

City of Tempe

FY 2014-15 Annual Financial Program



Table of Contents

Topic	Page
Budget Message.....	1
Department Budgetary Trends	7
Supplemental Proposals Summary	8
Supplemental Proposal Descriptions	10

Memorandum



Finance and Technology Department

TO: Mayor and Council
 FROM: Ken Jones, Finance and Technology Director (480-350-8504)
 THROUGH: Andrew Ching, City Manager
 DATE: April 24, 2014
 SUBJECT: **Fiscal Year 2014-15 Annual Financial Program**

The City's Annual Financial Program is a presentation of the recommended operating and capital budgets for all funds. It provides an opportunity for Councilmembers to review the proposed changes from the prior year's budget and anticipated impacts that the capital budget will have on the operating budget. This overall review of the City's recommended budget will be followed in the next two months by formal adoption of the fiscal year 2014-15 operating and capital budgets, as well as the establishment of the City's property tax levy for next year.

Financial Program		
	FY 2013-14 Budget	FY 2014-15 Recommended
Operating Budget	\$427,759,223	\$430,673,352
<i>Percent Change</i>		.7(%)
Capital Improvements Budget	\$119,527,409	\$150,104,975
<i>Percent Change</i>		25.6 (%)
Total Financial Program	\$547,286,632	\$577,816,205
<i>Percent Change</i>		5.6(%)

The recommended financial program for FY 2014-15 totals \$577.8 million, reflecting an overall \$30.5 million or 5.6% increase over the FY 2013-14 financial program. In large part, increases are due to an increased Capital Improvements Program (CIP), largely due to the design and construction of the Tempe Town lake downstream dam, replacement of the aging water infrastructure system, and several significant streetscape and multiuse path projects in the Transit program.

Although the operating budget did not increase significantly in total, increases included \$4.1 million in citywide supplemental funding, \$2.6 million of which is funded on a one time basis.

Going forward, key budget dates include:

May 22 nd	Tentative Adoption of Budget
June 12 th	Final Adoption of Budget Final Adoption of Capital Improvements Program Property Tax Ordinance Introduction and 1 st Public Hearing
June 26 th	Property Tax Ordinance 2 nd Public Hearing and Final Adoption

Operating Budget

The recommended Operating Budget represents a small increase of less than 1% from the current year. The Operating Budget represents the maximum amount that could be spent on operations during the fiscal year and includes a \$1 million General Fund contingency appropriation that can only be spent with City Council approval for unanticipated critical needs. Additional detail follows under the specific fund narratives.

The five year financial forecast, presented in February of 2014, provided a long-term perspective on the projected financial condition of the major operating funds, as well as a long-range context for the City Council to use in making budgetary decisions for the upcoming fiscal year. This proposed budget is consistent with the long-term strategies approved by the City Council. We anticipate issuing the next semi-annual Long-Range Forecast in September/October 2014 with an updated status for each of the operating funds, incorporating current year-end data. Formal measures to continue balancing the General fund during the forecast period will be included in that Long-Range Forecast.

Approximately \$4.1 million of citywide supplemental funding is included in the FY 2014-15 proposed budget. Supplemental funding is required when departments request an increase in their base operating budgets, or any new positions or programs. Supplemental requests for the General Fund were considered if they had offsetting reductions, or were funded on a one-time basis. For the other funds, supplemental budget increases were considered based on operational needs and the financial capacity of the fund to absorb the increased operating budget impact. The operating budget supplemental proposals are summarized on pages 8-9.

FY 2014-15 Operating Budget Highlights, by Fund

General Fund

The most recent update of the Long-Range Forecast provided on February 27, 2014 projected General Fund deficits from FY 2014-15 to FY 2017-18. We have planned for limited deficit spending and a moderate draw-down of the fund balance as a result of the expiration of the temporary sales tax in June 2014, which is projected to be generating approximately \$11.5 million at that time. The proposed operating budget is consistent with the long-range financial plan to stabilize the General Fund in light of the expiration of the temporary sales tax, and commits to maintain the fund balance within our 20% to 30% financial policy range. Future deficits must continue to be controlled by limiting cost growth over the term of the forecast.

To maintain a stable budget in the future, personnel costs will continue to be closely analyzed as salaries and benefits are the greatest expense in any service oriented organization. Because most memoranda of understanding (MOUs) expire at the conclusion of the current fiscal year, collaboration continues between management and representatives from the employee bargaining units to negotiate new agreements for FY 2014-15. This proposed budget assumes that the MOUs will result in a total compensation increase of less than 2%.

