City of Benson
City Council Communication

Regular Meeting **November 9, 2015**

To: Mayor and Council Agenda Item # 5

From: Dustin DeSpain, Finance Director

Subject:

Review of City Finances with emphasis on September financial results, and the City's financial position at September 30, 2015

Discussion:

Staff will present the attached power point slide shows to summarize the results of City operations and the City's financial position at September 30, 2015.

Staff Recommendation:

Information only

Benson
Arizona
Founded in 1880
Gateway to the San Pedro Valley

FINANCIAL HIGHLIGHTS SEPTEMBER, 2015

Citywide Financial Highlights

Cash

- Unrestricted Cash sits at $1.2M
- Bond Proceeds are $1.07M

Fund Balances

- Revenues did not exceeded our Expenditures by **$50K** for the month
- $48 for the Fiscal Year
- $2K was fund balance for 2014 YTD

Citywide Financial Results

Revenues

- Monthly Revenues: $677K
- Fiscal Year: $2.2M
  - $157K increase from YTD through Sept 2014

Personnel

- Monthly Personnel: $344K
  - A decrease of $1K compared to Sept 2014

Other Costs

- Other Expenditures were $300K for the month
  - An increase of $82 compared to Sept 2014

General Fund

Revenues

- Monthly Revenues:$384K
- Fiscal Year: $1.1M
- An increase $36K from 2014

Expenditures

- Monthly Personnel: $222K
  - A decrease of $7K from Sept 2014
  - Other Expenses: $131K
  - An increase of $74K for Sept 2014

Fund Balance

- Revenues did exceed Expenditures by $31K for the month
- $153K YTD Fund Balance a decrease from Fiscal YTD through Sept 2014 (134K) of $20K

