



ANNUAL BUDGET

JULY 1, 2007 THROUGH JUNE 30, 2008





Annual Budget FY 2007/08

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ABOUT THE COVER:

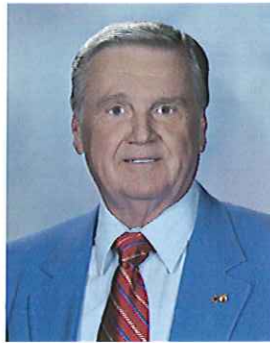
Opened in September 2007, the Tempe Center for the Arts is a 90,000 square-foot architectural showpiece on the south bank of Tempe Town Lake. The center is dedicated to local visual and performing arts.

For more information, visit www.tempe.gov/tca.

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MAYOR



HUT HUTSON
VICE MAYOR



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO
**City of Tempe
Arizona**

**Special Performance Measures Recognition
For the Fiscal Year Beginning
July 1, 2006**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Tempe for its fiscal year beginning July 1, 2006.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Mission...

To work with each other and the community to make
Tempe the best place to live, work and play.

We Value...

People

We appreciate the talents of each person and encourage responsible decision making at the most appropriate level. We recognize the importance of personal and professional development.

Creativity

We encourage imaginative problem solving, innovation, resourcefulness and responsible risk taking.

Quality

We provide superior services and are committed to continuous improvement. We are attentive to the changing needs of the people we serve.

Integrity

We are honest, accountable and trustworthy.

Openness

We are accessible and work as a team by sharing information, ideas, resources and responsibility.

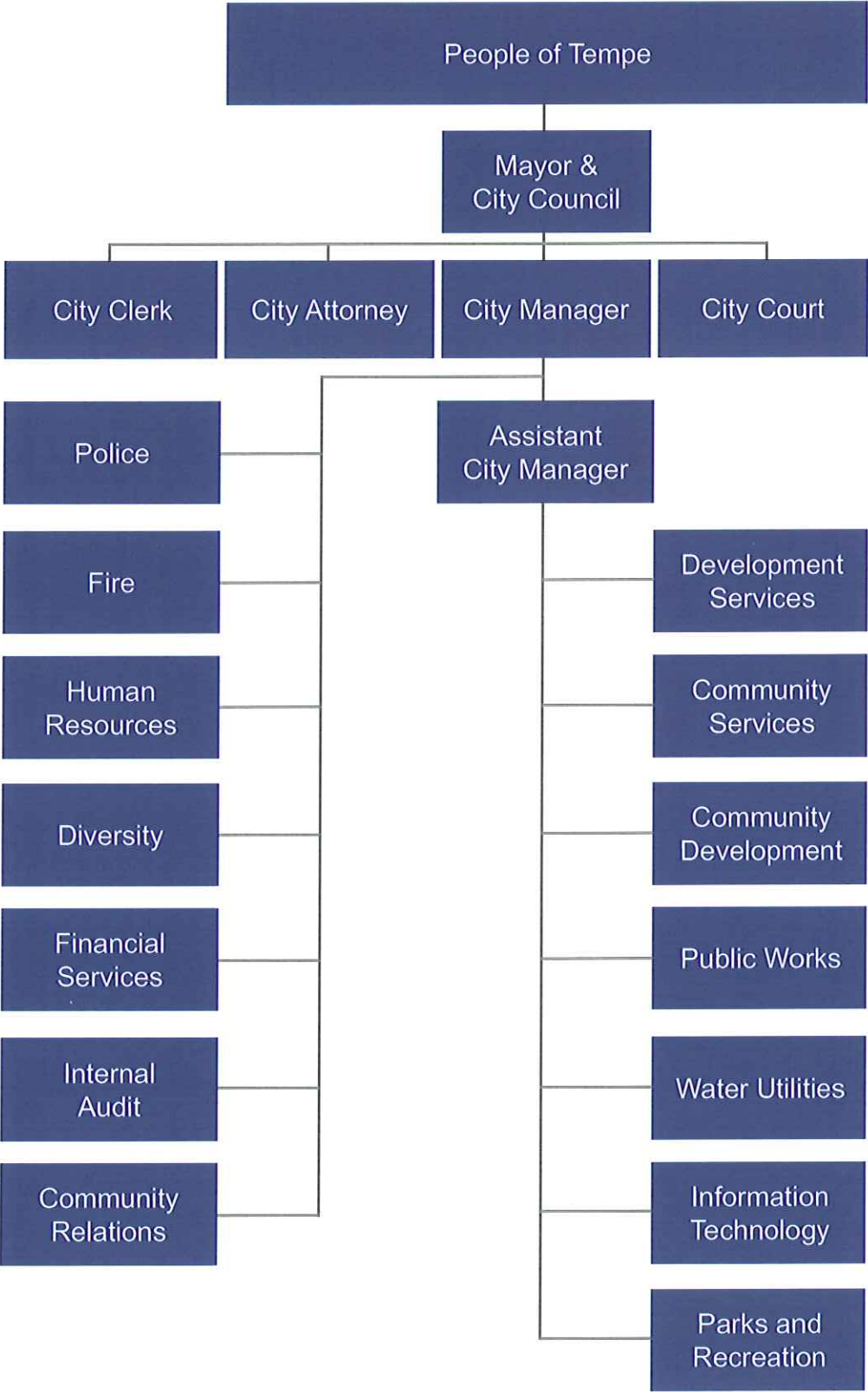
Respect

We welcome individual and professional differences and treat everyone with dignity, courtesy and sensitivity.

Diversity

We promote diversity in the workforce to meet the needs of a diverse community. We recognize that with diversity comes strength.

Organizational Chart





May 31, 2007

To the Honorable Mayor and City Council:

Transmitted herein is the City's Fiscal Year 2007-08 financial program. The combined operating and capital budgets included in the financial program total \$568 million, which represents a change of \$57 million, or 11.2% from the FY 2006-07 adopted budget. Additional personnel, increasing health insurance costs, retirement system contribution rates and annual employee step increases are driving the growth in the operating budget. The increase in the capital budget is largely attributed to increases in the Public Safety programs and renovation and restoration of parks.

The City's economy is exhibiting growth in all sectors including retail, contracting, restaurants, and commercial rentals indicating a broad-based expansion. Even though it is expected that this growth will moderate going forward, the five-year long-range financial forecast projects continued revenue growth in the General Fund. Citywide expenditure growth is due to increases in employee health care costs and market driven salary increases.

Total Annual Financial Program		
	FY 2006-07 Budget	FY 2007-08 Budget
Operating Budget	\$314,115,625	\$355,286,702
Percent Change		13.1%
Capital Improvements Budget	\$196,728,491	\$212,706,469
Percent Change		8.1%
Total Financial Program	\$510,844,116	\$567,993,171
Percent Change		11.2%

OPERATING BUDGET

The following table presents a summary breakdown of the operating budget by fund.

Operating Budget Summary			
	FY 2006-07 Budget	FY 2007-08 Budget	Percent Change
General Fund	\$158,994,288	\$173,148,855	8.9%
Special Revenue Funds			
Transportation	9,413,469	10,297,962	9.4%
Transit	35,313,568	51,893,704	47.0%
Rio Salado	1,983,090	2,078,346	4.8%
Performing Arts	9,106,148	8,598,850	-5.6%
CDBG/Section 8	11,502,474	11,016,572	-4.2%
Debt Service Fund	16,495,505	17,513,497	6.2%
Enterprise Funds			
Water/Wastewater	54,797,488	63,890,154	16.6%
Solid Waste	13,955,883	14,380,842	3.0%
Golf	2,195,431	2,078,836	-5.3%
Cemetery	358,281	389,084	8.6%
Total Operating Budget	\$314,115,625	\$355,286,702	13.1%
Capital Improvements Budget	\$196,728,491	\$212,706,469	8.1%
Total Financial Plan	\$510,844,116	\$567,993,171	11.2%

Operating Budget Highlights

Since Personal Services costs comprise 50% of the operating budget, it is not surprising that growth in this category drives total budget growth.

- **Salary Progression**
Movement of employees through the established salary ranges (\$6.6 million impact to the General Fund)
- **Health, Dental & Life**
Human Resources estimates a 13% increase in benefit costs for the current work force (\$3.6 million impact to the General Fund)

Other factors contributing to operating budget growth include:

- **Supplemental Budget Increases**
Supplemental increases to the operating budget for expansion of city services primarily in the Police Department (\$4.4 million impact to the General Fund)
- **Transit Fund**
Additional funding for personnel, circulator bus routes, and fixed route bus service (\$9.2 million)
- **Water/Wastewater Fund**
Funding for increased expenses associated with the 91st Avenue Wastewater Treatment Plant and other water plant maintenance items (\$2.0 million)

Other Post Employment Benefits (OPEB) – General Fund revenues in excess of expenditures will be earmarked to fund the liability for retiree health care.

CAPITAL BUDGET

The City's five-year Capital Improvement Program (CIP) covering FY 2007-08 through FY 2011-12 totals \$519.1 million. The first year of the five-year CIP, which the City incorporates into the annual budget, is \$212.7 million for FY 2007-08.

Capital Improvements Program Summary						
Program	2007-08 Funded Program	Additional Needs				Total Five-Year Program
		2008-09	2009-10	2010-11	2011-12	
Enterprise Program						
Water	\$29,391,000	\$20,308,246	\$1,976,000	\$1,876,000	\$1,706,000	\$55,257,246
Wastewater	25,750,000	23,750,000	26,750,000	26,820,000	21,184,000	124,254,000
Golf	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise	55,191,000	44,108,246	28,776,000	28,746,000	22,940,000	179,761,246
Special Purpose Program						
Transit	94,585,115	28,445,499	19,710,000	3,625,000	2,095,000	148,460,614
Rio Salado	4,012,100	6,020,000	4,630,000	3,440,000	2,160,000	20,262,100
Total Special Purpose	98,597,215	34,465,499	24,340,000	7,065,000	4,255,000	168,722,714
Total General Purpose	48,289,678	25,581,962	22,686,692	15,088,763	9,065,944	120,713,040
Total Transportation	10,628,576	9,561,379	10,562,277	9,223,051	9,888,666	49,863,899
Subtotal Tax Supported	157,515,469	69,608,840	57,588,919	31,376,814	23,209,610	339,299,653
TOTAL PROGRAM	\$212,706,469	\$113,717,086	\$86,394,919	\$60,122,814	\$46,149,610	\$519,060,899

As is typical, funding requests exceeded available sources. Funding sources are maximized subject to the constraints of the financial policies established by the Council.

Capital Budget Highlights

Continued funding for the Transit program (\$94.6 million) including:

- Continued funding for the Central Phoenix and East Valley Light Rail Transit rail planning, design and construction (\$62.0 million)
- New funding for the Western Canal Multi-Use Path (\$6.9 million)

Continued funding for Water projects (\$29.4 million) including:

- Continued funding for expansion at the Johnny G. Martinez Water Treatment Plant (\$12.0 million)
- Continued funding for Water Utility Department security improvements (\$5.3 million)

Continued funding for Wastewater projects (\$25.8 million) including:

- Funding for ongoing modifications to the 91st Avenue Wastewater Treatment Plant (\$20.2 million)

New and continued funding for Police projects (\$17.2 million) including:

- New funding for renovation of the 120 E. Fifth Street Facility (\$6.2 million)
- Continued funding for the Police Radio System Replacement (\$6.8 million)

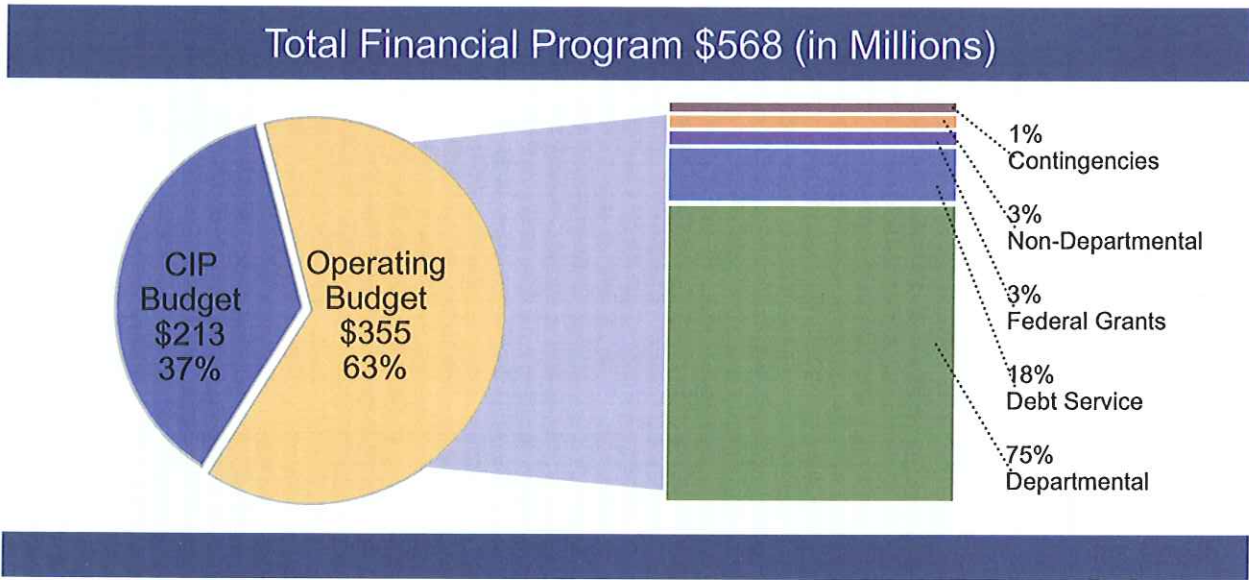
Continued funding for Transportation Improvements (\$10.6 million)

Funding for Park Renovation and Improvements (\$10.4 million)

New and continued funding for Fire projects (\$3.9 million) including:

- Funding for a new Support Services Facility (\$2.4 million)
- Funding for Fire Station 7 (\$713,704)

As the graph below depicts, the operating budget represents 63% of the FY 2007-08 total financial program. Departmental budgets make up 75% of the citywide operating budget.



Revenue Considerations

The City will modify revenue as needed in several areas for FY 2007-08.

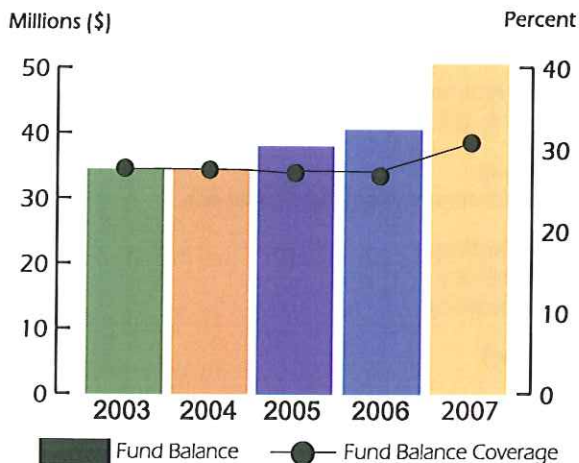
Utility Rate Reviews

Upon finalizing FY 2006-07 financial statements, Golf fees will be reviewed to determine if adjustments are required. The Water/Wastewater and Solid Waste programs are scheduled to increase rates this upcoming November in accordance with prior Council authorization. Currently, a comprehensive water/sewer and irrigation study is underway.

Review of Other Fees

In addition to the utility rate reviews, other fees are periodically reviewed. As part of this cycle, fees charged by the City Court, Development Services, Parks and Recreation, and Community Services Departments will be reviewed for potential adjustments.

Unreserved General Fund Balance



FINANCIAL ASSESSMENT

Tempe has developed and maintained a strong financial position through conservative financial management and adherence to sound fiscal analysis and policies.

Fund Balances

One measure of a city's financial strength is the level of its fund balances (i.e., revenues exceed expenditures). The City's estimated unreserved fund balance in the General Fund will approximate \$51 million as of June 30, 2007. This balance represents 31% of FY 2006-07 total General Fund revenue. Our recommended guideline for General Fund fund balance coverage is a minimum of 25% of General Fund revenue. The City's Enterprise funds (Water/Wastewater, Golf, and Solid Waste programs) will have a combined fund balance of approximately \$63 million at the end of FY 2006-07.

Financial Reserves

Another indicator of a city's financial strength is the level of its financial reserves. The City has established financial reserves to absorb unforeseen liabilities. The City currently has self-insurance reserves totaling \$8.8 million to protect the City against potential claims. Additionally, the City has approximately \$21.1 million in debt service reserves to help stabilize and fund future debt service obligations. Included in the annual operating budget and financed from current revenue is \$5.0 million of contingency funding for unanticipated emergencies. Finally, the City's "rainy day reserve" of \$8.0 million is available for unexpected emergencies.

Bond Ratings		
Fitch	December 2000	AAA
Standard & Poor's	December 2006	AAA
Moody's	April 1997	Aa1

Bond Ratings

The City's bond ratings are further evidence of its financial strength. Tempe's general obligation bonds are currently rated AAA by Fitch and Standard & Poor's and Aa1 by Moody's. Having solid financial policies, prudent financial management practices and strong financial reserves are principle reasons for these excellent bond ratings. These high ratings translate directly into lower interest rates on the City's debt.

Development Activity

In fiscal year 2006-07 Tempe experienced significant social and economic changes that positively affected the local business climate, specifically the construction availability of new product (i.e., net new office, industrial, retail and commercial office space). This new product has increased the number of new industries to Tempe. As a result, City staff has facilitated over 50 companies locating or expanding operations adding over 2,000 jobs with a capital investment of more than \$80 million in the community.

Tempe's city center is experiencing a resurgence of activity. Several luxury high rise developments are under construction and will change the city's skyline and generate new activity in the downtown. The urban atmosphere of the downtown will continue to proliferate with new residents.

As Tempe continues to recruit businesses that provide high wage jobs (e.g., advanced business services and high technology), the development of class A office space is a key factor to retaining and attracting these companies. Developments such as Papago Gateway Center, Hayden Ferry Lakeside, Marina Heights and The Pier are examples of the types of development that aid in the attraction of Fortune 500 companies and reflect Tempe's economic diversity.

Highlights include:

- *Papago Gateway Center: A 260,000 square-foot Leadership in Energy and Environmental Design (Silver) certified, speculative class A office and laboratory development located on the Valley Metro light rail alignment in Papago Park Center.*
- *The Pier at Town Lake: A 27-acre site with 9 buildings totaling 3.7 million square feet of speculative office, condo and retail development that will link Tempe Town Lake with Karsten golf course and Tempe Marketplace.*
- *Hayden Ferry Lakeside: A master-planned mixed-use project on a 17-acre waterfront site in downtown Tempe. This 922,850 square foot class A office will also feature three mid-rise towers, along with a full-service Meridian Hotel, a plaza-level restaurant, retail space and 438 luxury lakefront condominiums.*
- *Hayden Flour Mill: With the archaeology of this Tempe icon nearly complete, the proposed site will be the new headquarters for the developer, Avenue Communities and includes three stories of glass floors on top of the mill, a hotel, office space, museum and winery.*
- *Centerpoint Condominiums: Four 22-story towers near Mill Avenue and Sixth Street will hold 720 residential units and a boutique grocery store on the ground floor.*
- *Tempe Marketplace recently opened Cost Plus World Market, the first of its 175 stores. This outdoor 1.3 million square foot regional entertainment and lifestyle center revitalized a key piece of land in north Tempe.*

Favorable Development Activity

Commercial Development

Job Growth

In summary, Tempe has had favorable development activity with diverse commercial development and considerable job growth in the following targeted industries: financial services/advanced business services, software development, high-tech/next generation electronics, aerospace, bioscience, corporate/regional headquarters, and advanced materials.

MAJOR POLICY CONSIDERATIONS

Budget appropriation choices were made within the context of the City's Comprehensive Financial Plan, (Debt Management Plan and Long-Range Financial Capacity Study), Council Budget Policies, and Strategic Issues Work Plan.

Debt Management Plan

The favorable bond ratings are due not only to having solid fund balances and reserves, but also result from adherence to the Debt Management Plan which links our future debt capacity to population, tax base growth, and current level of general operating revenue. The Capital Improvements Plan lives within the Debt Management Plan's design of limiting General Governmental tax supported debt, currently averaging \$30.2 million per year over the five-year CIP.

Long-Range Financial Capacity Study

The long-range financial plans and forecasts are updated annually in preparation for developing suggested budget policies for City Council consideration. The long-range forecast projects continued economic growth. Total taxable sales have grown by 8.1% over the last year, driven by strength in all categories. The broad based nature of the recent economic expansion supports a forecast of slower but steady growth through FY 2007-08.

This long-range forecast incorporates the impact to the City's finances of funding OPEB. Projected operating revenue in the General Fund will not meet the annual required contribution necessary to fund this liability through FY 2010-11. The long-range plan's horizon assumes no change to this benefit. The issue is currently being examined by the Finance, Economy and Veterans Affairs Committee (FEVA).

A "Comprehensive Financial Plan" Section is included which describes revenues and expenditures, issues, trends, and resource choices for all funds.

Council Budget Policy Direction

For FY 2007-08, the following budget policy direction is incorporated within the assumptions of the Comprehensive Financial Plan.

- *Successful efforts to control spending will need to be directed at reducing expenditures and/or increasing revenues.*
- *Maintain the City's strong financial reserve and fund balance program.*
- *Project over the next five years an average annual increase in assessed values of 5%.*
- *Evaluate the revenue structure on a regular basis to ensure that fees are adjusted on a timely basis to reflect City costs.*
- *Provide periodic budget reviews to the City Council.*

Strategic Issues

The City establishes strategic issues, goals and objectives to provide more long-range focus to resource allocation choices. The strategic issues, goals and objectives are aligned to Council committees as follows:

- Arts and Community Services
- Transportation and Affordable Housing
- Finance, Economy and Veterans Affairs
- Tourism and Amateur Sports
- Neighborhood Quality of Life, Public Safety and Parks & Recreation
- Education and Technology Advancement
- Central City Development Committee of the Whole

The goal of each strategic team is to delineate long-range goals, formulate a cohesive strategy for each of the defined areas, and develop action plans to advance the city toward those strategic goals. Where relevant, departmental goals and objectives are linked to the City Council's Strategic Issues.

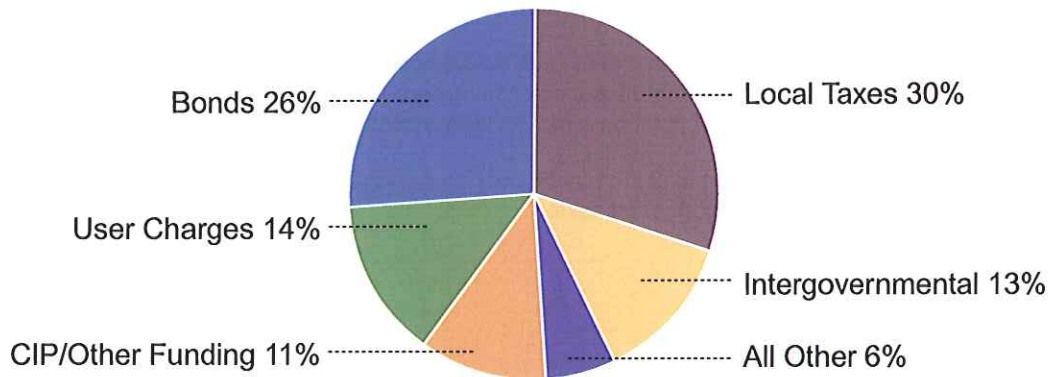
Income/Outgo

The following pie charts portray the City's income and outgo. Revenues are grouped by major category, while expenditures are shown by program area and by type of expenditure (such as personal services). Local taxes (e.g., city sales tax and property tax) continue to be the largest City revenue source, representing 30% of the FY 2007-08 total revenue budget. Other major revenue sources include bond proceeds, user charges (such as water service and solid waste fees) and intergovernmental revenue.

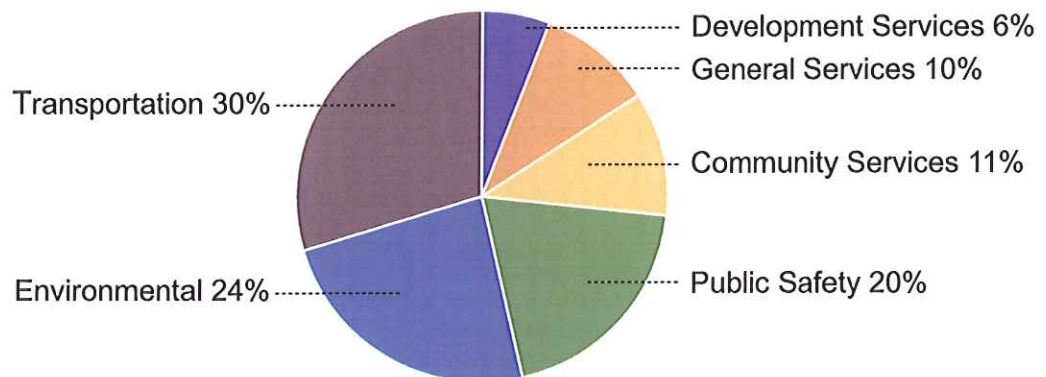
The pie charts show a breakdown of City expenditures and where the money is spent by program. Transportation and Environmental Health represent the greatest areas of program appropriation, accounting for 54% of the total financial program in 2007-08.

The final chart portrays budget appropriations by line-item category. Capital Projects and Personal Services (salaries, wages and benefits) represent the largest portions of the total financial program.

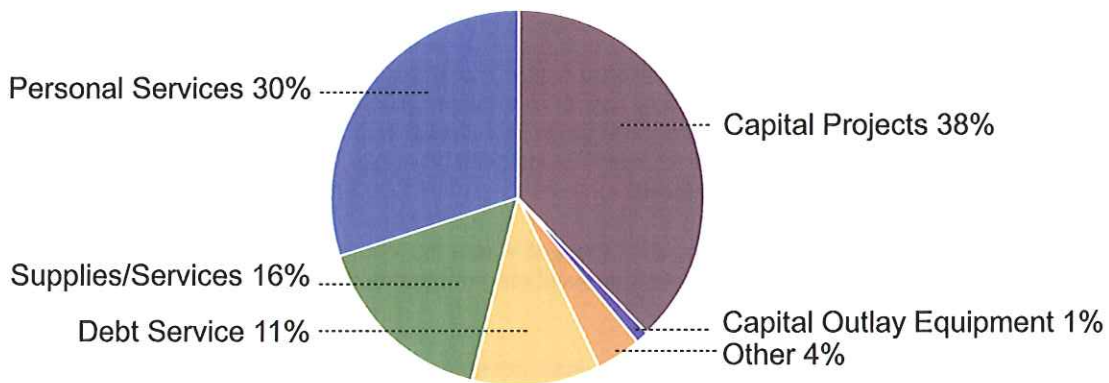
Where the Money Comes From by Source of Funds



Where the Money Goes by Type of Program



Where the Money Goes by Line Item Category



Conclusion

We can expect the pace of the economy to moderate in the long-term, underscoring the need to continue to focus on our long-range planning and the management of our resources.

The following proposed budget is committed to Council's policy of preserving Tempe's quality of life and solid financial position by maintaining strong fund balances and reserves, recommending a balanced budget, and making decisions within the context of our long-range financial capacity study and debt management plan.

With final budget adoption, I want to thank the Mayor and City Council, residents of Tempe and City staff for their time and effort throughout this budget process.

Respectfully submitted,

Will Manley, City Manager

THE FOLLOWING SECTION PROVIDES A SUMMARY OF THE BUDGET INCLUDING AN OVERVIEW OF THE OPERATING AND CAPITAL BUDGETS ALONG WITH SUMMARY BUDGET SCHEDULES, HISTORICAL OVERVIEW OF CITYWIDE BUDGET DATA, DEBT SERVICE, PERSONNEL, AND FUND SERVICES.



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Budget Policies



The budgetary policies specified below provide a general framework of goals and objectives for the operating budget, debt management, capital budget, financial reserves, and financial reporting. Strong policies provide a standard against which current budgetary performance can be measured and proposals for future programs evaluated.

Operating Budget Policies

Current revenue will be sufficient to support current operating expenditures.

- **Status:** *FY 2007-08 estimated General Fund operating revenue (\$179.6 million) to expenditures (\$173.1 million) Ratio 1:1*

Financial systems will be maintained to monitor expenditures, revenue and program performance on an ongoing basis.

- **Status:** *Ongoing monitoring system with monthly reviews including automated payment and purchase requisition system*

Revenue and expenditures will be projected for the next five years and will be updated annually.

- **Status:** *Projections completed in Comprehensive Financial Plan (Winter 2006 Update)*

Debt Management Policies

Long-term debt will not be issued to finance current operations.

- **Status:** *None issued to finance current operations*

Debt Service Reserve will be maintained at a minimum of 8% of total outstanding general governmental debt.

- **Status:** *FY 2007-08 11.2%*

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

- **Status:** *The following debt issues are planned for FY 2007-08 with a 20 year debt amortization period: \$17.1 million for police and fire projects; \$10.6 million for transportation projects; \$11.5 million for parks, community services, and facility rehabilitation projects; \$47.8 million for transit system projects; \$52.6 million for water and wastewater projects*

Capital Budget Policies

As required by City Charter, a five-year capital improvements program will be developed and updated annually, including anticipated funding sources.

- **Status:** *FY 2007-08 Annual CIP budget of \$212.7 million adopted representing the first year of a 5-year, \$519.1 million CIP program*

The City will coordinate development of the capital improvements budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.

- **Status:** *Operating and maintenance impact of new capital projects is estimated at \$710,000*

The City will maintain all its physical assets at a level adequate to protect its capital investment and to minimize future maintenance and replacement costs.

- **Status:** *Aggressive capital maintenance program approved in Capital Improvements Program budget, including City facilities rehabilitation, local and major street reconstruction, and neighborhood park improvements*



The City will establish an appropriate mix of bonded debt and pay-as-you-go financing in the funding of capital projects.

- **Status:**

Sources of Funds	
(\$ Millions)	FY 2007-08
General Obligation/Excise Tax Bonds	\$148.5
Pay-As-You-Go Financing	26.2
Outside Revenue	32.2
Capital Projects Fund Balance	5.8
Total Sources of Funds	\$212.7

Financial Reserve Policies

The City will continue its healthy financial reserve position. Unreserved fund balance coverage for the General Fund will be maintained at a minimum of 25% of General Fund revenue.

- **Status:**

Unreserved Fund Balance FYE 06	Revenue FY 2005-06	Unreserved Fund Balance Coverage
\$40.9 M	\$158.6 M	25.8%
Estimated Unreserved Fund Balance FYE 07	Revenue FY 2006-07	Unreserved Fund Balance Coverage
\$51.4 M	\$167.8 M	30.6%
Estimated Unreserved Fund Balance FYE 08	Revenue FY 2007-08	Unreserved Fund Balance Coverage
\$57.7 M	\$179.4 M	32.2%



The City will maintain an unreserved fund balance of no less than 12 months of anticipated revenue in the Water/Wastewater Fund, and a minimum of 10% and 15% of anticipated revenue in the Solid Waste and Golf funds, respectively.

- **Status:**

	Unreserved Fund Balance FYE 06	Revenue FY 2005-06	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$65.6 M	\$45.9 M	142.9%	522
Solid Waste	\$3.0 M	\$13.2 M	22.7%	83
Golf	\$0.5 M	\$2.0 M	25.0%	91

	Estimated Unreserved Fund Balance FYE 07	Revenue FY 2006-07	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$60.0 M	\$50.0 M	120.0%	498
Solid Waste	\$2.8 M	\$13.8 M	20.3%	74
Golf	\$0.3 M	\$2.0 M	15.0%	55

	Estimated Unreserved Fund Balance FYE 08	Revenue FY 2007-08	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$46.1M	\$50.8 M	90.8%	331
Solid Waste	\$2.9 M	\$14.5 M	20.0%	73
Golf	\$0.2 M	\$2.0 M	10.0%	37

Self-insurance reserves shall be maintained at a level which, together with purchased insurance policies, adequately indemnify the City's assets.

- **Status:** *FY 2007-08 \$8.8 million in self-insurance reserves*

Financial Reporting Policies

The City's accounting and financial reporting systems will be maintained in conformance with current accepted principles and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

- **Status:** *GFOA Certificate of Achievement for Excellence in Financial Reporting and GFOA Distinguished Budget Presentation Award with Special Performance Measures Recognition*

Full disclosure will be provided in the general financial statements and bond presentations.

- **Status:** *Notes to the financial statements and official bond statement provide full disclosure*

An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official annual financial statement.

- **Status:** *Unqualified independent audit report*



Financial Stability

Several steps were taken to ensure our continued financial stability. These recommendations, listed under the Financial Action Plan in the Comprehensive Financial Plan, include the following:

- Prepared the **Long-Range Forecast** for all funds projecting revenue and expenditures over the next five years.
- Building on the **Benchmarking Program**, incorporating recommended benchmarks from the Governmental Accounting Standards Board Service Efforts and Accomplishments Reporting program, International City/County Management Association Performance Measures, and citywide internal and external benchmarking programs to assist in public accountability and continuous improvement in the efficiency, quality, and outcomes of work processes and services.
- Continue citywide **Competitive Analyses** to evaluate and improve service delivery while enhancing accountability to the residents.
- **Strategic Issues Program** implemented to identify and prioritize key strategic issues, leading to incorporation of recommended corresponding strategies and goals into the budget process.
- Continue **Financial Policy Implementation and Monitoring**.
- **Expenditure Control** will be directed at slowing growth by means of citywide line item reviews, modified base budget approach, and program sunseting.
- **Limit Midyear Adjustments** which circumvent the normal budget process and pose a risk to careful long-range financial planning.
- Continue efforts in coalition with the League of Arizona Cities and Towns to help **Protect State Shared Revenue** from legislative changes at the state level.
- **Manage Stability** as effectively as growth has been managed in the past. Financial flexibility, which comes easily during rapid revenue growth periods, must be intentionally constructed through effective decision-making when managing stability.
- **Review Benefits Program** to explore such options as increasing deductibles, requiring greater participant contributions and/or modifying our benefits cafeteria programs.
- Submit **Retiree Health Care** (OPEB) issue to FEVA committee for review.

Council Budget Tenets

- Continue the modified base budget implemented at the start of the budget process, incorporating historical spending patterns, program cost adjustments, and long-range forecasts in the preparation of budget allocation targets, thereby limiting the rate of budgetary growth.
- Continue to evaluate our self-supporting enterprise operations on an annual basis for rate changes.
- Continue to re-examine current programs, re-engineering processes and evaluate the competitiveness of City services as necessary.
- Continue to identify and address Council's strategic issues.
- Continue periodic budget reviews with the City Council.
- Continue examination of current programs by each department for potential sunseting opportunities.

Fund Summary



Impact of budget decisions on the City's financial position:

The table below gives the estimated Operating and Capital Improvement unreserved fund balances for the 2007-08 fiscal year. Beginning balances total \$210.4 million and the ending fund balances are estimated at \$170.5 million. The decreases in fund balances reflect planned drawdowns primarily for "pay-as-you-go" financing. This financing is critical to the City's Capital Improvement Program to fund projects that have the most value to Tempe residents. The Highway User Revenue Fund (HURF) fund balance drawdown is to pay debt associated with local and major street reconstruction and the Transit Fund's \$25.4 million transfer out is primarily for multi-use paths, light rail, bus expansions and a parking structure.