Following are the major changes contained in the recommended General Fund budget:

- Employee total compensation growth of 1.5% to 2%
- Funding of Other Post-Employment Benefits (OPEB) of \$8.5 million
- Supplemental funding, largely one-time in nature, of \$2.5 million
- Increased payments to the Rio Salado Community Facilities District (CFD) of \$246,000
- Carry forward/Re-appropriation of funding for encumbered contractual expenditures of \$643,000
- Vehicle replacements approximating \$2.2 million

Other Funds

- *Water/Wastewater Enterprise Fund*

Upon direction by the City Council, rate increases have been kept to a minimum by spending down the fund balance in a measured fashion to reduce the fund balance to approximately six months of operating revenue from what was once equivalent to a full year's revenue. Applying this strategy, the Water/Wastewater Enterprise Fund model assumes the continuation of planned rate adjustments consistent with the findings in a recent comprehensive utility rate study.

The FY 2014-15 budget includes \$636,000 in supplemental funding for vehicle replacements and \$142,000 for contracted services/training related to the utility billing system and partial funding for a Public Information Officer. Carry forward or re-appropriated funding amounts to approximately \$2.5 million.

- *Solid Waste Enterprise Fund*

After undergoing an assessment of its operations to minimize the impact to user rates, efficiencies were gained to reduce the cost of operations by modifying the Uncontained/Bulk Program and renegotiating the landfill fee contract using regional solid waste and recycling services cooperative procurement.

The FY 2014-15 budget includes \$740 thousand of carry forward/re-appropriated funds and \$2.1 million in supplemental funding for vehicle replacements.

- *Golf Enterprise Fund*

With the improved operating model, the Golf Fund is expected to be self-supporting this current fiscal year, and revenues are projected to increase in the upcoming years of the financial forecast. Currently, staff is examining additional initiatives to reduce costs, such as converting the Rolling Hills irrigation system from treated water to raw water. Going forward, Golf operations will continue to be closely monitored to ensure financial stability, and begin the restoration of the fund balance.

For FY 2014-15, the Golf Fund budget includes approximately \$144,000 in supplemental funding for contracted services, to be offset by eliminating a vacant position and wages, and \$86,000 in supplemental funding for fleet replacement.

- *Transit Special Revenue Fund*

After years of implementing operational efficiencies, the Transit Fund is projected to be stable. Substantial debt reductions resulting in reduced annual debt service obligations, combined with improved projections for Transit Tax receipts, are contributing to the fund's current forecast for long-term financial sustainability.

The FY 2014-15 budget includes \$72,000 for vehicle replacements and \$137,000 in supplemental funding for marketing/public involvement and public information.

- *Highway User Revenue Fund (HURF)*

After eliminating the contributions from the HURF Fund to the Debt Service Fund, streets-related capital projects are now exclusively funded with bonds and repaid from the debt service fund, while short-life-cycle capital expenditures and operations and maintenance expenditures are more appropriately paid out of the operating budget. The change in the funding model allows the HURF Fund to maintain a healthy fund balance for unanticipated future events.

The FY 2014-15 budget includes approximately \$800,000 supplemental funding for vehicle replacements and \$27,000 in funding for traffic safety related computer software.

- *Performing Arts Special Revenue Fund*

Over 90% of the revenue deposited in the Performing Arts Special Revenue Fund is from the City's .1% Arts Sales Tax. The remainder of the revenue is generated by users of the Tempe Center for the Arts. Revenues are not sufficient to cover current expenditures and the fund balance is expected to be depleted by the end of next fiscal year. A cumulative deficit of approximately \$1.7 million is expected to build through FY 2015-16, when partial debt expiration will result in a \$2.5 million reduction to annual debt service costs, generating an annual surplus of approximately \$1.8 million, growing to \$2.4 million by December of 2020, when the Arts Tax expires and the remaining debt is paid-off. The ongoing deficit, after 2020 is estimated to be approximately \$2.5 million.

For FY 2014-15, the budget includes supplemental funding of \$204,000 for a Box Office Assistant and wages due to the increased volume of ticketed events and a Marketing Specialist to increase the visibility and recognition of the Tempe Center for the Arts (TCA).

- *Debt Service Fund*

The Debt Service Fund is used to account for payments of tax-supported debt from secondary property taxes, in support of the City's Capital Improvement Program. Because the City's property tax levy stabilization policy provides a predictable revenue stream for paying annual property tax supported debt service payments, existing fund balance in the Debt Service Fund can be utilized in FY 2014-15 to repay short term property tax supported debt to be issued this spring. Repayment of this debt will result in spending down the fund balance in the Debt Service Fund to between 4% and 8% of outstanding property tax-supported debt, and will enhance the City's capacity to continue to issue property tax supported debt within the City's legal debt limits.