Enterprise Funds

Gas

- Monthly Revenues: $34K YTD Revenues: $110K
- Fund Balance YTD: $5K

Water

- Monthly Revenues: $55K YTD Revenues: $183K
- Fund Balance YTD: $53K

Wastewater

- Monthly Revenues: $56K YTD Revenues: $174K
- Fund Balance YTD: $71K

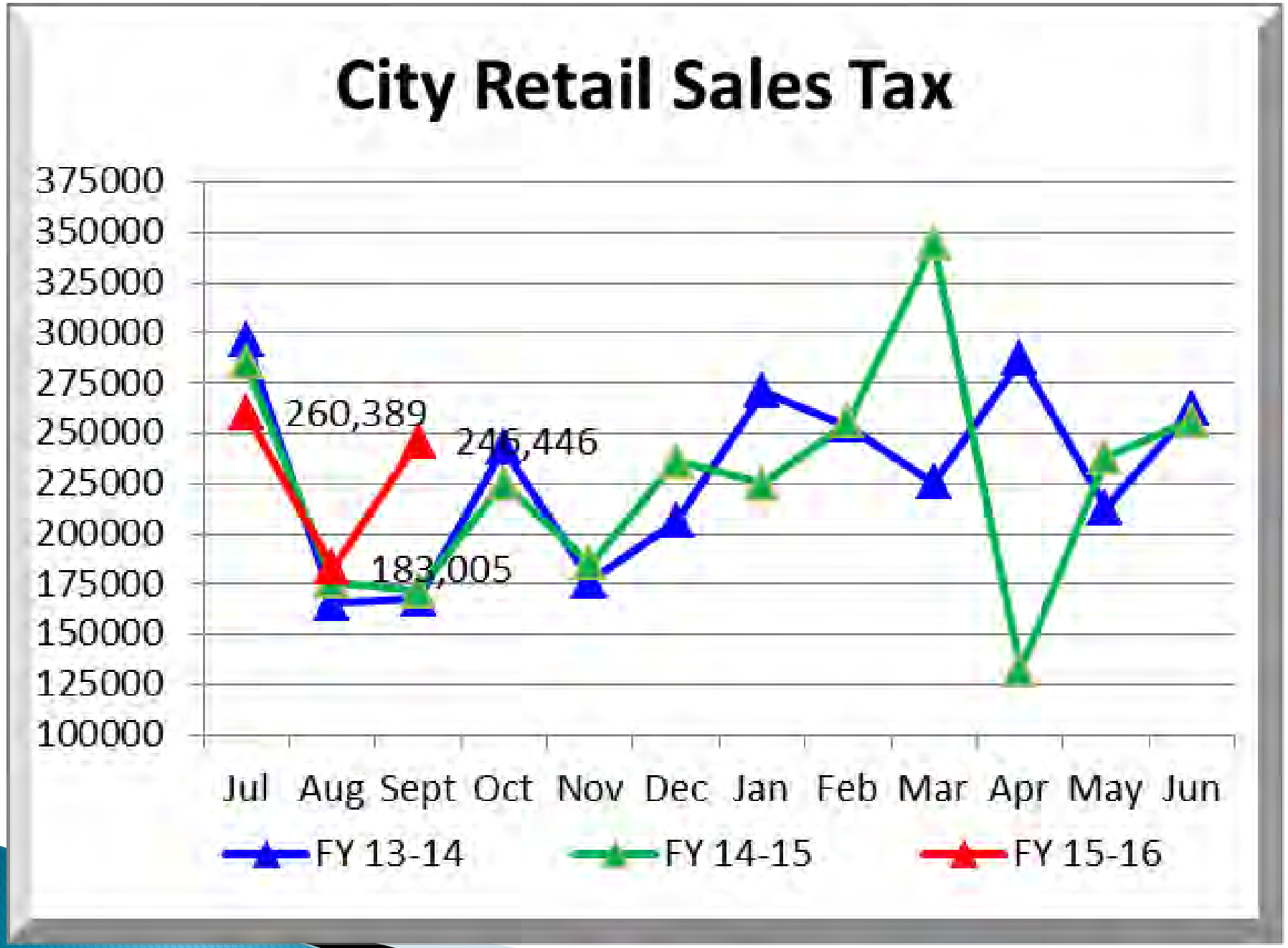
Sanitation

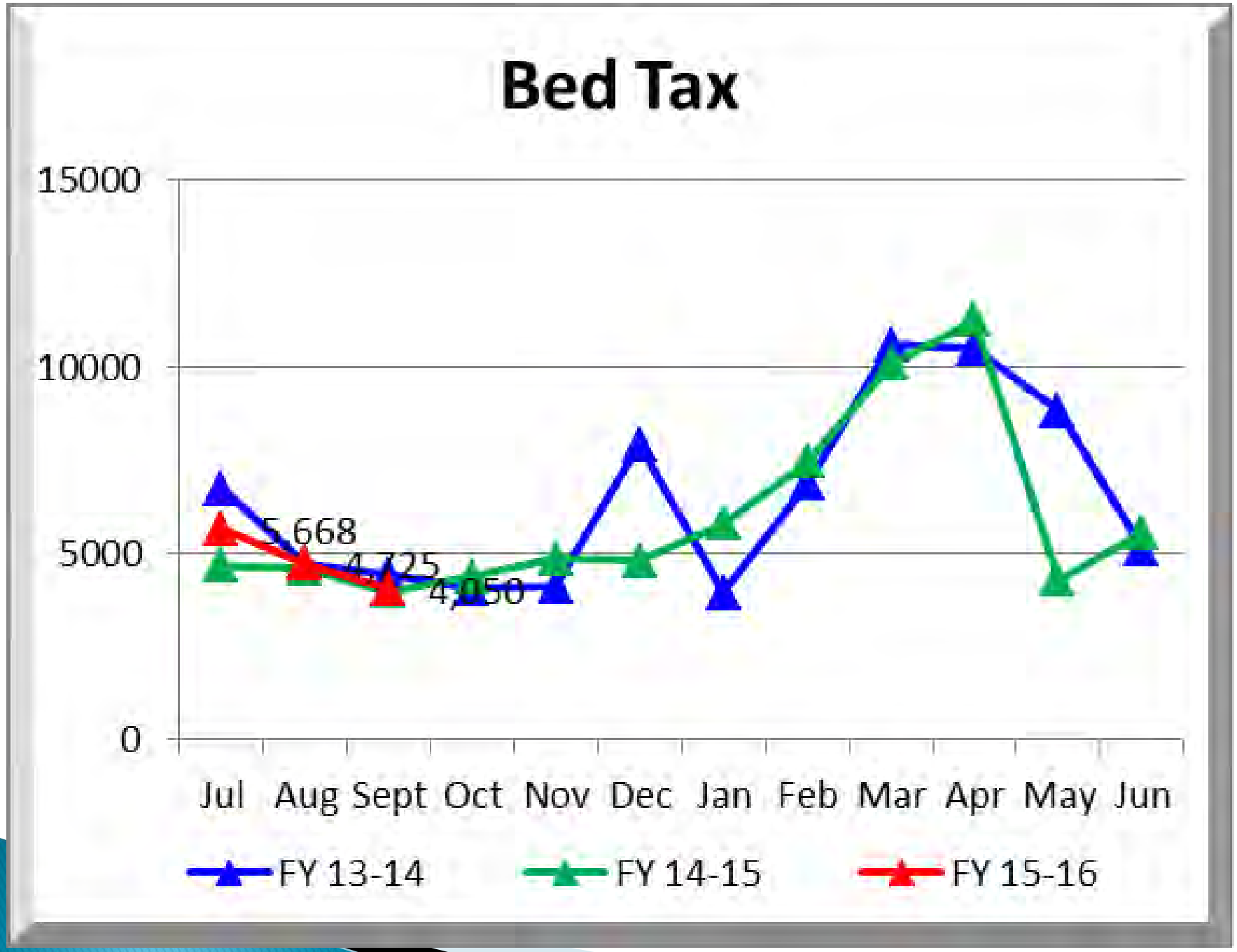
- Monthly Revenues: $49K YTD Revenues: $148K
- Fund Balance YTD: $49K

