



CITY OF  
TUCSON

ACCOUNTING  
DIVISION

Monthly Financial Statements  
For October 31, 2014

This financial report is presented as required by Chapter XXIX, §3(4), of the City Charter. It is prepared to meet the needs of management, citizens, investors, and numerous governmental agencies. The financial statements included present the results of the City's operations and includes financial statements for general government funds, enterprise funds and internal service funds.

The general government statements report the revenues and expenditures for the General Fund, the Mass Transit Fund, Sun Link Fund, and the Highway User Revenue Fund (HURF). The General Fund serves as the City's chief operating fund and is used to account for all financial resources not accounted for in another fund. The Mass Transit Fund is used to account for the proceeds of specific revenue sources related to the operations of the City's SunTran and SunVan services. The Sun Link Fund accounts for all financial resources related to the modern streetcar operations. The HURF Fund is used to record the state-shared gas tax revenue that can only be used for their authorized transportation purposes.

Enterprise funds include Water, Environmental Services, and Golf. The Water Utility Fund accounts for the financing and operation of all activities necessary to provide water services to the Tucson metropolitan area. The Environmental Services Fund accounts for the financing and operation of all activities necessary to provide solid waste services to residential and commercial customers in the Tucson metropolitan area. The Golf Enterprise Fund accounts for the operation and maintenance of the City's golf courses, driving ranges, pro shops and clubhouses.