- *Grants, Donations and Restricted Funds*

City departments and offices receive and expend funds from numerous grants, donations and other revenues that are restricted in their use by statute or other legal mandates. Both, revenues and expenditure for these various funds are appropriated. In addition, a reserve appropriation amount is budgeted to allow the City to have sufficient appropriation authority to accept unanticipated grants, donations, or restricted revenues during the course of the fiscal year.

- *Risk Management Internal Service Fund*

To ensure continuing compliance with State law, Tempe plans to create a workers' compensation trust fund by the end of FY 2013-14 within the existing Risk Management Fund. Once created, initial funding of the trust fund will come from existing appropriations within the Risk Management Fund. The City plans the eventual establishment of another trust fund for general liability/property claims in the near future.

For FY 2014-15, a \$2 million contingency will be re-budgeted to protect the City from unanticipated claims.

The following table provides a fund level breakdown of the City's operating budget by revenues, expenditures, and corresponding surpluses or deficits. Funds displaying a deficit in FY 2014-15 will be balanced with an appropriation of fund balance.



Operating Budget

Fund	FY 2013-14 Budget	FY 2014-15 Recommended	Recommended Change to Budget
General			
Revenues	175,355,895	174,676,304	(0.4%)
Interfund Transfers	(1,669,156)	(4,410,293)	
Expenditures	<u>178,566,369</u>	<u>182,381,346</u>	2.1%
Addition To/(Use Of) Fund Balance	\$ (4,879,630)	\$ (12,115,335)	
Water/Wastewater			
Revenues	77,167,160	78,950,217	2.3%
Interfund Transfers	(446,686)	(3,214,448)	
Expenditures	<u>78,458,221</u>	<u>79,753,365</u>	1.7%
Addition To/(Use Of) Fund Balance	\$ (1,737,747)	\$ (4,017,596)	
Solid Waste			
Revenues	14,864,052	14,987,157	0.8%
Interfund Transfers	(371,339)	(202,099)	
Expenditures	<u>17,206,518</u>	<u>17,570,026</u>	2.1%
Addition To/(Use Of) Fund Balance	\$ (2,713,805)	\$ (2,784,968)	
Golf			
Revenues	2,662,621	2,982,436	12.0%
Interfund Transfers	(600,000)	74,000	
Expenditures	<u>2,669,882</u>	<u>2,857,668</u>	7.0%
Addition To/(Use Of) Fund Balance	\$ (607,261)	\$ 198,768	
Transit			
Revenues	55,779,100	57,069,807	2.3%
Interfund Transfers	(3,759,780)	(5,389,812)	
Expenditures	<u>50,496,283</u>	<u>54,082,417</u>	7.1%
Addition To/(Use Of) Fund Balance	\$ 1,523,037	\$ (2,402,422)	
Transportation (HURF)			
Revenues	9,193,972	9,342,434	1.6%
Interfund Transfers	(1,487,304)	(2,251,978)	
Expenditures	<u>9,762,744</u>	<u>10,023,631</u>	2.7%
Addition To/(Use Of) Fund Balance	\$ (2,056,076)	\$ (2,933,175)	
Performing Arts			
Revenues	7,446,946	7,642,395	2.6%
Interfund Transfers	-	(100,000)	
Expenditures	<u>8,660,585</u>	<u>8,931,763</u>	3.1%
Addition To/(Use Of) Fund Balance	\$ (1,213,639)	\$ (1,389,368)	
CDBG/Section 8			
Revenues	14,741,113	13,108,612	(11.1%)
Interfund Transfers	-	-	
Expenditures	<u>14,741,113</u>	<u>13,108,612</u>	(11.1%)
Addition To/(Use Of) Fund Balance	\$ -	\$ -	
Debt Service			
Revenues	25,005,115	28,838,629	15.3%
Interfund Transfers	738,290	(4,172,867)	
Expenditures	<u>46,731,632</u>	<u>41,241,736</u>	(11.7%)
Addition To/(Use Of) Fund Balance	\$ (20,988,227)	\$ (16,575,974)	
Grants, Donations and Restricted Funds			
Revenues	18,465,876	18,800,751	1.8%
Interfund Transfers	-	(77,963)	
Expenditures	<u>18,465,876</u>	<u>18,722,788</u>	1.4%
Addition To/(Use Of) Fund Balance	\$ -	\$ -	
Risk Management Fund Contingency			
Revenues	-	-	0.0%
Interfund Transfers	-	-	
Expenditures	<u>2,000,000</u>	<u>2,000,000</u>	0.0%
Addition To/(Use Of) Fund Balance	\$ (2,000,000)	\$ (2,000,000)	



Capital Budget

The City’s five-year proposed Capital Improvement Program (CIP), covering FY 2014-15 through FY 2018-19, totals \$335,537,013, and provides satisfactory resources to address the City’s most critical infrastructure needs. The first year of the CIP is incorporated into the City’s FY 2014-15 annual budget and totals \$150,104,975.