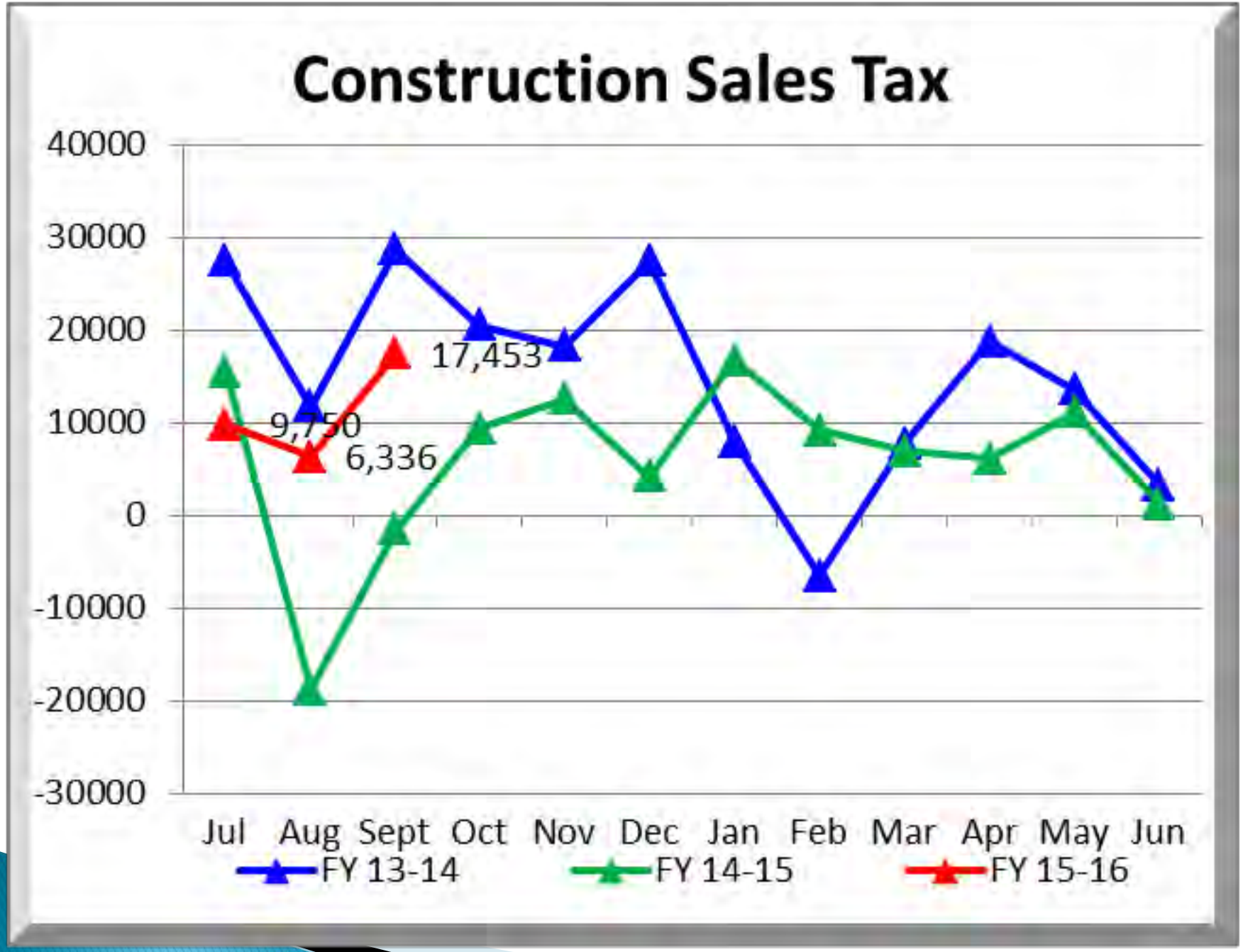
Golf Course

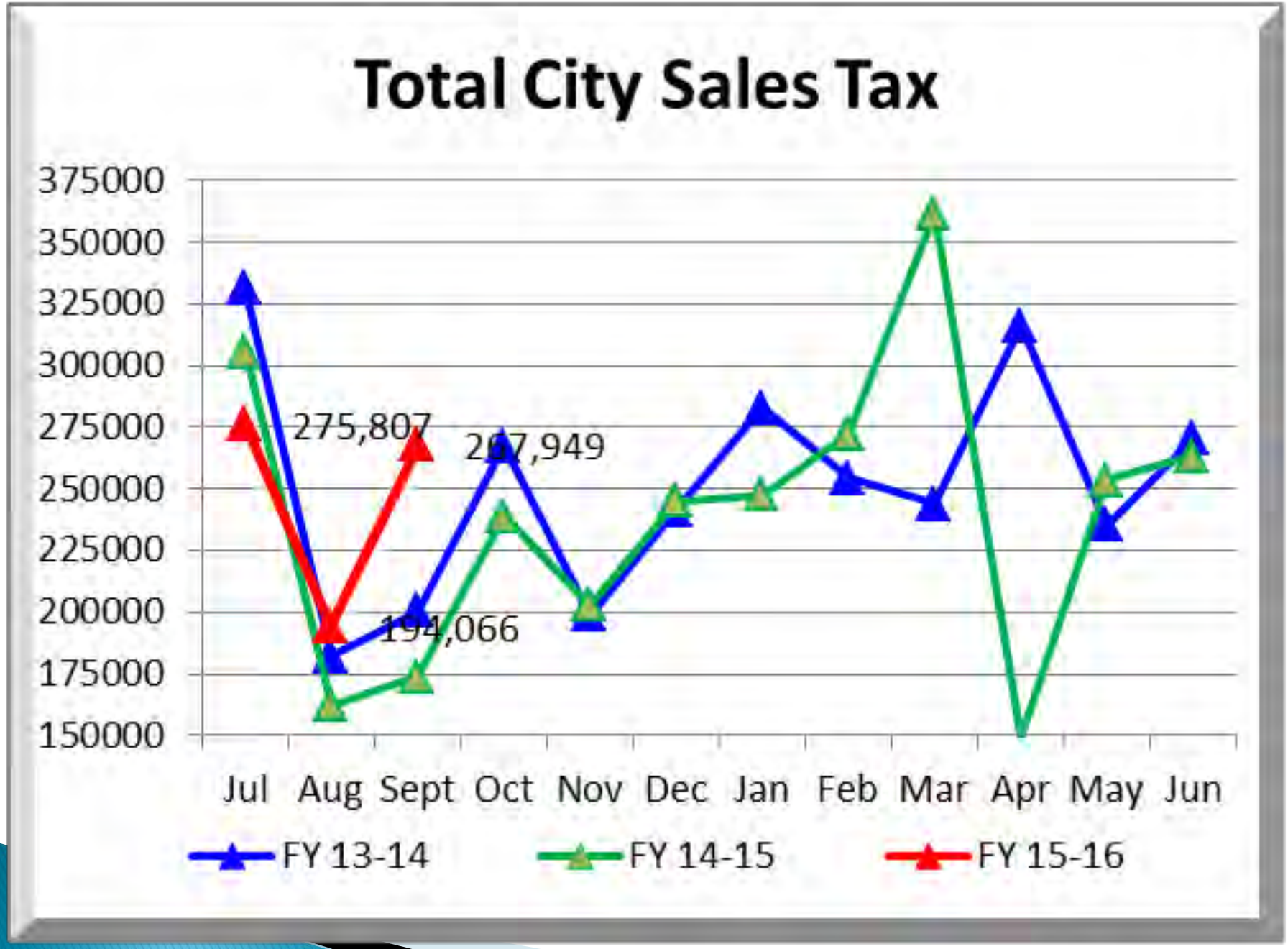
- Operations Fund Balance $48K for Sept, $67K YTD
  - 2014-$37K Sept, 60K YTD
- Food & Bev Fund Balance $6K for Sept, $10K YTD
  - 2014-$6K Sept, $9K YTD