Finally, the report presents the revenues, expenses and changes in net 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 FOUR MONTHS ENDED OCTOBER 2014**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
General Fund Revenues and Other Financing Sources:	Straight-line Budget (October, 31): 33.3%					
Revenues:						
Primary Property Taxes	\$ 1,347,369	\$ 13,599,560	9.9%	\$ 1,125,450	\$ 221,919	19.7%
Business Privilege Tax	45,833,089	192,114,160	23.9%	45,678,514	154,575	0.3%
Other Local Taxes	11,567,064	43,617,780	26.5%	9,671,950	1,895,114	19.6% <b>1a</b>
Grants and Shared Taxes	1,029,488	4,633,260	22.2%	799,462	230,026	28.8%
State-Shared Income Tax Revenue	10,493,876	63,620,670	16.5%	9,671,138	822,738	8.5%
State-Shared Sales Tax	7,398,870	47,151,760	15.7%	7,060,923	337,947	4.8%
State Auto Lieu Tax	2,505,683	20,719,540	12.1%	2,496,555	9,128	0.4%
Licenses and Permits	5,554,606	20,531,520	27.1%	5,432,138	122,468	2.3%
Fines, Forfeitures, and Penalties	4,555,514	14,799,250	30.8%	4,588,300	(32,786)	-0.7%
Use of Money and Property	20,635	525,270	3.9%	406,273	(385,638)	-94.9%
Charges for Current Services	12,193,377	42,006,590	29.0%	11,635,065	558,312	4.8%
Miscellaneous Revenue	2,226,004	4,613,640	48.2%	1,072,405	1,153,599	107.6% <b>1b</b>
<b>Total Revenues:</b>	<b>104,725,575</b>	<b>467,933,000</b>		<b>99,638,173</b>	<b>5,087,402</b>	
Other Financing Sources	533,333	1,600,000	33.3%	533,333		
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 105,258,908</b>	<b>\$ 469,533,000</b>		<b>\$ 100,171,506</b>	<b>\$ 5,087,402</b>	
General Fund Expenditures:						
Elected and Official						
101 Mayor and Council	\$ 771,553	\$ 2,566,510	30.1%	\$ 825,007	\$ (53,454)	-6.5%
103 City Manager	2,628,948	7,800,290	33.7%	2,692,109	(63,161)	-2.3%
131 City Attorney	2,600,119	8,713,380	29.8%	2,785,761	(185,642)	-6.7%
151 City Clerk	797,736	2,971,150	26.8%	1,297,374	(499,638)	-38.5%
<b>Total Elected and Official</b>	<b>6,798,356</b>	<b>22,051,330</b>		<b>7,600,251</b>	<b>(801,895)</b>	
Public Safety & Justice Services						
141 City Court	3,353,899	11,644,260	28.8%	3,518,507	(164,608)	-4.7%
10E Equal Opportunity & Ind. Police Review				250,990	(250,990)	-100.0%
146 Public Defender	900,861	3,064,940	29.4%	971,607	(70,746)	-7.3%
301 Tucson Fire	26,784,679	89,179,330	30.0%	28,273,942	(1,489,263)	-5.3% <b>1c</b>
201 Tucson Police	44,643,203	147,402,290	30.3%	46,610,060	(1,966,857)	-4.2% <b>1d</b>
<b>Total Public Safety &amp; Justice Services</b>	<b>75,682,642</b>	<b>251,290,820</b>		<b>79,625,106</b>	<b>(3,942,464)</b>	
Community Enrichment & Development						
114 Housing & Community Development	461,423	3,080,840	15.0%	1,843,242	(1,381,819)	-75.0% <b>1e</b>
145 Office of Integrated Planning	469,585	1,632,540	28.8%		469,585	
601 Parks and Recreation	12,351,526	36,051,250	34.3%	12,806,984	(455,458)	-3.6%
174 Planning & Development Services	2,643,071	9,265,070	28.5%	2,231,703	411,368	18.4%
491 Transportation	689,564	2,021,260	34.1%	640,352	49,212	7.7%
<b>Total Community Enrichment &amp; Development</b>	<b>16,615,169</b>	<b>52,050,960</b>		<b>17,522,281</b>	<b>(907,112)</b>	
Support Services						
126 Budget and Internal Audit	397,789	1,462,790	27.2%	523,906	(126,117)	-24.1%
120 Finance	4,540,908	10,181,420	44.6%	4,837,645	(296,737)	-6.1%
410 General Services	3,934,111	11,513,970	34.2%	2,797,592	1,136,519	40.6% <b>1f</b>
161 Human Resources	650,954	2,595,390	25.1%	849,641	(198,687)	-23.4%
155 Information Technology	5,635,845	17,243,070	32.7%	5,851,181	(215,336)	-3.7%
135 Procurement	1,170,941	3,216,530	36.4%	1,183,087	(12,146)	-1.0%
<b>Total Support Services</b>	<b>16,330,548</b>	<b>46,213,170</b>		<b>16,043,052</b>	<b>287,496</b>	
<b>Total Non-Departmental</b>	<b>3,298,823</b>	<b>22,827,750</b>	<b>14.5%</b>	<b>3,070,972</b>	<b>227,851</b>	<b>7.4%</b>
<b>Capital Projects</b>	<b>569,392</b>	<b>6,095,370</b>	<b>9.3%</b>	<b>100,022</b>	<b>469,370</b>	<b>469.3%</b>
<b>Debt Service and Fiscal Agent Fees</b>	<b>9,720</b>	<b>25,231,870</b>	<b>0.0%</b>	<b>9,900</b>	<b>(180)</b>	<b>-1.8%</b>
<b>Other Financing Uses</b>	<b>16,682,420</b>	<b>50,017,190</b>	<b>33.4%</b>	<b>15,458,715</b>	<b>1,223,705</b>	<b>7.9% 1g</b>
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>\$ 135,987,070</b>	<b>\$ 475,778,460</b>		<b>\$ 139,430,299</b>	<b>\$ (3,443,229)</b>	