Rio Salado's negative fund balance is due to planned drawdowns to fund operating and capital expenses. Also, the FY 2007-08 estimated shortfall will be absorbed by the Rio Salado and Community Facilities District reserves which have a current balance of \$5.1 million.

The Cemetery Fund was newly established in FY 2005-06 and cost recovery will not be seen until next fiscal year with the completion of the cemetery expansion. The FY 2007-08 shortfall will be absorbed by an interfund loan.

Drawdowns of fund balances for the Performing Arts, Golf, and Water/Wastewater operations are consistent with their financial plans and include expenses for debt, capital outlay, and mandatory environmental compliance.

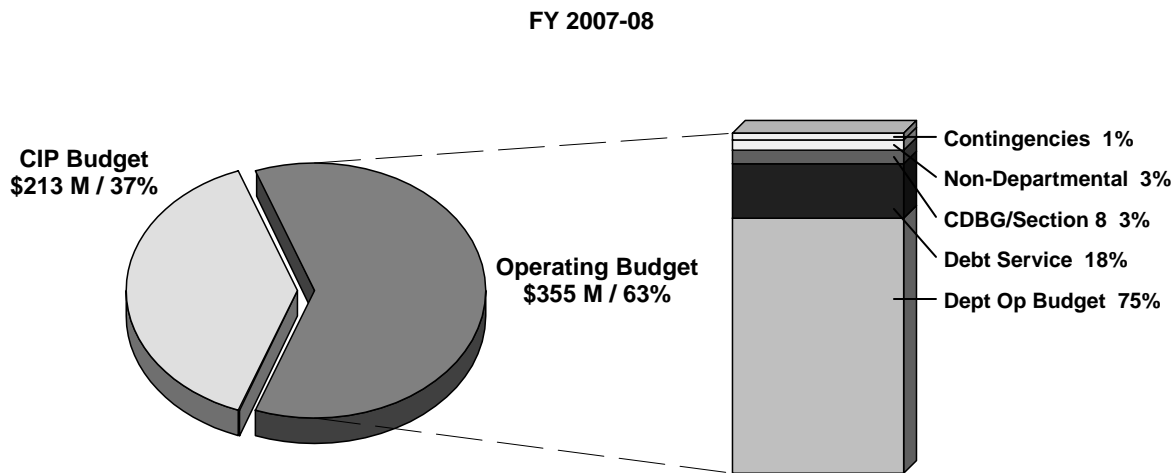
Fund	FY 2007-08							Estimated Fund Balance 6/30/08
	Estimated Fund Balance 6/30/07	Revenue	Total Financial Resources	Budgeted Expenditures	Adjusted Financial Resources	Interfund Transfer In	Interfund Transfer (Out)	
General	\$51,395,254	\$179,417,531	\$230,812,785	\$173,148,855	\$57,663,930			\$57,663,930
Special Revenue:								
HURF/LTAF	10,130,199	13,011,060	23,141,259	10,297,962	12,843,297		(2,770,000)	10,073,297
CDBG/Section 8		11,016,572	11,016,572	11,016,572				
Rio Salado	62,853	1,358,770	1,421,623	2,078,346	(656,723)			(656,723)
Performing Arts	13,432,999	8,077,567	21,510,566	8,598,850	12,911,716			12,911,716
Transit	47,093,217	44,667,414	91,760,631	51,893,704	39,866,927		(25,373,671)	14,493,256
Debt Service	19,613,874	22,252,163	41,866,037	17,513,497	24,352,540	2,770,000		27,122,540
Enterprise:								
Cemetery	(319,216)	120,000	(199,216)	389,084	(588,300)			(588,300)
Golf	259,332	2,038,205	2,297,537	2,078,836	218,701			218,701
Solid Waste	2,825,937	14,450,403	17,276,340	14,380,842	2,895,498			2,895,498
Water/Wastewater	59,990,903	50,751,164	110,742,067	63,890,154	46,851,913		(801,410)	46,050,503
TOTAL OPERATING	204,485,352	347,160,849	551,646,201	355,286,702	196,359,499	2,770,000	(28,945,081)	170,184,418
Capital Improvements ¹	5,865,743	180,965,768	186,831,511	212,706,469	(25,874,958)	26,175,081		300,123
TOTAL FUNDS	\$210,351,095	\$528,126,617	\$738,477,712	\$567,993,171	\$170,484,541	\$28,945,081	\$(28,945,081)	\$170,484,541

¹ Capital Improvements line includes Capital Improvements Reserves

Total Financial Program



The Total Financial Program adopted for FY 2007-08 is \$568 million, representing an 11.2% increase from the FY 2006-07 Total Financial Program. The FY 2007-08 amount includes an Operating Budget of \$355 million and a \$213 million Capital Budget. The operating budget growth of 13.1% in FY 2007-08 is related primarily to an increase in funding for new personnel, employee compensation, health care and retirement contributions. The 8.1% increase in the Capital Budget is largely attributed to Public Safety facilities improvements and the renovation of three parks per year.



Total Financial Program		
	FY 2006-07	FY 2007-08
OPERATING BUDGET		
Departmental Operating Budget	\$263,766,281	\$265,625,763
Debt Service	51,062,909	64,240,431
Non-Departmental	9,858,293	9,274,500
Contingencies	4,925,668	5,129,436
CDBG/Section 8 Housing	11,502,474	11,016,572
TOTAL OPERATING BUDGET	\$314,115,625	\$355,286,702
TOTAL CAPITAL BUDGET	\$196,728,491	\$212,706,469
TOTAL FINANCIAL PROGRAM	\$510,844,116	\$567,993,171

Financial Program Summary



The following tables summarize the revenues and expenditures for the City's Financial Program.

REVENUE		
	FY 2006-07	FY 2007-08
Operating Revenue		
General Governmental		
Local Taxes/Licenses	\$113,905,630	\$126,343,034
Intergovernmental	40,809,492	48,496,600
Charges for Services	10,922,429	11,463,351
Interest	3,534,039	5,424,874
Fines & Forfeitures	7,491,027	7,271,553
Other	2,445,450	2,670,282
Special Revenue		
Transit	42,976,399	44,667,414
Highway User Revenue Fund	12,427,820	12,497,060
CDBG/Section 8 Housing	11,502,474	11,016,572
Performing Arts	7,393,250	8,077,567
Rio Salado	1,052,747	1,358,770
Lottery Funds	524,700	514,000
Enterprise		
Water/Wastewater	47,345,297	50,751,164
Solid Waste	13,159,257	14,450,403
Golf	2,065,729	2,038,205
Cemetery	171,000	120,000
Subtotal Operating Revenue	\$317,726,740	\$347,160,849
Capital Revenue		
Bonds		
Water/Wastewater	51,844,979	52,641,000
Excise Tax	49,938,037	56,679,557
Tax-Supported General Obligation	20,320,727	39,215,396
CIP Outside Revenue		
Federal Funds	46,123,748	28,124,405
Development Fees	1,500,000	2,500,000
Other	23,389,885	33,546,111
Subtotal Capital Revenue	\$193,117,376	\$212,706,469
TOTAL PROGRAM	\$510,844,116	\$559,867,318

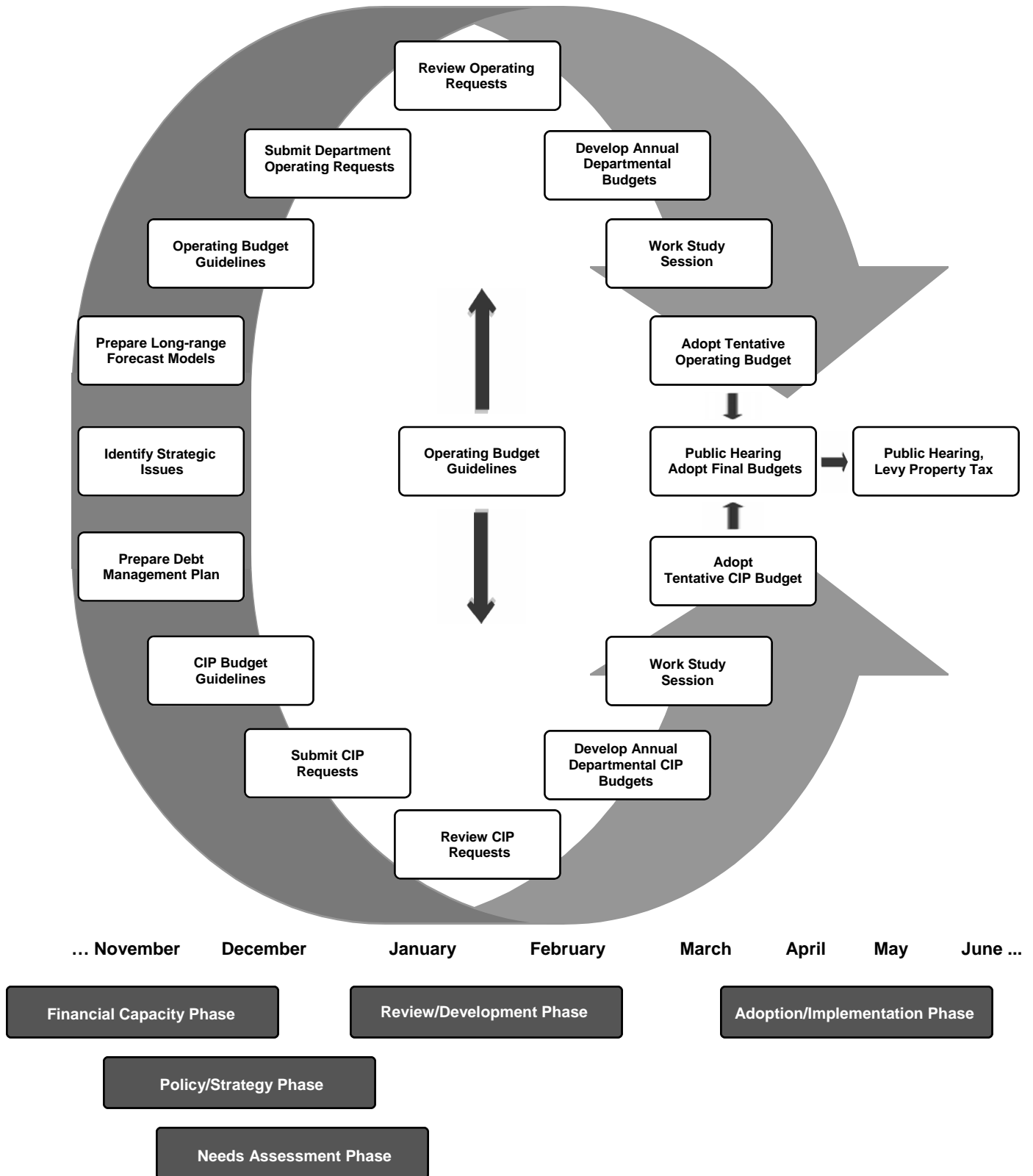
The difference between revenue and expenditures is due to a planned drawdown of Transit's fund balance for light rail construction.

EXPENDITURES		
	FY 2006-07	FY 2007-08
Operating Budget		
General Governmental		
Public Safety	\$84,489,365	\$92,584,925
General Services	33,740,080	35,614,263
Community Services	26,868,171	30,428,786
Debt Service	16,495,505	17,513,497
Development Services	11,795,527	13,413,017
Transportation (Maintenance of Effort)	1,850,000	870,000
Environmental Health	251,145	237,864
Special Revenue		
Transit	35,313,568	51,893,704
Highway User Revenue Fund	9,413,469	10,297,962
Performing Arts	9,106,148	8,598,850
Section 8 Housing	9,048,759	8,702,388
CDBG	2,453,715	2,314,184
Rio Salado	1,983,090	2,078,346
Enterprise		
Water/Wastewater	54,797,488	63,890,154
Solid Waste	13,955,883	14,380,842
Golf	2,195,431	2,078,836
Cemetery	358,281	389,084
Subtotal Operating Budget	\$314,115,625	\$355,286,702
Capital Budget		
General Purpose		
Police	7,289,648	17,243,022
General Government	7,286,358	16,544,134
Park Improvements	1,172,000	10,388,724
Fire	1,089,400	3,863,798
Storm Drains	200,000	250,000
Special Purpose		
Transit	111,901,276	94,585,115
Rio Salado	3,700,000	4,012,100
Performing Arts		
Enterprise		
Water	31,257,580	29,391,000
Wastewater	24,959,000	25,750,000
Golf	50,000	50,000
Cemetery		
Transportation		
Streets	6,703,229	9,103,576
Street Lighting & Traffic Signals	1,120,000	1,525,000
Subtotal Capital Budget	\$196,728,491	\$212,706,469
TOTAL PROGRAM	\$510,844,116	\$567,993,171

Budget Process Flowchart



The following flowchart depicts the City of Tempe's Annual Budget process and timeline.





Budget Process Overview

Budget preparation allows departments the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget is heard by the Mayor and Council in April and adopted in May, its preparation begins at least six months prior with projections of City reserves, revenue, expenditure limit requirements, and financial capacity. It is with this "groundwork" that departmental expenditure requests are made and subsequently reviewed.

- **Financial Capacity Phase**

Forecasting is an integral part of our decision-making process. Both long-range and short-range projections are prepared. The City's Comprehensive Financial Plan is updated annually to assess our current financial condition and future financial capacity, given our long-range plans and objectives. A five-year financial forecast is prepared for each major fund, projecting both expenditures and revenue. As a part of this phase, alternative scenarios are examined for their fiscal impact on each respective fund.

Concurrent with the Comprehensive Financial Plan is the update of the Debt Management Plan, which provides a ten-year view of the City's debt capacity. This planning process gauges the capacity to incur debt in the upcoming Capital Improvement Program given the City's Financial Policy guidelines.

- **Policy/Strategy Phase**

The Council's goals and directives set the tone for the development of the budget. In fact, shortly after the budget is adopted, the Council meets to identify strategic priorities, issues, and projects impacting the next fiscal year's budget. The Council identifies key strategic issues that will provide the direction and framework for the budget. It is within this general framework that departmental supplemental requests are formulated. Aside from the Council's own objectives, the departments identify and discuss their own policy issues with the City Manager.

Presentations by Budget Office staff at "budget kickoff" meetings include a discussion of citywide goals and objectives, budgeting guidelines for the operating and capital budgets, timelines, an overview of fiscal constraints, and resources available for allocation. The Budget Manual distributed at these meetings is designed to assist the departments in preparing all budget requests and forms.

- **Needs Assessment Phase**

The departments have an opportunity to assess

current conditions, programs, and needs.

Examination of current departmental programs or positions for possible trade-offs, reduction, or elimination is strongly suggested. During this phase, departments are encouraged to thoroughly review all programs and services, assessing their value and priority to the citizens of Tempe. Additionally, departments reassess service level standards and workload indicators. They then attempt to provide the "best fit" of resource allocation with service and workload estimates. From this process, they prepare preliminary departmental budgets.

- **Review/Development Phase**

Within the framework of the City's financial capacity, Council and City Manager priorities and departmental needs assessments, budget requests are reviewed and a preliminary Citywide operating budget takes shape. The departments initially prepare and submit base budget worksheets reflecting allocation targets. The amount of the allocation is based on the department's prior year budget.

Supplemental requests are evaluated and the budget is presented at various levels: (1) base budget level, and (2) recommended level providing monies to implement new programs or expand existing City programs.

- **Adoption/Implementation Phase**

Prior to May 1, the City Manager submits to the Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

The property tax levy must be adopted by the 3rd Monday in August. State law requires cities and towns with property taxes to adopt their tax rates annually.

Management control of the budget is maintained by conducting monthly budget performance reviews throughout the fiscal year. They are aimed at examining expenditure patterns, and recommending corrective action to be taken during the year.

Additionally, records are maintained to evaluate ongoing programs and services.

- **Budget Roles and Responsibilities**

Every employee plays a role in budgeting, be it formulation, preparation, implementation, administration, or evaluation. Ultimately, of course, the department head, through the City Manager, is accountable to the City Council for the performance of departmental personnel in meeting specific objectives within resource allocation limits. Actual

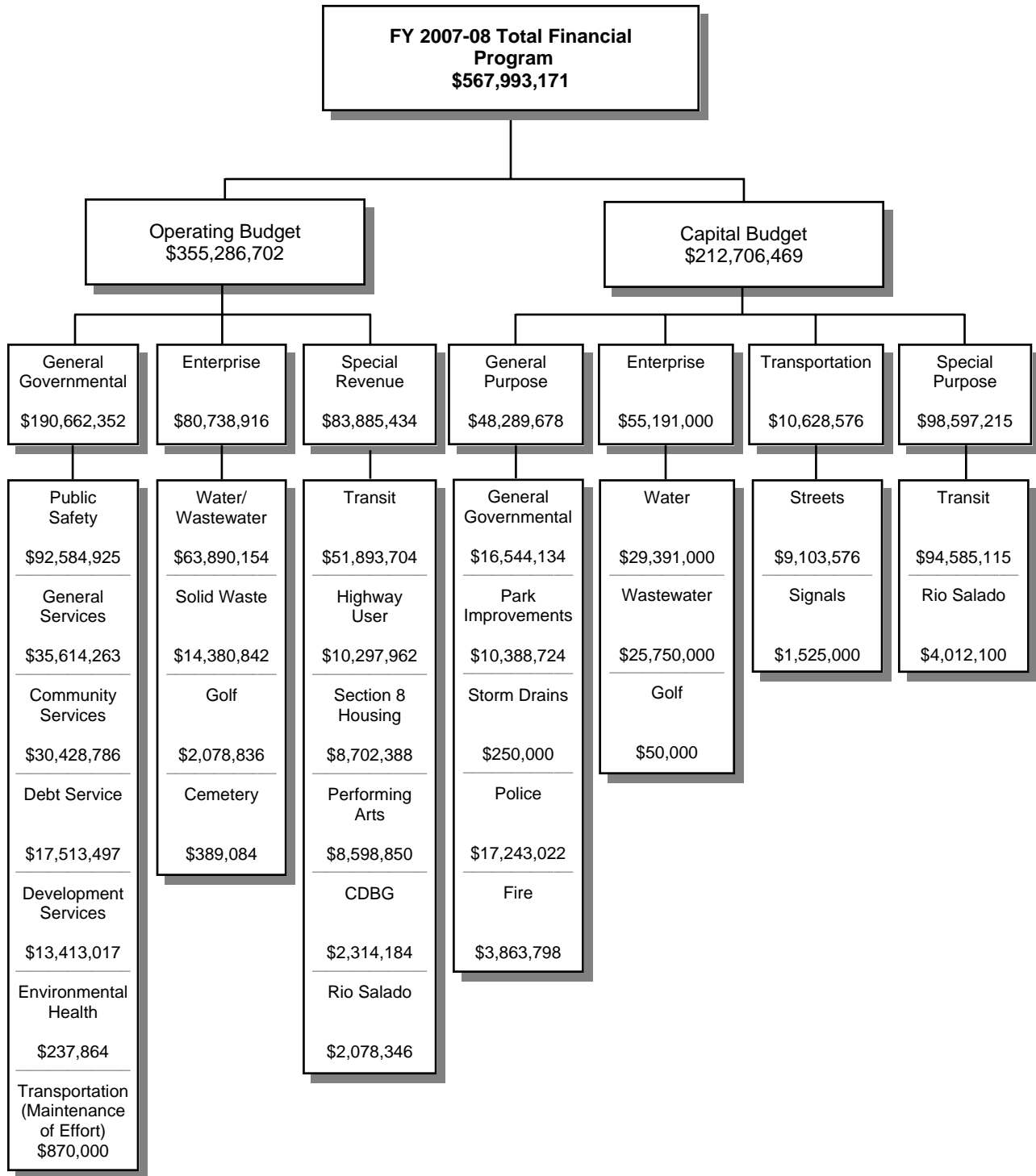


budget preparation responsibility can be identified more specifically:

1. The program **cost center manager** is responsible for (a) preparing cost estimates for the remainder of the current fiscal year; (b) projecting base budget requirements for the next year; and (c) developing other requests that change or revise the program so that it will be more effective, efficient, productive and economical.
2. The **department manager** and the **division administrator** are responsible for reviewing, modifying and assembling their cost center data into a departmental request package. Department heads should critically evaluate departmental objectives and prioritize requests. The preparation of budget requests, goals and objectives should coincide with the strategic issues set forth by the Council.
3. **Internal Service Areas** (Fleet and Information Technology Areas) will contact each department to coordinate the initial needs assessment, cost estimates, and recommendations. Replacement equipment (i.e., vehicles, hardware/software and communication equipment) will be submitted to the Budget Office by the Internal Service areas. Any new equipment required by the departments should reflect the cost estimates and recommendations from the Internal Service areas and submitted by the departments to the Budget Office. Final review and recommendations for hardware/software and communication equipment will be the result of evaluating priorities within the departmental budget team process.
4. The **Budget Administrator and Analysts** within the Financial Services Department are responsible for (a) preparing short and long-range revenue and expenditure forecasts, (b) assisting departments as requested in the preparation of supplemental requests, (c) analyzing supplemental requests and presenting that analysis to the Budget Team (Department Managers and the Financial Services Manager), and (d) reviewing the linkage between budget requests and the City's strategic issues.
5. The **Budget Team** is responsible for reviewing departmental operating requests within the context of a set of evaluation criteria and preparing a recommended budget for review by the City Manager.
6. The **Capital Improvement Program Executive Committee** reviews program scopes, cost estimates and funding sources of CIP requests and prepares a recommended CIP budget for review by the City Manager.
7. The **City Council** is responsible for the review of the City Manager's tentative budget and approval of a final budget.
8. **Transfer of Appropriations**; at any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office, or agency (**Section 5.08, City of Tempe Charter**).
9. **Mid-Year Program/Personnel Adjustment Request**; should the need arise for additional personnel or program enhancements during the fiscal year to meet some unforeseen need, a mid-year program/personnel request is submitted to the Budget Office for a needs assessment and fiscal impact review. If, after evaluation, the request is approved and involves either additional personnel or the abolition of a position(s), the request is forwarded to either the relevant Council Committee or full Council with recommended action.
10. **Budget Transfers**; the department should process a budget transfer request form anytime a shortfall is anticipated in a departmental subtotal budget. Budget transfers are not necessary to address a shortfall within summary account groups as long as sufficient monies are available in the subtotal departmental budget. The subtotal budget includes salaries and wages, fringe benefits, materials and supplies, fees and services, travel and other expenses, contributions, and capital outlay, and excludes internal services.

Only as a last resort are contingency monies used to fund a shortfall. Alternative courses of action should be sought before contingency monies will be considered. Purchase orders and requisitions will be held until the budget shortfall is addressed.
11. **Permission to Exceed Budget**; in the event of an emergency, the Council may seek permission from the State Board of Tax Appeals (previously State Tax Commission) to exceed the adopted budget (**Section 5.09, City of Tempe Charter**).

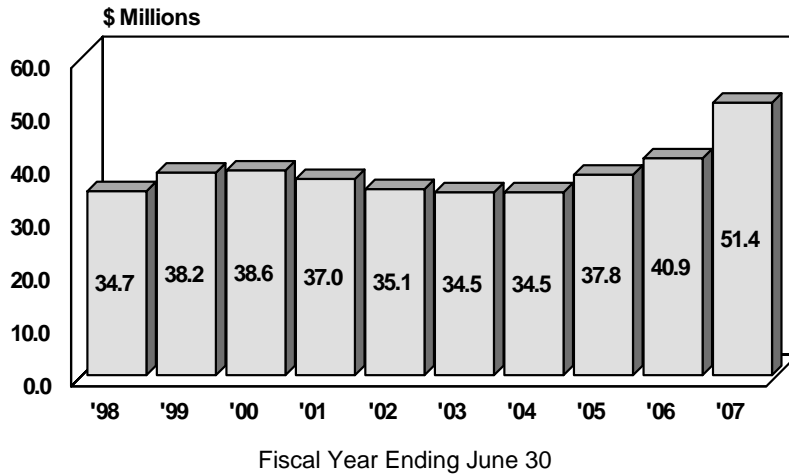
Components of Total Financial Program



General Governmental Funds: Ten Year Fund Balance Trends

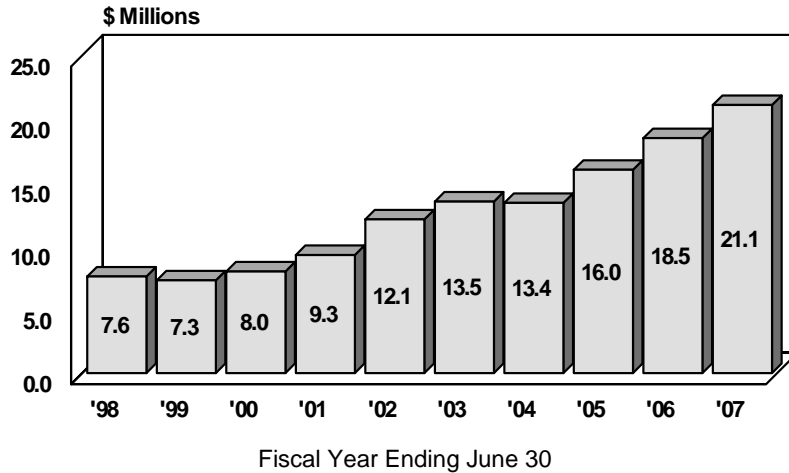


General Fund Unreserved Fund Balance



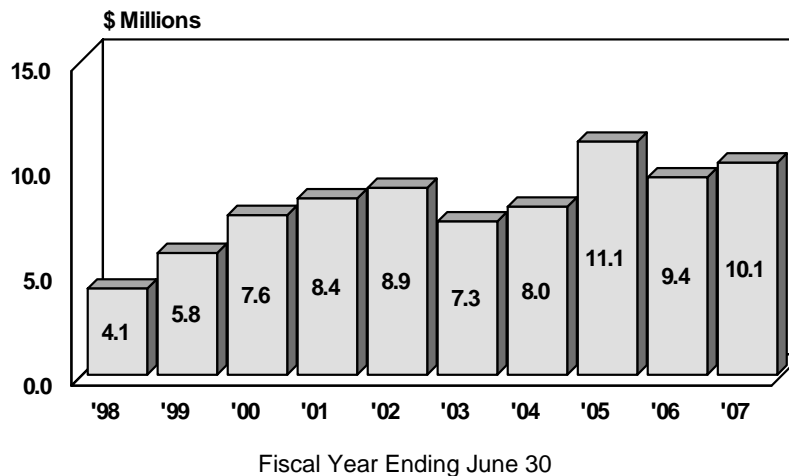
Over the ten year period, unreserved fund balances in the General Fund have been maintained at the policy guideline of 25% of revenue. At FYE 2007, the General Fund unreserved fund balance is estimated at \$51.4 million. This projected 26% increase is primarily the result of sales tax collections and building fees. The sales tax increase is reflective of an expanding and diverse retail base.

Debt Service Fund Balance



The Debt Service reserve was established a number of years ago to address increasing debt service payments without impacting future operating budgets.

Highway User Revenue/Local Transportation Assistance Fund Balances

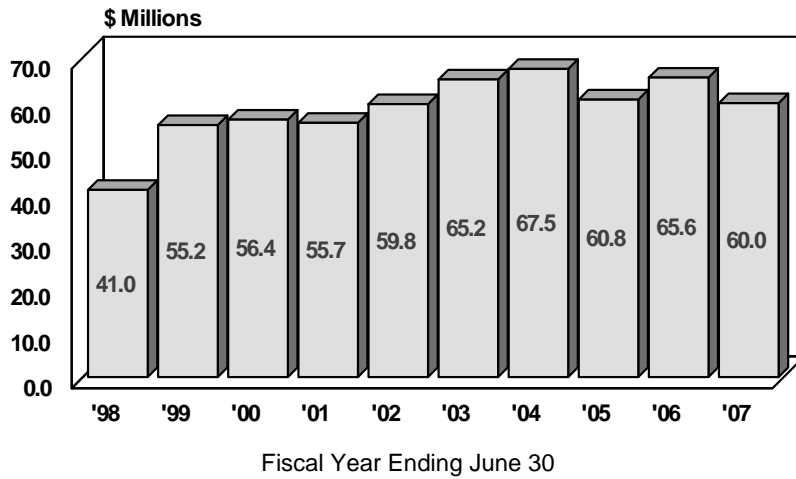


Planned drawdowns used to fund street infrastructure projects have contributed to the inconsistent trend in fund balances. The primary revenue source for these funds, state shared revenue, has grown at a modest pace, allowing the fund balance to rebound to a healthy level.

Enterprise Funds: Ten Year Fund Balance Trends

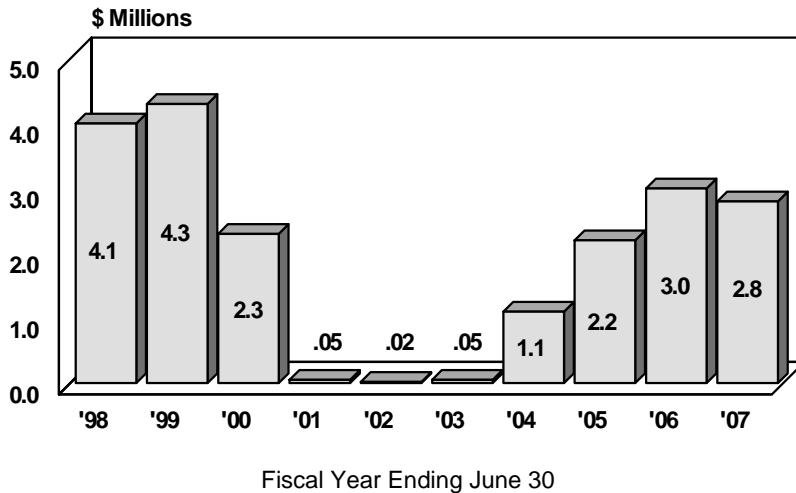


Water/Wastewater Fund Unreserved Retained Earnings



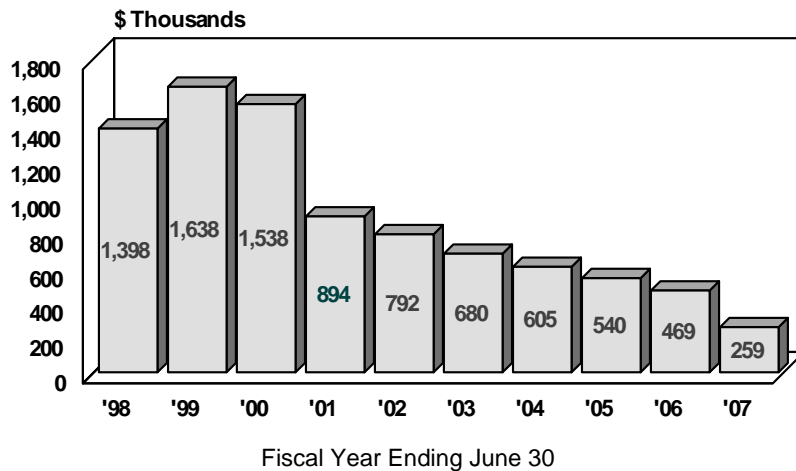
The large increase in FY 1998-99 is due to the reduction of an asset replacement reserve resulting in increased unreserved retained earnings. In FY 2004-05, a planned drawdown for pay-as-you-go financing of capital improvement projects was implemented. This reduction did not jeopardize the level of retained earnings, which is maintained at a level equal to one year of operating revenue. This is consistent with the City's Financial Policy.

Solid Waste Fund Unreserved Retained Earnings



A planned drawdown of unreserved retained earnings began in FY 1999-00, which resulted in the reserve's depletion to \$20,000 in FY 2001-02. In November 2005, a fee increase was implemented which has helped to restore the fund balance and meet the new financial guideline.

Golf Unreserved Retained Earnings



Expense growth has outpaced revenue growth since FY 1999-00, leading to the decline in reserves. Based on the Long-Range Forecast, this trend is not expected to reverse itself under the current operating plan. Therefore, a comprehensive study of Golf operations is ongoing.



Purpose

The purpose of a Strategic Issues Management/Budgeting program for Tempe is to provide a mechanism for identifying, prioritizing, and managing top priority emerging issues which require interdepartmental coordination and to provide a process for integrating strategic planning and budgeting. The City Council identifies strategic issues (shown on following page) setting the tone at the start of the budget process. The process allows a prioritization of emerging issues, yielding specific priorities and plans which have multiyear operational and budget implications.

Strategic Issues Management/Budgeting Process		
Activity	Responsibility	Timeframes
Identify and prioritize key goals that each Council Committee wants to achieve and see further progress on for the upcoming budget year. Incorporate goals into Council Committee's work plan.	City Council	July Council Summit
Establish cross-functional teams and/or standing groups to advance each goal identified and develop action plans for each.	City Manager Executive Team	August
Identify and recommend corresponding strategies, action plans, and/or departmental activities to further bring improvement and/or results to goals identified by each committee.	Cross-functional Teams	September/October
Review strategies, action plans, and or departmental activities recommended by the cross-functional team/groups with the Executive Team.	Staff Coordinators Executive Team	Late October, early November Executive Summit
Review strategies/action plans associated with goal with oversight Council Committee for recommendations in conjunction with the Committee's work plan.	City Council Committee	Mid/late November
Review strategies, action plans, responsibilities, and associated Council Committee work plan with City Council.	Staff Coordinator City Council	December/January
Incorporate approved goals, strategies, and action plans into operating and capital improvement budget program and structure budget requests.	Executive Team	December/January
Consider FY 2008-09 budget requests from departments (based on FY 2008-09 goals and action plans).	City Council Executive Team	February
Evaluate status of FY 2007-08 goals and action plans with management team (midyear review).	City Council Executive Team	February (midyear review)
Evaluate budget requests and allocate budget resources accordingly (based on approved FY 2008-09 goals and action plans).	Executive Team	March/April
Conduct public sessions on operating and capital improvement budget program (FY 2008-09).	City Council Executive Team	April/May
Adopt budget program.	City Council	June
Review results of goals and action plans established for the fiscal year just completed. Begin process anew for the next budget period.	City Council Executive Team	August Council Summit



Arts and Community Services

Address arts and community service related programs and capital improvement projects. Work Plan should include oversight of (1) development, coordination and assessment of arts programs and services, including programs resulting from partnerships with community organizations; (2) completion of Tempe Center for the Arts (TCA) and, with community partners, seeking community funding for and plan TCA's opening; (3) planning and execution of TCA operations; (4) planning, development and community fundraising for Arts Park adjacent to TCA; (5) planning, execution and completion of capital improvement programs for Historic Museum and Library facilities; (6) development of programs to identify and prioritize regional park improvements, including Rio Salado Park area; (7) improvements to citywide recreation programs; and (8) golf program operations and capital improvement programs for enhancing and stabilizing golf program revenues and expenses.

Transportation and Affordable Housing

Address transportation and affordable housing programs and capital improvement projects. Work Plan should include oversight of (1) completion of Light Rail project; (2) planning and execution of Light Rail and bus operations, including monitor Valley Metro Rail, Regional Public Transportation Authority (RPTA) and Maricopa Association of Governments (MAG) Transportation Policy Committee activities and make recommendations for actions by representatives to regional transportation bodies; (3) planning, development, coordination and implementation of multi-modal transportation elements; (4) improved implementation of bus shelter and bus pull-out improvements; (5) in conjunction with Education Committee, transportation programs directed to assist students in Tempe schools; (6) arterial street and public works programs to reduce citywide and regional traffic congestion and improve traffic flows; (7) planning, development, coordination and implementation of affordable and workforce housing concepts and programs, including overseeing coordination of spectrum of services targeted at moving individuals and families from homelessness to home ownership.