The CIP includes projects primarily focused on preserving the City’s assets, and sustaining public health and safety. The CIP is funded by enterprise supported bonds, dedicated special revenues, general obligation (G.O.) bonds, grants and some General Fund cash. G.O. bonds are issued to fund projects under the General Purpose and Transportation programs and are repaid with secondary property taxes. The total amount of G.O. bond funding in the CIP is determined within the parameters of the City’s property tax levy stabilization policy, debt service reserve policy, and statutory debt limits.

Capital Improvements Program								
Program	Capital Budget Re-appropriations	New 2014-15 Capital Budget Appropriations	Total 2014-15 Capital Budget Appropriations	Additional Projected Needs				Total 5-Year Program
				2015-16	2016-17	2017-18	2018-19	
Enterprise Program								
Water	15,808,641	16,450,759	32,259,400	14,574,938	9,173,604	10,599,538	8,105,867	74,713,347
Wastewater	7,770,507	1,073,780	8,844,287	5,396,510	12,685,376	22,051,266	8,260,848	57,238,287
Golf	200,000	2,500,000	2,700,000	-	-	-	-	2,700,000
Total Enterprise	23,779,148	20,024,539	43,803,687	19,971,448	21,858,980	32,650,804	16,366,715	134,651,634
Special Purpose Program								
Transit	12,805,984	14,315,906	27,121,890	6,354,807	5,605,173	2,585,542	1,343,726	43,011,138
Total Special Purpose	12,805,984	14,315,906	27,121,890	6,354,807	5,605,173	2,585,542	1,343,726	43,011,138
General Purpose Program								
Police Protection	755,000	2,732,063	3,487,063	3,330,663	4,105,327	4,193,412	2,254,208	17,370,673
Fire Protection	2,382,186	1,700,000	4,082,186	550,000	1,132,800	622,000	568,000	6,954,986
Storm Drains	582,591	200,000	782,591	200,000	300,000	300,000	300,000	1,882,591
Park Improvements	24,514,873	26,275,081	50,789,954	1,885,200	3,163,981	3,490,845	3,592,796	62,922,776
General Governmental	5,170,534	4,482,374	9,652,908	4,174,010	5,432,098	5,046,991	3,897,621	28,203,627
Total General Purpose	33,405,184	35,389,518	68,794,702	10,139,873	14,134,206	13,653,248	10,612,625	117,334,653
Transportation								
Transportation and R.O.W.	2,692,238	5,040,977	7,733,215	3,805,877	5,945,767	6,439,995	7,716,995	31,641,848
Traffic Signals/Street Lighting	1,478,517	1,172,964	2,651,481	1,712,149	1,893,081	1,791,028	850,000	8,897,739
Total Transportation	4,170,755	6,213,941	10,384,696	5,518,026	7,838,848	8,231,023	8,566,995	40,539,587
TOTAL PROGRAM	\$74,161,071	\$75,943,905	\$150,104,975	\$41,984,154	\$49,437,207	\$57,120,616	\$36,890,060	\$335,537,012

FY 2014-15 Capital Budget Highlights

- \$38.7 million to complete the design and construction of the Tempe Town Lake downstream dam
- \$10.5 million to complete the construction of the Broadway Road, Hardy Drive and University Drive streetscape projects
- \$2.8 million for five new fire trucks
- \$11.7 million for the rehabilitation or replacement of the City’s aging water infrastructure system
- \$3.6 million for the renovation and replacement of park playgrounds and aging park infrastructure
- \$4.7 million for arterial, collector, and residential street asset preservation
- \$5.6 million for the repair, renovation, and replacement of municipal facilities infrastructure

**Department Budgetary Trends**

The following compares the FY 2014-15 recommended operating budget to the previous year's departmental budget.