**CITY OF TUCSON, ARIZONA  
STATEMENT OF REVENUES AND EXPENDITURES  
MASS TRANSIT FUND  
FOR THE FOUR MONTHS ENDED OCTOBER 2014**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Mass Transit Revenues and Other Financing Sources:	Straight-line Budget (October, 31): 33.3%					
Revenues:						
Federal Grants and Contributions	\$ 8,630,693	\$ 26,415,740	32.7%	\$ 933,387	\$ 7,697,306	824.7% <b>2a</b>
Other Agencies	3,702,863	12,786,510	29.0%	5,005,195	(1,302,332)	-26.0%
Use of Money and Property	115,123	366,400	31.4%	94,308	20,815	22.1%
Charges for Current Services	4,289,549	15,253,680	28.1%	2,110,012	2,179,537	103.3% <b>2b</b>
Miscellaneous Revenue	68,646	328,200	20.9%	31,506	37,140	117.9%
Total Revenues:	<u>16,806,874</u>	<u>55,150,530</u>		<u>8,174,408</u>	<u>8,632,466</u>	
Other Financing Sources	<u>14,759,714</u>	<u>44,279,140</u>	33.3%	<u>14,244,344</u>	<u>515,370</u>	3.6%
<b>Total Revenues and Other Financing Sources</b>	<b><u>\$ 31,566,588</u></b>	<b><u>\$ 99,429,670</u></b>		<b><u>\$ 22,418,752</u></b>	<b><u>\$ 9,147,836</u></b>	
Mass Transit Expenditures:						
Community Enrichment & Development						
Transportation	\$ 24,545,689	\$ 77,729,890	31.6%	\$ 25,139,236	\$ 352,270	1.4%
<b>Total Community Enrichment &amp; Development</b>	<u>24,545,689</u>	<u>77,729,890</u>		<u>25,139,236</u>	<u>352,270</u>	
<b>Capital Expenditures</b>	<u>9,257,450</u>	<u>21,550,810</u>	43.0%	<u>631,350</u>	<u>7,624,018</u>	1207.6% <b>2a</b>
<b>Total Expenditures &amp; Other Financing Uses</b>	<b><u>\$ 33,803,139</u></b>	<b><u>\$ 99,280,700</u></b>		<b><u>\$ 25,770,586</u></b>	<b><u>\$ 7,976,288</u></b>	

**CITY OF TUCSON, ARIZONA  
STATEMENT OF REVENUES AND EXPENDITURES  
SUN LINK FUND  
FOR THE FOUR MONTHS ENDED OCTOBER 2014**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
Sun Link Revenues and Other Financing Sources:	Straight-line Budget (October, 31): 33.3%					
Revenues:						
Other Agencies	\$	\$ 2,000,000		\$	\$	
Charges for Current Services	<u>221,201</u>	<u>1,296,390</u>				
Total Revenues:	<u>221,201</u>	<u>3,296,390</u>				
Other Financing Sources	<u>301,723</u>	<u>905,170</u>				
<b>Total Revenues and Other Financing Sources</b>	<b><u>\$ 522,924</u></b>	<b><u>\$ 4,201,560</u></b>		<b><u>\$</u></b>	<b><u>\$</u></b>	
Sun Link Expenditures:						
Community Enrichment & Development						
Transportation	\$ 1,044,836	\$ 4,201,560		\$		
<b>Total Community Enrichment &amp; Development</b>	<u>1,044,836</u>	<u>4,201,560</u>				
<b>Capital Expenditures</b>		<u>1,511,780</u>				
<b>Total Expenditures &amp; Other Financing Uses</b>	<b><u>\$ 1,044,836</u></b>	<b><u>\$ 5,713,340</u></b>		<b><u>\$</u></b>	<b><u>\$</u></b>	

Sun Link was combined with Mass Transit in FY2014

**CITY OF TUCSON, ARIZONA  
STATEMENT OF REVENUES AND EXPENDITURES  
HIGHWAY USER REVENUE FUND (HURF)  
FOR THE FOUR MONTHS ENDED OCTOBER 2014**