Finance, Economy and Veterans Affairs

Address finance, real estate and economic development issues. Work Plan should include oversight of (1) policy formation, implementation and assessment of finance and budget plans, including examination of sales and property tax programs, bond-financing capacity models, development incentive programs, bonding and preliminary budgets; (2) policy formation, implementation and assessment of employment policies regarding range adjustment programs, benefits and other employment finance issues; (3) policy formation, implementation and assessment of financial analysis of and solutions to meet requirements of OPEB accounting disclosures; (4) redevelopment and development services policy formation and implementation of council-approved projects; (5) development, implementation and assessment of economic development approaches, projects and proposals; (6) development and implementation of veterans outreach programs and efforts.

Tourism and Amateur Sports

Address tourism and amateur sports opportunities. Work Plan should include oversight of (1) efforts to identify, attract, develop and implement cost-effective youth and amateur sports facilities; (2) efforts to attract additional hotel and conference facilities within Tempe; (3) efforts to develop, implement and execute plans for Insight Bowl; (4) efforts to enhance Spring Training and capture community benefits from Diablo Stadium improvements and presence of Los Angeles Angels of Anaheim; (5) efforts, in conjunction with Arizona State University, to enhance and expand community use of ASU facilities for youth and amateur sports programs, including Senior Olympics, Arizona State Games and similar programs.

Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Address neighborhood public safety, neighborhood parks and recreation programs and property enhancement standards. Work Plan should include oversight of (1) development, implementation and assessment of public safety initiatives for neighborhood policing, traffic enforcement to reduce neighborhood speeding and cut-through traffic, and enforcement of the loud-party ordinance; (2) enforcement and assessment of effectiveness of neighborhood enhancement and rental housing codes, including working with Arizona State University (ASU) on its efforts to educate students about these codes; (3) assist ASU's efforts to improve student housing at ASU and address those efforts' impact on neighborhoods; (4) development of programs to identify and prioritize neighborhood parks for rehabilitation, and for creating neighborhood parks design and rehabilitation master plans with neighborhood involvement; (5) development, coordination, implementation and assessment of community service programs, including Tempe Community Council, programs and services administered by and with Tempe Community Council and programs and services resulting from partnerships with other community organizations; (6) improvements to street and alley reconstruction programs; (7) development and implementation of programs to encourage rehabilitation of neighborhood shopping centers and neighborhood-supportive business districts.

Education and Technology Advancement

Address opportunities for attracting and advancing development of technology and improvement of education programs for all ages. Work Plan should include oversight of: (1) facilitating the partnering between all educational entities and the City; (2) facilitating the development of programs to improve schools, including community-in-schools programs and other information resources for parents; (3) facilitating and developing services to provide life-long learning opportunities, including workforce development, drop out prevention, special education, literacy programs, and visual and performing arts education; (4) developing and providing City services through school facilities; (5) identifying and facilitating resource sharing between all elementary and high schools, Arizona State University, Maricopa Community College District and the City; (6) facilitating ASU's and Maricopa Community College District's participation in education improvement in all Tempe schools; (7) identifying and consolidating purchasing and maintenance programs between the City and educational agencies; (8) identifying and facilitating joint facilities development for school-resident use (e.g., North Tempe Multi-Generational Center) and joint transportation solutions; (9) facilitating, and working with ASU for, development of High-Tech, Bio-Tech, Nano-Tech facilities within Tempe.

Central City Development Committee of the Whole

Address continuing development of the Rio Salado project, Papago Salado, Downtown redevelopment and stabilization, branding, tourism and identification of Tempe's central core, and major redevelopment projects within central core, including ASU partnerships, light rail-related real estate development and other development and redevelopment affecting Tempe's central core.

Capital Budget Overview



Pursuant to City Charter, a five-year Capital Improvement Plan (CIP) is developed and updated annually. The first year's funding requirements of the plan are included in the Capital Budget, and are formally appropriated by the City Council. Capital expenditures included in the Capital Improvement Plan are defined as having the following characteristics:

- Relatively high monetary value (\$100,000 or more)
- Long life (minimum of 5 years)
- Results in the creation of a fixed asset, or the revitalization of a fixed asset

The following are some examples of items that are included within the definition of capital expenditures:

- Construction of new facilities
- Remodeling or expansion of existing facilities
- Purchase, improvement, or development of land
- Operating equipment and machinery for new and expanded facilities
- Planning and engineering costs related to specific capital improvements
- Street resurfacing, renovation, or reconstruction
- Emergency vehicles
- Information Technology infrastructure

The FY 2007-08 Capital Budget expenditures total \$212,706,469, an 8.1% increase from the FY 2006-07 amount. This increase in the budget is driven largely by capacity expansion in the Water/Wastewater

Program, continued construction of the Light Rail Transit System project, public safety facilities and park renovations, and Transportation reconstruction and renovation projects. The Capital Improvement Program continues the City's emphasis on quality of life programs, maintenance of capital assets, streets and highways, and coordinated land use planning and development.

The Capital Budget is grouped into four major programs. Expenditures for these programs in the FY 2007-08 budget include:

- \$55.2 million for Enterprise capital programs;
- \$98.6 million for Special Purpose capital programs;
- \$48.3 million for General Purpose capital programs; and
- \$10.6 million for Transportation capital programs.

Transit projects in the Special Purpose program represent the largest appropriation area in FY 2007-08 at \$94.6 million, which accounts for 44.5% of the total Capital Budget. Other major areas include \$29.4 million for Water projects, \$25.8 million for Wastewater projects, and \$17.2 million for Police Protection projects.

The table below compares the FY 2006-07 Capital Budget with the FY 2007-08 budget.

Comparison of FY 2006-07 and FY 2007-08 Capital Budgets

Capital Program	FY 2006-07 Budget	FY 2007-08 Budget
Enterprise		
Water	\$31,257,580	\$29,391,000
Wastewater	24,959,000	25,750,000
Golf	50,000	50,000
Cemetery		
Special Purpose		
Transit	111,901,276	94,585,115
Rio Salado	3,700,000	4,012,100
General Purpose		
Police	7,289,648	17,243,022
Fire	1,089,400	3,863,798
Storm Drains	200,000	250,000
Park Improvements	1,172,000	10,388,724
General Governmental	7,286,358	16,544,134
Transportation		
Transportation and R.O.W	6,703,229	9,103,576
Traffic Signals/Street Lighting	1,120,000	1,525,000
Total	\$196,728,491	\$212,706,469



Enterprise Capital Program

Enterprise capital projects include Water, Wastewater, and Golf projects.

Water projects comprise \$29.4 million or 53.2% of the Enterprise Capital Budget in FY 2007-08. Major projects include \$12.0 million for expansion and membrane conversion at the Johnny G. Martinez Water Treatment Plant and \$5.3 million for Water Utilities Department Security Improvements.

Wastewater projects comprise \$25.8 million or 46.7% of the Enterprise program in FY 2007-08. This includes \$20.2 million for the City's share of improvements at the 91st Avenue Wastewater Treatment Plant and \$2.0 million for the continued rehabilitation of the Southern Avenue Interceptor.

Golf projects represent only 0.1% or \$50,000 of the Enterprise program in FY 2007-08, with the entire amount for ongoing improvements at the City-owned golf courses.

The primary funding for the Enterprise capital projects comes from bond proceeds that total \$52.7 million or 95.5% in FY 2007-08.

The balance of the Enterprise program is funded with development fee revenue, which contributes \$2.5 million or 4.5% in FY 2007-08.

Enterprise – Sources of Funds	
(\$ Millions)	FY 2007-08
Bonds	\$52.7
Development Fees	2.5
Total	\$55.2

Special Purpose Capital Program

Special Purpose capital projects include those for the Transit and the Rio Salado programs.

Transit projects represent \$94.6 million or 95.9% of the Special Purpose Capital Budget. Major projects include \$62 million for planning, design, and construction of the Central Phoenix and East Valley (C.P.& E.V.) Light Rail Transit System, \$6.9 million for the Western Canal Multi-Use Path, and \$1.9 million for the Tempe Transportation Center.

The Transit capital program is funded from Excise Tax bonds, Transit Fund balances, and outside revenue sources.

Rio Salado projects represent 4.1% of the Special Purpose Program. The primary project in this program includes \$3.8 million for the Tempe Town Lake Pedestrian Bridge.

The main funding for the Special Purpose capital projects comes from Excise Tax Bonds that total \$47.8 million or 48.5% in FY 2007-08. The next largest funding source is the Transit Fund, totaling \$25.0 million or 25.3%. The balance of the program is funded with a variety of outside revenue sources, including Federal grants and Regional Participation, which represent \$25.8 million, or 26.2% of the Special Purpose program funding in FY 2007-08.

Special Purpose – Sources of Funds	
(\$ Millions)	FY 2007-08
Excise Tax Bonds	\$47.8
Outside Revenue	25.8
Transit Fund	25.0
Total	\$98.6



General Purpose Capital Program

The General Purpose program includes Police Protection, Fire Protection, Storm Drains, Park Improvements, and General Governmental projects.

Police Protection accounts for \$17.2 million or 35.7% of the General Purpose Capital Budget in FY 2007-08. Of this amount, \$6.8 million is provided for the Police/City Radio Replacement, and \$6.2 million is for the renovation of the 120 E. 5th Street Facility.

Fire Protection accounts for \$3.9 million or 8.0% of the General Purpose Capital Budget in FY 2007-08. Of this amount, \$2.4 million is for construction of a new Support Services Facility and \$714,000 is initial funding for Fire Station 7 for the southeast quadrant of Tempe.

Storm Drains account for \$250,000 or 0.5% of the General Purpose Capital Budget in FY 2007-08. This amount provides for Storm Drain Improvements.

Park Improvements represent \$10.4 million or 21.5% of the total General Purpose Capital Budget. Principal projects include \$6.5 million for Park Renovation and Restoration and \$1.8 million for Development of Victory Acres Property.

General Governmental projects account for \$16.3 million or 33.7% of the General Purpose Capital Budget. Principal projects include \$7 million for the construction of a Parking Garage in the downtown area, \$2.6 million for the renovation of the Tempe Historical Museum Exhibit Hall, \$1.4 million for continued funding of Municipal Arts projects, and \$301,000 for the renovation of the Tempe Public Library.

Funding for General Purpose capital projects comes from several sources, as shown in the following table.

General Purpose – Sources of Funds	
(\$ Millions)	FY 2007-08
General Obligation Bonds	\$28.6
Excise Tax Bonds	8.8
Capital Improvements Reserve	5.8
Grants	4.0
Transfers from Other Funds	1.1
Total	\$48.3

Transportation Capital Program

The Transportation Capital Budget includes projects for Transportation and Right-of-Way (R.O.W.) and Street Lighting and Traffic Signals.

The majority of Transportation capital funding is for **Transportation and R.O.W.**, which represents \$9.1 million or 85.8% of the total Transportation Capital Budget. These amounts provide ongoing funding for local and major street renovation and reconstruction in accordance with the City's Pavement Management Program.

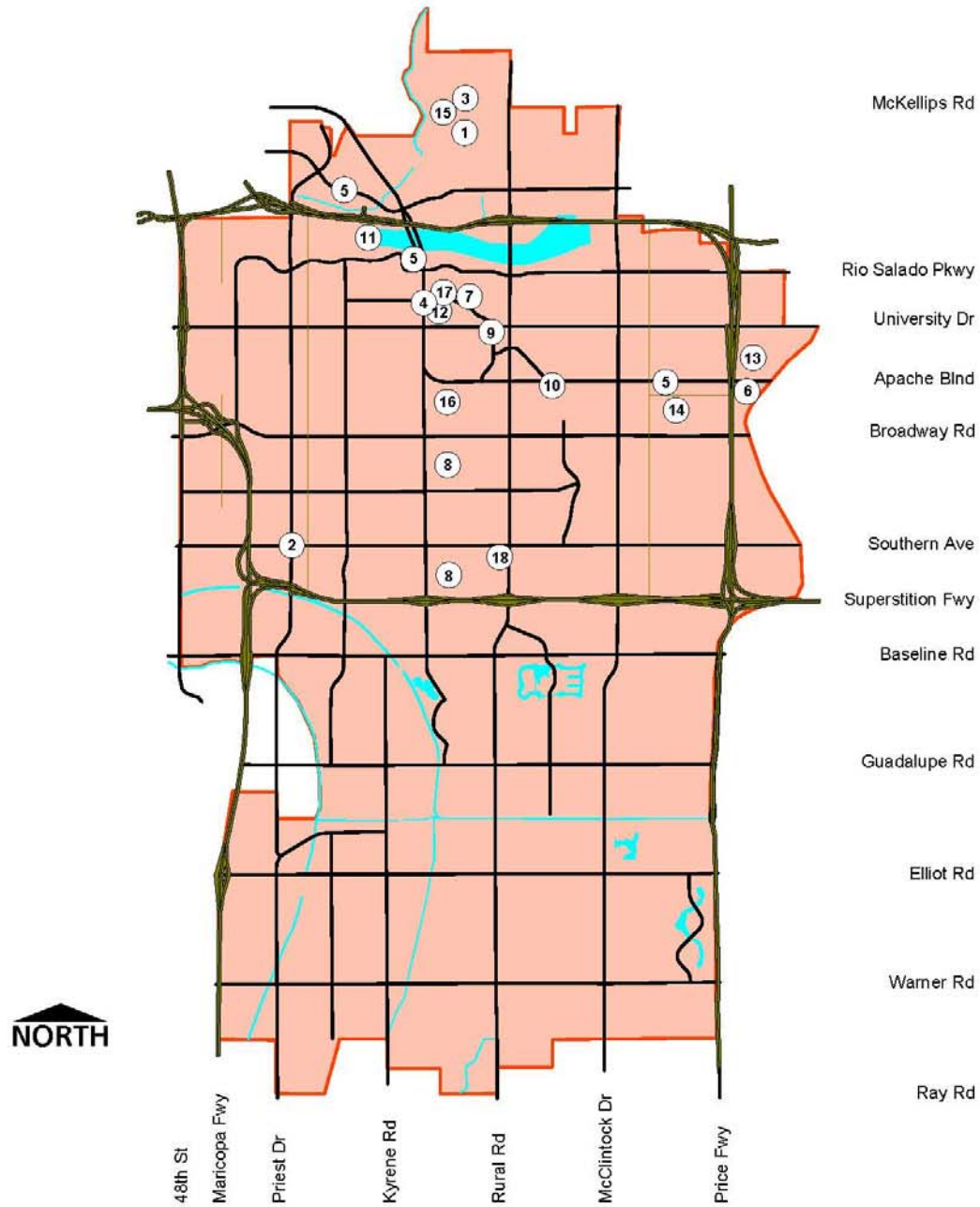
The remaining funding is for **Traffic Signals**, which combined represent \$1.5 million or 14.2% of the total Transportation Capital Budget in FY 2007-08. These amounts provide funding for street light upgrades, new signals, and the undergrounding of overhead utility lines.

The Transportation Capital Budget is funded from General Obligation Bonds.

Transportation – Sources of Funds	
(\$ Millions)	FY 2007-08
General Obligation Bonds	\$10.6
Total	\$10.6

The locations of some key capital improvements projects are shown on the map of Tempe provided on the following page.

Capital Improvements Project Map



Location	Project Description
1.	Johnny G. Water Treatment Plant Upgrades
2.	Southern Avenue Interceptor Rehabilitation
3.	Well 6 Raw Water Pipeline
4.	24" Water Line Upgrade/Replacement Hayden Tank
5.	Central Phoenix & East Valley Light Rail Planning, Design & Construction
6.	Apache and Loop 101 Parking Structure
7.	Tempe Transportation Center
8.	College Avenue Streetscape & Pedestrian Improvements
9.	University Drive - Light Rail Transit - Bus

Location	Project Description
10.	Apache Boulevard Street Improvements - Mill/Terrace
11.	Tempe Town Lake Pedestrian Bridge
12.	Renovation of 120 E. 5th St Facility
13.	Development of Victory Acres Park
14.	Park Renovation and Restoration - Hudson Park
15.	Park Renovation and Restoration - Canal Park
16.	Park Renovation and Restoration - Daley Park
17.	Parking Garage
18.	Renovation of the Historical Museum Exhibit Hall

City of Tempe GIS - CIPMap2007.WOR - June 2007

Capital Budget Strategic Focus



The City establishes issues, goals, and objectives to provide a long range focus to resource allocation choices. The strategic issues, goals, and objectives are aligned to Council committees as follows:

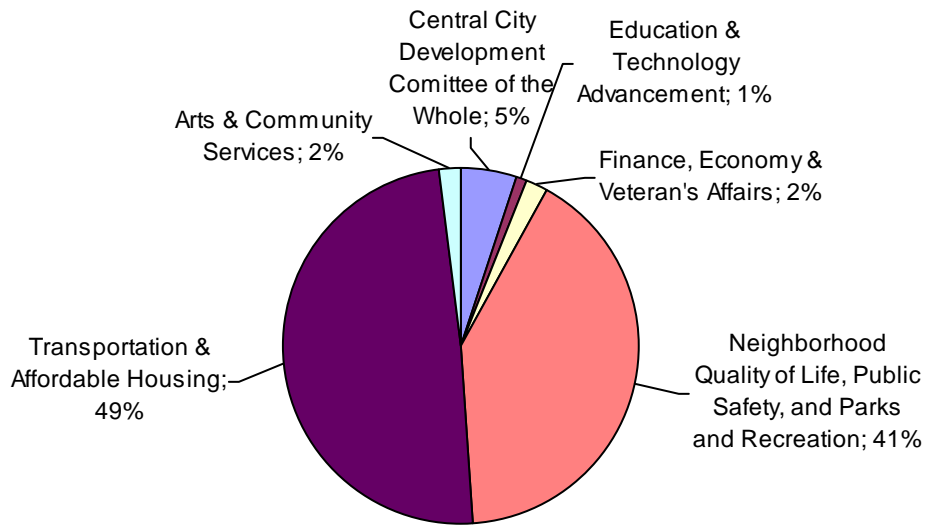
- Arts & Community Services
- Transportation & Affordable Housing
- Finance, Economy, and Veterans Affairs
- Tourism & Amateur Sports
- Neighborhood Quality of Life, Public Safety, and Parks and Recreation
- Education & Technology Advancement
- Central City Development Committee of the Whole

The goal of each strategic team is to delineate long-range goals, formulate a cohesive strategy for each of the defined areas, and develop action plans to advance the City towards those strategic goals.

The FY 2007-08 Capital Program organized by strategic issue is shown in the chart.

The FY 2007-08 Capital Budget largely focuses on capital projects related to two strategic areas: (1) Transportation & Affordable Housing; and (2) Neighborhood Quality of Life, Public Safety, and Parks and Recreation. These two strategic issue areas alone account for 90% of the Capital Budget in the upcoming fiscal year.

This is largely due to the City's focus on linking the downtown area to the regional light rail transit system, combined with ongoing maintenance of the city streets and traffic signal systems. In addition, reinvestments in the neighborhood park system and water and sewer infrastructure to support new and existing development contribute to the large investment in Neighborhood Quality of Life, Public Safety, and Parks and Recreation.



Capital Improvements Program Summary



Program	Funded Program		Additional Needs			Total 5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Enterprise Program						
Water	\$29,391,000	\$20,308,246	\$1,976,000	\$1,876,000	\$1,706,000	\$55,257,246
Wastewater	25,750,000	23,750,000	26,750,000	26,820,000	21,184,000	124,254,000
Golf	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise	55,191,000	44,108,246	28,776,000	28,746,000	22,940,000	179,761,246
Special Purpose Program						
Transit	94,585,115	28,445,499	19,710,000	3,625,000	2,095,000	148,460,614
Rio Salado	4,012,100	6,020,000	4,630,000	3,440,000	2,160,000	20,262,100
Total Special Purpose	98,597,215	34,465,499	24,340,000	7,065,000	4,255,000	168,722,714
General Purpose Program						
Police	17,243,022	5,913,649	1,735,800	500,000	450,000	25,842,471
Fire	3,863,798	5,267,884	7,351,949	6,317,243		22,800,874
Storm Drains	250,000	250,000	250,000	250,000	250,000	1,250,000
Park Improvements	10,388,724	8,603,424	7,794,324	6,136,274	6,721,374	39,644,120
General Governmental						
Prior Commitments	3,996,000					3,996,000
Community Development	7,000,000					7,000,000
Community Services	4,336,134	4,335,005	4,342,619	673,246	432,570	14,119,575
Community Relations	225,000	225,000	225,000	225,000	225,000	1,125,000
Public Works	712,000	712,000	712,000	712,000	712,000	3,560,000
Water Utilities	275,000	275,000	275,000	275,000	275,000	1,375,000
Total General Purpose	48,289,678	25,581,962	22,686,692	15,088,763	9,065,944	120,713,040
Transportation Program						
Transportation and R.O.W.	9,103,576	8,036,379	9,037,227	7,698,051	8,363,666	42,238,899
Traffic Signals/Street Lighting	1,525,000	1,525,000	1,525,000	1,525,000	1,525,000	7,625,000
Total Transportation	10,628,576	9,561,379	10,562,227	9,223,051	9,888,666	49,863,899
Total General/Transportation	58,918,254	35,143,341	33,248,919	24,311,814	18,954,610	170,576,939
Subtotal Tax Supported	157,515,469	69,608,840	57,588,919	31,376,814	23,209,610	339,299,653
TOTAL PROGRAM	\$212,706,469	\$113,717,086	\$86,364,919	\$60,122,814	\$46,149,610	\$519,060,899

Capital Improvements Program Source of Funds



Program	Funded Program		Additional Needs			Total 5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Enterprise Supported						
Water/Wastewater						
Water/Wastewater Bonds	\$52,641,000	\$41,558,246	\$26,226,000	\$26,196,000	\$20,390,000	\$167,011,246
Development Fees	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000
Total Water/Wastewater Fund	55,141,000	44,058,246	28,726,000	28,696,000	22,890,000	179,511,246
Golf						
Excise Tax Bonds - Golf Fund	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise Supported	55,191,000	44,108,246	28,776,000	28,746,000	22,940,000	179,761,246
Special Purpose						
Transit						
Transit Tax Revenues	25,047,400	6,445,499	1,488,220	1,725,000	895,000	35,601,119
Excise Tax Bonds	47,795,000	15,000,000				62,795,000
Regional Public Transportation Fund		1,020,000	2,660,500			3,680,500
Local Transportation Assistance Fund II	1,018,310					1,018,310
Regional Participation	16,958,000	500,000				17,458,000
Grants	3,766,405	5,480,000	15,561,280	1,900,000	1,200,000	27,907,685
Total Transit Fund	94,585,115	28,445,499	19,710,000	3,625,000	2,095,000	148,460,614
Rio Salado						
Outside Revenue	612,100	5,270,000	4,630,000	3,440,000	2,160,000	16,112,100
Grants	3,400,000	750,000				4,150,000
Total Rio Salado	4,012,100	6,020,000	4,630,000	3,440,000	2,160,000	20,262,100
Total Special Purpose	98,597,215	34,465,499	24,340,000	7,065,000	4,255,000	168,722,714
General Purpose & Transportation						
General Obligation Bonds	39,215,396	31,145,823	30,980,633	22,291,568	17,060,040	140,693,460
Excise Tax Bonds	8,834,557					8,834,557
Capital Improvements Reserve	5,740,620	1,551,835	1,533,926	1,447,036	1,394,720	11,668,137
Water/Wastewater Fund	801,410	690,582	537,260	536,960	478,900	3,045,112
Transit Fund	326,271	129,455	197,100	36,250	20,950	710,026
Community Oriented Policing Services (COPS) Grant	4,000,000	1,625,646				5,625,646
Total General/Transportation	58,918,254	35,143,341	33,248,919	24,311,814	18,954,610	170,576,939
Subtotal Tax Supported	157,515,469	69,608,840	57,588,919	31,376,814	23,209,610	339,299,653
TOTAL PROGRAM	\$212,706,469	\$113,717,086	\$86,364,919	\$60,122,814	\$46,149,610	\$519,060,899

Capital Improvements Changes in Fund Balances



Program	Estimated Fund Balance 06-30-07	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Balance 06-30-08
Enterprise						
Water/Wastewater	\$3,971,507		\$2,500,000	\$52,641,000	\$55,141,000	\$3,971,507
Golf	42,425			50,000	50,000	42,425
Cemetery	337,930					337,930
Subtotal Enterprise	4,351,862	0	2,500,000	52,691,000	55,191,000	4,351,862
Special Purpose						
Transit	1,972,736	25,047,400	21,742,715	47,795,000	94,585,115	1,972,736
Performing Arts	1,077,971					1,077,971
Rio Salado	776,375		4,012,100		4,012,100	776,375
Subtotal Special Purpose	3,827,082	25,047,400	25,754,815	47,795,000	98,597,215	3,827,082
General Purpose						
Police Protection	(1,029,099)		4,000,000	13,243,022	17,243,022	(1,029,099)
Fire Protection				3,863,798	3,863,798	
Storm Drains		250,000			250,000	
Park Improvements	282,591			10,388,724	10,388,724	282,591
General Governmental	(731,593)	6,618,301		9,925,833	16,544,134	(731,593)
Subtotal General Purpose	(1,478,101)	6,868,301	4,000,000	37,421,377	48,289,678	(1,478,101)
Transportation						
Transportation & R.O.W. Improvements	151,326			9,103,576	9,103,576	151,326
Traffic Signals/Street Lighting	172,285			1,525,000	1,525,000	172,285
Subtotal Transportation	323,611			10,628,576	10,628,576	323,611
TOTAL PROGRAM	\$7,024,454	\$31,915,701	\$32,254,815	\$148,535,953	\$212,706,469	\$7,024,454

Capital Improvements Program Project Listings and Descriptions



Water Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
JGMWTP Treatment Upgrades	\$12,000,000	\$14,332,246				\$26,332,246
Kyrene Reclaim Water						
Transmission / Distribution Line	3,300,000	3,000,000				6,300,000
WUD Security Improvements	5,300,000					5,300,000
Water Lines Upgrades and Extensions	850,000	850,000	850,000	850,000	850,000	4,250,000
Well 6 Raw Water Pipeline	2,456,000					2,456,000
24" Water Line Upgrade/ Replacement Hayden Tank (5th-Forest)	2,359,000					2,359,000
Distribution System Fittings	500,000	500,000	500,000	400,000	230,000	2,130,000
New Production Wells	900,000	1,000,000				1,900,000
STWTP Capital Equipment Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
JGMWTP Capital Equipment Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
CAP Capital Charge	126,000	126,000	126,000	126,000	126,000	630,000
SCADA Remote Terminal Unit (RTU) Replacement	600,000					600,000
Enterprise GIS	500,000					500,000
Total Recommended	\$29,391,000	\$20,308,246	\$1,976,000	\$1,876,000	\$1,706,000	\$55,257,246



Crew at work on waterline



Water Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Funding Source:						
<u>Water/Wastewater Bonds</u>						
JGMWTP Treatment Upgrades	\$12,000,000	\$14,332,246				\$26,332,246
Kyrene Reclaim Water						
Transmission / Distribution Line	3,300,000	3,000,000				6,300,000
WUD Security Improvements	5,300,000					5,300,000
Well 6 Raw Water Pipeline	2,456,000					2,456,000
24" Water Line Upgrade/ Replacement Hayden						
Tank (5th-Forest)	2,359,000					2,359,000
New Production Wells	900,000	1,000,000				1,900,000
JGMWTP Capital Equipment						
Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
STWTP Capital Equipment						
Replacement	250,000	250,000	250,000	250,000	250,000	1,250,000
CAP Capital Charge	126,000	126,000	126,000	126,000	126,000	630,000
SCADA Remote Terminal						
Unit (RTU) Replacement	600,000					600,000
Enterprise GIS	500,000					500,000
Subtotal	28,041,000	18,958,246	626,000	626,000	626,000	48,877,246
Funding Source:						
<u>Development Fees</u>						
Water Lines Upgrades and Extensions	850,000	850,000	850,000	850,000	850,000	4,250,000
Distribution System Fittings	500,000	500,000	500,000	400,000	230,000	2,130,000
Subtotal	1,350,000	1,350,000	1,350,000	1,250,000	1,080,000	6,380,000
Water Program Total	\$29,391,000	\$20,308,246	\$1,976,000	\$1,876,000	\$1,706,000	\$55,257,246



Water Program Project Descriptions

JGMWTP Treatment Upgrades

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project includes improvements and modifications to the Johnny G. Martinez Water Treatment Plant (JGMWTP) to meet current water quality regulations and goals. This project includes a comprehensive site study, Granular Activated Carbon facility, solids handling improvements (plate settlers, sludge thickener and sludge holding tank) and site improvements.

2007-08 Source of Funds
Water/Wastewater Bonds 12,000,000

Kyrene Reclaimed Water Transmission / Distribution Line

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for a reclaimed water pipeline from the Kyrene Reclamation Facility to the Tempe Town Lake. The pipeline will be 24-inch diameter and will be a total length of approximately 5 miles.

2007-08 Source of Funds
Water/Wastewater Bonds 3,300,000

Water Utilities Department Security Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project encompasses new security improvements and upgrades of existing components as recommended by the vulnerability assessment completed as per federal mandate in 2002 for all water utilities departments. The project will focus on all critical infrastructure identified by the assessment. The infrastructure includes well sites, water production plants, wastewater reclamation facilities, reservoirs and the Household Products Collection Center. The project will include an operations control center console to monitor the numerous cameras and access control systems that will be installed. In addition to security components, the project will include modifications or replacement of current perimeter fencing and lighting.

2007-08 Source of Funds
Water/Wastewater Bonds 5,300,000

Water Lines Upgrades and Extensions

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides a recurring funding source to replace water lines that break during normal operation or that have reached their useful life.

2007-08 Source of Funds
Development Fees 850,000

Well 6 Raw Water Pipeline

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project funds a 1.5 mile, 16-inch pipeline to deliver raw well water to the Johnny G. Martinez Water Treatment Plant. This project accomplishes two goals. First it allows the blending of well water with canal water to help achieve water quality goals. Second, it provides treatment of the well water that is required prior to delivering the well water to the potable water treatment system.

2007-08 Source of Funds
Water/Wastewater Bonds 2,456,000

24" Water Line Upgrade/Replacement Hayden Tank (5th-Forest)

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project upgrades the existing 20"/18" cast iron pipe from the Hayden Butte tank. The existing pipe is in a circuitous route from Myrtle/5th to Mill/13th passing through areas slated for redevelopment and land ownership change (east side of city hall/ASU's Tempe Center site). The new size and alignment will be more hydraulically advantaged and controllable to provide for better tank operation. In addition to the 4,950' of transmission pipe, approximately 400' of 8" main will be required in the old Myrtle alignment north of 5th to provide continuity for the distribution system. The new transmission main will be connected to the distribution grid at 5th/Mill, Mill/University, and Mill/13th.

2007-08 Source of Funds
Water/Wastewater Bonds 2,359,000

Distribution System Fittings

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the acquisition, assembly, and installation of water works infrastructure including meters, valves, hydrants and water line.

2007-08 Source of Funds
Development Fees 500,000



Water Program Project Descriptions (continued)

New Production Wells

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides funding for two new potable water wells, one in 2007/08 and one in 2008/09. The wells will be as follows: #16: a new well to be drilled and equipped in south Tempe, with an estimated capacity of 4.2 million gallons per day (MGD). #17: an existing Salt River Project well to be renovated and connected to the city's distribution system, with a 4.5 MGD capacity.

2007-08 Source of Funds	
Water/Wastewater Bonds	900,000

STWTP Capital Equipment Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides an annual funding mechanism to facilitate unforeseen replacement of equipment that fails at the South Tempe Water Treatment Plant.

2007-08 Source of Funds	
Water/Wastewater Bonds	250,000

JGMWTP Capital Equipment Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides an annual funding mechanism to facilitate unforeseen equipment repair and replacement at the Johnny G. Martinez Water Treatment Plant.

2007-08 Source of Funds	
Water/Wastewater Bonds	250,000

CAP Capital Charge

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

An agreement with the Central Arizona Water Conservation District (CAWCD) imposes a semi-annual capital charge payable annually through 2034. These charges repay the federal government's advance of construction funding to build the Central Arizona Project canal system.

2007-08 Source of Funds	
Water/Wastewater Bonds	126,000

SCADA Remote Terminal Unit (RTU) Replacement

Related Strategic Issue: Education and Technology Advancement

The Remote Terminal Units (RTU's) at the Water Utilities SCADA (Supervisory Control and Data Acquisition) system remote sites (i.e., Wells, Water Tanks, Sewer Lift and Metering Stations, etc.) are 15 years old and must be replaced. Support for these units no longer exists and the spare part inventory is exhausted. Failures could cause regulatory compliance problems and affect water delivery to customers.

2007-08 Source of Funds	
Water/Wastewater Bonds	600,000

Enterprise GIS

Related Strategic Issue: Education and Technology Advancement

The city departments have a desire and need for geographical information. Their combined efforts to create an open Geographical Information System (GIS) platform integrated with current databases and business workflows will provide a wealth of information to enhance decision making and provide a new view of spatial information to both internal and external customers. Departments want to create an integrated, cross-departmental information system where a common set of accurate, precise, complete and comprehensive geographical data is processed, shared, evaluated, stored and made available in a timely manner. Currently eight different city divisions are developing their own GIS initiatives. Combining these efforts into an enterprise system will save the city both money and human resources by eliminating redundancy and leveraging the core application to all Departments and Tempe residents.

2007-08 Source of Funds	
Water/Wastewater Bonds	500,000



Wastewater Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
91st Avenue WWTP	\$21,300,000	\$21,000,000	\$24,000,000	\$24,700,000	\$17,000,000	\$108,000,000
SAI Rehabilitation-All phases	2,000,000	2,000,000	2,000,000	1,370,000	3,434,000	10,804,000
Sewer Line Upgrades and Extensions	750,000	750,000	750,000	750,000	750,000	3,750,000
College/Curry Replacement / Upgrade Sanitary Sewer	1,200,000					1,200,000
SRO 10MGD Diversion (Priest - 48th Street)	500,000					500,000
Total Recommended	\$25,750,000	\$23,750,000	\$26,750,000	\$26,820,000	\$21,184,000	\$124,254,000

Wastewater Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Funding Source:						
<u>Water/Wastewater Bonds</u>						
91st Ave WWTP	\$20,150,000	\$19,850,000	\$22,850,000	\$23,450,000	\$15,580,000	\$101,880,000
SAI Rehabilitation-All phases	2,000,000	2,000,000	2,000,000	1,370,000	3,434,000	10,804,000
Sewer Line Upgrades and Extensions	750,000	750,000	750,000	750,000	750,000	3,750,000
College/Curry Replacement / Upgrade Sanitary Sewer	1,200,000					1,200,000
SRO 10MGD Diversion (Priest - 48th Street)	500,000					500,000
Subtotal	24,600,000	22,600,000	25,600,000	25,570,000	19,764,000	118,134,000
Funding Source:						
<u>Development Fees</u>						
91st Avenue WWTP	1,150,000	1,150,000	1,150,000	1,250,000	1,420,000	6,120,000
Subtotal	1,150,000	1,150,000	1,150,000	1,250,000	1,420,000	6,120,000
Wastewater Program Total	\$25,750,000	\$23,750,000	\$26,750,000	\$26,820,000	\$21,184,000	\$124,254,000



Wastewater Program Project Descriptions

91st Avenue WWTP

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project represents Tempe's share of all activities at the 91st Avenue WWTP including: capacity expansion projects, capital equipment replacement, modifications and additions to meet regulatory requirements, process enhancements and also capacity expansion of the jointly owned trunk sewer lines that convey wastewater flows to the plant. The 91st Avenue WWTP is a regional treatment facility that is jointly owned by 5 valley cities and is operated by the City of Phoenix. The 91st Avenue plant represents the majority of Tempe's wastewater treatment program.

