

PUBLIC MEETING AGENDA



SPECIAL BUDGET MEETING

Thursday, June 10, 2010
Immediately following the Formal Council Meeting
which begins at 7:30 p.m.

Harry E. Mitchell Government Center
City Council Chambers - Tempe City Hall
31 East 5th Street, Tempe, Arizona

AGENDA

Members of the City Council may attend either in person or by telephone conference call.

1. Call to the Audience

The City Council welcomes public comment at this time only for items listed on this agenda. There is a three-minute time limit per citizen.

2. This is the final public hearing to adopt Resolution 2010.74 containing estimates of proposed expenditures by the City of Tempe for the fiscal year beginning July 1, 2010 and ending June 30, 2011, and to declare that such shall constitute a budget for the City of Tempe for said fiscal year.

COMMENTS N/A
DOCUMENT NAME 20100610fscr01 Resolution No. 2010.74

3. This is a public hearing for Resolution No. 2010.52 authorizing adoption of the FY 2011-2015 Capital Improvements Program.

COMMENTS N/A
DOCUMENT NAME 20100610fsaw01

4. This is the introduction and first public hearing for adopting the FY 2010-2011 Property Tax Ordinance No. 2010.18; and setting the final adoption of this ordinance on June 24, 2010.

COMMENTS N/A
DOCUMENT NAME 20100610fscr02

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the agenda. The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance is available at public meetings for sight and/or hearing-impaired persons. Please call 350-2905 (voice) or 350-2750 (TDD) to request an accommodation to participate in a public meeting.

Staff Summary Report



Council Meeting Date: 6/10/2010

Agenda Item Number: _____

SUBJECT: This is the final public hearing to adopt a resolution containing estimates of proposed expenditures by the City of Tempe for the fiscal year beginning July 1, 2010 and ending June 30, 2011, and to declare that such shall constitute a budget for the City of Tempe for said fiscal year.

DOCUMENT NAME: 20100610fscr01 Resolution No. 2010.74

COMMENTS: N/A

PREPARED BY: Cecilia Robles, Deputy Financial Services Manager (480-350-8881)

REVIEWED BY: Jerry Hart, Financial Services Manager (480-350-8505)

LEGAL REVIEW BY: Andrew Ching, City Attorney (480-350-8575)

DEPARTMENT REVIEW BY: Jerry Hart, Financial Services Manager (480-350-8505)

FISCAL NOTE: See below

RECOMMENDATION: Staff recommends approval of Resolution No. 2010.74

ADDITIONAL INFO: Resolution No. 2010.74 adopts the final budget for fiscal year 2010-2011. Since tentative adoption on May 6th, the attached schedules (Exhibit A) have been properly advertised pursuant to A.R.S. §42-17103.

Prior to final adoption of the budget at a special meeting, the Council must hold a public hearing where any taxpayer may appear and be heard for or against any proposed expenditure or tax levy pursuant to A.R.S. 42-17104 and 42-17107.

RESOLUTION 2010.74

A RESOLUTION DETERMINING AND ADOPTING
FINAL ESTIMATES OF PROPOSED EXPENDITURES
BY THE CITY OF TEMPE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2010, AND ENDING JUNE 30, 2011.
DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET
FOR THE CITY OF TEMPE FOR SUCH FISCAL YEAR.

WHEREAS, in accordance with the provisions of Title 42, Sections 17101-17104 inclusive, Arizona Revised Statutes, the City Council did, on May 6, 2010, make an estimate of the amounts required to meet the public expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Tempe, Arizona, and

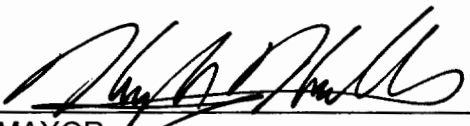
WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on May 6, 2010, at which meeting any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures, and

