechanics.

Water Utility Fund:

- (3a) At the beginning of fiscal year 2016, water rates were increased on metered and reclaimed sales.
- (3b) Salaries, wages and benefits expense increased due to October fiscal year 2016 including three pay periods compared to two pay periods in fiscal year 2015.
- (3c) Fiscal year 2015 includes a catchup payment of \$1.7 million for CAP commodity charges.
- (3d) \$2.4 million in construction in progress reclassifications occurred in fiscal year 2015.

Environmental Services Fund:

- (4a) Contractual services expense increased due to a landfill compactor rebuild and increased vehicle maintenance costs.