Sales Tax Analysis

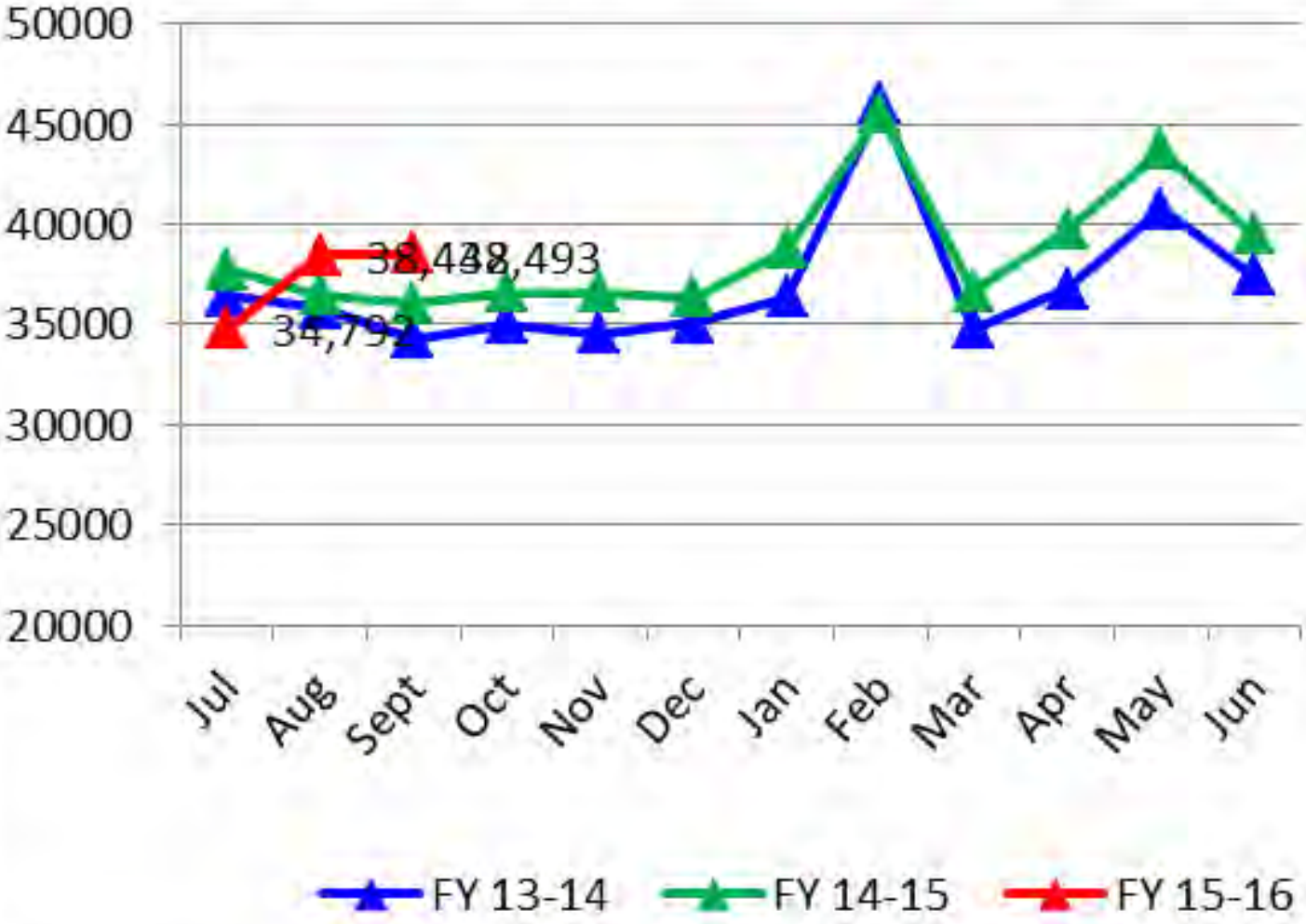

City Retail Sales Tax
375000
350000
325000
300000
275000
250000
225000
200000
175000
150000
125000
100000
260,389
246,446
183,005
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
FY 13-14
FY 14-15
FY 15-16


Bed Tax
15000
10000
5000
0
5,668
4,725
4,050
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
FY 13-14
FY 14-15
FY 15-16


Construction Sales Tax
40000
30000
20000
10000
0
-10000
-20000
-30000
17,453
9,750
6,336
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
FY 13-14
FY 14-15
FY 15-16


Total City Sales Tax
375000
350000
325000
300000
275000
250000
225000
200000
175000
150000
275,807
267,949
194,066
Jul
Aug
Sept
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
FY 13-14
FY 14-15
FY 15-16

State Retail Sales Tax Collections



CITY OF BENSON
INTEROFFICE MEMORANDUM

DATE: **November 9, 2015**

TO: **William Stephens, City Manager**

FROM: **Dustin DeSpain, Finance Director**

cc: **Benson City Council Members**

SUBJECT: **City Financial Results for the month of September, 2015**

Cash

- Our unrestricted **cash** balance this month is **$1.2M**. As a comparison, our unrestricted cash position in September of 2014 was **$781K**.