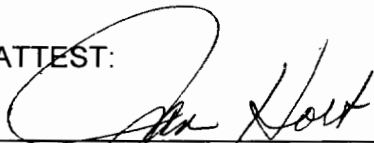
WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council set a property tax public hearing for June 10, 2010 and set an adoption date of June 24, 2010, to adopt the property tax rate, and

WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

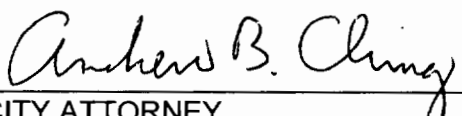
RESOLVED, that the said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced or changed by the same are hereby adopted as the budget of the City of Tempe, Arizona, for the fiscal year 2010-2011.


PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 10th day of June, 2010.


MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY


FINANCIAL SERVICES MANAGER

Schedule A



Summary Schedule of Estimated Revenues and Expenditures/Expenses

| Fund | Adopted Budgeted Expenditures/ Expenses FY 2009-10 | Unaudited Estimated Expenditures/ Expenses FY 2009-10 | Estimated Unreserved Fund Balance 7-1-2010 | Direct Property Tax Revenues FY 2010-11 |
|------------------|--|---|--|--|
| General | \$185,892,521 | \$173,783,438 | \$27,929,230 | \$12,063,972 |
| Special Revenue | 107,530,232 | 96,222,218 | 50,678,912 | 175,000 |
| Debt Service | 19,875,542 | 19,217,500 | 40,589,139 | 22,174,672 |
| Capital Projects | 96,310,568 | 96,310,568 | 3,525,328 | - |
| Enterprise | 91,126,158 | 85,998,355 | 37,871,236 | - |
| TOTAL | \$500,735,021 | \$471,532,079 | \$160,593,845 | \$34,413,644 |

| Expenditure Limitation Comparison | FY 2009-10 | FY 2010-11 |
|---|----------------------|----------------------|
| 1. Budgeted Expenditures/Expenses | \$500,735,021 | \$419,697,944 |
| 2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items | | |
| 3. Less: Estimated Exclusions | (203,820,648) | (114,440,233) |
| 4. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation | 296,914,373 | 305,257,711 |
| 5. Expenditure Limitation | \$296,914,373 | \$305,257,711 |



Summary Schedule of Estimated Revenues and Expenditures/Expenses

| Fund | Budgeted Revenues Other than Property Taxes | Proceeds From Other Financing Sources | Interfund Transfers | | Total Financial Resources Available | Budgeted Expenditures/Expenses |
|------------------|---|---------------------------------------|---------------------|-----------------------|-------------------------------------|--------------------------------|
| | FY 2010-11 | FY 2010-11 | FY 2010-11 In | FY 2010-11 (Out) | FY 2010-11 | FY 2010-11 |
| General | \$ 141,837,783 | \$ 724,712 | \$ 186,435 | \$ - | \$ 182,742,132 | \$ 154,811,302 |
| Special Revenue | 78,351,061 | 7,262 | - | (2,770,000) | 126,442,235 | 102,512,785 |
| Debt Service | 16,520 | - | 2,770,000 | (49,000) | 65,501,331 | 22,111,500 |
| Capital Projects | - | 47,578,292 | 436,463 | (137,435) | 51,402,648 | 48,264,755 |
| Enterprise | 83,554,952 | 4,611,941 | - | (436,463) | 125,601,666 | 91,997,602 |
| TOTAL | \$ 303,760,316 | \$ 52,922,207 | \$ 3,392,898 | \$ (3,392,898) | \$ 551,690,012 | \$ 419,697,944 |