Department	FY 2013-14 Budget*	FY 2014-15 Recommended	Percent Change
Mayor and Council	426,243	376,797	(12%)
City Manager	2,061,184	1,929,194	(6%)
City Manager - Grants	2,250,000	2,324,710	3%
City Attorney - General	3,192,542	2,831,487	(11%)
City Attorney - Grants	261,393	284,193	9%
City Clerk	870,988	1,115,743	28%
City Court - General	4,161,480	4,275,561	3%
City Court - Restricted Funds (Court Enhancement Fund)	1,195,721	1,330,131	11%
Community Development - General	12,006,793	14,706,789	22%
Community Development - CDBG/Section 8	14,741,113	13,108,612	(11%)
Community Development - Grants	400,569	253,432	(37%)
Community Services - General	21,940,315	22,190,863	1%
Community Services - Performing Arts	2,142,692	2,359,885	10%
Community Services - Grants	2,495,868	2,753,873	10%
Diversity Office	477,301	495,604	4%
Finance and Technology - General	4,440,319	4,522,107	2%
Finance and Technology - Water	3,006,766	2,745,245	(9%)
Fire - General	27,823,187	27,879,644	0%
Fire - Grants	1,034,445	685,793	(34%)
Human Resources	3,260,312	3,332,923	2%
Internal Audit Office	421,398	435,814	3%
Police - General	70,011,969	74,200,122	6%
Police - Grants	4,970,020	5,159,619	4%
Public Works - General	18,684,792	19,961,432	7%
Public Works - Golf	2,669,882	2,857,668	7%
Public Works - Performing Arts	592,143	645,352	9%
Public Works - Solid Waste	17,206,518	17,570,026	2%
Public Works - Transit	45,758,070	49,311,229	8%
Public Works - Transportation (HURF)	9,762,744	10,023,631	3%
Public Works - Water Utilities	38,935,482	40,573,945	4%
Public Works - Grants	4,000	9,000	125%
Total Departmental	\$ 317,206,249	\$ 330,250,424	4%

* Adopted budget has been adjusted for City Council approved budget appropriation and transfers/reorganizations



General Fund Supplemental Proposals

Fund	Department	Description	Total	Offset		Net Fiscal	Recurring	Non-
			Cost	Expend.	Rev	Effect		Recurring
General	City Attorney	Assistant City Attorney Wages	\$75,000			\$75,000		\$75,000
General	City Clerk	Admin Asst position, part-time permanent and benefitted	\$24,211	\$24,211		\$0		
General	City Court	Court Interpreter	\$80,536	\$2,573	\$77,963	\$0		
General	City Court	Juror Expenses	\$7,427	\$7,427		\$0		
General	Com Development	Contractual Development Agreement Paymt - Marina Heights	\$450,000			\$450,000		\$450,000
General	Com Development	Plan Review, Inspection and Support Services	\$1,033,295			\$1,033,295		\$1,033,295
General	Com Development	Code Inspection Workload	\$347,326		\$13,200	\$334,126		\$334,126
General	Com Development	Set Aside \$190,000 from General Fund to Housing Admin	\$190,000			\$190,000		\$190,000
General	Com Services	Library Hours and Staffing	\$112,316			\$112,316		\$112,316
General	Com Services	Administrative Assistant	\$47,187	\$47,187		\$0		
General	Com Services	Assistant Recreation Coordinator	\$58,817	\$58,817		\$0		
General	Com Services	Contracted Sports Officials	\$30,000		\$30,000	\$0		
General	Com Services	Community Center PT Wages	\$60,000	\$60,000		\$0		
General	Com Services	Community Supervision Services	\$147,000		\$147,000	\$0		
General	Fire	Fire Inspector	\$75,000			\$75,000		\$75,000
General	FIT	Printer Management Tool	\$22,000	\$59,784		(\$37,784)	(\$37,784)	
General	Public Works	Private Development/CIP Program Staffing Shortages	\$156,263		\$39,686	\$116,577		\$156,263
General	Public Works	SLIPP Contracted Services	\$50,388		\$50,388	\$0		
Total			\$2,966,766	\$259,999	\$358,237	\$2,348,530	(\$37,784)	\$2,426,000

Multi-Funded Supplemental Proposals

			Net Impact by Fund (Non-Recurring)					
			General	Transit	Golf	Solid Waste	WWW	HURF
General	Public Works	Urban Forest Management Study	\$5,000	\$2,500		\$2,500	\$2,500	\$5,000