Citywide Results for All Funds

- **Revenues** from all sources were **$677K** for the month, compared with **$598K** for Sept. 2014. Year to Date we show an increase in our overall revenues of **$157K**. This is mainly attributed to the new sales tax increase and retail sales statewide.
- **Personnel** costs were **$344K.** Year to Date our personnel costs city wide have decreased **$25K**.
- **Other operating expenditures** were **$300K** for the month. Year to Date we are showing an increase in our expenditures over last year by **$58K**.
- **Capital expenditures** year to date are **$98K,** an increase of **$64K** compared with the prior year.
- The **City Wide Net Position** was **$50K** during the month. Year to Date we have a **$48K** net position compared to a net position of **$2K** in the prior year.

General Fund

- **General Fund revenues** were **$383K**, an increase of **$56K** compared to the prior September. Noteworthy increases and decreases YTD include the following:
  - City Sales Tax is up **$75K**
  - Police Revenue is down **$608**
  - State Sales Tax is up **$2K**
  - State Revenue Sharing is down **$279**
- **Direct operating expenditures** were **$131K** for September**. Compared to** September 2014 expenditures are up **$74K.**
- **Personnel costs** were **$222K**, a decrease of **$7K** compared to September 2014. Year to Date, personnel costs are down **$28K**.
- The **General Fund Balance** was **$31K** during the month, a decrease of **$12K** compared to September 2014. Year to Date, the General Fund balance is **$153K**.

.

Transit Fund

- The **Transit Fund** was **$2K** during the month, and **$9K** YTD.
- The **Budgeted Contribution** from the General Fund for this fiscal year is **$55K.**

Streets Fund

- The **Streets Fund Balance** was **$2K** during the month, and is **$24K** year to date.
- **Gasoline Tax** or HURF monies are up **$3K** compared to last year.

Enterprise Funds

- The **Natural Gas Fund** net position was **$4K** for the month.
- The **Water Fund** net position was **$5K** for the month.
- The **Wastewater Fund** net position was **$22K** for the month.
- The **Sanitation Fund** balance was **$530** for the month.
- The **Airport Fund** balance was **$890** for the month.
- The **Golf Course Fund** balance was **$54K** for the month.

Summary

The strategies implemented during the budget process are working for the City. We are seeing the City's cash balance rebound. We are seeing revenue from both the State and City improve, as consumers gain more confidence. We are also starting to see the effects of the 1% sales tax approved this year, which is providing more retail tax for the City. The City management is watching our costs very closely, as we begin to restore services, in order to insure our reserves build for fiscal year.

General Fund

September 2015 compared to September 2014

10/2/2015

Description	Month of September 2015	Month of September 2014	Month of September Difference	Fiscal Year To Date 2015	Fiscal Year To Date 2014	Fiscal Year To Date Difference
Revenues						
Property Tax	527	348	179	8,213	36,112	(27,899)
City Sales Tax	246,446	171,737	74,709	689,840	633,193	56,647
Bed Tax	4,050	3,967	83	14,443	13,224	1,219
State Sales Tax	38,493	36,051	2,442	111,727	110,255	1,472
Franchise Tax	0	29,049	(29,049)	18,800	44,831	(26,031)
Auto Lieu Tax	19,235	18,172	1,063	50,249	47,587	2,662
Business Licenses	750	300	450	5,375	3,250	2,125
State Revenue Sharing	51,220	51,499	(279)	153,660	154,498	(838)
Property Rentals	7,141	6,472	669	22,629	21,751	878
Community Development Fees	7,426	1,494	5,932	21,768	4,432	17,336
Police Revenue	399	1,007	(608)	10,874	3,000	7,874
Animal Control Revenue	7,029	6,517	512	10,579	9,515	1,064
Fire Revenue	0	(27)	27	7	3,056	(3,049)
Library Revenue	153	473	(320)	2,258	1,453	805
Parks Revenue	360	456	(96)	2,693	4,248	(1,555)
Miscellaneous	453	269	184	8,079	5,098	2,981
Total Revenues	**383,684**	**327,784**	**55,900**	**1,131,194**	**1,095,503**	**35,691**
Expenditures						
Administration	22,451	22,477	(25)	79,791	100,935	(21,144)
City Council	7,100	2,539	4,561	12,608	5,776	6,831
Building	11,652	8,048	3,604	27,013	26,700	313
Police	134,632	128,920	5,711	381,637	379,145	2,492
Fire	57,293	23,708	33,585	102,465	67,954	34,511
Magistrate	2,249	2,315	(66)	13,498	4,629	8,869
Library	16,753	15,017	1,736	48,923	42,950	5,973
Parks	18,628	26,761	(8,133)	46,991	60,032	(13,041)
Finance	25,020	5,513	19,507	59,167	39,074	20,093
Recreation	7,103	6,018	1,085	35,458	29,742	5,716
Community Enrichment	5,396	2,546	2,850	24,401	26,076	(1,676)
Tourism	8,691	7,328	1,363	38,841	33,709	5,132
City Attorney	15,654	15,248	406	40,360	43,581	(3,221)
City Clerk	10,764	9,109	1,655	29,823	25,582	4,241
Planning & Zoning	5,501	4,080	1,421	13,841	16,461	(2,620)
Public Works	3,559	5,000	(1,440)	9,329	14,283	(4,954)
Debt Service	0	0	0	320,524	311,644	8,880
Total Expenditures	**352,447**	**284,626**	**67,821**	**1,284,671**	**1,228,275**	**56,396**
Net Position	**31,237**	**43,158**	**(11,921)**	**(153,477)**	**(132,772)**	**(20,705)**