2007-08 Source of Funds	
Water/Wastewater Bonds	20,150,000
Development Fees	1,150,000

Southern Avenue Interceptor (SAI) Rehabilitation-All phases

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the rehabilitation of the Southern Avenue Interceptor (SAI). The SAI is a jointly-owned regional sewer that flows through Tempe. A recent study by Brown & Caldwell Engineers revealed severe corrosion of this unlined concrete sewer line. The study recommended a phased rehabilitation or replacement of this line to protect it from eventual collapse. This project combines all of the phases of the multi-year rehabilitation of the SAI into a single project. The project will be jointly funded by both Tempe and Mesa.

2007-08 Source of Funds	
Water/Wastewater Bonds	2,000,000

Sewer Line Upgrades and Extensions

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides a recurring funding source to replace sewer lines that break during normal operation

2007-08 Source of Funds	
Water/Wastewater Bonds	750,000

College/Curry Replacement /Upgrade Sanitary Sewer

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the replacement of an existing 8" sanitary sewer from College Avenue/Weber Street to Curry Road/Scottsdale Road with a new 12"/15" sewer line.

2007-08 Source of Funds	
Water/Wastewater Bonds	1,200,000

SRO 10 MGD Diversion (Priest - 48th Street)

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for an upstream diversion of the Southern Regional Outflow (SRO) between the Priest meter station and 48th metering station. The flow diversion would work nicely on Priest at 17th St. with a gravity connection between the trunk mains sloped to handle 10 MGD. The work requires two manholes and a connecting pipe.

2007-08 Source of Funds	
Water/Wastewater Bonds	500,000



Golf Program Project Listings

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Golf Course Improvements	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Total Recommended	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Golf Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Funding Source:						
<u>Excise Tax Bonds</u>						
Golf Course Improvements	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Wastewater Program Total	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Golf Program Project Descriptions

Golf Course Improvements

Related Strategic Issue: Arts and Community Services

This ongoing project provides funds for small annual renovation and improvement projects at both golf courses.

2007-08 Source of Funds

Excise Tax Bonds 50,000



Rolling Hills Golf Course



Transit Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
CP/EV LRT - Rail Planning, Design & Construction	\$61,958,000	\$15,500,000				\$77,458,000
Bus Purchase - Fleet Replacement & Expansion	3,000,000	6,000,000	15,650,000			24,650,000
Light Rail - Concurrent Non-Project Activities (CNPA)	4,605,500	4,805,499				9,410,999
Western Canal Multi-use Path	6,880,000					6,880,000
College Ave. Streetscape & Pedestrian Improvements	5,410,000					5,410,000
Apache and Loop 101 Parking Structure - 200 spaces	4,385,951					4,385,951
Broadway Road Streetscape & Pedestrian Improvements	60,000	240,000	3,510,000			3,810,000
University Drive Street Improvement -Priest/Mill			250,000	2,275,000		2,525,000
Hardy Drive Pedestrian Street Improvement				250,000	2,095,000	2,345,000
University Drive - LRT - Bus Interface Station	2,000,000					2,000,000
Tempe Transportation Center	1,945,784					1,945,784
Apache Blvd Street Improvements Mill/Terrace	1,915,000					1,915,000
Crosscut Canal Multi-use Path Phase II		1,900,000				1,900,000
Rio Salado Multi-Use Path - Tempe-Phoenix (Priest-143)			300,000	1,100,000		1,400,000
Transportation Management Center - Equipment	922,475					922,475
Transit Passenger Information Systems	861,000					861,000
Bus - Midlife Scheduled Fleet Maintenance	641,405					641,405
Total Recommended	\$94,585,115	\$28,445,499	\$19,710,000	\$3,625,000	\$2,095,000	\$148,460,614



Transit Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Funding Source:						
<u>Excise Tax Bonds</u>						
CP/EV LRT - Rail Planning, Design & Construction	\$45,000,000	\$15,000,000				\$60,000,000
College Avenue Streetscape & Pedestrian Improvements	2,795,000					2,795,000
Subtotal	47,795,000	15,000,000	0	0	0	62,795,000
Funding Source:						
<u>Transit Fund</u>						
Light Rail - Concurrent Non-Project Activities (CNPA)	4,605,500	4,805,499				9,410,999
Western Canal Multi-use Path	6,880,000					6,880,000
Apache and Loop 101 Parking Structure - 200 spaces	4,385,951					4,385,951
Bus Purchase - Fleet Replacement & Expansion	3,000,000					3,000,000
University Drive - LRT - Bus Interface Station	2,000,000					2,000,000
Apache Blvd Street Improvements Mill/Terrace	1,915,000					1,915,000
University Drive Street Improvement - Priest/Mill			250,000	1,175,000		1,425,000
Crosscut Canal Multi-use Path Phase II		1,400,000				1,400,000
Broadway Rd. Streetscape & Pedestrian Improvements	60,000	240,000	938,220			1,238,220
Hardy Drive Pedestrian Street Improvement				250,000	895,000	1,145,000
Tempe Transportation Center	927,474					927,474
Transit Passenger Information Systems	861,000					861,000
Rio Salado Multi-Use Path - Tempe-Phoenix (Priest-143)			300,000	300,000		600,000
Transportation Management Center - Equipment	412,475					412,475
Subtotal	\$25,047,400	\$6,445,499	\$1,488,220	\$1,725,000	\$895,000	\$35,601,119



Transit Program Projects by Funding Source (continued)

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
Funding Source:						
<u>Federal Grants</u>						
Bus Purchase - Fleet						
Replacement & Expansion		4,980,000	12,989,500			17,969,500
College Ave. Streetscape & Pedestrian Improvements	2,615,000					2,615,000
Broadway Road Streetscape & Pedestrian Improvements			2,571,780			2,571,780
Hardy Drive Pedestrian Street Improvement					1,200,000	1,200,000
University Drive Street Improvement				1,100,000		1,100,000
Rio Salado Multi-Use Path - Tempe-Phx (Priest-143)				800,000		800,000
Bus - Midlife Scheduled Fleet Maintenance	641,405					641,405
Transportation Management Center - Equipment	510,000					510,000
Crosscut Canal Multi-use Path Phase II		500,000				500,000
Subtotal	3,766,405	5,480,000	15,561,280	1,900,000	1,200,000	27,907,685
Funding Source:						
<u>Regional Participation</u>						
CP/EV LRT - Rail Planning, Design & Construction	16,958,000	500,000				17,458,000
Subtotal	16,958,000	500,000	0	0	0	17,458,000
Funding Source:						
<u>Regional Transportation Fund</u>						
Bus Purchase - Fleet						
Replacement & Expansion		1,020,000	2,660,500			3,680,500
Subtotal	0	1,020,000	2,660,500	0	0	3,680,500
Funding Source:						
<u>LTAFF II</u>						
Tempe Transportation Center	1,018,310					1,018,310
Subtotal	1,018,310	0	0	0	0	1,018,310
Transit Program Total	\$94,585,115	\$28,445,499	\$19,710,000	\$3,625,000	\$2,095,000	\$148,460,614



Transit Program Project Descriptions

CP/EV LRT - Rail Planning, Design & Construction

Related Strategic Issue: Transportation and Affordable Housing

This project provides funding for design, engineering and construction of 5.494 miles of light rail transit that would link downtown Phoenix and downtown Mesa to Tempe including Sky Harbor Airport and Arizona State University. In addition, this project provides for obtaining necessary project rights-of-way. The major funding partners in the CP/EV LRT project are Phoenix, Tempe and Mesa. The cities are funding 48.38 percent of the capital cost of the project with a combination of local sales tax revenues, bond proceeds and other local sources. The balance will be funded with federal sources, including Federal Transportation Administration (FTA) Section 5309 New Starts grant funds providing 46.85 percent.

2007-08 Source of Funds	
Excise Tax Bonds	45,000,000
Regional Participation	16,958,000

Bus Purchase - Fleet Replacement & Expansion

Related Strategic Issue: Transportation and Affordable Housing

This project provides for 30 new buses and auxiliary equipment for expansion of neighborhood circulator bus service and implementation of Rio Salado Flash in FY 2007-08. This project also replaces 52 fixed route buses.

2007-08 Source of Funds	
Transit Fund	3,000,000

Light Rail - Concurrent Non-Project Activities (CNPA)

Related Strategic Issue: Transportation and Affordable Housing

This project funds Light Rail concurrent non-project related activities that are designed, constructed and managed through Valley Metro Rail during construction of the Light Rail Project.

2007-08 Source of Funds	
Transit Fund	4,605,500

Western Canal Multi-use Path

Related Strategic Issue: Transportation and Affordable Housing

This project involves the design and construction of a total of 5.5 miles of multi-use path in Tempe. The project consists of a paved pathway, 4 arterial street crossings, landscaping, public art, lighting and other path amenities.

2007-08 Source of Funds	
Transit Fund	6,880,000

College Avenue Streetscape & Pedestrian Improvements

Related Strategic Issue: Transportation and Affordable Housing

The College Avenue Streetscape & Pedestrian Improvements Project (US 60 - Apache) involves two miles of pedestrian improvements and traffic calming for a collector street. The project connects four schools and three neighborhood parks to ASU and downtown Tempe. The project crosses three arterial streets, connects to the College Avenue pedestrian bridge over US 60 and provides a corridor connection to the light rail system.

2007-08 Source of Funds	
Federal Grants	2,615,000
Excise Tax Bonds	2,795,000

Apache and Loop 101-200 spaces

Related Strategic Issue: Transportation and Affordable Housing

This project provides for design and construction of a 200 space parking structure at the park and ride facility located at the southwest corner of loop 101 and Apache. This parking is for City of Tempe employees as replacement parking for spaces displaced by the downtown Transportation Center.

2007-08 Source of Funds	
Transit Fund	4,385,951

Broadway Road Streetscape & Pedestrian Improvements

Related Strategic Issue: Transportation and Affordable Housing

The Broadway Road Pedestrian and Bicycle Improvement Project is approximately one mile between Mill Avenue and Rural Road. The project consists of pedestrian and bicycle facility improvements along an arterial street fronted by single family residential units.

2007-08 Source of Funds	
Transit Fund	60,000



Transit Program Project Descriptions (continued)

University Drive Street Improvement - Priest/Mill

Related Strategic Issue: Transportation and Affordable Housing

The project provides funding for geometric changes to the street including the installation of on-street parking, striping for bike lanes, widening of sidewalks, reduction of existing travel lane widths, construction of medians, protection from noise, pedestrian safety, reduction of speed limit, fiber optic cable installation, providing mid-block crossings and providing transit and pedestrian amenities.

2007-08 Source of Funds

N/A

Hardy Drive Pedestrian Street Improvement

Related Strategic Issue: Transportation and Affordable Housing

This project provides for street improvements along Hardy Drive between University Drive and Broadway Road.

2007-08 Source of Funds

N/A

University Drive - LRT - Bus Interface Station

Related Strategic Issue: Transportation and Affordable Housing

This project provides funding for design, engineering and construction of a bus-only street from Rural Rd. to McAllister St. on the ASU campus, with eight bus bays. The street is approximately 1,000 feet long, extending from the intersection of Rural and Tyler, northwest along the light rail platform, turning west along the north side of the existing parking garage to McAllister. The project includes road, curb and gutter, landscape, hardscape, and street lights.

2007-08 Source of Funds

Transit Fund 2,000,000

Tempe Transportation Center

Related Strategic Issue: Transportation and Affordable Housing

On September 10, 1996, Tempe voters approved a one half cent of one percent sales tax increase for transit improvements. One component of the project is to design and build a Transportation Center. Projected programming for this project includes replacement parking, commercial, office, passenger information and other ancillary uses as well as 13 bus bays. A portion of the operating impact is currently budgeted in the existing Transit store operations. Existing operations will be relocated to the center upon completion.

2007-08 Source of Funds

Transit Fund 927,474
LTAF II 1,018,310

Apache Boulevard Street Improvements Mill/Terrace

Related Strategic Issue: Transportation and Affordable Housing

The operation of light rail along Apache Boulevard changes the current street configuration from 3 through lanes from each direction to 2 lanes each direction. As part of the light rail project, the lane reductions along Apache start at the intersection of Terrace Road and eastbound at Apache Boulevard. Staff is recommending that for safety related issues and consistency along Apache Boulevard that the remaining segment of Apache from Mill Avenue to Terrace Road be also reduced to 2 through lanes each direction. This project will provide design and construction funding to implement the improvements for the segment not currently impacted by light rail construction.

2007-08 Source of Funds

Transit Fund 1,915,000

Crosscut Canal Multi-use Path Phase II

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the construction of the Tempe Crosscut Canal Multi-use Path Phase II, a one-mile non-motorized path facility that will connect to the recently completed, award winning 1.25 mile Crosscut Canal Multi-use Path Phase I. The project will include a paved path facility, landscaping, lighting, and a public art element. The project follows Salt River Project's Crosscut Canal through Papago Park and connects to Tempe's Canal and Moeur parks.

2007-08 Source of Funds

N/A

Rio Salado Multi-Use Path - Tempe-Phoenix (Priest-143)

Related Strategic Issue: Transportation and Affordable Housing

This project provides funding for the design and construction of a continuation of the Tempe Rio Salado multi-use path system. This segment would extend from Priest Drive to State Road 143 on the western city limit of Tempe. The path would be on the south bank of the river channel and include one underpass at Priest Drive. The project includes landscaping, lighting, public art and other public amenities. The project will be completed in concert with a joint project with Phoenix's Rio Salado project and ultimately this pathway will link the two cities.

2007-08 Source of Funds

N/A



Transit Program Project Descriptions (continued)

Transportation Management Center - Equipment

Related Strategic Issue: Transportation and Affordable Housing

The Tempe Transportation Management Center (TMC) project will employ state-of-the-art technologies to manage and monitor traffic and transit operations in an increasingly dynamic environment. The Center will also serve to inform and advise transportation patrons of real-time travel information including light rail transit (LRT) and bus transit schedule adherence information.

2007-08 Source of Funds

Federal Grant	510,000
Transit Fund	412,475

Transit Passenger Information Systems

Related Strategic Issue: Transportation and Affordable Housing

The project will install variable message signs at various locations in the city. The signs will display the arrival of buses and other pertinent transportation information for the passengers waiting at the bus stops and at the transit center. The project will also include the purchase of touch screens that will display transportation, transit, and green building information at the Transportation Center and East Valley Bus Operations and Maintenance Facility.

2007-08 Source of Funds

Transit Fund	861,000
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Bus - Midlife Scheduled Fleet Maintenance

Related Strategic Issue: Transportation and Affordable Housing

The project funds scheduled mid-life maintenance for the City's existing bus fleet.

2007-08 Source of Funds

Federal Grant	641,405
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Construction of the Tempe Transportation Center



Rio Salado Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Tempe Town Lake Rubber Dam						
Replacement	\$75,000	\$4,170,000	\$4,530,000	\$3,340,000	\$2,060,000	\$14,175,000
Tempe Town Lake Pedestrian						
Bridge	3,837,100	1,750,000				5,587,100
Rio Salado Ancillary Projects	100,000	100,000	100,000	100,000	100,000	500,000
Total Recommended	\$4,012,100	\$6,020,000	\$4,630,000	\$3,440,000	\$2,160,000	\$20,262,100

Rio Salado Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
<i>Funding Source:</i>						
<u>Outside Revenue</u>						
Tempe Town Lake Pedestrian						
Bridge	\$437,100	\$1,000,000				\$1,437,100
Rio Salado Ancillary Projects	100,000	100,000	100,000	100,000	100,000	500,000
Tempe Town Lake Rubber Dam						
Replacement	75,000	4,170,000	4,530,000	3,340,000	2,060,000	14,175,000
Subtotal	612,100	5,270,000	4,630,000	3,440,000	2,160,000	16,112,100
<i>Funding Source:</i>						
<u>Grants</u>						
Tempe Town Lake Pedestrian						
Bridge	3,400,000	750,000				4,150,000
Subtotal	3,400,000	750,000	0	0	0	4,150,000
Rio Salado Program Total	\$4,012,100	\$6,020,000	\$4,630,000	\$3,440,000	\$2,160,000	\$20,262,100



Rio Salado Program Project Descriptions

Town Lake Rubber Dam Replacement

Related Strategic Issue: Central City Development Committee of the Whole

This project provides for the replacement of the rubber dam at the western end of Tempe Town Lake. The inflatable rubber dams have a 10 year warranty and an anticipated useful life of 10+ years. Replacement of the large downstream dams is the first priority, followed by the smaller upstream dams. Ordering, manufacturing, and shipping will take approximately 1 year. Installation should be in the 2009-10 fiscal year. New technology for inflatable dams will establish a dual chamber system for the large rubber bladders on the west end.

2007-08 Source of Funds	
Outside Revenue	75,000

Tempe Town Lake Pedestrian Bridge

Related Strategic Issue: Central City Development Committee of the Whole

The Tempe Town Lake Pedestrian Bridge is a project to span the west dams of Tempe Town Lake with a pedestrian friendly bridge. This project will provide access across the lake for pedestrians, skaters, and bicyclists. Construction will include conduit placed for communications use in case the need arises.

2007-08 Source of Funds	
Federal Grants	3,400,000
Outside Revenue	437,100

Rio Salado Ancillary Projects

Related Strategic Issue: Central City Development Committee of the Whole

Rio Salado Ancillary Projects will fund the various minor projects that become necessary at Tempe Town Lake, Tempe Beach Park, and the linear park system.

2007-08 Source of Funds	
Outside Revenue	100,000



Tempe Town Lake



Police Protection Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Police/City Radio System						
Replacement	\$6,777,622	\$3,963,649	\$1,585,800	\$300,000	\$300,000	\$12,927,071
Renovation of the 120 E. 5th Street						
Facility	6,214,500					6,214,500
Police CAD/RMS/FRWS System	4,000,000					4,000,000
Laptop Replacement		1,800,000				1,800,000
TIPS (Technology Integrated Police						
Systems)	200,000	150,000	150,000	200,000	150,000	850,000
Detention Facility Improvements	50,900					50,900
Total Recommended	\$17,243,022	\$5,913,649	\$1,735,800	\$500,000	\$450,000	\$25,842,471

Police Protection Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Funding Source:						
<u>General Obligation Bonds</u>						
Police/City Radio System						
Replacement	\$2,777,622	\$2,338,003	\$1,585,800	\$300,000	\$300,000	\$7,301,425
Renovation of the 120 E. 5th Street						
Facility	6,214,500					6,214,500
Police CAD/RMS/FRWS System	4,000,000					4,000,000
Laptop Replacement		1,800,000				1,800,000
TIPS (Technology Integrated Police						
Systems)	200,000	150,000	150,000	200,000	150,000	850,000
Detention Facility Improvements	50,900					50,900
Subtotal	13,243,022	4,288,003	1,735,800	500,000	450,000	20,216,825
Funding Source:						
<u>COPS Grant</u>						
Police/City Radio System						
Replacement	4,000,000	1,625,646				5,625,646
Subtotal	4,000,000	1,625,646	0	0	0	5,625,646
Police Protection Total	\$17,243,022	\$5,913,649	\$1,735,800	\$500,000	\$450,000	\$25,842,471



Police Protection Program Project Descriptions

Police/City Radio System Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This ongoing project will replace the City's existing analog radio system, which was implemented in 1988, with an interoperable digital system. This project provides for the replacement of outdated radio equipment for the Police Department and other City radio users and allows Tempe to participate in the establishment of long term public safety interoperability in the Phoenix metro area. Currently, the two largest cities in the Phoenix metro area, Phoenix and Mesa, have partnered to share an 800 MHz digital trunking system that allows day-to-day, real time communications over a single radio system. Representatives from the Tempe Police and Information Technology Departments have been working closely with the cities of Phoenix and Mesa to develop long term interoperability plans, and this project will allow Tempe to become a partner in this shared system.

2007-08 Source of Funds

COPS Grant	4,000,000
General Obligation Bonds	2,777,622

Renovation of the 120 E. 5th Street Facility

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

The purpose of this project is to renovate portions of the first and second floor of the facility located at 120 E. 5th Street, to provide adequate work space for employees assigned to the Police Department and the Information Technology Department. The Police Department plans to relocate the Special Services/Downtown Bike area from an existing trailer and move the hiring and recruitment function to the first floor for better public access. The proposed renovations would redesign inefficient workspace configurations, bring the facility into ADA compliance, address environmental and safety issues such as an antiquated Halon fire suppression system, and upgrade the fire alarm system. The renovation will also resolve a drainage problem which has previously resulted in flooding of portions of the facility and will provide for energy efficient lighting.

2007-08 Source of Funds

General Obligation Bonds	6,214,500
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Police CAD/RMS/FRWS System

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will replace the Police Department's existing Computer Aided Dispatch (CAD) System, Records Management System (RMS), and Field Report Writing System (FRWS). Combined, these three software components serve as the automated data collection, storage, and retrieval system for the Police Department.

2007-08 Source of Funds

General Obligation Bonds	4,000,000
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Laptop Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will provide for the replacement of ruggedized laptop computers used by Patrol Officers and other field personnel.

2007-08 Source of Funds

N/A

TIPS (Technology Integrated Police Systems)

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

The Technologically Integrated Police Systems (TIPS) CIP project will provide the necessary resources to incorporate new technology in the Police Department, as well as resources to upgrade and interface existing automated systems. Planned projects include the implementation of Police specific GIS layers, computer based training applications, continued development of the wireless infrastructure, hardware for growing data storage needs, replacement of printers and other specialty hardware, and upgrades to software. Funding for this CIP also provides resources for unanticipated technology costs that can be significant (i.e., failed servers, unanticipated connectivity needs, etc.).

2007-08 Source of Funds

General Obligation Bonds	200,000
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Detention Facility Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the replacement of the Detention Facility graphic enunciator system. The Tempe Police Department's Detention Facility utilizes a graphic enunciator to control numerous security functions. This device, which uses Programmable Logic Control technology, electronically operates the sally port, detention cell doors, an intercom system, duress alarm system, and interfaces with the closed circuit television system to exercise camera control and video recording. A secondary similar unit is located in the Communications Section to provide remote monitoring of the Detention Facility. Both graphic enunciators were custom designed for the facility in 2000 and have been in continuous operation since. The manufacture of the system is no longer in business and replacement parts are unavailable. If the graphic enunciator should fail, the security environment for Police Department personnel will degrade significantly accompanied by increased liability exposure.

2007-08 Source of Funds

General Obligation Bonds	50,900
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Fire Protection Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
New Support Services Facility	\$2,408,000	\$621,000	\$6,848,525			\$9,877,525
Fire Station 2			503,424	6,317,243		6,820,667
Fire Station 7 for Southeast Quadrant	713,704	3,927,884				4,641,588
Radio Replacement for Conversion to 800 MHz		719,000				719,000
Renovations to Fire Station 4	535,600					535,600
Classroom Addition at Fire Training Center	206,494					206,494
Total Recommended	\$3,863,798	\$5,267,884	\$7,351,949	\$6,317,243	\$0	\$22,800,874

Fire Protection Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
New Support Services Facility	\$2,408,000	\$621,000	\$6,848,525			\$9,877,525
Fire Station 2			503,424	6,317,243		6,820,667
Fire Station 7 for Southeast Quadrant	713,704	3,927,884				4,641,588
Radio Replacement for Conversion to 800 MHz		719,000				719,000
Renovations to Fire Station 4	535,600					535,600
Classroom Addition at Fire Training Center	206,494					206,494
Fire Program Total	\$3,863,798	\$5,267,884	\$7,351,949	\$6,317,243	\$0	\$22,800,874



Fire Protection Program Project Descriptions

New Support Services Facility

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will build a new Support Services Facility for the Fire Department. The Support Services Facility of the Fire Department is comprised of the maintenance area and the warehouse area. The new facility will be constructed to address numerous workspace and storage capacity issues inherent in the current facility.

2007-08 Source of Funds
General Obligation Bonds 2,480,000

Fire Station 2

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project is for building a new four bay fire station on the property of the existing Fire Station 2 and Support Services on south Hardy.

2007-08 Source of Funds
N/A

Fire Station 7 for Southeast Quadrant

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project is for building a three bay fire station in the southeast quadrant of the City. The funding request includes everything necessary to put the facility in service, including purchase of the land, the facility, fire truck, personnel, supplies and operating expenses.

2007-08 Source of Funds
General Obligation Bonds 713,704

Radio Replacement for Conversion to 800mhz

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This request is for additional funding for our conversion to 800MHz radios. At the time of our previous request, portable radios were \$3,600 per unit. The contract that these units were purchased on expired December 2006. As a result of expiration of this contract, the price for portable radios is estimated to increase to \$5,600 each. Additionally, repeaters are needed in each Fire apparatus for connectivity. Due to cost increases and needed repeaters, the previously approved amount is now short by \$719,000. This project will allow us to continue with the federally mandated conversion and remain on track in our partnership with the other Valley cities in the Automatic Aide System.

2007-08 Source of Funds
N/A

Renovations to Fire Station 4

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will renovate Fire Station 4, including: adding a women's bathroom; a complete rebuild of the kitchen/dining area; the addition of an exercise room, and significant upgrades to the truck room.

2007-08 Source of Funds
General Obligation Bonds 535,600

Classroom Addition at Fire Training Center

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will enclose part of the north patio area of the Fire Training Center to create a classroom, bringing the total number of classrooms in the facility to three. This additional classroom will help alleviate overcrowding and provide options in fulfilling the needs of both the Fire Department as well as other departments within the city.

2007-08 Source of Funds
General Obligation Bonds 206,494



Storm Drains Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Storm Drain Improvements	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Total Recommended	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Storm Drains Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Funding Source:						
<u>Water/Wastewater Fund</u>						
Storm Drain Improvements	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Storm Drains Program Total	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Storm Drains Program Project Descriptions

Storm Drain Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the construction of minor storm drain extensions to relieve localized problems and also provides for replacements and/or upgrades associated with various storm water retention facilities.

2007-08 Source of Funds

Water/Wastewater Fund	250,000
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Park Improvements Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Park Renovation and Restoration	\$6,457,224	\$6,263,424	\$5,379,324	\$5,098,774	\$5,683,874	\$28,882,620
Kiwanis Park Sprinkler System						
Replacement	270,000	1,427,500	1,427,500			3,125,000
Development of Victory Acres						
Property	1,842,000					1,842,000
Athletic Field Lighting Improvements	302,500	352,500	352,500	402,500	402,500	1,812,500
Neighborhood Park Improvements	325,000	325,000	375,000	375,000	375,000	1,775,000
Kiwanis Recreation Center Tennis						
Court Resurfacing	807,000					807,000
Street Landscaping	250,000	100,000	100,000	100,000	100,000	650,000
Park Landscaping Improvements	75,000	75,000	100,000	100,000	100,000	450,000
Sports Facility Relamping	60,000	60,000	60,000	60,000	60,000	300,000
Total Recommended	\$10,388,724	\$8,603,424	\$7,794,324	\$6,136,274	\$6,721,374	\$39,644,120

Park Improvements Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
<i>Funding Source:</i>						
<i>General Obligation Bonds</i>						
Park Renovation and Restoration	\$4,622,667	\$6,263,424	\$5,379,324	\$5,098,774	\$5,683,874	\$27,048,063
Kiwanis Park Sprinkler System						
Replacement	270,000	1,427,500	1,427,500			3,125,000
Development of Victory Acres						
Property	1,842,000					1,842,000
Athletic Field Lighting Improvements	302,500	352,500	352,500	402,500	402,500	1,812,500
Neighborhood Park Improvements	325,000	325,000	375,000	375,000	375,000	1,775,000
Kiwanis Recreation Center Tennis						
Court Resurfacing	807,000					807,000
Street Landscaping	250,000	100,000	100,000	100,000	100,000	650,000
Park Landscaping Improvements	75,000	75,000	100,000	100,000	100,000	450,000
Sports Facility Relamping	60,000	60,000	60,000	60,000	60,000	300,000
Subtotal	8,554,167	8,603,424	7,794,324	6,136,274	6,721,374	37,809,563
<i>Funding Source:</i>						
<i>Excise Tax Bonds</i>						
Park Renovation and Restoration	1,834,557	0	0	0	0	1,834,557
Subtotal	1,834,557	0	0	0	0	1,834,557
Park Improvements/Recreation						
Program Total	\$10,388,724	\$8,603,424	\$7,794,324	\$6,136,274	\$6,721,374	\$39,644,120



Park Improvements Program Project Descriptions

Park Renovation and Restoration

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project will fund the renovation of three neighborhood parks per year. The project will incorporate a planning process involving extensive neighborhood input. Our existing parks are not very reflective of their neighborhood or the desires of the neighborhood. Renovations will involve improvements to playgrounds, irrigation systems, electrical/lighting systems, picnic facilities, landscaping/visual imaging and accessibility. This project also includes renovations to various park restrooms, completion of the Kiwanis Park ramada renovations and improvements, renovation of the Kiwanis Park Fiesta Area playground, renovation of the Kiwanis Recreation Center wave making equipment, rehabilitation of the Kiwanis Recreation Center, restoration of the Escalante Swimming Pool amenities, and replacement of the Kiwanis park batting range netting.

2007-08 Source of Funds	
General Obligation Bonds	4,622,667
Excise Tax Bonds	1,834,557

Kiwanis Park Sprinkler System Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the replacement of the sprinkler system in Kiwanis Park. This project will include the installation of new 6" water mains and new valves. In addition, it would include additional irrigation to park trees (drip/bubblers) to provide a mechanism for deep watering in drought years.

2007-08 Source of Funds	
General Obligation Bonds	270,000

Development of Victory Acres Property

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project is for development of land for a park in the Victory Acres section of Tempe. There is currently no actual park land in the area on the east side of the 101 freeway, north of Broadway other than Victory Park (less than 1/10 acre). First year funding was for land acquisition. Second year funding is for design and half of the construction. This will provide the remainder of the construction funding, and the utility undergrounding along the north side of the property.

2007-08 Source of Funds	
General Obligation Bonds	1,842,000

Athletic Field Lighting Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project upgrades the lighting levels at all deficient baseball, softball, and multi-purpose fields so that they are in compliance with Illuminating Engineering Society (I.E.S.) recommendations.

2007-08 Source of Funds	
General Obligation Bonds	302,500

Neighborhood Park Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This ongoing project provides for the replacement of playground equipment, picnic equipment, fencing, signage, concrete, sand, rubber playground surfacing, etc. in the various neighborhood parks.

2007-08 Source of Funds	
General Obligation Bonds	325,000

Kiwanis Recreation Center Tennis Court Resurfacing

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides funding for the replacement of the tennis court surfacing and matting system at the Kiwanis Recreation Center.

2007-08 Source of Funds	
General Obligation Bonds	807,000

Street Landscaping

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This ongoing project provides funding for improvements & replacement of trees and other landscaping in various street rights-of-way and public properties. The additional funding in the first year allows for the hiring of a consultant to develop an urban forestry master plan and address the tree die-off issues in street rights-of-way, plus the purchase of a tree spade.

2007-08 Source of Funds	
General Obligation Bonds	250,000



Park Improvements Program Project Descriptions (continued)

Park Landscaping Improvements

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This ongoing project provides for the repair and replacement of neighborhood park landscaping. Funds are used to acquire trees, shrubs, seed/sod and other planting materials to replace trees and shrubs or repair turf areas at City parks and buildings sites on an annual basis.

2007-08 Source of Funds	
General Obligation Bonds	75,000

Sports Facility Relamping

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the continued funding of a maintenance program for our sports facilities' lighting needs. This project established a plan for a regular cycle of relamping and cleaning of light fixtures at all softball/baseball fields, soccer fields, tennis/racquetball courts and park basketball/volleyball courts.

2007-08 Source of Funds	
General Obligation Bonds	60,000



Kiwanis Park



General Governmental Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Community Development						
Parking Garage	\$7,000,000					\$7,000,000
Maryanne Corder Neighborhood Improvement Program						
	225,000	225,000	225,000	225,000	225,000	1,125,000
Community Services						
Tempe Public Library Renovation	300,833	3,425,133	3,536,333	115,000		7,377,299
Municipal Arts Program	1,410,301	909,872	806,286	558,246	432,570	4,117,275
Renovation of the Tempe Historical Museum Exhibit Hall	2,625,000					2,625,000
Financial Services						
Unfunded Prior Commitments	\$3,996,000					\$3,996,000
Public Works						
City Facilities Rehabilitation	500,000	500,000	500,000	500,000	500,000	2,500,000
Historic Properties Preservation	100,000	100,000	100,000	100,000	100,000	500,000
HVAC Equipment Replacement	50,000	50,000	50,000	50,000	50,000	250,000
Energy Upgrade and Retrofit	32,000	32,000	32,000	32,000	32,000	160,000
Roof Maintenance Program	30,000	30,000	30,000	30,000	30,000	150,000
Water Utilities						
Irrigation-Capital Replacement	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$1,375,000
Total Recommended	\$16,544,134	\$5,547,005	\$5,554,619	\$1,885,246	\$1,644,570	\$31,175,574



General Governmental Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
Tempe Public Library Renovation	\$300,833	\$3,425,133	\$3,536,333	\$115,000		\$7,377,299
Renovation of the Tempe Historical Museum Exhibit Hall	2,625,000					2,625,000
Subtotal	2,925,833	3,425,133	3,536,333	115,000	0	10,002,299
<i>Funding Source:</i>						
<u>Capital Improvements Reserve</u>						
Unfunded Commitments	3,996,000					3,996,000
City Facilities Rehabilitation	500,000	500,000	500,000	500,000	500,000	2,500,000
Municipal Arts Program	532,620	339,835	321,926	235,036	182,720	1,612,137
Irrigation-Capital Replacement	275,000	275,000	275,000	275,000	275,000	1,375,000
Maryanne Corder Neighborhood Improvement Program	225,000	225,000	225,000	225,000	225,000	1,125,000
Historic Properties Preservation	100,000	100,000	100,000	100,000	100,000	500,000
HVAC Equipment Replacement	50,000	50,000	50,000	50,000	50,000	250,000
Energy Upgrade and Retrofit	32,000	32,000	32,000	32,000	32,000	160,000
Roof Maintenance Program	30,000	30,000	30,000	30,000	30,000	150,000
Subtotal	5,740,620	1,551,835	1,533,926	1,447,036	1,394,720	11,668,137
<i>Funding Source:</i>						
<u>Excise Tax Bonds</u>						
Parking Garage	7,000,000					7,000,000
Subtotal	7,000,000	0	0	0	0	7,000,000
<i>Funding Source:</i>						
<u>Water/Wastewater Fund</u>						
Municipal Arts Program	551,410	440,582	287,260	286,960	228,900	1,795,112
Subtotal	551,410	440,582	287,260	286,960	228,900	1,795,112
<i>Funding Source:</i>						
<u>Transit Fund</u>						
Municipal Arts Program	326,271	129,455	197,100	36,250	20,950	710,026
Subtotal	326,271	129,455	197,100	36,250	20,950	710,026
General Governmental Program						
Total	\$16,544,134	\$5,547,005	\$5,554,619	\$1,885,246	\$1,644,570	\$31,175,574



General Governmental Program Project Descriptions (continued)

Parking Garage

Related Strategic Issue: Central City Development Committee of the Whole

This project provides for construction of a parking garage for additional downtown public parking.