Schedule B



Summary of Tax Levy and Tax Rate Information

| | FY 2009-10* | Estimated FY 2010-11 |
|--|---------------------|-------------------------|
| 1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A)) | | \$12,238,972 |
| 2. Amount Received from Primary Property Taxation in the 2009-10 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17102(A)(18)) | | |
| 3. Property Tax Levy Amounts | | |
| A. Primary Property Taxes | 11,665,890 | 12,238,972 |
| B. Secondary Property Taxes | 25,192,451 | 22,174,672 |
| C. Total Property Tax Levy Amounts | \$36,858,341 | \$34,413,644 |
| 4. Property Taxes Collected | | |
| A. Primary Property Taxes | | |
| 1. 2009-10 Levy | 11,292,582 | |
| 2. Prior Years' Levies | 116,659 | |
| 3. Total Primary Property Taxes | \$11,409,241 | |
| B. Secondary Property Taxes | | |
| 1. 2009-10 Levy | 24,386,293 | |
| 2. Prior Years' Levies | 251,925 | |
| 3. Total Secondary Property Taxes | \$24,638,218 | |
| C. Total Property Taxes Collected | \$36,047,459 | |
| 5. Property Tax Rates | | |
| A. City Tax Rate | | |
| 1. Primary Property Tax Rate | 0.4897 | 0.5176 |
| 2. Secondary Property Tax Rate | 0.9103 | 0.8824 |
| 3. Total City Tax Rate | \$1.4000 | \$1.4000 |

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collected for the remainder of the fiscal year.



Summary by Fund of Revenues Other Than Property Taxes

| Source of Revenues | Budgeted Revenues FY 2009-10 | Estimated Revenues FY 2009-10* | Budgeted Revenues FY 2010-11 |
|-------------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| GENERAL FUND | | | |
| Local Taxes | | | |
| City Sales Tax | \$ 74,005,000 | \$ 62,700,000 | \$ 68,550,872 |
| Hotel Bed Tax | 3,000,000 | 2,168,700 | 3,559,916 |
| Franchise Taxes | 3,927,281 | 3,724,281 | 3,727,000 |
| Licenses and Permits | | | |
| Business Licenses | 1,497,750 | 1,564,864 | 1,567,696 |
| Intergovernmental Revenues | | | |
| State-Shared | 34,715,155 | 33,416,962 | 28,871,873 |
| Vehicle License Tax | 6,275,500 | 5,768,161 | 6,166,164 |
| Charges for services | | | |
| Total Charges for Services | 10,645,611 | 10,008,079 | 11,200,441 |
| Fines and Forfeitures | | | |
| Total Fines and Forfeitures | 9,880,662 | 9,558,931 | 10,322,095 |
| Interest on Investments | | | |
| Total Interest | 3,000,000 | 1,790,340 | 1,500,000 |
| Voluntary Contributions | | | |
| SRP In-Lieu Tax | 1,394,846 | 1,394,846 | 1,376,393 |
| Miscellaneous Revenues | | | |
| All Miscellaneous | 3,417,119 | 2,690,669 | 4,995,333 |
| Total General Fund | 151,758,924 | 134,785,833 | 141,837,783 |
| SPECIAL REVENUE FUNDS | | | |
| Highway User Revenue Fund | | | |
| Intergovernmental | 10,019,765 | 9,219,300 | 9,495,879 |
| Maintenance of Effort/Other | 1,035,000 | 785,824 | 785,824 |
| Barricading Fees | 180,000 | 32,000 | 75,000 |
| Total Highway User Revenue Fund | 11,234,765 | 10,037,124 | 10,356,703 |
| Local Trans. Assistance Fund (LTAF) | | | |
| Intergovernmental | 472,645 | 232,766 | - |
| Total LTAF | 472,645 | 232,766 | - |