	Fiscal Year 2015			Fiscal Year 2014		
	Actual	Total FY Budget	% Budget	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
HURF Revenues and Other Financing Sources:	Straight-line Budget (October, 31): 33.3%					
Revenues:						
Licenses and Permits	\$ 67,751	\$	0.0%	\$	\$ 67,751	100.0%
Other Agencies	8,647,046	36,556,190	23.7%	7,940,297	706,749	8.9%
Use of Money and Property	162,044	570,070	28.4%	752,737	(590,693)	-78.5%
Charges for Current Services	179,103	690,000	26.0%	275,837	(96,734)	-35.1%
Miscellaneous Revenue	584,746	239,800		986,051	(401,305)	-40.7%
<b>Total Revenues</b>	<u>\$ 9,640,690</u>	<u>\$ 38,056,060</u>		<u>\$ 9,954,922</u>	<u>\$ (314,232)</u>	
HURF Expenditures:						
Community Enrichment and Development						
Transportation	\$ 8,441,520	\$ 28,530,830	29.6%	\$ 9,083,604	\$ (642,084)	-7.1%
<b>Total Community Enrichment and Development</b>	<u>8,441,520</u>	<u>28,530,830</u>		<u>9,083,604</u>	<u>(642,084)</u>	
Non-Departmental						
Outside Agencies	50,290	100,580	50.0%		50,290	100.0%
<b>Total Non-Departmental</b>	<u>50,290</u>	<u>100,580</u>			<u>50,290</u>	
<b>Capital Expenditures</b>		668,200	0.0%			0.0%
<b>Capital Projects</b>	173,070	228,370	75.8%	1,239,425	(1,066,355)	-86.0% 3a
<b>Other Financing Uses</b>		9,837,070	0.0%			0.0%
<b>Total Expenditures &amp; Other Financing Uses</b>	<u>\$ 8,664,880</u>	<u>\$ 39,365,050</u>		<u>\$ 10,323,029</u>	<u>\$ (1,658,149)</u>	

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF NET POSITION**  
**ENTERPRISE FUNDS**  
**October 31, 2014**

	<u>Water Utility Fund</u>	<u>Environmental Services</u>	<u>Tucson Golf Enterprise Fund</u>
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>			
Assets			
Current assets:			
Pooled Cash and Investments	\$ 52,121,857	\$ 36,114,759	\$ 9,550
Cash and Investments - Restricted	26,428,050		
Cash and Investments with Fiscal Agent - Restricted	15,006,997		
Accounts Receivable, Net	13,622,459	4,004,587	436,517
Due from Other Agencies		9,170	
Interest Receivable	178,114	95,411	
Inventories	4,411,603		172,795
Other Assets	2,213,670		
<b>Total current assets</b>	<u>113,982,750</u>	<u>40,223,927</u>	<u>618,862</u>
Noncurrent assets:			
Long Term Accounts Receivable	239,372		
Other Assets - Restricted	292,279		
Land and Construction in Progress	204,335,513	13,052,165	2,701,865
Other Capital Assets, Net	1,005,812,663	17,658,123	13,257,255
Water Rights	52,126,968		
<b>Total noncurrent assets</b>	<u>1,262,806,795</u>	<u>30,710,288</u>	<u>15,959,120</u>
<b>Total assets</b>	<u>1,376,789,545</u>	<u>70,934,215</u>	<u>16,577,982</u>
Deferred Outflows			
Unamortized Loss on Refunding	12,628,717		
<b>Total deferred outflows</b>	<u>12,628,717</u>		
<b><u>LIABILITIES AND DEFERRED INFLOWS</u></b>			
Liabilities			
Current liabilities:			
Accounts Payable	1,509,277	357,679	293,776
Accrued Payroll Liabilities	49,314	16,587	
Interfund Payable			1,152,900
Due to Other Agencies		19,408	32,836
Accrued Interest Payable			3,876
Refundable Deposits	3,404,945	67,297	
Current Portion of Bonds Payable	36,787,013		
Current Portion of Contracts Payable		124,000	
Current Portion of Compensated Absences	1,630,059	601,042	
Liabilities Payable from Restricted Assets	152,149		
Advances From Customers			78,998
Current Portion of Long Term Liabilities		737,937	
<b>Total current liabilities</b>	<u>\$ 43,532,757</u>	<u>\$ 1,923,950</u>	<u>\$ 1,562,386</u>