2007-08 Source of Funds	
Excise Tax	7,000,000

Maryanne Corder Neighborhood Grant Program

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

The Maryanne Corder Neighborhood Grant Program is an annual program that provides funding for small neighborhood initiated projects (\$12,000 or less per individual association project). The selection of recipients and the amounts awarded are determined by City Council based on grant application requests by homeowner and neighborhood associations. Examples of projects include landscape, security lighting, and park improvements

2007-08 Source of Funds	
Capital Improvements Reserve	225,000

Tempe Public Library Renovation

Related Strategic Issue: Arts and Community Services

The purpose of this project is to enhance and renovate the Tempe Public Library, which opened to the public in September of 1989. Since the Library was designed and opened prior to the arrival of the Internet and the development of other media formats for the provision of information, the building was primarily designed to serve as a book repository. This project provides funding to upgrade the library's computer network, replace the furniture, and remodel the library to accommodate new usage patterns and technology.

2007-08 Source of Funds	
General Obligation Bonds	300,833

Municipal Arts

Related Strategic Issue: Arts and Community Services

This project provides funding for various Municipal Arts projects as determined by the Municipal Arts Commission and the City Council.

2007-08 Source of Funds	
Capital Improvements Reserve	532,620
Water/Wastewater Fund	551,410
Transit Fund	326,271

Renovation of the Tempe Historical Museum Exhibit Hall

Related Strategic Issue: Arts and Community Services

This project will fund the complete renovation of the 8,000 square foot exhibit hall gallery and related amenities in the Tempe Historical Museum. This project also provides for approximately 4,000 additional square feet of storage space and provides necessary upgrades in the exhibit fabrication workshop.

2007-08 Source of Funds	
General Obligation Bonds	2,625,000

Unfunded Prior Commitments

Related Strategic Issue: Finance, Economy and Veterans Affairs

This project provides funding for unfunded prior commitments, including: \$1.4 million for land acquisition for the Apache Boulevard Police Substation; \$900,000 for the Marketplace Development Disposition Agreement to assist in repaying federal loan utilized for environmental site remediation; \$791,000 due to Arizona Public Service under Rio Salado Phase I development agreement; \$500,000 for the Veteran's Memorial; \$405,000 for the Tourism and Sports Authority settlement in connection with Diablo Stadium agreement.

2007-08 Source of Funds	
Capital Improvements Reserve	3,996,000

City Facilities Rehabilitation

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project funds the rehabilitation and repair of aging public facilities and related systems including roofing repairs and replacements, floor covering, painting, repairs and upgrades of building automation, fire alarms and damaged equipment.

2007-08 Source of Funds	
Capital Improvements Reserve	500,000



General Governmental Program Project Descriptions

Historic Properties Preservation

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the preservation of the structural and aesthetic value of four city owned historic properties, including the Hackett House, the Tempe Beach Bridge abutment, the Tempe Beach ball field bleachers, and the B.B. Moeur House. These properties were determined by the Historic Preservation commission to be of historical value and should be maintained as such for future enjoyment by the public.

2007-08 Source of Funds

Capital Improvements Reserve 100,000

HVAC Equipment Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the replacement of air conditioning equipment systems in city facilities.

2007-08 Source of Funds

Capital Improvements Reserve 50,000

Energy Upgrade & Retrofit

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for replacement of substandard and inefficient lighting systems in city buildings.

2007-08 Source of Funds

Capital Improvements Reserve 32,000

Roof Maintenance Program

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides for the repair and maintenance of the roofs of city facilities.

2007-08 Source of Funds

Capital Improvements Reserve 30,000

Irrigation - Capital Replacement

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project provides a recurring funding source to replace and repair irrigation lines due to normal operation and/or that have exceeded their useful life.

2007-08 Source of Funds

Capital Improvements Reserve 275,000



Tempe Public Library



Transportation & R.O.W. Improvements Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Arterial Resurfacing	\$2,471,871	\$1,058,122	\$1,163,934	\$1,280,328	\$1,300,000	\$7,274,255
Major Street Renovation	1,082,409	1,190,650	1,500,000	1,650,000	1,815,000	7,238,059
Local Street Renovation	1,331,099	877,400	1,237,500	1,361,250	1,497,375	6,304,624
Neighborhood Rehabilitation	715,000	786,500	865,150	951,665	1,046,832	4,365,147
Intersection Reconstruction	660,000	726,000	798,600	878,460	966,306	4,029,366
Baseline Bridge Replacement Over Western Canal		2,000,000	2,000,000			4,000,000
Local and Major Street Reconstruction	955,142	459,729	477,628	525,391	625,000	3,042,890
Minor Concrete Improvements	432,575	475,832	523,415	575,757	633,333	2,640,912
Bridge Maintenance	200,000	200,000	200,000	200,000	200,000	1,000,000
Neighborhood Transportation Management	200,000	200,000	200,000	200,000	200,000	1,000,000
Railroad Quiet Zone Mitigation	550,000					550,000
Hudson Park Area Pedestrian Improvements	410,000					410,000
City Facilities Parking Lots	66,480	33,146	42,000	46,200	50,820	238,646
Minor Street and Alley Improvements	29,000	29,000	29,000	29,000	29,000	145,000
Total Recommended	\$9,103,576	\$8,036,379	\$9,037,227	\$7,698,051	\$8,363,666	\$42,238,899



Alley improvements in progress



Transportation & R.O.W. Improvements Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year Program
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
Arterial Resurfacing	\$2,471,871	\$1,058,122	\$1,163,934	\$1,280,328	\$1,300,000	\$7,274,255
Local Street Renovation	1,331,099	877,400	1,237,500	1,361,250	1,497,375	6,304,624
Major Street Renovation	1,082,409	1,190,650	1,500,000	1,650,000	1,815,000	7,238,059
Neighborhood Rehabilitation	715,000	786,500	865,150	951,665	1,046,832	4,365,147
Intersection Reconstruction	660,000	726,000	798,600	878,460	966,306	4,029,366
Baseline Bridge Replacement Over Western Canal		2,000,000	2,000,000			4,000,000
Local and Major Street Reconstruction	955,142	459,729	477,628	525,391	625,000	3,042,890
Minor Concrete Improvements	432,575	475,832	523,415	575,757	633,333	2,640,912
Neighborhood Transportation Management	200,000	200,000	200,000	200,000	200,000	1,000,000
Bridge Maintenance	200,000	200,000	200,000	200,000	200,000	1,000,000
Railroad Quiet Zone Mitigation	550,000					550,000
Hudson Park Area Pedestrian Improvements	410,000					410,000
City Facilities Parking Lots	66,480	33,146	42,000	46,200	50,820	238,646
Minor Street and Alley Improvements	29,000	29,000	29,000	29,000	29,000	145,000
Transportation & R.O.W						
Improvements Program Total	\$9,103,576	\$8,036,379	\$9,037,227	\$7,698,051	\$8,363,666	\$42,238,899



Transportation & R.O.W. Improvements Program Project Descriptions

Arterial Resurfacing

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the resurfacing and localized reconstruction of the arterial street system in the city. The majority of the arterial roadways in the city have undergone a number of preventive maintenance applications since originally constructed. The amount and type of traffic is approaching or has exceeded the design limit of some arterial streets. By overloading a roadway past its original design, rapid deterioration of the street will result. By resurfacing and rehabilitation of the arterials, the strength and the durability of the roadway will greatly increase while the cost of maintaining the road for the next 10 years will decrease.

2007-08 Source of Funds
General Obligation Bonds 2,471,871

Major Street Renovation

Related Strategic Issue: Transportation and Affordable Housing

This project provides ongoing preventative maintenance and resurfacing of major arterial and collector streets throughout the city in accordance with the city's Pavement Management Program. Without routine maintenance, the arterial street network in the city will decline at a rapid rate.

2007-08 Source of Funds
General Obligation Bonds 1,082,409

Local Street Renovation

Related Strategic Issue: Transportation and Affordable Housing

This project will provide the ongoing preventative maintenance (slurry seal) of local/residential streets throughout the city in accordance with the city's Pavement Management Program.

2007-08 Source of Funds
General Obligation Bonds 1,331,099

Neighborhood Rehabilitation

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the reconstruction, resurfacing, and/or rehabilitation of residential streets in Tempe neighborhoods. The City's preventive maintenance efforts over the years have preserved our streets and kept them in very good condition. However, a growing number of residential streets are to the point that preventive maintenance is no longer effective or appropriate. This program allows for the annual rehabilitation of 6 miles of residential streets on average.

2007-08 Source of Funds
General Obligation Bonds 715,000

Intersection Reconstruction

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the reconstruction, resurfacing, and rehabilitation of intersections throughout the city that have been determined to be unsafe for both pedestrian and vehicular traffic. This project will explore additional pavement alternatives such as portland cement concrete and other additives that will improve the structural integrity of the intersections. The requested funding will address approximately three intersections per year.

2007-08 Source of Funds
General Obligation Bonds 660,000

Baseline Bridge Replacement Over Western Canal

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

This project includes the replacement of the existing Baseline Bridge over the Western Canal. This bridge was inspected and found to be at the limit of its capacity and is in need of replacement over the next few years.

2007-08 Source of Funds
N/A

Local and Major Street Reconstruction

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the reconstruction, resurfacing, and rehabilitation of isolated and/or small groups of streets that have exceeded their design life or that were never part of the city's street system. Streets and/or public rights-of-way in this category include streets that were acquired through annexation processes throughout the years, and streets/rights-of-way that have never been constructed to city standards.

2007-08 Source of Funds
General Obligation Bonds 955,142



Transportation & R.O.W. Improvements Program Project Descriptions (continued)

Minor Concrete Improvements

Related Strategic Issue: Transportation and Affordable Housing

This project will provide for the emergency replacement of broken curbs, gutters, and sidewalks throughout the City. Other uses include the construction of curbs, gutters, and sidewalks to improve the continuity of the infrastructure and to improve accessibility and mobility for pedestrians in various areas.

2007-08 Source of Funds	
General Obligation Bonds	432,575

Neighborhood Transportation Management

Related Strategic Issue: Transportation and Affordable Housing

This project will provide the Transportation Division with resources to strengthen its ability to address neighborhood traffic concerns, such as the installation of traffic calming devices.

2007-08 Source of Funds	
General Obligation Bonds	200,000

Bridge Maintenance

Related Strategic Issue: Transportation and Affordable Housing

This project provides for repair and maintenance of bridges located throughout the city. Federal law mandates the inspection of all bridges in the country every two (2) years. The Arizona Department of Transportation (ADOT) has been inspecting Tempe's bridges for many years and submitting a report to the city for required repairs and maintenance. In this report, ADOT identifies specific repairs and maintenance required and quantifies the estimated cost to make the repairs. The city updates these costs for construction inflation and determines current costs. The scope of work includes replacement of damaged joints, joint seals and diaphragms, cleaning debris out of the joints to allow them to function properly, posting of vertical clearance signs, repair of damaged structural members and guard, replacement of missing bolts and nuts from railings, correction of settlement and subsidence at abutments and miscellaneous other items. This is done to assure that the bridges are safe and in good repair. The consequences of not carrying out this procedure are potentially unsafe bridges and eventually catastrophic failure.

2007-08 Source of Funds	
General Obligation Bonds	200,000

Railroad Quiet Zone Mitigation

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

The project is for final design and construction of mitigation measures for a locomotive quiet zone for 10 at-grade railroad crossings in the City of Tempe. For the railroad to minimize the use of the required horns at intersections, the city needs to develop and implement mitigation measures to promote safety at the crossings.

2007-08 Source of Funds	
General Obligation Bonds	550,000

Hudson Park Area Pedestrian Improvements

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the final design and construction of street improvements around Hudson Park. The project will include removal and reconstruction of curb and gutter, sidewalk replacement, and ADA accessibility improvements along the streets surrounding the park.

2007-08 Source of Funds	
General Obligation Bonds	410,000

City Facilities Parking Lots

Related Strategic Issue: Transportation and Affordable Housing

This project will provide for the sealing, resurfacing and reconstruction of City parking lots in accordance with the City's Pavement Management Program.

2007-08 Source of Funds	
General Obligation Bonds	66,480

Minor Street and Alley Improvements

Related Strategic Issue: Transportation and Affordable Housing

This project will provide for the improvement of dust control on minor streets and alleys throughout the city, including paving unpaved streets or upgrading substandard minor streets to city standards. The paving of these streets and dust control in the alleys will assist the city in meeting its air quality standard requirements. Alleys that have been improved provide an environment that allows the solid waste personnel to complete their duties safely and quickly as well as encourage residents to take ownership of their alley and increase neighborhood pride.

2007-08 Source of Funds	
General Obligation Bonds	29,000

**Traffic Signals/Street Lighting Program Projects by Total Project Cost**

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
New Signals/Modular Upgrade	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Utility Undergrounding	300,000	300,000	300,000	300,000	300,000	1,500,000
Street Light Pole Structural Replacement	300,000	300,000	300,000	300,000	300,000	1,500,000
Street Light Upgrades/New Installation	300,000	300,000	300,000	300,000	300,000	1,500,000
Installation of Pedestrian ITS Devices	25,000	25,000	25,000	25,000	25,000	125,000
Total Recommended	\$1,525,000	\$1,525,000	\$1,525,000	\$1,525,000	\$1,525,000	\$7,625,000

Traffic Signals/Street Lighting Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	Program
Funding Source:						
<u>General Obligation Bonds</u>						
New Signals/Modular Upgrade	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Utility Undergrounding	300,000	300,000	300,000	300,000	300,000	1,500,000
Street Light Pole Structural Replacement	300,000	300,000	300,000	300,000	300,000	1,500,000
Street Light Upgrades/New Installation	300,000	300,000	300,000	300,000	300,000	1,500,000
Installation of Pedestrian Intelligent Transport Systems Devices	25,000	25,000	25,000	25,000	25,000	125,000
Traffic Signals/Street Lighting Program Total	\$1,525,000	\$1,525,000	\$1,525,000	\$1,525,000	\$1,525,000	\$7,625,000



Traffic Signals/Street Lighting Program Project Descriptions

New Signals/Modular Upgrade

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the installation of new traffic signals as warranted by traffic engineering studies or for the conversion of existing signals to modular standards.

2007-08 Source of Funds	
General Obligation Bonds	600,000

Utility Undergrounding

Related Strategic Issue: Transportation and Affordable Housing

This project will provide for the undergrounding of overhead utility lines. Sec 25-120-126 requires the undergrounding of all new and existing utility lines in conjunction with a development/redevelopment project. However, in established, residential areas, the possibility of undergrounding by others (or developers) is unlikely. Therefore, the city budgets for the undergrounding of these areas to provide a more reliable power source as well as aesthetics.

2007-08 Source of Funds	
General Obligation Bonds	300,000

Street Light Pole Structural Replacement

Related Strategic Issue: Transportation and Affordable Housing

The project will fund the replacement of existing rusted street light poles that are direct buried and provide funding to replace all direct buried street light poles to meet our current street light pole foundation standards. It is estimated that there may be 3,000 rusted street light poles in our inventory which may increase because of corrosion over the next ten years.

2007-08 Source of Funds	
General Obligation Bonds	300,000

Street Light Upgrades/New Installation

Related Strategic Issue: Transportation and Affordable Housing

This project provides for the installations of new street lights at various locations as well as the upgrading of street lights from mercury vapor luminaires to high pressure luminaires. A typical year's program would include installation of 100 new arterial street lights and 25 mid-block residential lights.

2007-08 Source of Funds	
General Obligation Bonds	300,000

Installation of Pedestrian Intelligent Transport Systems (ITS) Devices

Related Strategic Issue: Transportation and Affordable Housing

The purpose of this project is to convert existing or install new accessible pedestrian devices at traffic signal controlled intersections. This project is a step toward complying with the Americans with Disabilities Act (ADA) and provides an essential public service for Tempe residents. Examples of these devices include, but are not limited to, pedestrian push buttons, pedestrian countdown signal heads, audible pedestrian technologies and machine vision detections. These devices provide audible, vibro-tactile and visual information for pedestrians with limited or no hearing or sight.

2007-08 Source of Funds	
General Obligation Bonds	25,000

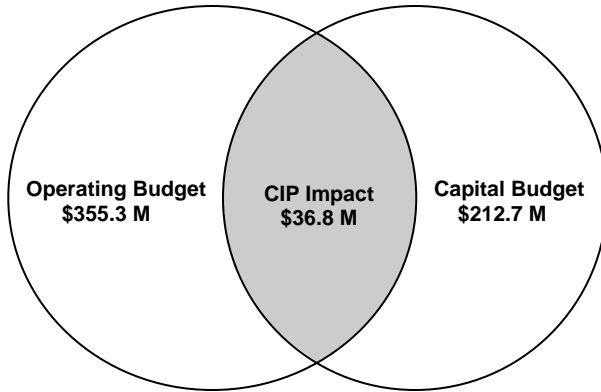


Traffic signal under construction

Relationship Between Operating and Capital Budgets



Though the City of Tempe prepares a separate Capital Budget from the Operating Budget, the two budgets are linked. These links include operating and maintenance costs associated with new facilities, debt service payments for new debt financed projects, and pay-as-you-go financing from operating revenues. These incremental impacts total \$36.8 million in FY 2007-08.



As part of the Capital Improvements Program, departments were asked to identify those capital projects that have an impact on the operating budget and then quantify the impact in terms of operation and maintenance. The table below details the projected operating and maintenance impact, by project, of the capital improvements on the FY 2007-08 operating budget. As shown in the table, the finalization of the construction of the Tempe Transportation Center contributes the largest operating cost, with \$674 thousand from the Transit Fund. This amount will provide for 11 new Full-Time Equivalent (FTE) positions associated with opening this facility in the latter part of the year. In general terms these costs relate to the hiring of personnel to operate the Transportation Center, including administrative, facilities maintenance, security, and custodial staff and one-time vehicle purchases. The other noteworthy operating impact is \$26 thousand from the General Fund for maintenance costs of adding the Victory Acres property to the neighborhood parks system.

Incremental Impact of Capital Budget on Operating Budget - All Funds	
FY 2007-08	
New Debt Service	
Enterprise	\$4,658,250
Transportation	279,000
General Purpose	982,311
Special Purpose	3,949,828
New Operations and Maintenance	710,112
Pay-As-You-Go Financing	
Transit Fund	25,373,671
Water/Wastewater Fund	801,410
Total	\$36,754,582

FY 2007-08 Detailed Operating and Maintenance Impacts of Capital Improvements			
Program / Project	\$ Amount	FTE	Fund
Special Purpose			
Tempe Transportation Center	\$673,962	11	Transit Fund
General Purpose			
TIPS (Technology Integrated Police Systems)	10,000		General Fund
Development of Victory Acres Property	26,150		General Fund
Total Operating Impacts	\$710,112	11	



Capital Budget Policy Statement

- Estimated costs, potential revenue and funding sources shall be identified prior to any project being submitted for Council approval. A department which anticipates a capital project exceeding its adopted budget shall submit a plan to Council addressing the issue for its prior approval.
- A five-year capital improvements program, as required by City Charter, will be developed and updated annually including anticipated funding sources. In addition, a prior year capital project status report shall be presented to the Council for information purposes when the capital improvement budget is considered.
- The annual operating budget will provide for the adequate maintenance and the orderly replacement of the capital plant and equipment from current revenue where possible.
- Capital improvement operating budget impacts will be coordinated with the development of the Operating Budget. Future operating, maintenance, and replacement costs will be forecast as part of the City's annual long range financial capacity study.
- The City may provide for internal, pay-as-you go financing for its capital improvement program. Funding may come from fund balance reserves or any other acceptable means of funding.

Debt Policy Statement

- Debt will only be used to finance long term capital improvements and not be used to finance recurring operating expenses.
- In accordance with state law, the total value of General Obligation bonds issued for the purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds, and recreational facilities, public safety, law enforcement, fire and emergency services facilities, and streets and transportation facilities cannot exceed 20% of assessed valuation. The total value of General Obligation bonds issued for all other purposes other than those listed above cannot exceed 6% of assessed valuation.
- Debt term should match the useful life of the capital project funded.
- Debt service schedules will be based upon level annual principal and interest payments.
- Overlapping debt issue shall be included in the City's financial reports
- Authorized debt shall be limited as follows unless authorization is obtained from the City Council to exceed these limits
 - General obligation bonds shall follow the guidelines established in the Debt Management Plan
 - Excise tax bonds shall maintain revenue coverage limits of at least 3 times debt service
 - Improvement District bonds shall not exceed 5% of the City's secondary assessed valuation
 - Short-term borrowing or lease/purchase contracts must be budgeted within the Operating Budget
- Benchmark ratios of per capita debt, debt service to operating revenue, and outstanding debt as a percent of full cash value will be updated regularly and incorporated into the Debt Management Plan.

Legal Bonded Debt Limits



Under Article 9, Section 8 of the Arizona State Constitution, cities may issue general obligation bonds for purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds and recreational facilities, public safety, law enforcement, fire and emergency services facilities and streets and transportation facilities up to an amount not exceeding 20% of the secondary assessed value.

Cities may also issue general obligation bonds for all other purposes not included in the 20% Debt Margin category up to an amount not exceeding 6% of the secondary assessed value. Bonds issued under either the 20% or 6% limit are subject to authorization by a majority vote at a city bond election.

	FY 2007-08	
	6%	20%
Bond Limit ⁽¹⁾	\$144,113,908	\$480,379,693
Outstanding Bonded Debt-Previously Issued	(1,455,000)	(358,310,000)
Proposed General Obligation Bonds to be Sold in FY 2007-08		
Water/Wastewater		50,555,000
Storm Drains		
Park Improvements		8,554,167
Public Safety/Law Enforcement		13,243,022
Fire and Emergency Services		3,863,798
Transportation		10,628,576
All Others	2,925,833	
Debt Margin Available	\$139,733,075	\$35,225,130

⁽¹⁾ The FY 2007-08 Bond Limit is based upon an estimated secondary assessed value of \$2,401,898,465, compared to the FY 2006-07 secondary assessed value of \$2,006,703,332.

Long Term Debt Summary



General Obligation Voter Authorization	Original Authorization	Prior Issues	2007-08 Issue	Remaining Authorization
2002 Program				
Water/Wastewater	\$77,000,000	\$77,000,000		\$0
Police Protection	31,500,000	26,940,000	4,560,000	0
Fire Protection	6,000,000	2,710,000	3,290,000	0
Park Improvements	12,000,000	12,000,000		0
Streets/Transportation	31,500,000	14,120,000	10,628,576	6,751,424
Sub Total	158,000,000	132,770,000	18,478,576	6,751,424
2006 Program				
Water/Wastewater	172,000,000	121,445,000	50,555,000	0
Police Protection	14,000,000		8,683,022	5,316,978
Fire Protection	2,500,000		573,798	1,926,202
Community Services/Park Improvements/Library	14,000,000	2,520,000	11,480,000	0
Streets/Transportation	8,000,000			8,000,000
Sub Total	210,500,000	123,965,000	71,291,820	15,243,180
TOTAL	\$368,500,000	\$256,735,000	\$89,770,396	\$21,994,604

Long-Term Debt Outstanding	July 1			
	2004	2005	2006	2007
General Obligation Bonds				
Water/Wastewater	\$103,735,000	\$137,390,000	\$180,935,000	\$243,265,000
Police Protection	7,590,000	7,205,000	27,625,000	29,255,000
Fire Protection	11,425,000	10,515,000	9,685,000	8,855,000
Storm Drains	4,350,000	4,110,000	4,180,000	3,970,000
Park Improvements	20,095,000	25,940,000	25,535,000	25,665,000
Library/Museum	130,000	130,000	115,000	1,455,000
Streets/Transportation	48,050,000	51,980,000	50,470,000	47,300,000
Total G.O. Debt Outstanding	195,375,000	237,270,000	298,545,000	359,765,000
Tempe Municipal Property Corp. Bonds				
Golf Course Improvements	400,000	275,000	140,000	0
Total Tempe Municipal Property Debt	400,000	275,000	140,000	0
Tempe Sports Authority Corp. Bonds/COP				
Certificates of Participation (COP)	2,840,000	2,320,000	1,780,000	1,220,000
Total Tempe Sports Authority Corp. Bonds/COP	2,840,000	2,320,000	1,780,000	1,220,000
Total Performing Arts Excise Tax Bonds	37,595,000	36,095,000	56,665,000	52,545,000
Total Transit Excise Tax Bonds			60,675,000	109,785,000
Total Rio Salado Excise Tax Bonds	37,935,000	36,570,000	35,175,000	33,745,000
Total Governmental Excise Tax Bonds	6,380,000	25,125,000	24,535,000	23,975,000
Total Cemetery Enterprise Bonds		2,305,000	2,210,000	2,130,000
Total Long-Term Outstanding Debt	\$280,525,000	\$339,960,000	\$479,725,000	\$583,165,000

Capital Budget, Debt Service and Property Tax Rate: Ten Year Historical Trends



Fiscal Year	Budgeted Capital Improvements Program	Outstanding Principal Debt	Debt Service Requirements P & I	Net Secondary Assessed Value	% Change in Secondary Assessed Valuation	Property Tax Rate (\$)		
						Primary	Secondary	Total
1998-99	87,651,929	203,495,000	24,297,657	1,098,826,160	10.6	.54	.86	1.40
1999-00	85,587,326	197,735,000	31,836,932	1,240,471,800	12.9	.55	.85	1.40
2000-01	67,408,152	200,805,000	29,772,986	1,356,429,397	9.3	.54	.81	1.35
2001-02	85,541,430	205,950,000	26,675,235	1,456,361,617	7.4	.53	.82	1.35
2002-03	95,318,794	252,480,000	23,996,164	1,556,492,294	6.9	.52	.83	1.35
2003-04	117,968,707	280,525,000	27,243,978	1,688,452,415	8.5	.55	.80	1.35
2004-05	177,118,222	339,960,000	27,696,707	1,768,877,385	4.8	.53	.82	1.35
2005-06	189,971,703	484,860,000	36,218,409	1,904,426,188	7.7	.52	.88	1.40
2006-07	196,728,491	583,165,000	53,474,507	2,006,703,332	5.4	.52	.88	1.40
2007-08	212,706,469	667,179,516	65,096,167	2,401,898,465	19.7	.51	.89	1.40

Summary:

- (1) Outstanding Principal Debt includes all forms of City debt, including general obligation, excise, and enterprise supported debt.
- (2) The increase from \$118 million in FY 2003-04 to \$177.2 million in FY 2004-05 was due primarily to the construction of the Tempe Center for the Arts in the Special Purpose Capital Program and inclusion of light-rail construction within the Transit program. In more recent years an expanded Water/Wastewater capital program and renovations to the neighborhood parks system are contributing to program growth. The increase in outstanding principal is due to an increasing utilization of bonded debt in the Capital Budget.
- (3) Debt Service Requirements column includes amount for Community Facilities District Debt, which is not subject to appropriation.

Debt Service Appropriations by Fund

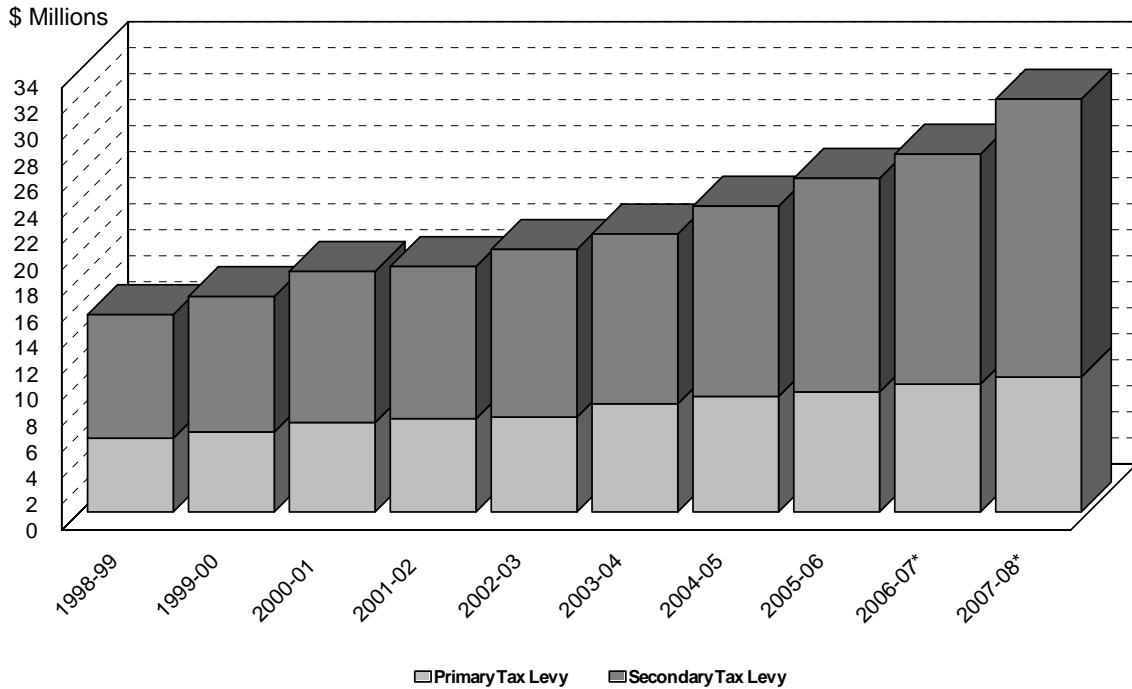
	FY 2007-08			
	Principal	Interest	Fiscal Agent Fees	Total
Debt Service Fund	\$9,117,792	\$8,065,705	\$330,000	\$17,513,497
Transit Fund	2,522,796	9,731,233	600,000	12,854,029
Water/Wastewater Fund	14,790,354	12,303,469	550,000	27,643,823
Golf Fund	4,464	3,629	2,000	10,093
Performing Arts Fund	3,485,000	2,492,051	40,000	6,017,051
Cemetery Fund	80,000	96,938	25,000	201,938
Total	\$30,000,406	\$32,693,025	\$1,547,000	\$64,240,431

Property Taxes



Beginning with FY 1980-81, property taxes were divided into two distinct levies, primary and secondary. The primary tax levy may be imposed for any type of municipal expenditure while the secondary tax levy may only be used to retire principal and interest charges on bonded indebtedness.

Primary levy increases are restricted by state statute. However, secondary levy increases are “unlimited” in that they may be increased to the level necessary to retire bonded indebtedness. In FY 2005-06, the City raised the levy rate to \$1.40 to increase debt capacity for capital improvement projects. The rate is unchanged in the FY 2007-08 budget.



Fiscal Year	Primary Tax Levy	Secondary Tax Levy	Total	Tax Rate/ \$100 Assessed Value
1998-99	5,665,500	9,506,788	15,172,288	1.40
1999-00	6,145,600	10,416,336	16,561,936	1.35
2000-01	6,879,783	11,615,100	18,414,400	1.35
2001-02	7,169,352	11,695,228	18,864,580	1.35
2002-03	7,291,549	12,897,095	20,188,644	1.35
2003-04	8,313,398	13,059,814	21,373,212	1.35
2004-05	8,878,734	14,631,500	23,510,234	1.35
2005-06	9,287,702	16,430,588	25,718,190	1.40
2006-07*	9,822,845	17,693,103	27,515,948	1.40
2007-08*	10,371,221	21,364,887	31,736,108	1.40

* Amounts reflect estimated receipts



Total Operating Budget and Debt Service

Budget Data	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Operating Budget	\$266,784,607	\$314,115,625	\$323,798,278	\$355,286,702
Cost Per Capita	\$1,609	\$1,885	\$1,943	\$2,122
% Change (cost per capita)		17.2%	3.1%	12.6%
Tax-Supported Debt Service	\$13,221,993	\$16,495,505	\$16,495,505	\$17,513,497
Cost Per Capita	\$80	\$99	\$99	\$100
% Change (cost per capita)		24%	0%	0%

Total Operating Revenue by Source

Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
General Fund	\$158,553,063	\$160,525,688	\$167,844,456	\$179,417,531
Debt Service Fund	17,832,727	18,580,379	18,580,379	22,252,163
Transportation/Transit Funds	54,344,912	55,928,919	56,345,946	57,678,474
CDBG/Section 8 Funds	13,842,836	11,502,474	11,750,729	11,016,572
Rio Salado Fund	1,164,487	1,054,747	1,276,253	1,358,770
Performing Arts Fund	7,054,202	7,393,250	7,474,963	8,077,567
Enterprise Funds	61,150,739	62,741,283	64,023,553	67,359,772
Total	\$313,942,966	\$317,726,740	\$327,296,279	\$347,160,849

Staffing Summaries Citywide: Full-Time Authorized Positions

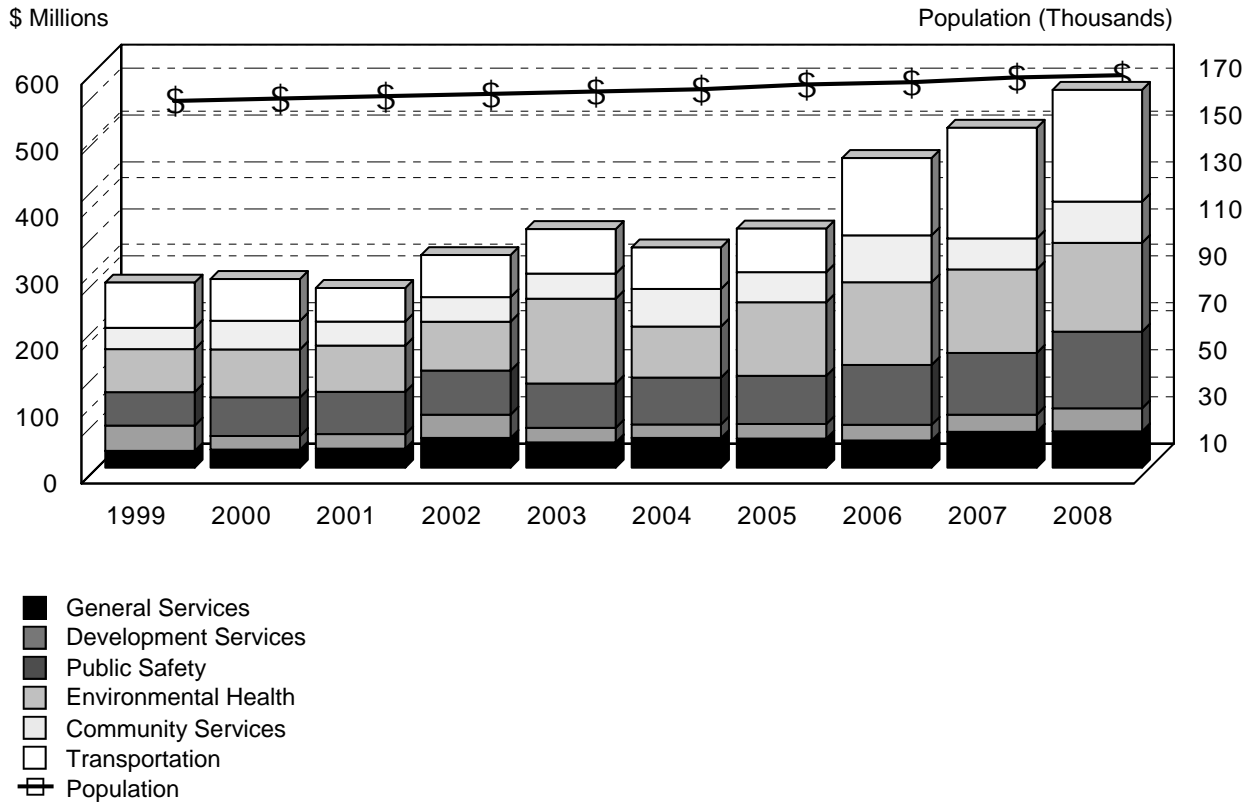
Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Total Personnel	1,700	1,731	1,733	1,785
Employees/1,000 Population	10.3	10.4	10.4	10.7
% Change (Employees/1,000 Population)		1.8%	0.1%	3.1%

Program Budget at a Glance



The City's Total Financial Program consists of six major areas: (1) General Services, (2) Development Services, (3) Public Safety, (4) Environmental Health, (5) Community Services, and (6) Transportation.

