Budget in Brief
Fiscal Year (FY) 2019-2020
July 1, 2019 – June 30, 2020

The Tempe City Council has set five strategic priorities which are their most important goals for our community. The FY 2019-20 budget is aligned with these strategic priorities and demonstrates Tempe’s commitment to be an inclusive, transparent and high-performing organization.

Safe & Secure Communities
Ensuring a safe and secure community through a commitment to public safety and justice.

Sustainable Growth & Development
Implementing sustainable growth and development strategies to improve Tempe’s environment, quality of life and economic outcomes. Tempe strives to make long-term generational investments in technology, infrastructure and public transit that create a safe, clean, equitable and healthy city.

Quality of Life
Enhancing the quality of life for all Tempe residents and workers through investment in neighborhoods, parks, the arts, human services, and city amenities, with an emphasis on equity and diversity.

Strong Community Connections
Developing and maintaining a strong community connection by emphasizing the importance of open government, customer service and communication with community members.

Financial Stability & Vitality
Maintaining long-term financial stability and vitality by focusing on economic development, business retention and generating employment to create a robust and diverse economic base.

Performance measures have been adopted to measure our progress toward meeting the strategic priorities.
City Budget

**Capital Projects**  $258.8 million
Accounts for the capital program to maintain and/or improve the city’s infrastructure.

**General Fund**  $233.4 million
Represents the general operating fund of the city. It is used to support city services such as police, fire, park maintenance, recreation programs, planning and more.

**Special Revenue**  $129.5 million
The funds are restricted for specific purposes. These include Transit (light rail, buses), Performing Arts (Tempe Center for the Arts), Highway User Revenue Fund (street maintenance) and CDBG/Section 8 (housing assistance).

**Enterprise Funds**  $111.4 million
Used to account for operations that are paid for by the users of the service. This would include Water/Wastewater, Solid Waste, Emergency Medical Transportation and Golf operations.

**Debt Service**  $32.6 million
A fund to receive secondary property tax revenue that is used to make principal and interest payments on voter-approved bonds.

**Miscellaneous**  $2 million
Used to account for various other expenditures.

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**where does my property tax payment go?**

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools</td>
<td>51%</td>
</tr>
<tr>
<td>City</td>
<td>20%</td>
</tr>
<tr>
<td>County &amp; Special Districts</td>
<td>17%</td>
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<tr>
<td>Community Colleges</td>
<td>12%</td>
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</tbody>
</table>
general fund - where the money comes from

Local Taxes
$117.6M
This category includes revenue from the city's sales tax of 1.8%, the hotel/motel bed tax of 5%, franchise fees for use of the city's right-of-way.

Primary Property Taxes
$18.1M
The portion of the city's property tax that funds general operations of the city.

Intergovernmental
$54.3M
Revenue shared by the state via statutory formula and includes state sales and income tax, and vehicle license tax.

Miscellaneous
$22.7M
Leases, facility rentals and fund balance.

Fines & Forfeits
$5.4M
Court fines, parking tickets and other fines.

Charges for Services
$14.2M
Fees collected for registration and admission charges for the city's various recreational programs.

Licenses & Permits
$1.1M
Revenue from licenses and permits such as a city sales tax license, building permits, and right-of-way permits.

TOTAL $233.4M

general fund - where the money goes

Public Safety
$134.6M
Police and Fire services.

Development & Infrastructure
$19.7M
Includes engineering services, building and planning permits and services, neighborhood code compliance.

Support Services
$35.6M
Includes support functions such as human resources, legal services, accounting, budget, IT and the City Manager’s Office.

Community & Human Services
$43.5M
Includes library, Parks and Recreation programs, Tempe PRE, counseling, housing and CARE 7 support services.
enterprise operations
The City of Tempe provides clean water, treats solid waste and wastewater, showcases two golf courses, and offers ambulance transport. Throughout the year, customers pay for these services.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Major Projects</th>
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</thead>
<tbody>
<tr>
<td>Water/Wastewater</td>
<td>$84.5M</td>
<td>• Water Transmission &amp; Distribution System $38.2M</td>
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<tr>
<td></td>
<td></td>
<td>• Water Plant Maintenance $12.6M</td>
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<tr>
<td></td>
<td></td>
<td>• Sewer Capacity Improvements $8M</td>
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<tr>
<td></td>
<td></td>
<td>• Wastewater Collection System Upgrades $8.4M</td>
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<tr>
<td>Solid Waste</td>
<td>$19.9M</td>
<td>• Fire Station 7 Completion $3.6M</td>
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<td></td>
<td></td>
<td>• Storm Drain Improvements $1.01M</td>
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<tr>
<td></td>
<td></td>
<td>• Athletic Field Lighting Improvements $1.9M</td>
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<tr>
<td></td>
<td></td>
<td>• Park Playground Equipment $1.3M</td>
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<tr>
<td>Golf</td>
<td>$2.7M</td>
<td>• Bus Pullout Construction $2.5M</td>
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<tr>
<td></td>
<td></td>
<td>• Multi-use Pathway Maintenance $5.6M</td>
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<tr>
<td>Transportation</td>
<td>$38.4M</td>
<td>• Streetlights $700K</td>
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<tr>
<td></td>
<td></td>
<td>• Rural Rd. &amp; Rio Salado Pkwy Safety Improvements $3.2M</td>
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<tr>
<td></td>
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<td>• Street Resurfacing $9.9M</td>
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</table>

Tempe continues to improve – capital projects
Tempe has a five-year capital plan that enables long-range, proactive planning for maintenance, improvements and expansions to the city's infrastructure.
How to Become Involved in the Budget Process

The City of Tempe values public input and participation in the budget process. To set priorities and craft the best possible budget, community input is critical. Learn more at tempe.gov/budget.

• Community and Business Surveys
• Public Budget Forums
• Online Tempe Forum
• Public Budget Meetings
• Direct email to Mayor and Council

we are listening

The City Council provided additional resources as part of the FY 2019-20 budget to address priorities identified by the community. Additional budget funding was provided to accelerate the achievement of these performance measures:

Performance Measure 1.05
Achieve ratings of “Very Satisfied” or “Satisfied” with the “Feeling of Safety in the City” greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Performance Measure 1.22
Achieve adopted standards for Pavement Quality Index equal to a citywide average rating of 70 or higher.

Performance Measure 1.23
Achieve rating of “Very Satisfied” or “Satisfied” with the “Feeling of Safety in Parks” greater than or equal to the top 10% of the national benchmark cities as measured in the Community Survey.

Tempe has the highest available credit rating, which helps lower the cost of borrowing. Bond Rating: AAA Fitch and S&P
Tempe City Council

Mark Mitchell, Mayor
Lauren Kuby, Vice Mayor
Jennifer Adams, Councilmember
Robin Arredondo-Savage, Councilmember
Arlene Chin, Councilmember
Randy Keating, Councilmember
Joel Navarro, Councilmember

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More City of Tempe budget details can be found at tempe.gov/budget

To learn more about the City Council Priorities, attend a Tempe Accelerates session.

Visit tempe.gov for city government news, alerts and service details.