City of Benson Comparative Financial Summary - September 2015 to 2014

11/9/2015 — *25% of the fiscal year has elapsed*

Description	Month of September 2015	Month of September 2014	Difference	Fiscal Year to Date through September 2015	Fiscal Year to Date through September 2014	Difference	Percent of Budget Used	2015-16 Budget
Unrestricted Cash - All Funds	**1,215,183.69**							
Revenues from all Sources	677,301	598,410	78,891	2,164,866	2,008,017	**156,849**	**11%**	18,866,234
Expenditures from all Funds:								
Personnel	**343,680**	**344,812**	(1,132)	**995,251**	**1,020,242**	**(24,991)**	**19%**	**5,135,571**
Other Expenditures	**299,974**	**218,268**	81,706	**702,142**	**643,677**	**58,465**	**11%**	**6,235,783**
Bond/Debt Payments	**0**	**0**	0	**320,524**	**311,644**	**8,880**	**48%**	**669,355**
Capital Expenditures	**83,692**	**0**	83,692	**98,493**	**34,676**	**63,817**	**1%**	**6,825,525**
Total Expenditures	727,346	563,080	164,266	2,116,409	2,010,239	106,170	**11%**	18,866,234
Net Position	*(50,045)*	*35,330*	*(85,375)*	*48,457*	*(2,222)*	*50,679*		*0*
General Fund								
Revenues								
Revenues (see Gen. Fund Report for details)	**383,684**	**327,784**	**55,900**	**1,131,194**	**1,095,503**	**35,691**	**15%**	**7,437,903**
Expenditures								
Personnel	221,676	228,236	(6,560)	653,000	680,755	(27,755)	**20%**	3,300,178
Other Costs	130,771	56,390	74,381	311,147	235,876	75,271	**17%**	1,838,770
Contributions to Other Funds	0	0		0	0	0	**0%**	529,600
Contingency Reserves	0	0		0	0	0	**0%**	1,100,000
Debt Service	0	0	0	320,524	311,644	8,880	**48%**	669,355
Total Expenditures	**352,447**	**284,626**	**67,821**	**1,284,671**	**1,228,275**	**56,396**	**17%**	**7,437,903**
Fund Balance	**31,237**	**43,158**	**(11,921)**	**(153,477)**	**(132,772)**	**(20,705)**		**0**
Transit Fund								
Revenues								
Fares	482	706	(224)	1,721	2,039	(318)	**22%**	8,000
Grant Revenue	20,827	8,563	12,264	32,540	29,086	3,454	**8%**	416,155
Greyhound Revenue	400	154	246	1,141	211	930	**23%**	5,000
Contribution From General Fund	0	0	0	0	0	0	**0%**	54,966
Total Revenues	**21,709**	**9,423**	**12,286**	**35,401**	**31,336**	**3,136**	**7%**	**484,121**
Expenditures								
Personnel	8,060	7,639	421	23,706	22,866	840	**18%**	133,610
Other Costs	12,052	4,792	7,260	21,024	15,408	5,616	**31%**	66,886
Capital Costs	0	0	0		0	0	**0%**	283,625
Total Expenditures	**20,112**	**12,431**	**7,681**	**44,730**	**38,274**	**6,456**	**9%**	**484,121**
Fund Balance	**1,597**	**(3,008)**	**4,605**	**(9,329)**	**(6,938)**	**(3,321)**		**0**