Historically, Environmental Health has always consumed the largest share of program expenditures. For FY 2007-08, Transportation now constitutes the largest share with 30% of total program expenditures. This reflects the commitment to construct the transit light rail project, regional maintenance facility, and multi-use paths. Environmental Health represents 23% of the budget, reflecting funding for plant capacity expansions for water and wastewater facilities.



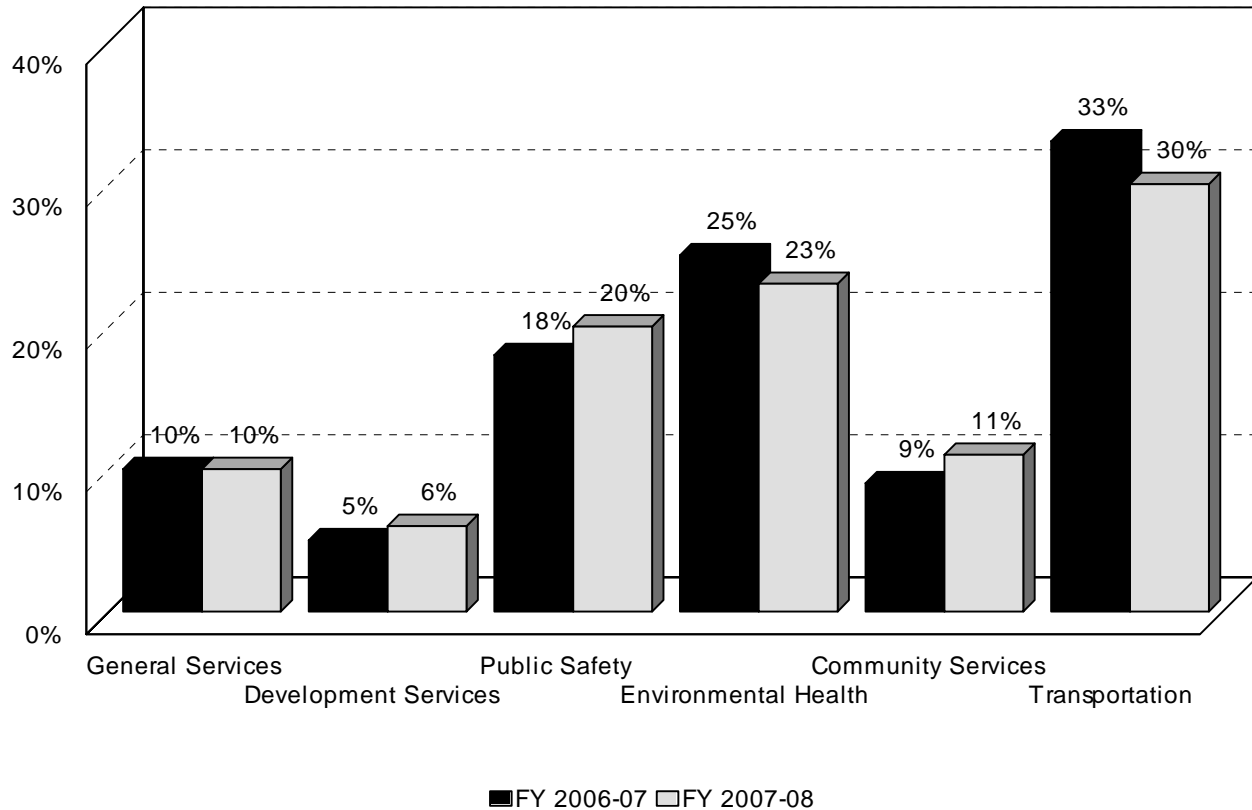
Program (Thousands)	FYE 99	FYE 00	FYE 01	FYE 02	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08
General Services	\$25,138	\$27,024	\$28,427	\$44,517	\$37,819	\$44,547	\$43,779	\$40,785	\$53,773	\$54,462
Development Services	37,949	20,483	21,842	35,036	21,958	20,287	21,659	23,454	25,767	34,719
Public Safety	50,509	58,040	63,479	66,277	66,618	70,515	72,421	89,998	92,868	115,092
Environmental Health	64,472	72,022	69,586	73,406	127,686	76,678	110,865	124,395	125,421	133,574
Community Services	32,138	43,320	36,232	37,070	37,544	56,500	45,126	70,547	46,713	61,942
Transportation	67,905	62,624	50,508	63,251	67,055	62,389	65,461	116,090	166,302	168,204
Total	\$278,111	\$283,513	\$270,074	\$319,557	\$358,680	\$330,916	\$359,311	\$465,269	\$510,844	\$567,993

Per Capita Expenditures by Program



In FY 2007-08, the total financial program per capita cost is \$3,392, representing a 10% increase over FY 2006-07. In this fiscal year, for every \$1 of expenditure, 30¢ is earmarked for Transportation, 23¢ for Environmental Health, 20¢ for Public Safety and the remainder for General Services, Community Services, and Development Services. In relation to the prior year, spending per capita remains relatively comparable.

Per Capita Spending by Program as a Percent of Total Spending



Per Capita Expenditures				
Program	FY 2006-07	Percentage of Total	FY 2007-08	Percentage of Total
General Services	\$323	10%	\$325	10%
Development Services	155	5%	207	6%
Public Safety	557	18%	688	20%
Environmental Health	753	25%	798	23%
Community Services	280	9%	370	11%
Transportation	998	33%	1,004	30%
Total Per Capita Expenditures	\$3,066	100%	\$3,392	100%

Program By Fund Summary



The majority of funding for the City's two largest program areas, Transportation and Environmental Health, comes from enterprise, special revenue, and capital revenues. In terms of General Fund revenue, the Public Safety program receives the majority of funding.

FY 2007-08							
Fund	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
General	\$35,614,263	\$13,413,017	\$92,584,925	\$237,864	\$30,428,786	\$870,000	\$173,148,855
Rio Salado		1,598,724			479,622		2,078,346
HURF				71,853		10,226,109	10,297,962
Transit						51,893,704	51,893,704
Debt Service	17,513,497						17,513,497
Performing Arts					8,598,850		8,598,850
Golf					2,078,836		2,078,836
Solid Waste				14,380,842			14,380,842
Water/Wastewater	397,639			63,492,515			63,890,154
CDBG/Section 8 Housing		11,016,572					11,016,572
Cemetery					389,084		389,084
Total Operating	53,525,399	26,028,313	92,584,925	78,183,074	41,975,178	62,989,813	355,286,702
Capital Improvements	937,000	8,691,000	22,506,820	56,192,410	19,966,958	130,587,362	212,706,469
TOTAL PROGRAM	\$54,462,399	\$34,719,313	\$115,091,745	\$133,574,074	\$61,942,136	\$168,203,504	\$567,993,151

Public Safety represents the largest program in the General Fund.

Program By Department Summary



FY 2007-08							
Department	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
Mayor and Council	\$429,943						\$429,943
City Manager	363,884						363,884
Community Relations	2,977,457						2,977,457
City Clerk	734,318						734,318
City Court			4,140,201				4,140,201
Human Resources	3,261,368						3,261,368
City Attorney	3,561,320						3,561,320
Financial Services	4,639,581			1,895,288			6,534,869
Diversity Program	604,701						604,701
Internal Audit	500,620						500,620
Development Services		6,833,694					6,833,694
Community Development		16,579,545			103,186		16,682,731
Police			66,043,829				66,043,829
Fire			22,400,895				22,400,895
Community Services					17,068,792		17,068,792
Parks and Recreation					18,197,682		18,197,682
Water Utilities				32,953,404			32,953,404
Public Works	6,954,210	2,615,074		14,690,559		49,092,784	73,352,627
TOTAL DEPT	24,027,402	26,028,313	92,584,925	49,539,251	35,369,660	49,092,784	276,642,335
Non-Departmental	8,404,500					870,000	9,274,500
Debt Service	17,513,497			27,643,823	6,229,082	12,854,029	64,240,431
Contingency	3,580,000			1,000,000	376,436	173,000	5,129,436
TOTAL OPERATING	53,525,399	26,028,313	92,584,925	78,183,074	41,975,178	62,989,813	355,286,702
Capital Improvements	937,000	8,691,000	22,506,820	56,192,410	19,966,958	130,587,362	212,706,469
TOTAL PROGRAM	\$54,462,399	\$34,719,313	\$115,091,745	\$133,574,074	\$61,942,136	\$168,203,504	\$567,993,171

Public Works represents 100% of the total departmental Transportation program, while Police comprises 71% of the total Public Safety departmental program budget.

Impact of Total Budget on Residents



The City maintains three utility services for water, sewer, and solid waste. For FY 2007-08, an increase in water, sewer and solid waste rates has been approved and will be effective November 1, 2007. Rate reviews for each of the utility services will continue annually.

Local Taxes

Sales Tax

The City Sales Tax is currently 1.8%. Of this tax, 1.2% is dedicated to the General Fund, 0.5% goes to fund Transit, and 0.1% is devoted to the Visual and Performing Arts.

Property Tax

The property tax rate for FY 2007-08 will remain at \$1.40/\$100 assessed valuation. The primary tax rate is \$0.51 and the secondary tax rate is \$0.89. The primary levy is used to offset General Fund services such as police, fire, parks, and libraries, while the secondary tax levy is used to repay debt on general obligation bonds.

Utility Charges for Services

Water/Sewer

Effective November 1, 2006, water rates increased by 4.2%, and sewer rates increased by 7.1%. Per Council approval, water and sewer rates will be adjusted again in the fall of 2007 to attain full cost recovery, as customer charges are based upon water consumption and strength of discharge into the sewer system. The impact to rates paid by water and sewer customers will be increases of 4.6% and 6.7%, respectively.

Solid Waste

Effective November 1, 2006, solid waste rates were changed. The rate for residential services increased by 4.0%, while the commercial services rate increased by 5.0%. In the fall of 2007, the residential service rate will increase by 4%, while the commercial service charge will increase by 5%.

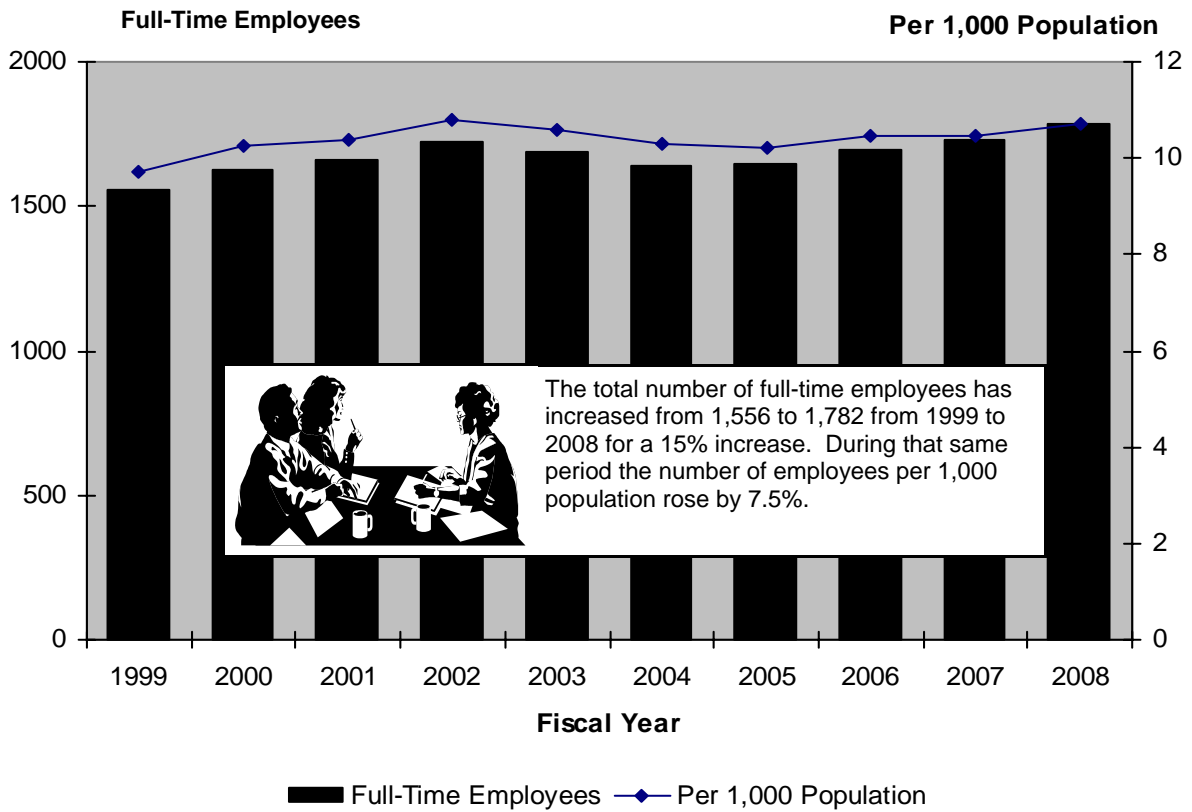
Fiscal Year	Local Taxes		Average Utility Charges for Services (monthly) ¹		
	Sales Tax	Property Tax	Water	Sewer	Solid Waste
2006-07	1.8%	\$1.40	\$23.01	\$14.41	\$16.74
2007-08	1.8%	\$1.40	\$23.99	\$15.44	\$17.41

¹ Charges reflect rates effective July 1

Personnel Summary: Ten Year History



The number of full-time employees, which does not include permanent full-time equivalents or temporary full-time equivalents, for FY 2007-08 totals 1,782, a 2.9% increase from FY 2006-07. Total employees per 1,000 population for FY 2007-08 is estimated at 10.65, a 2.4% increase from the previous fiscal year. The increase in the number of personnel is primarily due to additional public safety personnel.



Fiscal Year End	Full-Time Employees	Employees Per 1,000 Population
1999	1,556	9.71
2000	1,628	10.27
2001	1,661	10.36
2002	1,722	10.80
2003	1,692	10.61
2004	1,643	10.29
2005	1,645	10.10
2006	1,700	10.25
2007	1,731	10.38
2008	1,782	10.65

THE FOLLOWING SECTION SUMMARIZES THE COMPREHENSIVE FINANCIAL PLAN WHICH SERVED AS THE CORNERSTONE FOR THE FINANCIAL ACTION PLAN AND CAPITAL AND OPERATING BUDGET DECISION MAKING. IT INCLUDES LONG-RANGE FORECASTS OF REVENUES AND EXPENDITURES, ISSUES, TRENDS AND RESOURCE CHOICES FOR ALL FUNDS, AND DEBT MANAGEMENT PROGRAM.



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Introduction

The Comprehensive Financial Plan, first published in March 1991, is a vital component of Tempe's financial management strategy. Its purpose is to provide a five-year perspective on the financial condition of the City's major appropriated funds. As a planning tool it provides a long-range context for the City Council to use in making budgetary decisions for the upcoming fiscal year.

Study Approach

As part of this study, the Management and Budget Section within Financial Services has established financial models that examine the City's appropriated operating funds and their underlying revenue and expenditure structures for the period of FY 2007-08 through FY 2010-12.

Forecast models are presented along with trends, forecasts, and fund balances for each of the funds.

Major operating funds examined include:

- General Fund
- Transit Fund
- Transportation Fund
- Performing Arts Fund
- Water/Wastewater Fund
- Solid Waste Fund
- Golf Fund
- Rio Salado and Community Facilities District Funds

Major Study Findings

Highlights of the major findings and conclusions from the long-range financial study are as follows:

The City continues to have strong fund balances and reserves. This is best depicted by the following:

- Unrestricted fund balance in the General Fund is at \$40.9 million as of June 30, 2006. This balance represents 26% of FY 2005-06 total General Fund revenue (25% is the guideline used by the City as an optimum fund balance level according to the City's financial policy).
- Self-insurance reserve of \$8.8 million (considered adequately protected from potential liability claims).
- Restricted debt service reserve of \$18.5 million, above the policy level of 8% of outstanding bonded debt
- Water/Wastewater fund balance of \$65.6 million, as of June 30, 2006, provides necessary coverage

for operating and capital expenses and critical financial flexibility over the next several years.

- The City enjoys bond ratings of:
 - "AAA" Fitch
 - "AAA" Standard and Poor's
 - "Aa1" Moody's
- A recent decision by the Governmental Accounting Standards Board (GASB) requires government employers to disclose the cost of OPEB over the active life of the benefiting employees (GASB Statement No. 45). The City of Tempe's liability arises from retiree healthcare subsidies. The City took a proactive stance by commissioning an actuarial study. This study estimated the City's accumulated OPEB liability across all funds to be \$300 million. This equates to an annual contribution of \$19.6 million per year over a period of 25 years assuming the current benefit structure remains in place.

As the fund with the largest share of both current and retired employees, the **General Fund** is impacted the greatest by the OPEB liability. In terms of baseline financial health, the General Fund is experiencing future fund surpluses. Taking an annual OPEB contribution into consideration however, results in operating deficits beginning in FY 2007-08 and continuing through the forecast period. This is the primary financial challenge facing the City, and is being explored further in terms of the steps to be taken to address it.

As a relatively new fund, the **Transit Fund** is not experiencing as large an impact from the OPEB liability, as there is a much lower number of retirees receiving benefits from this fund in the actuarial calculation. Therefore this fund is expected to post continuing operating surpluses in the forecast period, as Transit Tax revenues and interjurisdictional payments are more than sufficient to meet operating and capital needs of this fund over the next five years.

Our projection is for continued reductions in our percentage share of state revenue for transportation from the Highway User Revenue Fund (HURF) and the State Lottery as Tempe's share of statewide population falls (which is the method used to allocate these monies). This factor, combined with expenditure growth and OPEB costs, may produce a deficit condition in the **Transportation Funds** in future years.

The **Performing Arts Fund** is expected to experience a near term operating deficit, as one-time costs associated with opening the Tempe Center for the Arts in FY 2007-08 exceed annual revenue from the Performing Arts Tax. In the out years of the forecast, however, operating surpluses are expected. Similar to the Transit Fund, this fund is relatively new and therefore does not have a large OPEB liability.



Given a projection of increasing future operating deficits, the **Water/Wastewater Fund** will require future rate adjustments with the goal to ensure full cost recovery. These adjustments are largely necessary due to increasing debt service costs associated with capital improvements necessary to meet the fiscal impact of water/wastewater regulatory compliance and sewer capacity demands. These costs are due to federally mandated modifications at the regionally shared 91st Avenue Wastewater Treatment Plant, as well as the need for increased sewage processing capacity and other compliance driven improvements.

The **Solid Waste Fund** is projected to go into deficit condition in the out-years of the forecast, and as such, it will be necessary to review Solid Waste fees to bring revenues in line with growth in expenses. Similar to the General Fund, the primary reason for the deficit is the estimated OPEB liability.

The **Golf Fund** has been experiencing an operating deficit for several years, and given current operations, the forecast is that this trend will continue. Solutions to this operating profile are being sought, and may include the possibility of rate adjustments to avoid operating deficits and to maintain adequate reserves for capital needs and contingencies. The Golf Fund faces unique challenges as valley courses vie for golfers. These challenges may require a look at options beyond rate adjustments to ensure future fund solvency.

The **Rio Salado/Community Facilities District (CFD)** forecasted shortfalls are consistent with their financial plans. Future development in the Tempe Town Lake area is expected to boost future revenues in the CFD. Until the development is in place and subject to assessments these revenues will not be included in the forecast for the fund, in line with the City's forecasting practices.



Forecasting used in this report refers to the estimating of the future values of revenue and expenditures. It provides an estimate of how much revenue will be available and the resources required to meet current service levels and programs over the forecast period, along with an understanding of how the total financial program will be affected by the demographic and economic factors driving these forecasts. The value of forecasting lies in estimating whether, given assumptions about local financial policies and economic trends, the City will have sufficient resources to meet the requirements of ongoing, planned, or mandated programs. Forecast models also provide a planning tool for capital projects and/or determining whether bonded indebtedness will be required for capital funding. In short, forecasting provides an estimate of the financial flexibility of the City, as well as insight into tax, revenue, and service options the Council must address.

Our forecasting methodology reflects a combination of internal analysis and locally generated consensus forecasts covering such factors as population growth, retail sales, and inflation. Specifically, for the revenue forecasts, we begin with models that include prior year actual collections and project the balance of the current fiscal year based on prior year patterns. For the remaining years of the revenue forecast, we look to external forecasts (such as Arizona Economy published by the University of Arizona and published presentations of the State Finance Advisory Committee) for an indication of the expected trends in key economic and demographic indicators. Typically, these forecasts cover the state or the metro-Phoenix area as a whole, so adjustments to reflect unique conditions in Tempe are sometimes necessary. In general, we seek to match revenue sources with the economic and/or demographic variables that most directly affect year-to-year changes in those revenues. For example, a revenue such as the City Sales Tax will reflect consensus forecasts related to taxable sales growth. Other revenue, such as those from recreation services, are linked to Tempe's expected population growth. By identifying and utilizing as many revenue-related variables as possible in our forecast, we hope to minimize the risks of overstating or understating revenue that could arise from using only a few variables to forecast all revenue sources.

Expenditure growth is most closely linked to two major factors in our models: 1) inflation (including general inflation, market adjustments to salaries, and changes in benefits costs), and 2) City financial policies related to the amount of new funding added each year for new programs and/or the expansion of existing programs as well as including new operational and debt service funding associated with Capital Improvement Program projects. As with our revenue forecasts, we consider consensus forecasts related to general inflation (particularly the trends projected). For certain

expenditure categories (such as fuel and utilities), we apply inflation factors that reflect the historical rate of price inflation in these categories relative to overall inflation. Amounts for new programs and/or program expansions are assumed to be constant over the forecast period (the same amount is added to each year of the forecast).

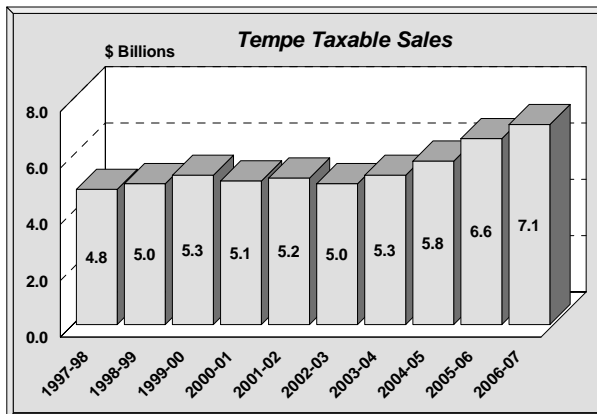
Forecast and Major Revenue Assumptions



Our general approach to forecasting is to apply a conservative philosophy that does not overstate revenue nor understate expenditures. We recognize that economic forecasting is not an exact science and at times relies upon the professional judgment of the forecaster. To reduce the risks of miscalculating revenue or expenditures, we attempt to identify as many factors as possible that may contribute to changes in revenue and expenditures. The City's revenue and expenditure budgets are comprised of many unique elements that respond to a variety of external factors such as population growth, development, inflation, and interest rates. The following provides our assumptions relating to major revenue and expenditures.

Tempe Taxable Sales

Taxable sales in Tempe have rebounded rapidly since emerging from the 2001-03 national downturn in the economy. These increases have come from both base growth as well as the addition of new business. As the graph below shows, taxable sales in FY 2006-07 were \$7.1 billion, which is 42% higher than the level seen at the lowest point of the economic downturn.

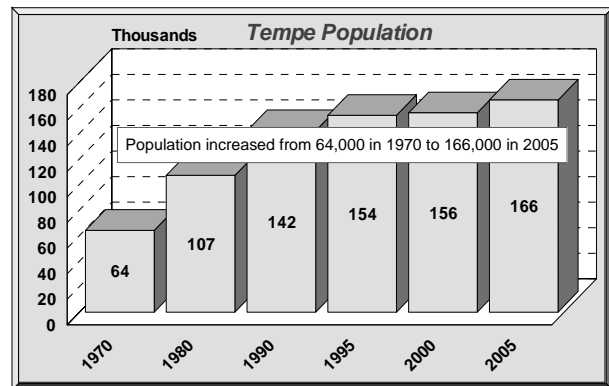


Taxable sales growth has an impact on many funds, as the General Fund, Transit Fund, Performing Arts Fund, and Rio Salado Fund each receive their primary revenue from this source. The primary categories of taxable sales (based on FY 2006-07 annual estimates) are retail (52%), commercial and residential rent (15%), utility sales (8%), contracting (11%), and restaurant sales (7%). In recent years construction sales have exhibited historically high growth levels due to commercial and condominium development in the downtown area. This has been coupled with robust retail sales during the same period. Consistent with statewide models, the forecast assumes a moderation from the brisk growth levels seen in recent years back to a pattern consistent with historical averages.

Population

Following the strong population growth period of the late 1970's (5.3%) and the 1980's (2.8%), Tempe has experienced steady but considerably slower growth. This trend is expected to continue, since the City is

landlocked with other municipal jurisdictions on all four borders. Given this geographical limit on expansion, population in Tempe is assumed to increase by merely 0.5% per year over the forecast period. Population is



important in the forecasting models for two main reasons. First, it is used to determine growth in revenues from recreation, social services, and criminal justice programs. Second, and of perhaps even greater importance, is the role that population plays in state shared revenue calculations.

State-wide population growth is assumed to average 3.7% per year over the next five years. The disparity between growth in local and state populations is significant since several major revenue categories are dependent upon Tempe's population as a percentage of the state. Every five years the sharing formula is recalculated, and the differences in growth result in Tempe's share of the total revenue pool decreasing.

State Revenues

As the base for state shared revenues, state income and sales taxes are also important to city revenues. As with city revenues, state revenue growth in recent years has been brisk. This growth helped to mitigate the impact of the last recalculation of the sharing percentage after a Special Census in 2005. The forecast is for revenue growth to slow to more moderate levels over the next five years, as impacts from the slow housing market trickle through the state economy. Also of importance is State laws related to revenue, including future rate cuts and changes to the revenue sharing formula. At the time of the forecast, there was only one change that affected revenues over the five period. Laws 2006 Chapter 354 reduced state individual income tax rates by 5% for Tax Year 2006 and 10% for Tax Year 2007. To hold cities and towns harmless for the potential impact of this change on state shared revenues, the shared income tax pool was set at a fixed amount of \$717 million in FY 2009 (shared income tax distributions are based on tax collections from years prior). This change has been reflected in the forecast.

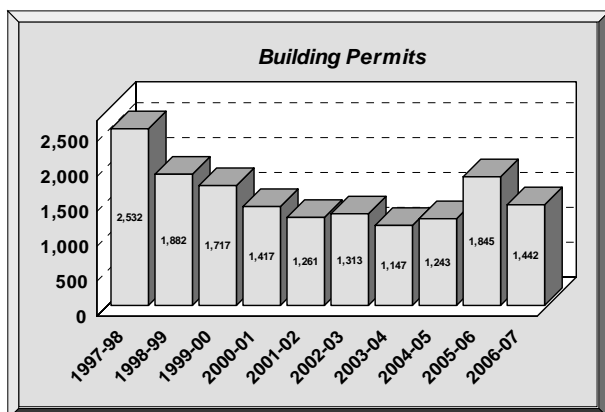
It is recognized that the temptation to tap state shared revenue may exist over the next five years, which could



significantly alter distributions. However, it is impossible to predict the actions of future Legislatures, and therefore the forecast assumes status quo with regard to state shared revenue calculations.

Development/Redevelopment

Despite being a landlocked city, new housing and commercial starts have recently been a strong driver of revenue activity, particularly in the Building and Trades category. Construction is expected to maintain the aggressive level of activity seen in recent years as the City focuses on development, though it is expected to taper off somewhat towards the end of the forecast period.



Assessed Valuation

Arizona public finance statutes provide for two different property tax bases, distinguished by both their allowable use as well as the extent to which they can grow in successive years. The first is the primary, which is the base used for financing current government operating expenditures in the General Fund, and to a lesser extent, the Rio Salado Fund. This portion of the property tax is limited in the extent to which the levy can grow each year to a level of 2% plus new construction.

The other property tax base is the secondary, which is used to generate revenue to pay annual debt service for the city's general governmental bonded debt. This tax base is unlimited in terms of annual growth. During the period from FY 1996-1997 through FY 2006-07, Tempe secondary assessed value growth was 8% on average. For FY 2007-08, the Maricopa County Assessor estimates growth of 19.7% over the prior year, as a result of large growth in the regional housing market.

In light of the recent slowing in the housing market, this large year over year growth is viewed as a one-time event. Future growth of secondary assessed value used in the debt service forecast in the Debt Management Plan is assumed to increase by 5% annually.

Interest Rates/Cash Balances

Interest revenue is expected to increase modestly in most funds, while yields tied primarily to short-term government interest rates are expected to average 3.2% for the forecast period. Some planned, short-term drawdowns of cash balances may occur periodically over the period of the forecast, reducing interest earnings.

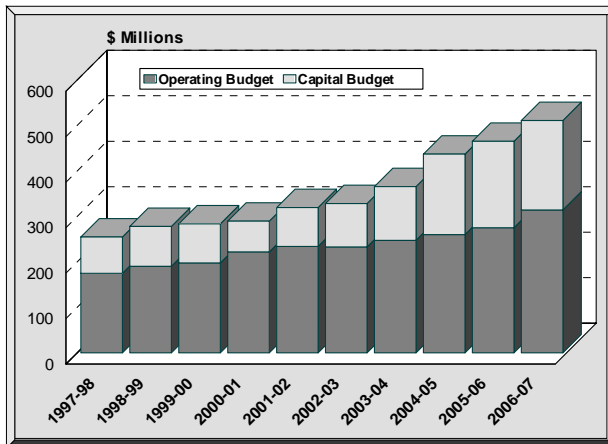
Financial Overview



The following financial overview provides a summary of revenue, expenditure, and historical budget trends. The FY 2007-08 budget of \$568 million provides for a \$355.3 million operating budget and a \$212.7 million capital budget. The operating budget includes \$190.7 million of general governmental operations, \$80.7 million of enterprise operations (Water/Wastewater, Solid Waste, Cemetery, and Golf) and \$83.9 million of special revenue operations (Transportation, Transit, Performing Arts, Rio Salado, Redevelopment, and Housing).

Fiscal Year	Operating Budget	Capital Budget	Total Budget
1998-99	190,459,638	87,651,929	278,111,567
1999-00	197,926,204	85,587,326	283,513,530
2000-01	222,169,282	67,408,152	289,577,434
2001-02	234,015,370	85,541,430	319,556,800
2002-03	232,846,185	95,318,794	328,164,979
2003-04	247,565,261	117,968,707	365,533,968
2004-05	260,131,518	176,983,222	437,114,740
2005-06	275,297,746	189,971,703	465,269,449
2006-07	314,115,625	196,728,491	510,844,116
2007-08	355,286,706	212,706,469	567,993,171

Total budgeted revenue for FY 2007-08 is \$560 million, with operating revenue of \$347.2 million and the remainder from other capital funding sources. General Governmental revenue accounts for \$201.8 million of the total operating revenue. Major funding sources include \$124.6 million in local taxes (sales and property), \$61.5 million of intergovernmental revenue, \$67.4 million of enterprise revenue, and \$78 million of special revenue.



Summary overviews of appropriations and revenue provide a base reference for the fund specific forecast models that follow. A ten year history of budget trends is depicted in the graph above.



■ **Salaries and Wages**

On the expenditure side, we have assumed salary and wage market adjustments in the FY 2007-08 projection consistent with movement through salary ranges for current employees. The City's salary structure allows for 5% annual salary growth within each position's approved salary range.

To ensure competitive salaries for city employees, management has committed to a compensation approach that relies on a study of the prevailing market for municipal salaries each summer. Based on the results of this study each position classification's salary range may be adjusted upward to reflect market wages. This philosophy is reflected in the forecast by way of an annual percentage adjustment that reflects both movement through the salary ranges as well as periodic adjustments of the salary ranges upward in the out-years.

Any planning for the next several years must recognize the importance of compensation because of its significant long-term expenditure impact. For example, every one percent change in compensation has an estimated expenditure impact of \$955,000 to the General Fund and another \$215,500 to the Special and Enterprise Funds. It is obvious that whatever policy decision is made with regard to compensation will have a profound effect on future decision-making options.

■ **Vacancies**

Though it is expected that there will be turnover over the 5 year period, full employment is assumed for all city departments. This is consistent with our conservative approach to forecasting.

■ **Fringe Benefits**

Health insurance costs are forecasted to increase on average 13.0% annually for the next five years. Market forces, the movement towards managed care, and an excellent claims history had temporarily moderated the City's health care costs, but we are now seeing a resumption of growth in excess of general inflation, much of which is derived from higher claims costs.

Our expectation is that health care costs will rise at a rate exceeding the overall Consumer Price Index. Retiree health care cost will continue to rise as our work force matures and greater percentages of employees retire.

■ **Inflation (Consumer Price Index)**

Inflation is expected to fluctuate from 1.90% to 2.1% in the later years of the forecast.

■ **Supplemental Limits**

For this budget forecast, no new programs were authorized, as our focus is to maintain basic services.

■ **Capital Improvement Program Operating Budget Impacts**

An important aspect of the City's Capital Improvement Program is the identification of operating budget impacts associated with capital projects. Since long-range planning takes place prior to the adoption of the Capital budget, future impacts of new programs are not included. However, projects approved in the prior year Capital Budget are included in the out years of the forecast.

■ **Other Post Employment Benefits (OPEB)**

A recent decision by the Governmental Accounting Standards Board (GASB) requires government employers to disclose the cost of OPEB over the active life of the benefiting employees (GASB Statement No. 45). The City of Tempe's liability arises from retiree healthcare subsidies. An actuarial study was commissioned and the findings were forwarded to the FEVA Committee for review and recommendations. This impact is included as part of Personal Services cost in the forecast, beginning in FY 2007-08.