**CITY OF TUCSON, ARIZONA  
STATEMENT OF NET POSITION  
ENTERPRISE FUNDS  
October 31, 2014**

<b>LIABILITIES AND DEFERRED INFLOWS (continued)</b>	<u>Water Utility Fund</u>	<u>Environmental Services</u>	<u>Tucson Golf Enterprise Fund</u>
Noncurrent liabilities:			
Bonds Payable	\$ 523,120,212	\$	\$
Contracts Payable		10,629,136	408,929
Compensated Absences	1,804,759	651,474	
Other-Post-employment Benefits	1,183,619	477,736	
Loans and Notes Payable			7,906,447
Long Term Liabilities		<u>56,977,918</u>	
<b>Total non-current liabilities</b>	<u>526,108,590</u>	<u>68,736,264</u>	<u>8,315,376</u>
<b>Total liabilities</b>	<u>569,641,347</u>	<u>70,660,214</u>	<u>9,877,762</u>
Deferred Inflows			
Deferred Revenue	<u>80,118</u>		
<b>Total deferred inflows</b>	<u>80,118</u>		
<b>NET POSITION</b>			
Net Investment in capital assets	741,715,842	19,957,152	15,550,191
Amounts Restricted for:			
Debt Service	15,006,997		
Unrestricted Amounts (deficit)	62,973,958	(36,600,138)	(8,849,971)
Closure/Post Closure Liability		6,870,387	
New Landfill Cell Construction		<u>10,046,600</u>	
<b>Total net position</b>	<u>\$ 819,696,797</u>	<u>\$ 274,001</u>	<u>\$ 6,700,220</u>

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**WATER UTILITY FUND**  
**FOR THE FOUR MONTHS ENDED OCTOBER, 2014**

	Fiscal Year 2015	Fiscal Year 2014	\$ Change CFY vs PFY	% Change CFY vs PFY	
	Actual	Actual			
<b>Operating revenues:</b>					
Charges for Services	\$ 59,066,187	\$ 56,308,961	\$ 2,757,226	4.9%	<b>4a</b>
<b>Total operating revenues</b>	<u>59,066,187</u>	<u>56,308,961</u>	<u>2,757,226</u>		
<b>Operating expenses:</b>					
Personal Services	10,644,219	11,607,625	(963,406)	-8.3%	
Contractual Services	24,048,074	21,023,565	3,024,509	14.4%	<b>4b</b>
Commodities	2,886,898	2,545,278	341,620	13.4%	
Depreciation/Amortization	10,430,331	10,066,911	363,420	3.6%	
<b>Total operating expenses</b>	<u>48,009,522</u>	<u>45,243,379</u>	<u>2,766,143</u>		
<b>Operating Income (Loss)</b>	<u>11,056,665</u>	<u>11,065,582</u>	<u>(8,917)</u>		
<b>Nonoperating revenues (expenses):</b>					
Investment Income(Loss)	(105,641)	637,423	(743,064)	-116.6%	
Gain (Loss) on Sale of Property/Equipment		90,885	(90,885)	-100.0%	
Non-Grant Contributions		770,334		0.0%	
Interest Expense	(6,132,719)	(6,665,642)	532,923	-8.0%	
Other Nonoperating Income (Expenses)	<u>(2,449,263)</u>	<u>(3,000)</u>	<u>(2,446,263)</u>	81542.1%	<b>4c</b>
<b>Total nonoperating revenues (expenses)</b>	<u>(8,687,623)</u>	<u>(5,170,000)</u>	<u>(3,517,623)</u>		
<b>Income (loss) before capital contributions and transfers</b>	<u>2,369,042</u>	<u>5,895,582</u>	<u>(3,526,540)</u>		
<b>Capital Contributions</b>	792,445	939,104	(146,659)	-15.6%	
<b>Transfers Out</b>	<u>(533,333)</u>	<u>(533,333)</u>		0.0%	
<b>Changes in net position</b>	<u>2,628,154</u>	<u>6,301,353</u>	<u>(3,673,199)</u>		
<b>Total net position, beginning of year</b>	817,068,643	789,874,656	27,193,987		
<b>Total net position</b>	<u>\$ 819,696,797</u>	<u>\$ 796,176,009</u>	<u>\$ 23,520,788</u>		

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**ENVIRONMENTAL SERVICES FUND**  
**FOR THE FOUR MONTHS ENDED OCTOBER, 2014**