Description	Month of September 2015	Month of September 2014	Month of September Difference	Fiscal Year to Date through September 2015	Fiscal Year to Date through September 2014	Fiscal Year to Date through September Difference	Percent of Budget Used	2015-16 Budget
Capital Projects Fund								
Revenues								
Construction Sales Tax	17,453	(1,497)	18,950	33,539	(4,736)	38,275	**7%**	500,000
Grant Revenue	0	0	0	0	0	0	**#DIV/0!**	
Hanger Financing	0	0	0	0	0	0	**#DIV/0!**	0
Series 2010 Bond Proceeds	0	0	0	0	0	0	**0%**	284,600
Total Revenues	**17,453**	**(1,497)**	**18,950**	**33,539**	**(4,736)**	**38,275**	**4%**	**784,600**
Expenditures								
Walmart Payment	0	0	0	0	0	0	**0%**	250,000
Utility Rate Studies	0	0	0	0	0	0	**0%**	15,000
County Dump Trucks	0	0	0	0	0	0	**#DIV/0!**	0
Park Master Plan	0	0	0	0	0	0	**0%**	30,000
UAS Infrastructure Development	0	0	0	0	0	0	**0%**	50,000
City Hall Improvements	0	0	0	0	0	0	**0%**	20,000
Airport Hangers	0	0	0	0	0	0	**#DIV/0!**	0
Pavement Management	0	0	0	0	34,676	(34,676)	**0%**	200,000
ATV Gator	0	0	0	0	0	0	**0%**	10,000
Update Lions Park Master Plan	0	0	0	0	0	0	**0%**	9,600
Park, Trails Open Spaces Master Plan	0	0	0	0	0	0	**0%**	15,000
Street Signage Replacement	0	0	0	0	0	0		0
Other Projects	0	0	0	0	0	0		185,000
Total Expenditures	**0**	**0**	**0**	**0**	**34,676**	**(34,676)**	**0%**	**784,600**
Fund Balance	**17,453**	**(1,497)**	**18,950**	**33,539**	**(39,412)**	**72,951**		**0**
Streets Fund								
Revenues								
Gasoline Tax	29,219	28,700	519	92,460	89,767	2,693	**25%**	370,990
Lottery	0	0	0	0	0	0	**0%**	0
Series 2010 Bond	0	0	0	0	0	0	**0%**	0
Total Revenues	**29,219**	**28,700**	**519**	**92,460**	**89,767**	**2,693**	**25%**	**370,990**
Expenditures								
Personnel	10,691	12,027	(1,336)	30,923	34,809	(3,886)	**18%**	176,076
Other Costs	16,602	18,457	(1,855)	37,720	38,254	(534)	**19%**	194,914
Pavement Project	0	0	0		0	0	**0%**	0
Total Expenditures	**27,293**	**30,484**	**(3,191)**	**68,643**	**73,063**	**(4,420)**	**19%**	**370,990**
Fund Balance	**1,926**	**(1,784)**	**3,710**	**23,817**	**16,704**	**7,113**		**0**
Impact Fee Fund								
Revenues								
Total Revenues	**0**	**0**	0	**0**	**0**	0	**#DIV/0!**	**0**
Total Expenditures	**0**	**0**	0	**0**	**0**	0	**#DIV/0!**	**0**
Fund Balance	**0**	**0**	**0**	**0**	**0**	**0**		**0**

Description	Month of September 2015	Month of September 2014	Month of September Difference	Fiscal Year to Date through September 2015	Fiscal Year to Date through September 2014	Fiscal Year to Date through September Difference	Percent of Budget Used	2015-16 Budget
Grants Fund								
Total Revenues	**1,000**	**0**	1,000	**146,891**	**0**	146,891	**3%**	**5,400,000**
Total Expenditures	**74,142**	**0**	74,142	**74,618**	**0**	74,618	**1%**	**5,400,000**
Fund Balance	**(73,142)**	**0**	**(73,142)**	**72,273**	**0**	**72,273**		**0**
Fire Pension Fund								
Revenues								
Contribution from State Fund	5,125	0	5,125	5,125	0	5,125	**85%**	6,000
Contribution from Fire, Inc.	0	0	0	333	158	175	**28%**	1,200
Contribution from General Fund	0	0	0	0	0	0	**0%**	23,800
Interest Income	0	0	0	0	354	(354)	**0%**	5,000
Total Revenues	**5,125**	**0**	**5,125**	**5,458**	**512**	**4,946**	**15%**	**36,000**
Expenditures								
Pension Payments	2,600	2,200	400	7,400	6,600	800	**21%**	36,000
Total Expenditures	**2,600**	**2,200**	**400**	**7,400**	**6,600**	**800**	**21%**	**36,000**
Fund Balance	**2,525**	**(2,200)**	**4,725**	**(1,942)**	**(6,088)**	**4,146**		**0**
Enterprise Funds								
Natural Gas Fund								
Revenues								
Gas Revenues	34,465	37,491	(3,026)	110,196	123,666	(13,470)	**12%**	909,500
Series 2010 Bond Proceeds	0	0	0	0	0	0	**0%**	130,000
Total Revenues	**34,465**	**37,491**	**(3,026)**	**110,196**	**123,666**	**(13,470)**	**11%**	**1,039,500**
Expenditures								
Personnel	18,563	20,094	(1,531)	54,698	58,061	(3,363)	**15%**	354,533
Gas Purchased	11,703	15,094	(3,391)	11,336	15,094	(3,758)	**3%**	400,000
Other	7,792	3,299	4,493	39,397	24,219	15,178	**25%**	154,967
Capital Projects	0	0	0	0	0	0	**0%**	130,000
Total Expenditures	**38,058**	**38,487**	**(429)**	**105,431**	**97,374**	**8,057**	**10%**	**1,039,500**
Net Position	**(3,593)**	**(996)**	**(2,597)**	**4,765**	**26,292**	**(21,527)**		**0**
Water Fund								
Revenues								
Revenues	55,198	53,514	1,684	182,870	192,341	(9,471)	**24%**	752,000
Series 2010 Bond Proceeds	0	0	0	0	0	0	**0%**	25,000
Total Revenues	**55,198**	**53,514**	**1,684**	**182,870**	**192,341**	**(9,471)**	**24%**	**777,000**
Expenditures								
Personnel	30,171	28,154	2,017	86,890	79,265	7,625	**25%**	353,988
Other	19,817	17,564	2,253	43,240	38,609	4,631	**13%**	343,012
Capital Projects	0	0	0	0	0	0	**0%**	80,000
Total Expenditures	**49,988**	**45,718**	**4,270**	**130,130**	**117,874**	**12,256**	**17%**	**777,000**
Net Position	**5,209**	**7,796**	**(2,587)**	**52,739**	**74,467**	**(21,728)**		**0**