Summary by Fund of Revenues Other Than Property Taxes

| Source of Revenues | Budgeted Revenues FY 2009-10 | Estimated Revenues FY 2009-10* | Budgeted Revenues FY 2010-11 |
|-------------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| Transit Fund | | | |
| Transit Tax | 29,957,000 | 26,328,500 | 25,012,100 |
| State Lottery Proceeds | 232,794 | 184,119 | - |
| ASU-Flash Transit | 676,790 | 676,790 | 773,045 |
| Interest Earned - Trust Investments | 212,386 | 212,386 | 212,386 |
| Federal and State Funding | 44,301,699 | 10,836,699 | 14,470,874 |
| Miscellaneous Revenue | 813,220 | 3,032,220 | 3,369,506 |
| Total Transit Fund | 76,193,889 | 41,270,714 | 43,837,911 |
| Rio Salado Fund | | | |
| City Sales Tax | 1,250,000 | 1,175,900 | 1,329,200 |
| Hotel Bed Tax | 300,000 | 208,600 | 410,000 |
| Interest on Investments | 130,000 | 95,000 | 95,000 |
| Miscellaneous Revenue | 163,601 | 86,361 | 107,930 |
| Total Rio Salado Fund | 1,843,601 | 1,565,861 | 1,942,130 |
| Performing Arts | | | |
| Performing Arts Tax | 6,295,038 | 5,868,886 | 5,175,519 |
| Fees and Admissions | 351,000 | 547,750 | 575,500 |
| Interest on Investments | 185,039 | 75,000 | 45,349 |
| Total Performing Arts Fund | 6,831,077 | 6,491,636 | 5,796,368 |
| Community Dev. Block Grant (CDBG) | 3,197,782 | 1,926,196 | 5,794,897 |
| Section 8 Housing | 8,949,041 | 8,994,784 | 10,623,052 |
| Total CDBG/Section 8 Funds | 12,146,823 | 10,920,980 | 16,417,949 |
| Total Special Revenue Funds | 108,722,800 | 70,519,081 | 78,351,061 |
| DEBT SERVICE FUND | | | |
| Intergovernmental | 185,458 | 185,458 | 16,520 |
| Total Debt Service Fund | 2,955,458 | 185,458 | 16,520 |
| ENTERPRISE FUNDS | | | |
| Cemetery | 147,186 | 144,420 | 144,420 |
| Golf | 2,001,283 | 1,715,004 | 1,711,195 |
| Water/Wastewater | 61,572,480 | 60,844,647 | 66,510,174 |
| Solid Waste | 15,828,588 | 14,989,166 | 15,189,163 |
| Total Enterprise Funds | 79,549,537 | 77,693,237 | 83,554,952 |
| TOTAL ALL FUNDS | \$ 342,986,719 | \$ 283,183,609 | \$ 303,760,316 |

* Includes actual revenues recognized on the modified accrual basis as of the date the proposed budget was prepared plus estimated revenues for the remainder of the fiscal year.

Schedule D



Summary by Fund of Other Financing Sources and Interfund Transfers

| Fund | Proceeds From Other Financing Sources FY 2010-11 | Interfund Transfers FY 2010-11 | |
|------------------------------|--|-----------------------------------|-----------------------|
| | | In | (Out) |
| GENERAL FUND | \$724,712 | \$186,435 | |
| SPECIAL REVENUE FUNDS | | | |
| Rio Salado Fund | 7,262 | | |
| HURF/LTAF | | | (2,770,000) |
| Total Special Revenue Funds | 7,262 | | (2,770,000) |
| DEBT SERVICE FUND | | 2,770,000 | (49,000) |
| CAPITAL PROJECTS FUNDS | | 436,463 | (137,435) |
| Bond/Note Proceeds | 38,252,292 | | |
| CIP - Other Funding | 1,739,500 | | |
| CIP - Fund Balance Applied | 7,586,500 | | |
| Total Capital Projects Funds | 47,578,292 | 436,463 | (137,435) |
| ENTERPRISE FUNDS | | | |
| Water/Wastewater Fund | 4,611,941 | | (436,463) |
| TOTAL ALL FUNDS | \$ 52,922,207 | \$ 3,392,898 | \$ (3,392,898) |