	Fiscal Year 2015		Fiscal Year 2014	
	Actual	Actual	\$ Change CFY vs PFY	% Change CFY vs PFY
<b>Operating revenues:</b>				
Charges for Services	\$ 17,010,336	\$ 16,688,408	\$ 321,928	1.9%
Miscellaneous	368,385	438,151	(69,766)	-15.9%
<b>Total operating revenues</b>	<u>17,378,721</u>	<u>17,126,559</u>	<u>252,162</u>	
<b>Operating expenses:</b>				
Personal Services	4,687,767	5,109,108	(421,341)	-8.2%
Contractual Services	5,527,236	5,964,545	(437,309)	-7.3%
Commodities	1,494,875	1,287,372	207,503	16.1%
Depreciation/Amortization	1,216,268	1,740,435	(524,167)	-30.1%
<b>Total operating expenses</b>	<u>12,926,146</u>	<u>14,101,460</u>	<u>(1,175,314)</u>	
<b>Operating Income (Loss)</b>	<u>4,452,575</u>	<u>3,025,099</u>	<u>1,427,476</u>	
<b>Nonoperating revenues (expenses):</b>				
Investment Income(Loss)	(78,786)	255,953	(334,739)	-130.8%
Gain (Loss) on Sale of Property/Equipment	516,044	303,635	212,409	70.0%
Other Agencies	9,170	27,525	(18,355)	-66.7%
<b>Total nonoperating revenues (expenses)</b>	<u>446,428</u>	<u>587,113</u>	<u>(140,685)</u>	
<b>Income (loss) before capital contributions and transfers</b>	<u>4,899,003</u>	<u>3,612,212</u>	<u>1,286,791</u>	
<b>Changes in net position</b>	<u>4,899,003</u>	<u>3,612,212</u>	<u>1,286,791</u>	
<b>Total net position, beginning of year</b>	(4,625,002)	2,296,870	(6,921,872)	
<b>Total net position</b>	<u>\$ 274,001</u>	<u>\$ 5,909,082</u>	<u>\$ (5,635,081)</u>	

**CITY OF TUCSON, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION**  
**TUCSON CITY GOLF FUND - BUDGET TO ACTUAL**  
**FOR THE FOUR MONTHS ENDED OCTOBER, 2014**

	Randolph	El Rio	Silverbell	Enke	Combined	Oct. 31 Total Straight- line Budget	% Budget 33%
<b>COURSE OPERATIONS:</b>							
<b>Operating revenues:</b>							
Green Fees	\$ 321,326	\$ 92,493	\$ 105,112	\$ 86,820	\$ 605,751	\$ 8,130,050	
Cart Rentals	146,624	68,043	58,980	72,043	345,690		
Driving Range	85,028	1,844	24,357	36,226	147,455		
Clubhouse	153,182	37,285	42,477	34,033	266,977		
Other Revenue	48,293	14,624	14,898	20,750	98,565		
<b>Total Operating Revenues</b>	<u>754,453</u>	<u>214,289</u>	<u>245,824</u>	<u>249,872</u>	<u>1,464,438</u>	<u>8,130,050</u>	<u>18.0%</u>
<b>Operating expenses:</b>							
Personnel Services	4,304	2,152	2,152	2,152	10,760		
Contractual Services	820,383	405,348	303,449	397,388	1,926,568	6,048,720	31.9%
Commodities	240,093	86,069	112,405	94,334	532,901	1,238,130	43.0%
Cost of Goods Sold	80,908	16,975	16,832	17,051	131,766	709,240	18.6%
Depreciation/Amortization	75,575	43,285	74,175	33,377	226,412		
<b>Total Operating Expenses</b>	<u>1,221,263</u>	<u>553,829</u>	<u>509,013</u>	<u>544,302</u>	<u>2,828,407</u>	<u>7,996,090</u>	<u>35%</u>
<b>Operating Income (Loss)</b>	<u>(466,810)</u>	<u>(339,540)</u>	<u>(263,189)</u>	<u>(294,430)</u>	<u>(1,363,969)</u>	<u>133,960</u>	
<b>Nonoperating revenues (expenses):</b>							
Interest Expense	(2,217)	(676)	(676)	(676)	(4,245)		
Other	211,995				211,995		
<b>Total nonoperating revenues (expenses)</b>	<u>209,778</u>	<u>(676)</u>	<u>(676)</u>	<u>(676)</u>	<u>207,750</u>		
<b>Income (Loss) before capital contributions and transfers</b>	<u>(257,032)</u>	<u>(340,216)</u>	<u>(263,865)</u>	<u>(295,106)</u>	<u>(1,156,219)</u>	<u>133,960</u>	
<b>Changes in net position</b>	<u>(257,032)</u>	<u>(340,216)</u>	<u>(263,865)</u>	<u>(295,106)</u>	<u>(1,156,219)</u>	<u>\$ 133,960</u>	
<b>Total net position, beginning of year</b>	2,396,795	2,099,272	1,565,553	1,794,819	7,856,439		
<b>Total net position</b>	<u>\$ 2,139,763</u>	<u>\$ 1,759,056</u>	<u>\$ 1,301,688</u>	<u>\$ 1,499,713</u>	<u>\$ 6,700,220</u>		