Description	Month of September 2015	Month of September 2014	Month of September Difference	Fiscal Year to Date through September 2015	Fiscal Year to Date through September 2014	Fiscal Year to Date through September Difference	Percent of Budget Used	2015-16 Budget
Wastewater Fund								
Revenues								
Revenues	56,226	67,044	(10,818)	173,893	194,540	(20,647)	**24%**	737,000
Whetstone Fees	0	0	0	0	0	0	**0%**	12,000
Series 2010 Bond	0	0	0	0	0	0		90,000
Total Revenues	**56,226**	**67,044**	**(10,818)**	**173,893**	**194,540**	**(20,647)**	**21%**	**839,000**
Expenditures								
Personnel	20,228	20,908	(680)	58,555	61,035	(2,480)	**18%**	330,024
Other	13,899	11,072	2,827	44,166	48,174	(4,008)	**11%**	418,976
Capital Projects	0	0	0	0	0	0	**0%**	90,000
Whetstone Fees	0	0	0		0	0	**#DIV/0!**	0
Total Expenditures	**34,126**	**31,980**	**2,146**	**102,721**	**109,209**	**(6,488)**	**12%**	**839,000**
Net Position	**22,100**	**35,064**	**(12,964)**	**71,171**	**85,331**	**(14,160)**		**0**
Sanitation Fund								
Total Revenues	**48,549**	**52,576**	(4,027)	**147,622**	**157,942**	(10,320)	**23%**	**635,000**
Expenditures								
Personnel	1,952	1,836	116	5,630	5,209	421	**22%**	**25,599**
Other	47,127	48,442	(1,316)	93,013	94,787	(1,774)	**15%**	**609,401**
Total Expenditures	**49,079**	**50,278**	(1,199)	**98,643**	**99,996**	(1,353)	**16%**	**635,000**
Net Position	**(530)**	**2,298**	**(2,828)**	**48,980**	**57,946**	**(8,966)**		**0**
Airport Fund								
Revenues								
Business Revenue	35	0	35	165	1,507	(1,342)	**1%**	20,000
Insurance Recoveries	0	0			0	0		0
Contribution from General Fund	0	0	0	0	0	0	**0%**	100,800
Total Revenues	**35**	**0**	**35**	**165**	**1,507**	**(1,342)**	**0%**	**120,800**
Total Expenditures	**925**	**913**	**12**	**15,766**	**10,366**	**5,400**	**13%**	**120,800**
Net Position	**(890)**	**(913)**	**23**	**(15,601)**	**(8,859)**	**(6,742)**		**0**

Description	Month of September 2015	Month of September 2014	Month of September Difference	Fiscal Year to Date through September 2015	Fiscal Year to Date through September 2014	Fiscal Year to Date through September Difference	Percent of Budget Used	2015-16 Budget
San Pedro Golf Course								
Revenues								
Golf Operations	14,278	13,096	1,182	63,594	83,582	(19,988)	**12%**	543,366
Food & Beverage	10,361	10,279	82	41,584	42,057	(473)	**14%**	306,500
Contribution from General Fund	0	0	0	0	0	0	**0%**	91,454
AGS Donations	0	0	0	0	0	0		0
Total Revenues	**24,639**	**23,375**	**1,264**	**105,178**	**125,639**	**(20,461)**	**11%**	**941,320**
Expenditures								
Golf Operations								
Personnel	10,683	3,518	7,165	28,507	13,329	15,178	**17%**	164,584
Other Costs	6,146	16,432	(10,286)	16,551	35,797	(19,246)	**13%**	132,146
Total Golf Operations	**16,829**	**19,950**	**(3,121)**	**45,058**	**49,126**	**(4,068)**	**15%**	**296,730**
Maintenance								
Personnel	11,631	14,633	(3,002)	25,024	42,829	(17,805)	**17%**	145,617
Other Costs	24,005	15,020	8,985	38,527	51,274	(12,747)	**24%**	157,312
Total Maintenance	**35,637**	**29,653**	**5,984**	**63,551**	**94,103**	**(30,552)**	**21%**	**302,929**
Food & Beverage								
Personnel	10,026	7,767	2,259	28,319	22,084	6,235	**19%**	151,362
Other Costs	6,535	8,593	(2,058)	22,853	29,219	(6,366)	**17%**	132,999
Total Food & Beverage	**16,561**	**16,360**	**201**	**51,172**	**51,303**	**(131)**	**18%**	**284,361**
Capital Projects	9,550	0	9,550	23,875	0	23,875	**42%**	57,300
Total Expenditures	**78,576**	**65,962**	**12,613**	**183,656**	**194,532**	**(10,876)**	**20%**	**941,320**
Net Position	**(53,937)**	**(42,587)**	**(11,349)**	**(78,478)**	**(68,893)**	**(9,585)**		**0**
Totals for all Enterprise Funds								
Total Revenues	**219,112**	**234,000**	**(14,888)**	**719,923**	**795,635**	**(75,712)**	**17%**	**4,352,620**
Expenditures								
Personnel	**103,254**	**96,910**	**6,227**	**287,622**	**281,812**	**5,810**	**19%**	**1,525,707**
Other	**137,949**	**136,429**	**1,636**	**324,850**	**347,539**	**(22,689)**	**13%**	**2,469,613**
Capital Projects	**9,550**	**0**	**9,550**	**23,875**	**0**	**23,875**	**7%**	**357,300**
Total Expenditures	**250,753**	**233,338**	**17,414**	**636,347**	**629,351**	**6,996**	**15%**	**4,352,620**
Net Position	**(31,641)**	**662**	**(32,302)**	**83,576**	**166,284**	**(82,708)**		**0**