Economic Outlook

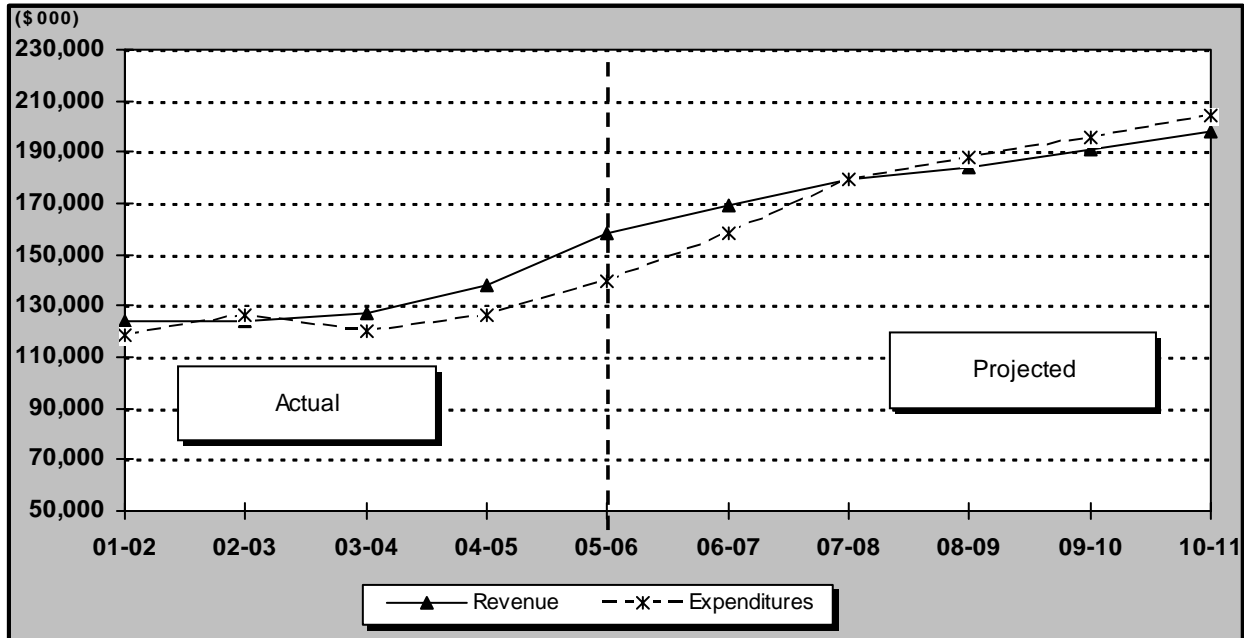
Following the mild recession in 2001 to 2002, both the local and state economies have enjoyed a prolonged robust period. The metropolitan Phoenix area has been a national leader in population and job growth, factors that have undoubtedly benefited Tempe. Tempe's economy, along with those of other Phoenix area cities, have also become stronger through increased diversification. Tempe's downtown area in particular has experienced solid growth in terms of residential construction.

The outlook for the next five years is for continued, albeit slower growth. Broader regional issues, including the slow housing market and sub-prime mortgage defaults, are expected to be a drag on economic growth. Leading state and national forecasters are not predicting a recession in the near term, however, and this is reflected in the broader forecast for all funds. The slow growth model recognizes the regional economic troubles contrasted with robust condominium construction in the Tempe downtown, and follows our general conservative philosophy with respect to forecasting.



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General Fund: Projected Revenue and Expenditures



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Local Taxes	66,344	66,841	71,455	77,772	86,570	96,092	99,690	104,204	109,280	114,126
Intergovernmental	33,927	35,536	34,076	36,068	40,946	43,080	48,497	50,914	52,420	54,961
Building & Trades/ Planning & Zoning	2,020	2,585	2,643	3,459	5,506	6,048	5,726	3,747	3,766	3,784
Cultural and Recreation	4,457	4,699	5,114	5,010	4,961	5,304	5,330	5,357	5,384	5,411
Fines, Fees and Forfeitures	4,577	5,510	5,831	6,652	7,288	7,235	7,271	7,308	7,344	7,381
Business Licenses	1,091	1,263	1,079	1,185	1,202	1,450	1,450	1,450	1,450	1,450
Interest Income	6,529	3,452	2,764	2,969	4,794	5,425	5,425	5,425	5,425	5,425
Franchise Fees	2,135	1,532	1,505	1,678	1,867	1,881	2,656	2,704	2,754	2,806
Other Revenue Sources	2,621	2,780	2,731	3,633	5,418	2,956	2,977	3,004	3,033	3,063
Total Revenue	123,702	124,199	127,198	138,425	158,553	169,471	179,021	184,112	190,853	198,405
Expenditures (\$000)										
Personal Services	95,095	100,518	98,286	100,868	109,416	124,059	144,132	150,893	158,091	165,743
Materials and Supplies	6,821	6,275	6,417	6,811	7,866	8,141	7,953	8,051	8,160	8,252
Fees and Services	17,208	16,341	15,996	18,521	21,576	21,834	21,617	22,089	22,576	23,087
Travel and Training	891	606	647	649	720	742	757	771	785	800
Non-Departmental/Loan Repayment	3,265	4,082	3,405	4,310	3,652	5,788	5,459	5,558	5,710	5,868
Capital Outlay	2,592	3,779	3,287	2,002	3,116	3,074	1,094	1,875	1,909	1,945
Contingency							3,580	3,682	3,817	3,968
Transportation Maintenance of Effort	1,850					870	870	870	870	870
Internal Services/ Adjustments	(9,452)	(5,369)	(7,656)	(6,896)	(6,511)	(6,138)	(6,169)	(6,199)	(6,230)	(6,262)
Total Expenditures	118,269	126,232	120,381	126,265	139,836	158,370	179,293	187,589	195,686	204,272
Net Operating Surplus/ (Deficit)	5,433	(2,033)	6,817	12,160	18,718	11,100	(273)	(3,477)	(4,833)	(5,867)



Trend/Forecast

At the beginning of the 2000s, annual operating surpluses started to decline as revenue growth slowed resulting from a national downturn in the economy. In addition, our share of locally distributed state income, sales and vehicle license tax revenue declined in FY 2001-02, due largely to state population growth outpacing that at the local level. This resulted in a brief period of operating deficit in the General Fund in FY 2002-03. Since that time, both the state and local economies have experienced robust growth, resulting in operating surpluses in the General Fund as revenue growth outpaced that of expenditures.

Due to several factors we forecast a reversal of that trend. The first factor is a slowing economy. Local sales taxes are the primary revenue source for the General Fund, and the past three years have seen large annual increases in sales taxes, particularly in the retail category. This good performance has been boosted by a strong housing market. However, due to the current recession in the housing market, we can no longer count on this sector to contribute to accelerating sales tax revenues. As such, we forecast a slow to moderate rate of growth in retail sales over the next five years. This translates to a slower overall rate of revenue growth as compared to recent years.

A second factor is growth in employee compensation and benefit costs. Due to a compensation philosophy that adjusts the city's pay structure annually to a level equivalent to the 75% percentile of the regional municipal government sector, salaries are expected to grow by 3.6% annually. Also, growth in health care costs for employees and current retirees is anticipated to reach 13% per year during the forecast in light of health care inflation and claims. These factors are anticipated to lead to a quickening in the pace of baseline expenditure growth.

After allowing for the two aforementioned factors, our initial forecast saw an operating surplus, albeit a declining one. The largest impact to the future financial health of the City's General Fund relates to the impact of other post employment benefits (OPEB). OPEB is a liability related to the subsidy of retirees' health care. The City took a proactive stance by commissioning an actuarial study of the OPEB issue last year, the results of which were provided to the City in May 2006. The study found net present value of the City's total actuarial liability to be \$300 million, assuming a 7% discount rate. The findings have been forwarded to the City's FEVA Committee for review and recommendations.

At this time, the annual required contribution has been included in the Personal Services line of the forecast beginning in FY 2007-08. Including this amount in the forecast results in operating deficits beginning in FY 2007-08 and continuing through the end of the forecast period.

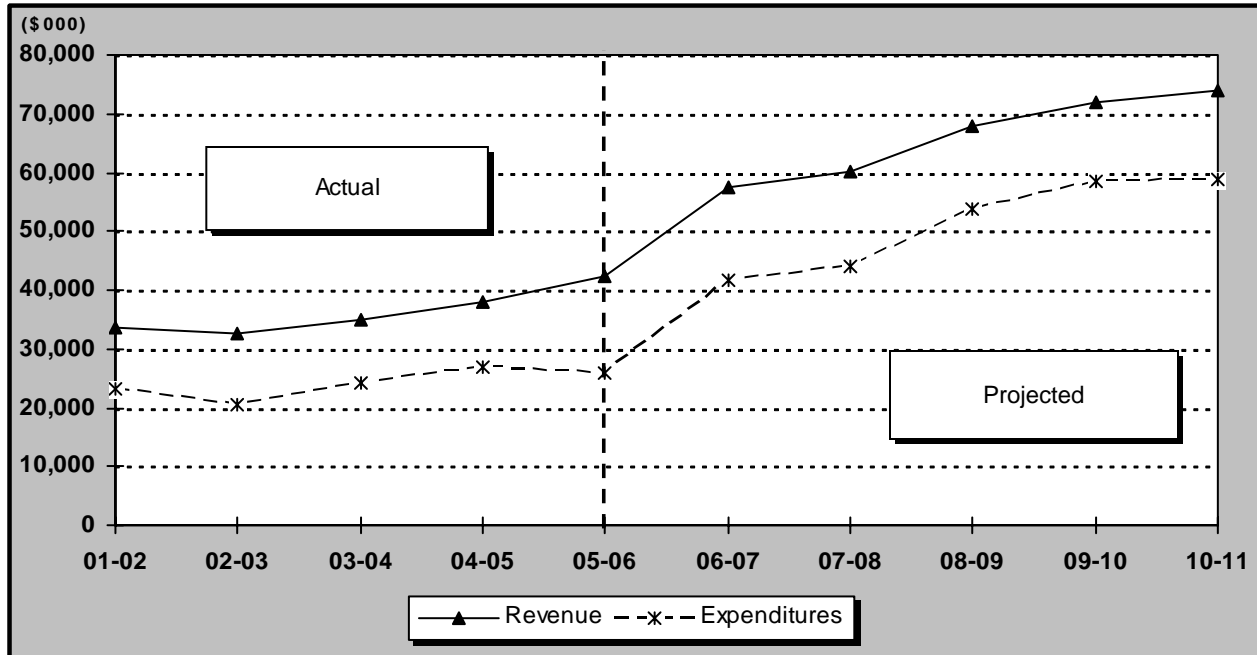
It is important to consider two points with regards to the OPEB liability. First, the OPEB amount reflects a scenario in which there are no changes to the City's post-employment benefit package. Any changes to benefits eligibility, the value of the benefits package, or the extent of benefits coverage will affect the future cost. Also, there is no requirement that the OPEB ARC be paid, beyond the amount attributable to current retirees. The amount is included in the forecast merely to show a complete financial picture. As with supplemental adjustments in the upcoming budget process, policy choices made now regarding OPEB will have a significant impact on the long-term condition of the General Fund.

Unreserved Fund Balance

The General Fund's unreserved fund balance has grown from \$28.6 million just eleven years ago to \$40.9 million for FYE 2006. At this point the balance is strong, and exceeds the policy level of 25% of annual revenue. Over the next several years, changes to fund balances are uncertain as the City takes steps to address the aforementioned OPEB liability.

FYE	Unreserved Fund Balance
96	\$28,590,826
97	30,639,891
98	34,682,895
99	38,201,087
00	38,615,537
01	36,985,072
02	35,125,797
03	34,473,270
04	34,480,754
05	37,827,259
06	40,918,804

Transit Fund: Projected Revenue and Expenditures



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Transit Tax	25,230	25,141	26,741	28,848	32,440	34,991	36,251	37,918	39,814	41,606
Lottery Transfer In	300	290	282	274	266	258	253	248	243	238
ASU-Flash Transit	345	352	481	478	496	508	521	534	548	548
Interest Income	3,475	919	778	1,410	1,320	538	261	222	198	178
Light Rail Fares					0	0	0	951	1,969	2,038
Out of Jurisdiction Service Revenue	4,025	5,057	5,671	5,936	6,536	6,298	5,759	9,143	9,222	9,429
FTA Light Rail Reimbursements					0	12,123	13,496	13,492	13,620	13,524
PTF Funding					0	1,911	1,889	3,590	4,254	4,298
Miscellaneous Revenue	212	739	1,090	922	1,462	938	1,799	1,848	1,899	1,954
Total Revenue	33,586	32,498	35,043	37,868	42,521	57,566	60,229	67,946	71,768	73,812
Expenditures (\$000)										
Personal Services	1,482	1,477	1,785	1,930	2,294	2,923	3,367	3,635	3,814	4,005
Materials and Supplies	27	9	1,550	1,781	1,870	2,046	2,089	2,127	2,166	2,207
Fees and Services	18,343	18,534	20,177	22,467	19,986	23,203	23,850	33,260	37,327	37,789
Travel and Training	20	8	19	17	36	47	48	49	50	51
Capital Outlay	9	12	24	182	190	131	134	136	139	142
Debt Service	2,443	1			594	12,123	13,496	13,492	13,620	13,524
Internal Service Charges	504	207	237	243	314	301	307	313	319	325
Indirect Cost Allocations	235	244	428	437	696	847	865	880	897	913
Total Expenditures	23,063	20,492	24,222	27,057	25,979	41,622	44,156	53,892	58,331	58,955
Net Operating Surplus/ (Deficit)										
	10,523	12,006	10,821	10,811	16,542	15,945	16,073	14,054	13,437	14,857



Trend/Forecast

Since the Transit Tax is a component of the overall City sales tax, the slower growth trend projected in General Fund sales tax revenue is mirrored here in the Transit Fund. The projected increase in revenue growth in the later years of the forecast can be attributed to an increase in federal reimbursements received in conjunction with construction of the City's light rail project, as well as out of jurisdiction revenues and light rail fares.

The pattern of growth reflected in the expenditure estimates relies upon the 20 Year Transit Business Plan and the assumptions made in that plan regarding the expansion of routes, the acquisition of new buses, and the implementation of a light rail system, and debt service repayment for debt issued in the Capital Improvements Program. OPEB has a much smaller impact than in the General Fund because the Transit Fund employs a much smaller percentage of city employees. Based on the actuarial study, the ARC is estimated to be \$288 thousand per year.

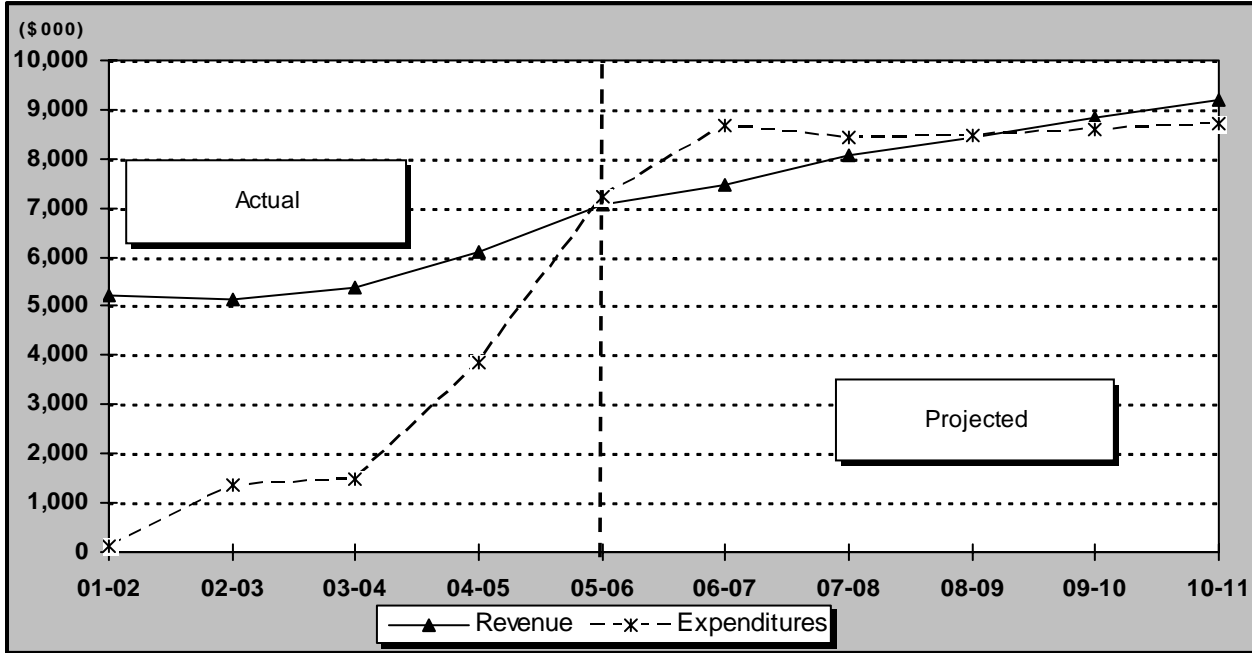
In FY 1997-98, the first full year of the transit tax, operating expenses were \$5.2 million. By the end of the forecast period, expenses are estimated to climb to \$58.9 million. Given projected revenue growth and operating profile, the forecast is for planned fund surpluses from FY 2006-07 through FY 2010-11.

Unreserved Fund Balance

The Transit Fund's unreserved fund balance has grown from \$18.4 million in FY 1997-98 to \$42 million at the end of FY 2005-06. This build up of fund balances is consistent with the 20 year Transit Business Plan, and this balance will be available for use in the Capital Budget.

FYE	Unreserved Fund Balance
97	\$8,552,661
98	18,437,544
99	19,946,528
00	20,958,629
01	29,318,960
02	40,943,760
03	48,999,032
04	42,109,647
05	29,567,749
06	41,826,902

Performing Arts Fund: Projected Revenue and Expenditures



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Performing Arts Tax	5,006	5,010	5,280	5,768	6,480	7,018	7,270	7,605	7,985	8,344
Facility Revenue					0	0	350	364	379	394
Interest Income	202	112	98	335	574	457	457	457	457	457
Total Revenue	5,208	5,123	5,378	6,103	7,054	7,475	8,078	8,426	8,821	9,195
Expenses (\$000)										
Personal Services	112	145	203	194	337	936	1,867	1,959	2,058	2,164
Materials and Supplies	2	1	1	16	65	92	94	95	97	99
Fees and Services	4	11	43	54	84	201	274	283	293	303
Travel and Other	10	4	2	5	9	9	9	9	10	10
Capital Outlay					158	840	50			
Debt Service		1,204	1,234	3,572	6,295	6,510	6,047	6,047	6,041	6,048
Internal Service Charges	6	8	22	20	287	78	79	81	83	84
Total Expenses	134	1,373	1,504	3,861	7,235	8,665	8,420	8,475	8,582	8,708
Net Operating Surplus/ (Deficit)	5,074	3,750	3,874	2,243	(180)	(1,190)	(343)	(49)	239	487



Trend/Forecast

The Performing Arts Fund receives its primary revenue from the Performing Arts Tax. This tax, which represents 0.1% is collected as a portion of the City Sales Tax, was approved in May 2000 and became effective in January 2001. Monies received from this tax are dedicated to the construction and operating expenses of the Tempe Center for the Arts.

Since the performing arts tax is a component of the overall City sales tax, the slower growth trend projected in General Fund sales tax revenue is mirrored in the Performing Arts Fund.

The other main component of current revenue is interest earnings. These earnings fluctuate with changes in the fund balance and the City's investment portfolio. Beginning in FY 2007-08 the fund will begin to receive revenue from programming at the facility. This revenue stream is expected to grow moderately through the end of the forecast period.

The expenditure growth pattern reflects the opening of the Tempe Center for the Arts (TCA) in September of 2007. In FY 2005-06, 19 new full-time positions, and related capital equipment were added to prepare for the full-time operation of the TCA. These costs represent the operating impacts of this capital project as identified in prior years' Capital Improvement Programs. Also included in the expenditure estimate is the OPEB impact which, similar to the Transit Fund, is relatively minor due to the comparatively low number of city employees housed in the this fund.

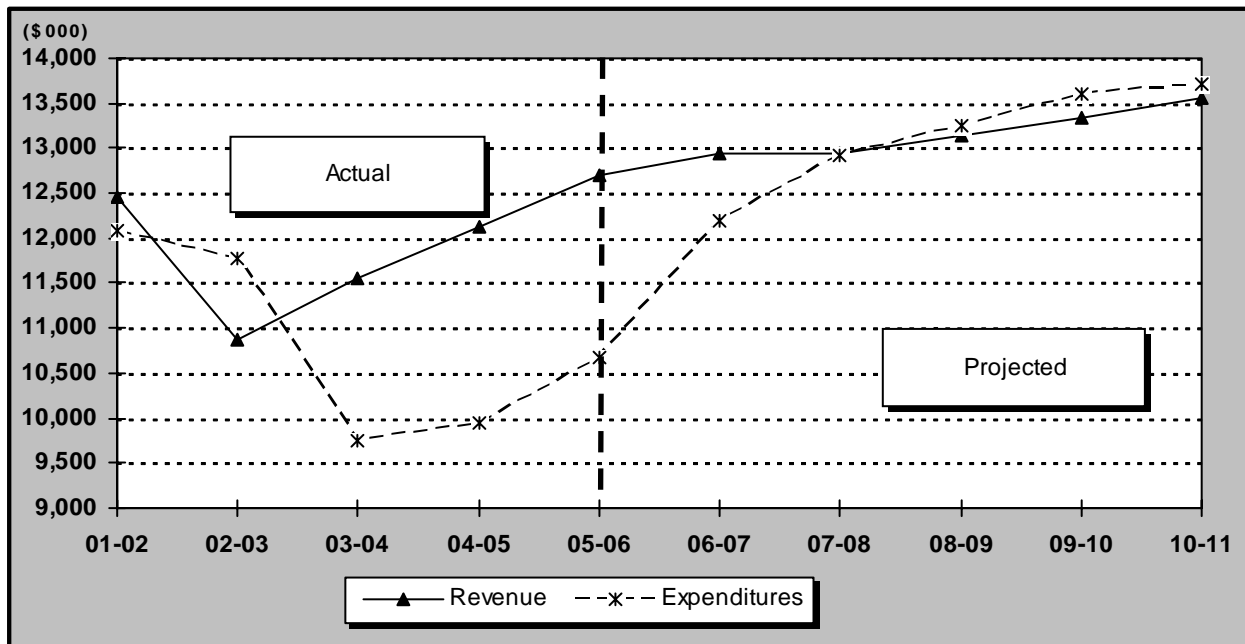
After a brief period of an operating deficit, the fund is expected to have an operating surplus as revenue collections exceed expenditures.

Unreserved Fund Balance

The Performing Arts Fund's reserved balance has steadily grown since the fund's inception in FY 2001-02. This trend is consistent with the fund's financial plan, and in future years the balance will be tapped to cover differences between revenues and expenditures.

FYE	Unreserved Fund Balance
02	\$7,116,094
03	10,865,891
04	14,339,689
05	14,255,302
06	15,064,184

Transportation Funds: Projected Revenue and Expenditures



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Highway User Revenue Tax	9,854	10,286	10,985	11,533	11,224	11,480	11,484	11,693	11,907	12,132
State Lottery Proceeds	900	870	846	821	799	783	767	752	737	722
Miscellaneous				43	68	68	68	68	68	68
Maintenance of Effort Transfer	1,850				870	870	870	870	870	870
Lottery Transfer to Transit	(300)	(287)	(282)	(274)	(266)	(258)	(253)	(248)	(243)	(238)
Total Revenue	12,453	10,869	11,549	12,123	12,694	12,942	12,936	13,135	13,339	13,554
Expenditures (\$000)										
Personal Services	3,326	3,540	3,470	3,700	4,107	4,593	5,283	5,493	5,715	5,950
Materials and Supplies	448	448	433	467	533	511	522	531	541	551
Fees and Services	1,545	1,465	1,460	1,682	1,736	1,858	1,946	2,025	2,107	2,194
Capital Outlay	159	204	503	189	330	468	380	387	394	401
Debt Service	4,500	4,000	2,000	2,000	2,000	2,770	2,770	2,770	2,770	2,500
Loan Repayment	356	356	310	310	310	310	310	310	310	310
Internal Service Charges	681	640	883	853	1,036	872	890	907	923	941
Indirect Cost Allocations	1,078	1,109	682	746	619	802	819	834	849	865
Total Expenditures	12,094	11,765	9,756	9,946	10,670	12,183	12,920	13,256	13,609	13,712
Net Operating Surplus/ (Deficit)										
	360	(896)	1,792	2,177	2,024	759	16	(121)	(270)	(158)



Trend/Forecast

Small deficits are expected in the latter years of the forecast period. We have already witnessed a reduction in our allocations of HURF and Lottery revenue resulting from Tempe's declining percentage of statewide population. The results of the 2005 Special Census further worsen the situation, contributing to the precarious position of this fund. Unlike with the main state shared revenue pool, which derives from State Income and Sales Taxes, the growth in the revenue pool for HURF state shared revenues is not outpacing the impact of population shifts.

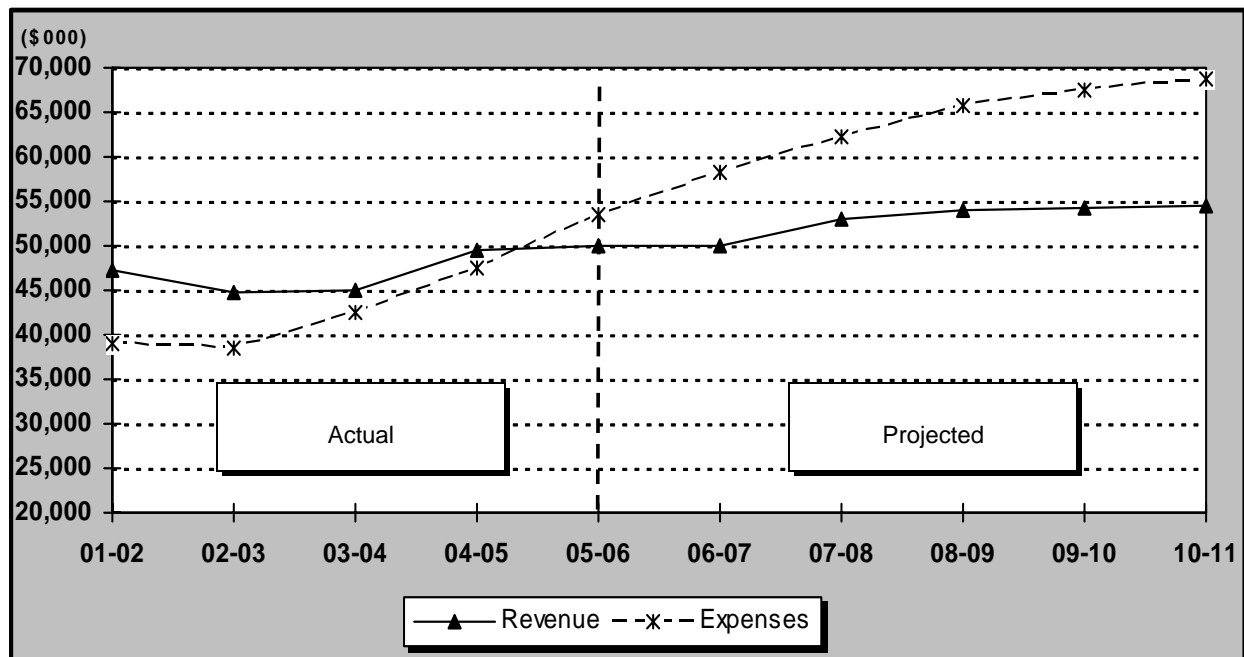
One approach now in place to minimize operating deficits is to cap debt service at payments of \$2.7 million for the remainder of the forecast period. Any excess General Obligation debt service requirements beyond this cap will be absorbed by the Debt Service Fund during the five year period. Over the longer term, we will need to monitor the level of General Obligation tax supported debt applied to Transportation projects and the resulting impact on the Debt Service Fund, being aware that opportunities for pay-as-you-go financing of capital projects will be limited.

FYE	Unreserved Fund Balance
96	\$3,300,576
97	3,326,715
98	4,092,879
99	5,792,212
00	7,592,808
01	8,444,881
02	9,254,027
03	7,325,855
04	8,010,238
05	11,053,146
06	9,371,295

Unreserved Fund Balance

Transportation Fund balances have recovered somewhat from the lows experienced a few years ago. Maintaining an adequate fund balance for contingencies and transfers for capital projects will become a difficult challenge with operating deficits. Minimal relief on the expenditure side can be found as the cost of inflation, debt service requirements, and the cost of OPEB appear to be factors that will be with us throughout the forecast period.

Water/Wastewater Fund: Projected Revenues and Expenses



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Charges for Service-Water	25,051	25,669	26,183	26,328	27,499	27,578	29,185	29,651	29,792	29,933
Charges for Service-Wastewater	15,841	16,958	16,857	18,116	19,498	19,212	20,679	21,139	21,238	21,338
Interest Income	3,665	886	942	1,506	1,609	2,222	2,222	2,222	2,222	2,222
Land and Facility Rental	515	520	520	520	519	520	520	520	520	520
Loan Repayment	321	299	146	130	114	97	79	57	41	41
Other Miscellaneous Rev.	1,931	477	242	2,784	717	361	361	361	361	361
Total Revenue	47,324	44,808	44,890	49,384	49,956	49,990	53,046	53,950	54,174	54,415
Expenses (\$000)										
Personal Services	8,887	9,552	11,234	11,611	12,451	13,298	15,245	15,919	16,637	17,401
Materials and Supplies	1,704	1,378	1,650	2,872	2,811	4,107	4,193	4,269	4,347	4,429
Fees and Services	9,411	8,777	10,850	10,426	14,334	11,823	11,543	11,751	11,967	12,195
Travel and Training	111	80	109	109	124	153	157	159	162	165
Depreciation Expense	8,181	9,009	9,240	9,960	11,950	12,777	13,238	14,447	15,082	15,380
Share of 91 st Avenue Depreciation	1,875	1,764	1,482	3,786	2,011	2,184	2,184	2,184	2,184	2,184
Debt Svc Intrst/Fiscal Agent Fees	4,212	3,915	4,750	4,826	6,191	10,663	12,281	13,436	13,662	13,432
Internal Service Charges	1,356	1,354	1,388	1,609	1,504	1,425	1,454	1,481	1,508	1,537
Indirect Cost Allocations	3,155	2,588	1,876	2,176	2,213	1,921	1,961	1,997	2,033	2,072
Total Expenses	38,892	38,417	42,579	47,375	53,588	58,351	62,255	65,642	67,582	68,795
Net Operating Surplus/ (Deficit)										
	8,432	6,391	2,311	2,009	(3,632)	(8,360)	(9,210)	(11,692)	(13,408)	(14,380)



Trend/Forecast

The Water/Wastewater Fund is projected to experience a growing operating deficit through the forecast period. This is due to a combination of factors. On the expenditure side, utility costs, debt service associated with expansion of the Capital Improvements Program, and OPEB impacts are principal drivers of future cost.

On the revenue side, the current rate structure is insufficient to ensure long term viability of the enterprise. Water and sewer rate increases approved by the Council over the past few years had the intended effect of eliminating, at least in the short-term, a projected deficit condition in the Water/Wastewater Fund. The primary intent of the sewer rate adjustments was to ensure full cost recovery in the wastewater operation. Additionally, the new rate structure was intended to equitably charge all customers based on the volume and strength of discharges.

The latest water, sewer, and irrigation rate increase went into effect November 1, 2006. An additional water and sewer rate increase has been approved and will go into effect November 1, 2007. The need for further rate adjustments in the water and sewer service areas will continue to be reviewed on an annual basis.

A new rate structure may have the effect of encouraging customers to reduce discharges or at least alter the strengths of discharges, both of which could substantially reduce revenue. Such changes should produce reductions in the City's shared cost of operating the 91st Avenue facility, although those reductions may not mirror revenue losses. Thus, the long-term outlook for this fund could change substantially depending to a large extent on 91st Avenue costs.

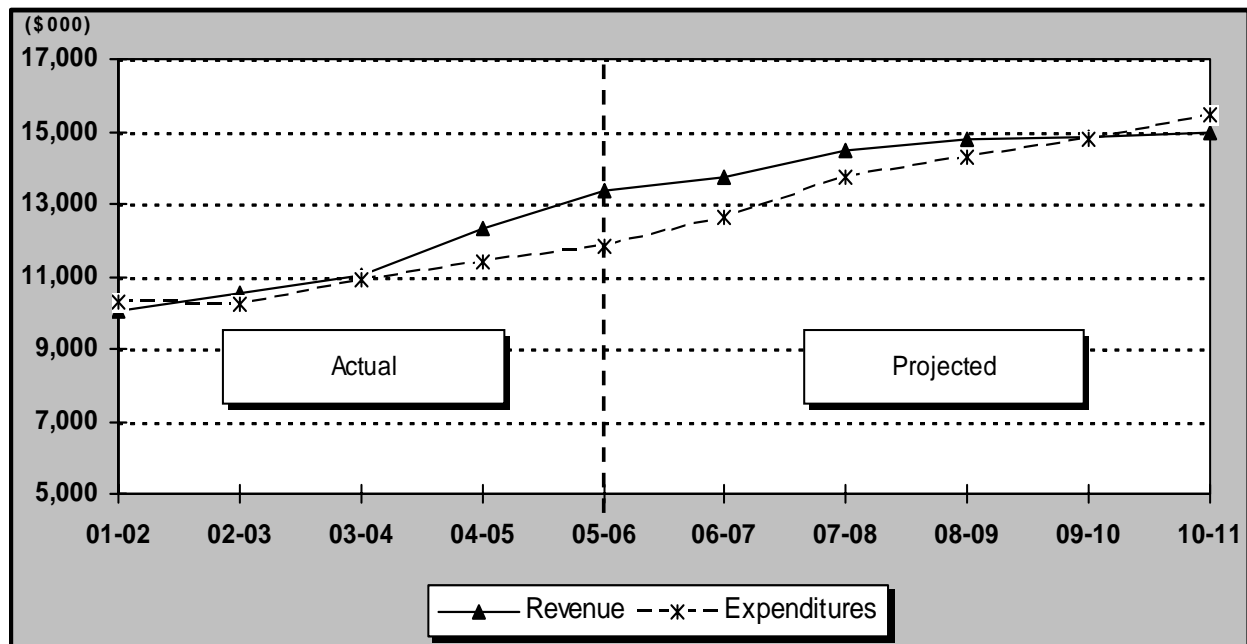
As the long-range forecast initially predicted, the Water/Wastewater Fund entered into a deficit condition in FY 2005-06. This fund could continue to operate under a deficit condition through FY 2010-11 as the growth in treatment cost outpaces revenue growth. Should this occur, a drawdown of fund balances will be applied to cover the deficit. For the purpose of this forecast, we have assumed no further rate adjustments in FY 2008-09 or FY 2009-10.

Unreserved Fund Balance

During the early 1990's, there was a drawdown of Water/Wastewater Fund balances resulting from pay-as-you-go financing for infrastructure improvements. These fund balances have since been built back up to \$65.6 million at FYE 06.