Note: OB Sports and City of Tucson statements will not agree 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, 2014**

	<u>Fleet Services</u>	<u>Self Insurance</u>	<u>General Services</u>
<b>Operating revenues:</b>			
Charges for Services	\$ 8,311,573	\$ 5,864,000	\$ 6,768,134
Miscellaneous	148,892	444	5,876
<b>Total operating revenues</b>	<u>8,460,465</u>	<u>5,864,444</u>	<u>6,774,010</u>
<b>Operating expenses:</b>			
Personal Services	1,817,193	320,700	2,635,377
Contractual Services	1,485,361	1,594,554	1,837,744
Commodities	4,718,023	31,984	574,244
Benefits and Claims		1,915,986	
Depreciation	570,891	5,357	25,021
<b>Total operating expenses</b>	<u>8,591,468</u>	<u>3,868,581</u>	<u>5,072,386</u>
<b>Operating income (loss)</b>	<u>(131,003)</u>	<u>1,995,863</u>	<u>1,701,624</u>
<b>Nonoperating revenues (expenses):</b>			
Property Taxes		155,110	
Investment Income	(2,732)	(12,457)	(9,289)
<b>Total nonoperating revenues (expenses)</b>	<u>(2,732)</u>	<u>142,653</u>	<u>(9,289)</u>
<b>Income (loss) before capital contributions and transfers</b>	<u>(133,735)</u>	<u>2,138,516</u>	<u>1,692,335</u>
<b>Changes in net position</b>	<u>(133,735)</u>	<u>2,138,516</u>	<u>1,692,335</u>
<b>Total net position, beginning of year</b>	8,632,069	(2,386,650)	(12,951,155)
<b>Total net position</b>	<u>\$ 8,498,334</u>	<u>\$ (248,134)</u>	<u>\$ (11,258,820)</u>

**City of Tucson, Arizona  
Variance Explanations  
October 2014, Fiscal Year 2015**

**General Fund (pg. 2):**

- (1a) A TEP utility transaction for \$1.7 million was accrued from FY 14 to FY 13 reducing the FY14 revenues.
- (1b) The parcel of land at 22<sup>nd</sup> Street and I-10 sold for \$1.5 million.
- (1c) A decrease in Tucson Fire expenditures, primarily due to an increase in vacancies.
- (1d) A decrease of Tucson Police expenditures, primarily due to an increase in vacancies.
- (1e) Code Enforcement and Planning divisions' expenditures were moved from Housing and Community Development for this fiscal year to other departments.
- (1f) Security Charges for City Hall and the TPD portion of wireless integrated network charges were paid by General Services this year which is a change from last fiscal year.
- (1g) The subsidies to Mass Transit, TCC and Sun Link increased by \$312,285 per month.

**Mass Transit (pg. 3):**

- (2a) So far in FY15 \$7.6M has been spent on replacement buses.
- (2b) FY14 fare collections were lower due to implementation of a new fare collection system.

**Highway User Revenue Fund (pg. 4):**

- (3a) Capital projects expenses decreased from the prior year. Approximately \$1,201,792 are related to the Houghton Road/Irvington to Valencia project (SR1E).

**Water Utility Fund (pg. 7):**

- (4a) At the beginning of FY15 water rates increased on Metered Sales.
- (4b) In FY15 a \$3M increase is due to CAP commodity and capital charges and electricity for projects.
- (4c) In FY15 there are \$2.4M in CIP write offs.