Schedule E



Summary by Department of Expenditures / Expenses Within Each Fund

| Fund/ Department | Budgeted Expenditures/ Expenses FY 2009-10 | Expenditure/ Expense Adjustments Approved FY 2009-10 | Estimated Expenditures/ Expenses FY 2009-10* | Budgeted Expenditures/ Expenses FY 2010-11 |
|-------------------------------|---|--|---|---|
| GENERAL FUND | | | | |
| Mayor and Council | \$400,337 | (2,729) | \$378,900 | \$317,913 |
| City Manager | 339,673 | (2,046) | 314,713 | 273,771 |
| Community Relations | 2,962,104 | (54,831) | 2,730,618 | 2,274,112 |
| Diversity Program | 554,394 | (6,232) | 538,536 | 441,351 |
| Internal Audit | 502,431 | (1,147) | 495,011 | 414,920 |
| City Clerk | 884,219 | (1,973) | 864,781 | 744,628 |
| City Court | 4,259,174 | (166,670) | 4,059,254 | 3,605,850 |
| Human Resources | 3,222,042 | 5,586 | 2,741,597 | 2,526,736 |
| City Attorney | 2,955,464 | 4,848 | 2,906,044 | 2,532,363 |
| Financial Services | 4,501,411 | (750,323) | 3,424,666 | 3,144,364 |
| Community Development | 10,769,312 | (603,780) | 9,030,808 | 7,486,092 |
| Police | 74,667,301 | 101,483 | 73,291,354 | 66,118,010 |
| Fire | 28,726,772 | (698,005) | 26,047,091 | 25,471,622 |
| Community Services | 22,458,966 | (193,881) | 20,881,497 | 18,304,609 |
| Public Works - General | 19,248,182 | (1,136,455) | 16,817,753 | 15,370,237 |
| Non-Departmental | 9,440,739 | 3,965,636 | 9,260,815 | 5,784,724 |
| Contingencies | - | - | - | - |
| Total General Fund | 185,892,521 | 459,481 | 173,783,438 | 154,811,302 |
| SPECIAL REVENUE FUNDS | | | | |
| Highway User Revenue | 15,008,850 | (42,488) | 11,393,667 | 11,667,658 |
| Transit | 68,825,439 | (63,022) | 63,071,133 | 64,026,251 |
| CDBG | 3,197,782 | 1,092,621 | 1,926,196 | 5,794,897 |
| Section 8 Housing | 8,949,041 | (4,257) | 8,994,784 | 10,623,052 |
| Rio Salado | 2,444,592 | (13,135) | 2,016,123 | 1,889,799 |
| Performing Arts | 9,104,528 | (5,638) | 8,820,315 | 8,511,128 |
| Total Special Revenue Funds | 107,530,232 | 964,081 | 96,222,218 | 102,512,785 |
| DEBT SERVICE FUND | | | | |
| Debt Service | 19,875,542 | - | 19,217,500 | 22,111,500 |
| Total Debt Service Fund | 19,875,542 | - | 19,217,500 | 22,111,500 |
| CAPITAL PROJECTS FUNDS | | | | |
| All Capital Projects | 96,310,568 | - | 96,310,568 | 48,264,755 |
| Total Capital Projects Funds | 96,310,568 | - | 96,310,568 | 48,264,755 |
| ENTERPRISE FUNDS | | | | |
| Water/Wastewater | 72,489,753 | (1,897,010) | 68,508,991 | 75,772,343 |
| Golf | 2,178,060 | (7,844) | 1,799,763 | 1,731,353 |
| Cemetery | 376,744 | (230) | 348,256 | 379,350 |
| Solid Waste | 16,081,601 | - | 15,341,345 | 14,114,556 |
| Total Enterprise Funds | 91,126,158 | (1,905,084) | 85,998,355 | 91,997,602 |
| TOTAL ALL FUNDS | \$ 500,735,021 | \$ (481,522) | \$ 471,532,079 | \$ 419,697,944 |

* Includes actual expenditures/expenses recognized on the modified accrual basis as of the date the proposed budget was prepared plus estimated expenditures/expenses for the remainder of the fiscal year.