Non-General Fund Supplemental Proposals

Fund	Department	Description	Total Cost	Offset		Net Fiscal Effect	Recurring	Non-Recurring
				Expend.	Rev			
HURF	Public Works	Intersection Magic	\$26,600		\$25,300	\$1,300	\$1,300	
HURF	Public Works	Graffiti Abatement Program	\$46,900			\$46,900	\$33,400	\$13,500
		Total	\$73,500	\$0	\$25,300	\$48,200	\$34,700	\$13,500
Perf Arts	Com Services	TCA Box Office Assistant	\$55,685	\$16,900		\$38,785	\$38,785	
Perf Arts	Com Services	Wage Allotment Increase	\$47,403		\$8,872	\$38,531	\$38,531	
Perf Arts	Com Services	TCA Marketing Specialist	\$117,119			\$117,119	\$116,368	\$1,100
		Total	\$220,207	\$16,900	\$8,872	\$194,435	\$193,684	\$1,100
Transit	Public Works	Marketing/Public Involvement	\$94,200			\$94,200	\$94,200	
Transit	Public Works	Replacement Crane Truck	\$20,000			\$20,000		\$20,000
Transit	Com Services	Public Information Officer	\$42,310			\$42,310	\$42,310	
		Total	\$156,510	\$0	\$0	\$156,510	\$136,510	\$20,000
Golf	Public Works	Rolling Hills Contracted Services	\$141,097	\$50,097	\$55,000	\$36,000	\$91,000	
Golf	Public Works	Ken McDonald Contracted Services	\$88,280	\$53,369	\$55,000	(\$20,089)	\$34,911	
Golf	Public Works	Ken McDonald Concessionaire Contract	\$12,156			\$12,156	\$12,156	
Golf	Public Works	Rolling Hills Concessionaire Contract	\$6,000			\$6,000	\$6,000	
		Total	\$247,533	\$103,466	\$110,000	\$34,067	\$144,067	\$0
Solid Waste	Public Works	Education, Outreach and Enforcement Resources	\$70,138	\$6,619		\$63,519	\$61,519	\$2,000
		Total	\$70,138	\$6,619	\$0	\$63,519	\$61,519	\$2,000
W/WW	Com Services	Public Information Officer	\$42,310			\$42,310	\$42,310	
W/WW	Com Services	Community Center PT Wages	\$20,738			\$20,738	\$20,738	
W/WW	FIT	Utility Billing System Contracted Services/Training	\$100,000			\$100,000		\$100,000
		Total	\$163,048	\$0	\$0	\$163,048	\$63,048	\$100,000

Capital Improvements Program Operating Budget Impacts

Fund	Department	Description	Total Cost	Offset		Net Fiscal Effect	Recurring	Non-Recurring
				Expend.	Rev			
General	FIT	City Regional Radio System Maintenance and Replacement	\$84,000			\$84,000	\$84,000	
General	FIT	Desktop Technology Refresh	\$50,000			\$50,000	\$50,000	
General	Police	CAD/RMS/FRWS System	\$245,000			\$245,000	\$245,000	
General	Police	Digital Evidence System	\$10,025			\$10,025	\$10,025	
General	Public Works	QECB Energy Services Retrofit	\$42,000	\$42,000		\$0		
Transit	Public Works	Broadway Road Streetscape Project	\$26,500			\$26,500	\$26,500	
Transit	Public Works	El Paso Natural Gasoline Easement Multi-use Path Phase II	\$21,500			\$21,500	\$21,500	
Transit	Public Works	Hardy Drive Streetscape Project	\$21,500			\$21,500	\$21,500	
Transit	Public Works	Rio Sal Southbank Path/Underpass at 101 & 202 Interchange	\$4,000			\$4,000	\$4,000	
Transit	Public Works	Univ Drive Bike/Ped Improv (Union Pacific Railroad to Priest)	\$28,000			\$28,000	\$28,000	
Police Grant	Police	Digital Evidence System	\$100,000			\$100,000	\$100,000	
		Total	\$632,525	\$42,000	\$0	\$590,525	\$590,525	\$0
Grand Total - All Funds			\$4,547,727	\$428,984	\$502,409	\$3,598,834	\$1,186,269	\$2,562,600

Supplemental Proposal Descriptions

OPERATING BUDGET IMPACTS				
General Fund Supplemental Proposals				
Descriptions	Cost	Offsets		Net Fiscal Effect
		Expenditures	Revenue	
City Attorney: Assistant City Attorney Wages provides legal services for Community Development	\$75,000			\$75,000
City Clerk: Admin Assistant position, part-time permanent and benefitted (0.5 FTE) assist current staff to focus on the timeliness of statutorily required duties and special projects	\$24,211	\$24,211		\$0
City Court: Court Interpreter provides for a change in the funding source from Fill-the-Gap temporary funding to the General Fund; court is constitutionally required to interpret and translate written documents in the Spanish language	\$80,536	\$2,573	\$77,963	\$0
City Court: Juror Expenses provides for a rate increase from \$1.25/summons to \$2.06/summons; Superior Court Commissioner summons jurors for Municipal and Justice Courts	\$7,427	\$7,427		\$0
Com Development: Contractual Development Agreement Payment - Marina Heights provides for the City's obligation to pay half of the landscaping and improvements up to \$450,000; developer bears the cost to design any improvements in the linear park to city standards	\$450,000	\$0	\$0	\$450,000
Com Development: Plan Review, Inspection and Support Services provides temporary staff for multiple large construction projects currently in the design stage that will move to the construction phase this year	\$1,033,295			\$1,033,295
Com Development: Code Inspection Workload provides much needed assistance to address the large number of violations in the city and prevent future violations; temporarily funds three existing temporary part-time positions and adds four new full-time positions	\$347,326		\$13,200	\$334,126
Com Development: Set Aside \$190,000 from General Fund to Housing Administration to cover deficits in the Section 8 Administration budget	\$190,000			\$190,000
Com Services: Library Hours and Staffing provides additional staff to allow the Library to offer programming to teens and adults and provide dedicated customer service staff	\$112,316			\$112,316
Com Services: Administrative Assistant provides coverage for the Sports Programs, Kiwanis Recreation Center and the Recreation Office; creates consistency of process, provides more staff hours per week for all areas to share, and provides a specific person to call upon for the work unit needs	\$47,187	\$47,187		\$0
Com Services: Assistant Recreation Coordinator provides the Aquatics program with additional resources to assist in multiple program areas while supporting various facility and part-time staff oversight functions	\$58,817	\$58,817		\$0
Com Services: Contracted Sports Officials provides for increased registration related to the youth and adult sports programs	\$30,000		\$30,000	\$0
Com Services: Community Center PT Wages to supplement city services at the North Tempe Multigenerational Center; wages will be used to run the computer lab, fitness center and help open/close the facility	\$60,000	\$60,000		\$0
Com Services: Community Supervision Services provides for personnel to accommodate increased time slots for intakes and the ability to add additional classes as needed; assists in decreasing the wait time for offenders that are court ordered for supervision services and allows decreased time spent before offenders can be seen, allowing them to comply with court ordered mandates and treatment services	\$147,000		\$147,000	\$0

Supplemental Proposal Descriptions

OPERATING BUDGET IMPACTS (continued)

General Fund Supplemental Proposals (continued)

Descriptions	Offsets			Net Fiscal Effect
	Cost	Expenditures	Revenue	
Fire: Fire Inspector would be assigned to existing building inspections, special events, complaints, and fire investigations	\$75,000			\$75,000
FIT: Printer Management Tool provides hardware and software capabilities to manage printing functions throughout the city	\$22,000	\$59,784		(\$37,784)
Public Works: Private Development/CIP Program Staffing Shortages provides the ability to handle workload shortfalls in Private Development Plan Review/Inspection and CIP Construction; request is partially offset (\$39,686) by other funds	\$156,263		\$39,686	\$116,577
Public Works: SLiPP Contracted Services provides for the adjustment of the contracted services baseline budget for the Service Line Protection Program	\$50,388		\$50,388	\$0
Total	\$2,966,766	\$2,966,766	\$90,074	\$116,577

Multi-Funded Supplemental Proposals

	General	Transit	Golf	Solid Waste	WWW	HURF
Public Works: Urban Forest Management Study partners with ASU Sustainability Solutions Initiatives staff to provide a current sample of tree inventory and analysis of the City's urban canopy to quantify the value of the tree canopy and cost benefit, as well as a plan for the care and management of the trees	\$5,000	\$2,500		\$2,500	\$2,500	\$5,000

Non-General Fund Supplemental Proposals

Descriptions	Offsets			Net Fiscal Effect
	Cost	Expenditures	Revenue	
HURF Public Works: Intersection Magic provides computer software for comprehensive safety transportation planning to study and analyze crash records and data	\$26,600		\$25,300	\$1,300
HURF Public Works: Graffiti Abatement Program provides a centralized graffiti abatement program enabling greater proactive efforts and a cleaner Tempe	\$46,900			\$46,900
Total	\$73,500	\$0	\$25,300	\$48,200
Perf Arts Com Services: TCA Box Office Assistant provides for the increased volume of ticketed events that have significantly increased the workload; leaving current staff unable to respond to client ticketing needs in a timely manner	\$55,685	\$16,900		\$38,785
Perf Arts Com Services: Wage Allotment Increase to respond to client inquiries and process rental agreements in a timely manner and to allow increase in PT staff and greater flexibility of coverage and fewer occurrences of FT staff exceeding normal workloads	\$47,403		\$8,872	\$38,531
Perf Arts Com Services: TCA Marketing Specialist provides a concentrated effort, focused on increasing visibility and building upon the public perception of the TCA; emphasis is on broadcast, print and social media for all events and activities occurring at the TCA will put the facility in the public eye on a regular basis	\$117,119			\$117,119
Total	\$220,207	\$16,900	\$8,872	\$194,435

Supplemental Proposal Descriptions

OPERATING BUDGET IMPACTS (continued)				
Non-General Fund Supplemental Proposals (continued)				
Descriptions	Cost	Offsets		Net Fiscal Effect
		Expenditures	Revenue	
Transit Public Works: Marketing/Public Involvement to reach various target markets, host small opening for Mary O'Connor transit shelter, and replace transit	\$94,200			\$94,200
Transit Public Works: Replacement Crane Truck to continue the required repair and maintenance of critical transit infrastructure such as maintaining and replacing shelters and other street furniture	\$20,000			\$20,000
Transit Com Services: Public Information Officer funded part-time out of Transit; position will cover transportation and streets related items	\$42,310			\$42,310
Total	\$156,510	\$0	\$0	\$156,510
Golf Public Works: Rolling Hills Contracted Services provides for job bank labor; partially offset by elimination of wages; supplemental also requests additional spending authority for the potential payout of a bonus to the Golf Concessionaire	\$141,097	\$50,097	\$55,000	\$36,000
Golf Public Works: Ken McDonald Contracted Services provides for job bank labor; offset by elimination of a vacant position; supplemental also requests additional spending authority for the potential payout of a bonus to the Golf Concessionaire	\$88,280	\$53,369	\$55,000	(\$20,089)
Golf Public Works: Ken McDonald Concessionaire Contract provides higher management fees associated with the contract renewal with the Golf concessionaire, Millennium Golf Management; offset by elimination of a position	\$12,156			\$12,156
Golf Public Works: Rolling Hills Concessionaire Contract provides renewal of the contract with the Golf Concessionaire, Millennium Golf Management, as well as higher management fee expense	\$6,000			\$6,000
Total	\$247,533	\$103,466	\$110,000	\$34,067
Solid Waste Public Works: Education, Outreach and Enforcement Resources addresses gaps in diversion, education, outreach and enforcement efforts; also works with the HPCC on Saturdays, addresses education and compliance issues in the bulk and brush collection services, and assists with special services	\$70,138	\$6,619		\$63,519
Total	\$70,138	\$6,619	\$0	\$63,519
W/WW Com Services: Public Information Officer funded part-time out of Water; position will cover water/wastewater communication	\$42,310			\$42,310
W/WW Com Services: Community Center PT Wages to supplement city services at the North Tempe Multigenerational Center; wages will be used to run the computer lab, fitness center and help open/close the facility	\$20,738			\$20,738
W/WW FIT: Utility Billing System Contracted Services/Training utilizes a contracted services resource to help accomplish the prioritized list of tasks and provides advanced training to Customer Services and ITD staff, enabling staff to more fully and efficiently utilize the capabilities of the new utility billing system (CC&B)	\$100,000			\$100,000
Total	\$163,048	\$0	\$0	\$163,048

Supplemental Proposal Descriptions

CAPITAL IMPROVEMENTS PROGRAM OPERATING BUDGET IMPACTS

Descriptions	Cost	Offsets		Net Fiscal Effect	
		Expenditures	Revenue		
General Fund Supplemental Proposals					
General FIT: City Regional Radio System Maintenance and Replacement <i>provides hardware and software maintenance</i>	\$84,000			\$84,000	
General FIT: Desktop Technology Refresh <i>provides contracted services</i>	\$50,000			\$50,000	
General Police: CAD/RMS/FRWS System <i>provides for IT administration</i>	\$245,000			\$245,000	
General Police: Digital Evidence System <i>provides for storage and software maintenance</i>	\$10,025			\$10,025	
General Public Works: QECB Energy Services Retrofit <i>provides software maintenance</i>	\$42,000	\$42,000		\$0	
Total	\$431,025	\$42,000	\$ 0	\$389,025	
Non-General Fund Supplemental Proposals					
Transit Public Works: Broadway Road Streetscape Project <i>provides landscape and lighting maintenance</i>	\$26,500			\$26,500	
Transit Public Works: El Paso Natural Gasoline Easement Multi-use Path Phase II <i>provides landscape and lighting maintenance</i>	\$21,500			\$21,500	
Transit Public Works: Hardy Drive Streetscape Project <i>provides landscape and lighting maintenance</i>	\$21,500			\$21,500	
Transit Public Works: Rio Salado Southbank Path/Underpass at 101 & 202 Interchange <i>provides landscape and lighting maintenance</i>	\$4,000			\$4,000	
Transit Public Works: University Drive Bike/Pedestrian Improvements (Union Pacific Railroad to Priest) <i>provides landscape and lighting maintenance</i>	\$28,000			\$28,000	
RICO Police: Digital Evidence System <i>provides storage and software maintenance</i>	\$100,000			\$100,000	
Total	\$201,500	\$ 0	\$ 0	\$201,500	
GRAND TOTAL OF ALL FUNDS		\$4,547,727	\$428,984	\$502,409	\$3,598,834