FYE	Unreserved Fund Balance
96	\$33,746,270
97	36,796,384
98	41,020,060
99	55,159,498
00	56,434,920
01	55,717,922
02	59,841,408
03	58,958,188
04	58,790,163
05	60,752,643
06	65,560,342

Solid Waste Fund: Projected Revenue and Expenses



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Charges for Services	9,771	10,460	10,870	11,839	12,749	13,456	14,148	14,453	14,558	14,664
Sludge Disposal	208	37	145	119	151	80	80	81	81	82
Interest Income	36	3	9	39	83	126	126	126	126	126
Other Revenue Sources	11	49		328	399	100	100	100	100	100
Total Revenue	10,026	10,549	11,024	12,325	13,382	13,762	14,455	14,760	14,865	14,972
Expenses (\$000)										
Personal Services	3,332	3,516	3,899	3,914	4,302	4,565	5,300	5,544	5,807	6,087
Materials and Supplies	341	246	227	268	146	189	193	197	200	204
Fees and Services	3,244	3,159	3,266	3,258	3,414	3,534	3,727	3,869	4,017	4,170
Depreciation	869	919	903	972	988	1,109	1,189	1,275	1,339	1,488
Loan Repayment-Interest Only	137	137			0	0	0	0	0	0
Internal Service	1,680	1,641	1,699	2,383	2,370	2,606	2,661	2,709	2,759	2,811
Indirect Cost Allocations	706	610	918	618	617	646	659	671	683	696
Total Expenses	10,310	10,230	10,912	11,413	11,837	12,650	13,729	14,265	14,805	15,456
Net Operating Surplus/ (Deficit)										
	(284)	319	112	912	1,545	1,112	726	495	61	(485)



Trend/Forecast

With the FY 2000-01 shortfall in this fund, solid waste rates were modified in November 2001 to fully recover the cost of the solid waste operation and replacement obligations. Since then, rate increases have been implemented three out of the past four years, with the latest increase to industrial, commercial, and residential rates occurring on November 1, 2006. These rate increases have eliminated the deficit condition in the Solid Waste Fund. Furthermore, it appears that there will continue to be a surplus until FY 2010-11.

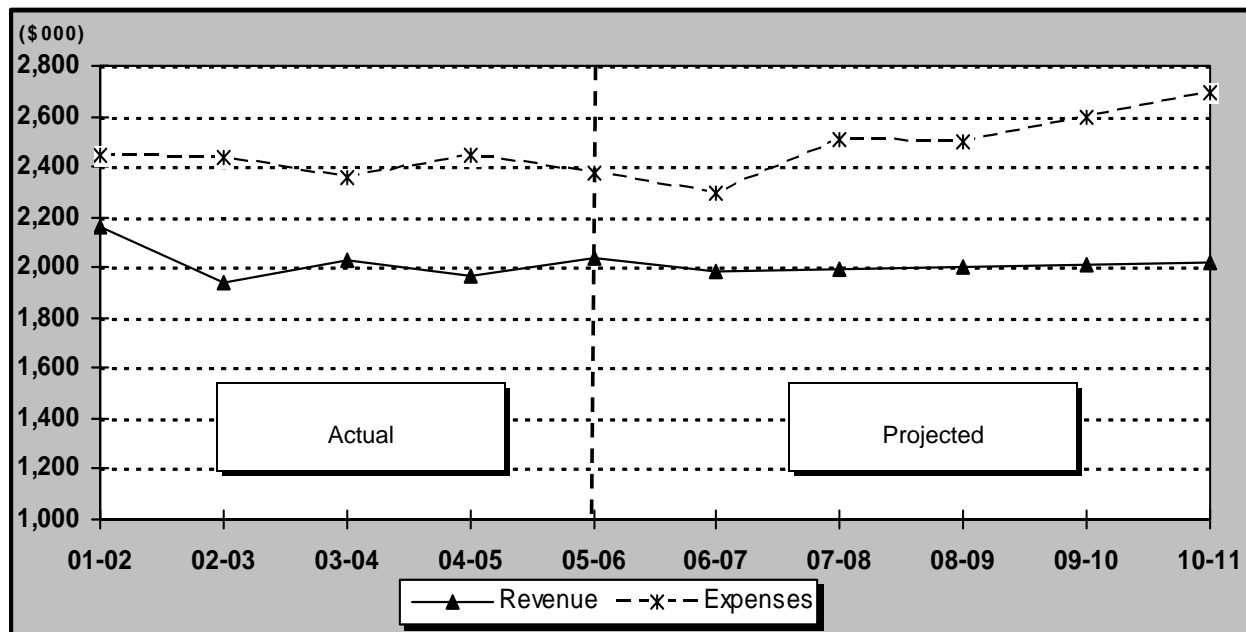
Solid waste rates will be subject to annual rate reviews to ensure that the fund remains fully self-sufficient and to smooth the effect of potential rate adjustments on the City's residential and commercial customers.

Unreserved Fund Balance

There is a \$3 million fund balance in the Solid Waste Fund, providing 25.4% coverage to estimated FY 2005-06 expenses of \$11.8 million. With environmental mandates always present, this enterprise operation will require as much financial flexibility as possible for contingent compliance driven costs.

FYE	Unreserved Fund Balance
96	\$1,135,131
97	1,623,386
98	1,979,294
99	2,168,155
00	1,162,872
01	451,358
02	20,065
03	469,027
04	1,138,305
05	2,226,136
06	3,019,582

Golf Fund: Projected Revenue and Expenses



	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Greens Fees	1,774	1,850	1,801	1,746	1,750	1,723	1,731	1,740	1,749	1,758
Pro Shop/Restaurant	350	76	219	208	221	210	211	212	213	214
Interest Income	33	12	8	14	16	8	6	5	5	4
Other Revenue Sources					55	46	46	46	46	47
Total Revenue	2,157	1,938	2,028	1,969	2,041	1,986	1,994	2,004	2,013	2,023
Expenses (\$000)										
Personal Services	941	1,006	1,057	1,050	988	1,071	1,279	1,334	1,392	1,455
Materials and Supplies	214	283	271	286	256	183	196	199	203	207
Fees and Services	355	321	314	372	456	371	381	390	400	410
Depreciation	374	370	364	347	330	309	290	209	226	235
Debt Service Interest	44	38	32	23	18	11	6	8	11	13
Internal Service Charges	223	140	109	153	141	150	153	156	159	162
Indirect Cost Allocations	291	278	206	210	188	195	199	202	206	210
Total Expenses	2,442	2,436	2,354	2,441	2,376	2,290	2,503	2,499	2,596	2,691
Net Operating Surplus/ (Deficit)	(285)	(498)	(326)	(472)	(335)	(304)	(509)	(495)	(583)	(668)



Trend/Forecast

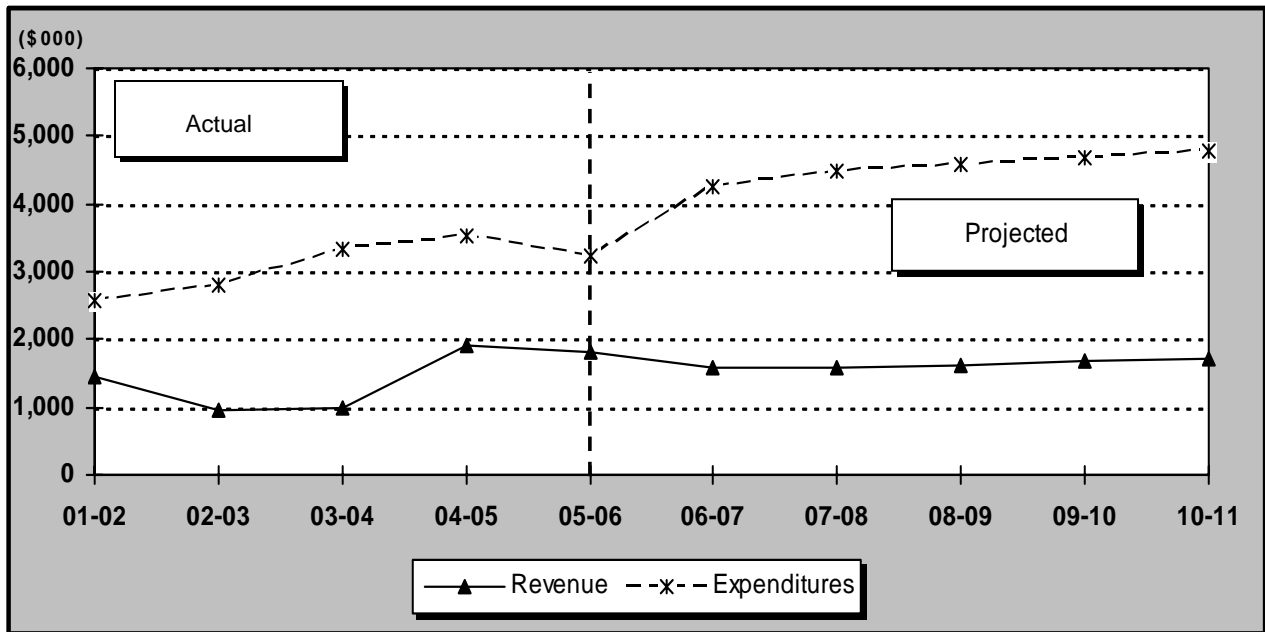
Over the forecast period, we expect revenue growth to generally follow the historical patterns, although other unpredictable factors such as weather conditions and competition from other courses in the valley, may improve or worsen usage of the municipal golf courses. The Golf Fund has been experiencing an operating deficit condition since FY 1999-00. As with the City's other self-supporting Enterprise operations, annual rate reviews are conducted of the Golf Fund. In addition, due to ongoing operating shortfalls, special attention has been given to operating cost reductions and review of contracts with Golf program vendors to ensure future fund viability. In general, the fund is experiencing growing expenses and flat revenues.

Unreserved Fund Balance

After six consecutive years of fund balance losses the trend was reversed, at least in the short-term, in FY 1995-96 as increased rounds of play bolstered the reserve to over \$350,000. Growth in the balance continued through FY 1998-99, at which point weakness in the golf industry combined with rising operating costs resulted in ongoing operating deficits. This balance built in the earlier years has provided some flexibility as solutions for future fund stability are sought.

FYE	Unreserved Fund Balance
95	\$50,000
96	351,158
97	896,542
98	1,397,897
99	1,638,174
00	1,538,156
01	893,591
02	791,701
03	680,101
04	604,703
05	540,158
06	468,457

Rio Salado and Community Facilities District (CFD) Funds



	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Projected	07/08 Projected	08/09 Projected	09/10 Projected	10/11 Projected
Revenue (\$000)										
Sales Tax	693	390	341	309	580	669	693	725	761	799
Property Tax		40	62	68	66	70	78	87	97	107
Transient Lodging Tax	89	123	136	182	219	220	225	234	242	251
Interest Revenue	451	133	135	149	171	161	138	123	110	98
Sale of Real Estate				789	0	0	0	0	0	0
Other Revenue	36	36	74	111	128	149	149	149	149	149
CFD Revenue	171	230	226	315	639	309	311	312	314	316
Total Revenue	1,440	953	975	1,923	1,804	1,578	1,592	1,629	1,672	1,719
Expenditures (\$000)										
Personal Services	410	530	577	589	614	833	1,017	1,062	1,109	1,176
Materials and Supplies	22	21	15	17	27	29	30	30	31	31
Fees and Services	481	557	481	546	687	768	784	798	813	828
Travel and Training	12	4	3	5	2	9	9	9	9	10
Capital Outlay	32	19	10	96	0	0	0	0	0	0
Internal Service Charges	106	94	260	245	215	398	407	414	422	430
CFD Administrative Credit	(431)	(411)	(365)	(396)	(419)	(414)	(422)	(430)	(438)	(446)
CFD Operating and Maintenance	1,941	1,999	2,335	2,431	2,118	2,641	2,668	2,694	2,721	2,749
Total Expenditures	2,573	2,812	3,316	3,533	3,244	4,265	4,491	4,578	4,667	4,777
Net Operating Surplus/ (Deficit)	(1,133)	(1,859)	(2,342)	(1,610)	(1,441)	(2,687)	(2,899)	(2,949)	(2,995)	(3,057)



Trend/Forecast

The largest revenue source, tax revenue, is highly responsive to changes in economic activity. The financial health of this fund is dependent on the nature of development in Rio Salado.

Urban development will increase tax revenue. CFD revenue includes assessment collections from property owners and boat permits, concessions, and special event fees.

Unreserved Fund Balance

The unreserved fund balance reached a high of \$5.2 million in FY 1998-99. The variation depicted in the unreserved fund balance is due to planned drawdowns to fund capital and land purchase costs. Although the unreserved fund balance is nearly exhausted, the Rio Salado and Community Facilities District Funds still have a designated fund balance reserve in the General Fund of \$5,137,729 for operating and maintenance costs as of June 30, 2006.

FYE	Unreserved Fund Balance
97	\$1,138,546
98	4,480,474
99	5,220,120
00	1,282,512
01	5,032,088
02	2,062,140
03	0
04	0
05	0
06	467,735



Recommended Plan of Action

Several recommendations are offered as key elements of a financial action plan, which can be implemented to meet future operating and infrastructure fiscal challenges. Many recommendations are intended to adjust expenditure growth to keep the rate of expenditure growth in line with anticipated revenue growth.

■ **Other Post Employment Benefits**

Addressing the \$300 million net present value impact of OPEB across all city funds is the primary course of action towards continued financial strength. Either through benefit package changes, advanced contributions, or a combination of the two, swift action on this critical financial issue is recommended.

■ **Expenditure Control/Supplemental Limits**

Decreasing personnel growth has the advantage of providing both near term benefits and long-term expenditure control for the City. The addition of personnel has a greater fiscal impact on a fund than any other type of budget appropriation. Any successful effort to control spending in the General Fund or any of our funds will need to be directed at slowing or decreasing the growth in personnel and associated costs.

We recommend a continued annual evaluation of an appropriate General Fund supplemental limit, with consideration given to our long-range revenue and expenditure forecasts and how various supplemental scenarios will affect our long-term financial condition.

■ **Modified Base Budget Plan**

Continuation of a modified base budget review program is recommended. This entails a review of departmental base budgets, with the size of modifications linked directly to financial forecasts. Modified base budgets incorporate historical spending patterns, price adjustments, and long-range forecasts, thereby limiting budgetary growth within departments.

■ **Continue to Limit Midyear Adjustments**

Even as the City effectively manages supplemental additions through the normal budget process, there is a tendency to circumvent this process for additional midyear appropriations and personnel, often with little or no needs assessment, fiscal impact analysis or prioritization with other budgetary needs. The fiscal impact of these midyear adjustments poses a risk to careful long-range financial planning and should be discouraged except under unusual circumstances where an adjustment is warranted.

■ **Adhere to Debt Management Plan**

Continued commitment to the Debt Management Plan is strongly recommended. Sizing the City's Capital Improvement Program budget to the Debt Management Plan will stabilize per capita outstanding

tax-supported debt while lowering annual debt service costs. This will also help to preserve our sound financial standing and bond ratings. Adoption of the Debt Management Plan has been one of the most significant financial decisions over the last decade.

■ **Comprehensive Financial Plan**

The Comprehensive Financial Plan, along with the Debt Management Plan, have served as the cornerstones of the long-term fiscal strength of the City. We recommend a continued update of this financial capacity study to provide a long-term perspective to the policy decisions of today.

■ **Identify and Limit CIP Operating Budget Impacts**

In addition to establishing a viable supplemental limit, identifying the operating budget impact of Capital Improvement Program (CIP) projects is a significant factor in achieving control over expenditure growth. We recommend continued efforts to refine the process of identifying these impacts and ensuring that provisions are made in operating budgets for these impacts as CIP projects are approved.

■ **Financial Policies**

Continued adherence to our operating budget, debt service, capital expenditure and investment policies, while maintaining ample fund balances and reserves, is the best strategy the City has to ensure its sound fiscal position. These policies require periodic review to strengthen and update as necessary. The point here is to warn against "creative finance" solutions and the underlying impacts these solutions may have on the City in the longer term.

■ **Protect State Shared Revenue**

It is recommended that we continue our efforts in coalition with the League of Arizona Cities and Towns to protect state shared revenue. They are very likely to continue to be at risk over the next few years. A freeze of state shared revenue or a significant change in distribution methodologies could pose a costly financial risk to General Fund and Transportation revenue.

■ **Economic Development/Redevelopment**

A further recommendation is to continue improving our economic development and redevelopment efforts to increase property valuation, commercial growth and job growth in the City. Effective decision-making on economic development and redevelopment will require us to evaluate the relative merits of development projects, placing emphasis on those adding the greatest value for Tempe's residents.

■ **Review Benefits Program**

We recommend that the City explore employee benefit options to ensure that Tempe's benefits package remains competitive with other valley cities. On the other hand, the City must also explore alternative means of minimizing expected increases in health care costs, both employee and retiree.



- **Rio Salado Financial Plan**

We recommend the continuation of the Rio Salado Project Financial Plan, which addresses operating, maintenance costs and debt service requirements. The City has created a Community Facilities District, a legal entity with assessment and taxing authority, that will provide part of the financial strategy.

- **Transit Plan**

With voter approval of a dedicated funding source for transit and the expansion of transit services, the City has created a 20 year Transit Business Plan. Also, Transit has developed an extensive benchmarking program in conjunction with the Transit Advisory Committee to evaluate services and assist in long-range planning. Both the Transit Plan and the benchmarking effort are valuable tools in the City's continued expansion of transit service and should be regularly updated.

- **Water/Wastewater Infrastructure Costs**

Careful financial planning will be required to address the increasing capital costs associated with water infrastructure and sewage treatment, primarily at the regional 91st Avenue Plant. We recommend a financial plan that minimizes sudden spikes in rates and controls expenditure growth.

- **Regular Review of City Fees and Charges**

Incremental increases in City fees and charges maintain the City's ability to keep pace with inflation. The City's long-term revenue outlook should include regular review of all City fees to ensure cost recovery as allowed by Council policy.

- **Program Sunsetting**

We recommend that the City continue, through the budgetary process, the annual sunset review program. This program facilitates a review of all existing citywide programs, using evaluation criteria to serve as guides in considering the merits of sunseting an existing program.

- **Strategic Issues Program**

The Strategic Issues Program provides a link between the City's budget process (resource allocation) and the long-term goals of the City. The strategic issues are periodically updated and refined, while departmental budget requests are associated with strategic issues. This gives direction to the budget process and a clearer rationale for resource allocation decisions. We recommend a continuation of this process and further reinforcement of the value in linking budget requests to strategic issues.

- **Benchmarking/Competitive Analysis**

We recommend that the City continue its efforts in benchmarking and competitive analysis. These activities will provide the City with opportunities to evaluate and improve service delivery while enhancing accountability to the residents.

- **Manage Stability**

The challenge facing the City is to position itself to manage stability as effectively as it has managed the growth in the past. Financial flexibility, which is often facilitated during rapid revenue growth periods, must be intentionally constructed through effective decision-making when managing stability. It requires reliable projections, clear priorities, effective planning, efficient systems, and continued adherence to sound fiscal guidelines. How well we manage these challenges will go a long way toward improving basic services provided to our residents, as well as, improving the quality of life in the City.



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THE FOLLOWING SECTION INCLUDES DEPARTMENTAL PER CAPITA AND AGGREGATE APPROPRIATIONS, GOALS, OBJECTIVES, PERFORMANCE INDICATORS, AND STAFFING LEVELS. THIS SECTION DESCRIBES ACTIVITIES, SERVICES, AND FUNCTIONS CARRIED OUT BY ORGANIZATIONAL UNITS INCLUDING THE MEASUREMENT OF RESULTS BY UNIT, OBJECTIVE AND FISCAL YEAR.

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Performance Budget Summary



Department	Personal Services	Supplies/Services/Contributions	Capital Outlay	Internal Services	Total FY 2007-08 Budget
Mayor & Council	\$459,334	\$27,631		(\$57,022)	\$429,943
City Manager	592,490	15,250		(243,856)	363,884
Internal Audit	461,210	14,120		25,290	500,620
Diversity Program	378,415	201,465		24,821	604,701
Community Relations	1,826,829	916,638		233,990	2,977,457
City Clerk	388,610	306,600		39,108	734,318
City Court	2,961,427	664,129		514,645	4,140,201
Human Resources	2,783,111	990,329		(512,072)	3,261,368
City Attorney	3,247,217	235,484		78,619	3,561,320
Financial Services	6,329,902	5,404,814	18,000	(5,217,847)	6,534,869
Information Technology	7,597,784	5,899,396	115,235	(13,612,415)	
Development Services	5,628,014	482,116		723,564	6,833,694
Community Development	5,583,990	11,673,828	8,000	(583,087)	16,682,731
Police	52,519,538	4,968,839	99,525	8,455,927	66,043,829
Fire	18,765,587	1,618,157	623,400	1,393,751	22,400,895
Community Services	13,005,566	2,078,149		2,137,430	17,221,145
Parks and Recreation	11,060,796	5,010,181		1,974,352	18,045,329
Public Works	25,261,238	45,971,138	2,783,262	(663,011)	73,352,627
Water Utilities	12,736,316	15,458,692	478,500	4,279,896	32,953,404
Total Departmental	171,587,374	101,936,956	4,125,922	(1,007,917)	276,642,335
Debt Service		64,240,431			64,240,431
Non-Departmental	2,268,722	5,699,440		1,306,338	9,274,500
Contingencies		5,129,436			5,129,436
Total Operating Budget	173,856,096	177,006,263	4,125,922	298,421	355,286,702
Capital Improvements			212,706,469		212,706,469
Total Financial Program	\$173,856,096	\$177,006,263	\$216,832,391	\$298,421	\$567,993,171

Per Capita Performance Budget



The citywide operating budget for FY 2007-08 totals \$355.3 million. This represents per capita growth of 12.5%.

Budget increases in these departments are primarily due to increased employee compensation, retirement contributions and rising health care costs.

The City continues to prioritize the general areas of Public Safety and Public Works accounting for nearly 60% of the total departmental budgets.

Department	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Mayor & Council	\$2.18	\$2.40	\$2.23	\$2.57
City Manager	2.31	2.54	2.31	2.17
Internal Audit	2.72	2.79	2.82	2.99
Diversity Programs	3.14	4.39	3.75	3.61
Community Relations	14.88	17.72	17.68	17.78
City Clerk	4.51	3.73	2.88	4.39
City Court	22.43	23.67	23.16	24.72
Human Resources	16.45	17.60	17.19	19.48
City Attorney	15.94	18.66	18.35	21.27
Financial Services	34.78	38.80	37.91	39.02
Development Services	32.28	37.87	98.57	40.81
Community Development	110.25	100.15	101.28	99.62
Police	331.67	357.16	357.65	394.39
Fire	111.96	120.41	121.75	133.77
Community Services	130.04	96.49	89.53	102.84
Parks and Recreation		101.18	101.34	107.76
Public Works	370.51	369.53	374.25	438.04
Water Utilities	173.62	174.88	181.24	196.79
Total Departmental Per Capita	\$1,379.67	\$1,489.97	\$1,553.89	\$1,652.02
Debt Service	203.33	306.45	306.45	383.62
Non-Departmental	25.16	59.16	47.17	55.38
Contingencies		29.56		30.63
Capital Improvement Projects	1,145.82	1,180.67	1,180.67	1,270.21
Total Per Capita	\$2,753.97	\$3,065.82	\$3,088.18	\$3,391.86



In the following Performance Budget Section, the reader will note a number of performance measures, or benchmarks related to each department's statement of its goals and objectives. These benchmarks are part of a benchmarking program throughout Tempe city government. Benchmark measures found in this section reflect a sampling of the more critical measures of department performance and service delivery.

Benchmarking has been used for many years in the private sector as a tool for improving efficiency and accountability, lowering costs, and enhancing competitiveness. Companies found that they could improve their own work processes by learning "best industry practices" from recognized leaders in various business sectors. In recent years, governments have become involved in benchmarking, realizing that they too can learn from each other. Properly implemented, benchmarking can provide a systematic tool for evaluating an organization's work processes and service delivery to determine if costs and service levels are meeting desired objectives and are competitive within the industry.

The City has tracked performance indicators for many years as a means of identifying service trends and communicating results to the public. The City made a commitment to develop a benchmarking program modeled after other successful private and public sector efforts. Taking advantage of much work already done on benchmarking nationally, we utilized consensus benchmarks established by several national programs addressing benchmarking, including the International City/County Management Association (ICMA), the Governmental Accounting Standards Board (GASB) Services Efforts and Accomplishments (SEA) program and the Innovation Group.

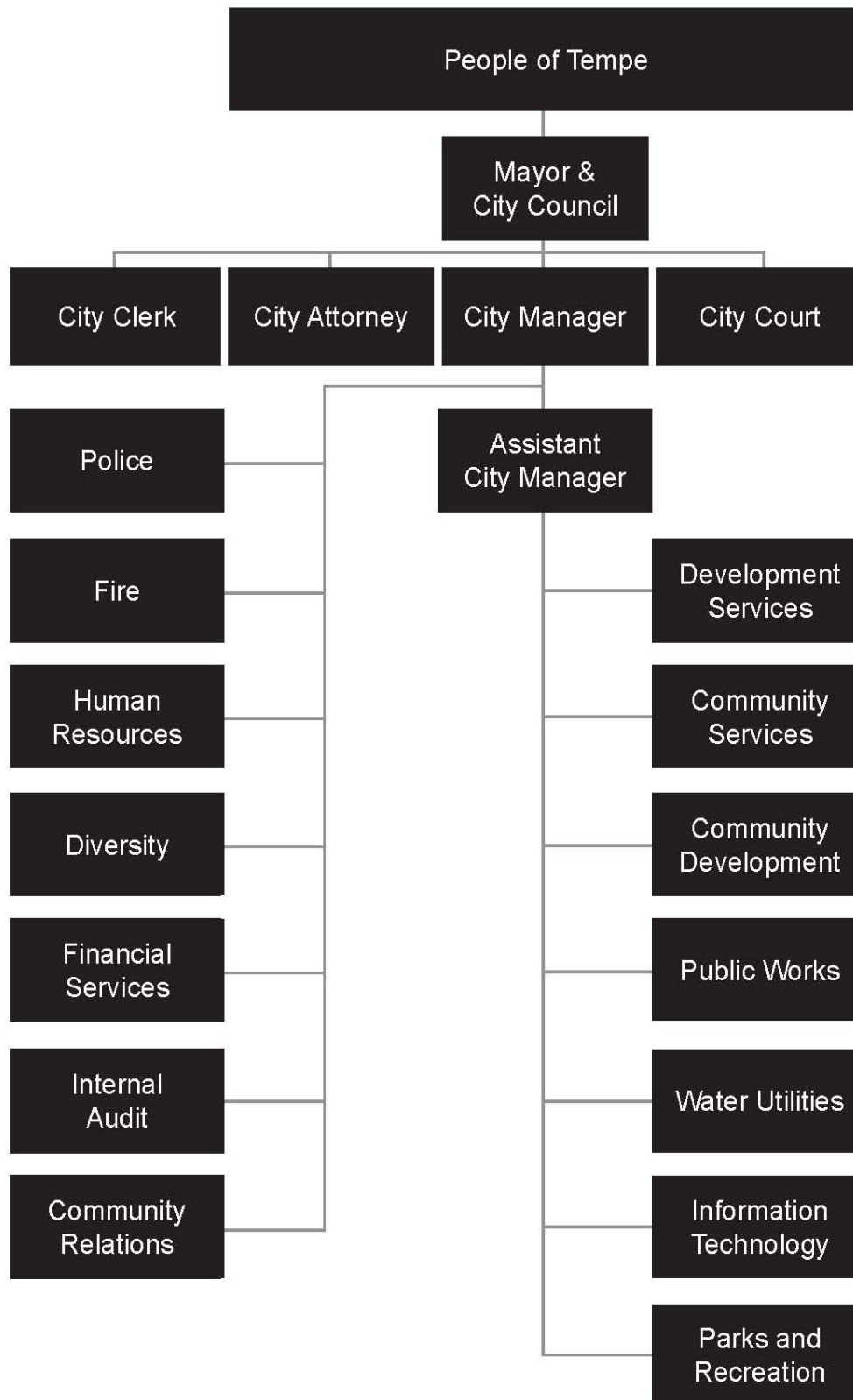
Tempe's benchmarking project began in 1984 with its participation in an experimental program coordinated by the Innovation Group, a nonprofit organization serving local government. Data for Innovation Group suggested benchmarks were gathered for a "test" group of City departments for possible comparisons with other local governments in the Innovation Group benchmark database. In addition, the City formally participated in ICMA's Comparative Performance Measurement Program.

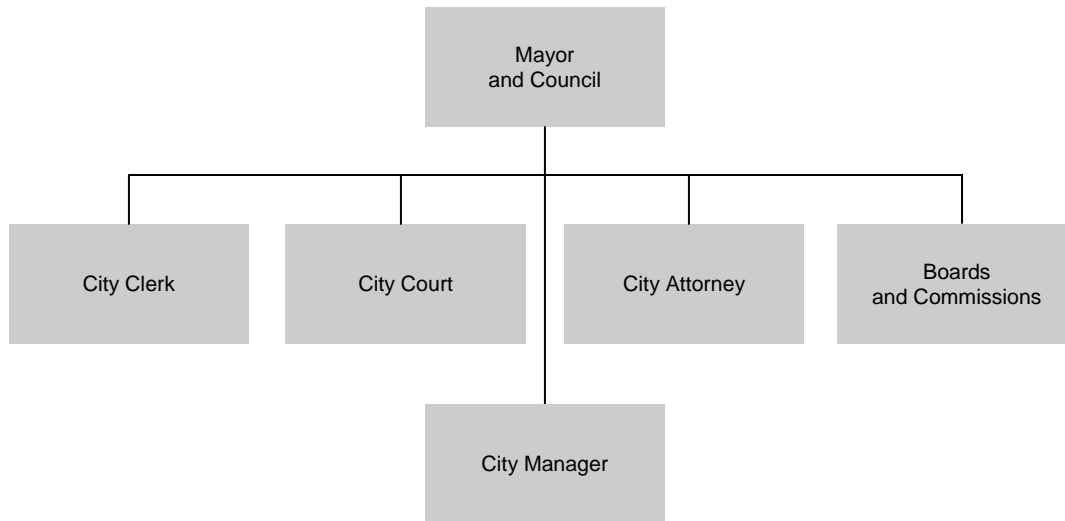
The City continues to refine the benchmarks tracked to include benchmarks developed by national professional organizations, as well as those developed by individual departments. Efforts have focused on establishing a database of historical information on a wide array of benchmarks for most City departments. As a result of discussions with the City's management team and input from departments, we identified the most important 25-30 comparative benchmarks. Concurrent with these efforts, a comparative benchmarking program was established with peer cities. The goal was to develop and maintain

partnerships with cities having comparable demographic and financial characteristics (i.e., population and operating budget size). Further, our goal was to gather data from the benchmark cities to evaluate Tempe's performance across critical operational areas.

This last fiscal year a special effort was initiated to enhance the value of performance measurement in the budget. As a result, several new performance measurements are included in this year's budget book.

This renewed focus on service delivery outcomes is indicative of the City's long-term commitment to benchmarking, and continuous improvement of our service delivery at the lowest possible cost to residents.





Department Purpose:

To represent residents of the City of Tempe, formulate legislation, and establish City policy.

Department Description:

The Mayor and six City Council members are the elected representatives of the citizens of Tempe. They are charged with the formulation of public policy to meet community needs. The City Council is responsible for appointing the City Clerk, City Court, City Manager and City Attorney, as well as Board and Commission members.

FY 2007-08 Budget Highlights:

No change in staffing levels.

	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Expenditure by Type				
Personal Services	\$368,692	\$416,435	\$386,645	\$459,334
Supplies and Services	15,331	27,601	27,631	27,631
Capital Outlay	527		527	
Internal Services	(22,933)	(44,340)	(42,758)	(57,022)
Expenditure Total	\$361,617	\$399,696	\$372,045	\$429,943
Per Capita	\$2.18	\$2.40	\$2.23	\$2.57

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Mayor and Council	7			7			7		
Total	7			7			7		



Related Strategic Issue: All Council Committees

Goal: To respond to all constituent forms of communication in a timely manner

Objective: 1) To respond to phone calls within 24 hours of receipt; 2) respond to email inquiries within 72 hours of receipt; 3) respond to mail/letter inquiries within five working days; 4) respond to 95% of all Council email within 24 hours of receipt; and 5) respond to 95% of all Council voicemail within 24 hours of receipt

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Calls responded to within 24 hours	N/A	95%	95%	95%
Email inquiries responded to within 72 hours	N/A	95%	95%	95%
Mail/letter inquiries responded to within five working days	N/A	95%	95%	95%
Council Communicator email responded to within 24 hours of receipt	N/A	95%	95%	95%
Council Communicator voicemail responded to within 24 hours of receipt	N/A	95%	95%	95%



City Manager

Department Purpose:

To professionally implement all City Council policy decisions, efficiently direct the City's operations, and create an organizational culture that results in the delivery of excellent municipal services to residents of Tempe.

Department Description:

Working with the City's governing body, the community, and City staff, the City Manager's Office is to professionally implement all City Council policy decisions and efficiently direct the City's operations and activities in accordance with sound management principles. These efforts will create an organizational culture which results in the delivery of excellent municipal services to the citizens of Tempe.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$427,051	\$545,038	\$507,509	\$592,490
Supplies and Services	12,323	15,250	15,250	15,250
Internal Services	(57,202)	(137,526)	(137,806)	(243,856)
Expenditure Total	\$382,172	\$422,762	\$384,953	\$363,884
Per Capita	\$2.31	\$2.54	\$2.31	\$2.17

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Manager	3		0.50	3		0.50	3		0.50
Total	3		0.50	3		0.50	3		0.50

Related Strategic Issue: All Council Committees

Goal: To provide high quality City services to residents of Tempe

Objective: To achieve a rating of 90%+ overall satisfaction with citywide services

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Satisfaction with overall City services	N/A	N/A	N/A	90%+



Department Purpose:

To support management in its efforts to uphold the City's values and achieve the City's mission by evaluating operations and encouraging the use of cost-effective internal controls to promote efficient utilization of available resources.

Department Description:

Internal Audit is responsible for enhancing the quality of City government, products and services, and providing independent, timely and relevant information concerning the City's programs, activities, and functions. This is accomplished by responding to requests to conduct objective evaluations of departments, divisions, and systems or units thereof. Internal Audit's work is vital in maintaining the general public's trust and confidence that City resources are used effectively and efficiently.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$411,942	\$424,363	\$430,989	\$461,210
Supplies and Services	12,371	14,120	14,120	14,120
Internal Services	25,860	25,898	24,070	25,290
Expenditure Total	\$450,173	\$464,381	\$469,179	\$500,620
Per Capita	\$2.72	\$2.79	\$2.82	\$2.99

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Internal Audit	4			4			4		
Total	4			4			4		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To achieve the City's mission by evaluating operations and encouraging the use of cost-effective internal controls

Objective: 1) To obtain management acceptance and support for 95% of recommendations; and 2) respond to 100% of management's requests for analytical and investigative assistance

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Support of recommendations	N/A	95%	100%	95%
Response to management's requests	N/A	100%	100%	100%



Department Purpose:

To promote a fair, equitable and accessible work environment for City employees, and provide administrative support to the Human Relations Commission.

Department Description:

The Diversity Office coordinates the City's response to the Diversity Audit, functions as an ombudsman for City employees, provides administrative support to the Human Resources Commission, Tardeada Advisory Board, the Mayor's Commission on Disability Concerns, and organizes community special events.

FY 2007-08 Budget Highlights:

Funding provided for diversity certification training. No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$340,194	\$379,333	\$362,750	\$378,415
Supplies and Services	144,833	333,331	238,281	201,465
Capital Outlay	176			
Internal Services	34,770	19,533	23,630	24,821
Expenditure Total	\$519,973	\$732,197	\$624,661	\$604,701
Per Capita	\$3.14	\$4.39	\$3.75	\$3.61

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Diversity	3	0.50		3	0.50		3	0.50	
Total	3	0.50		3	0.50		3	0.50	



Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To create a fair and equitable work and community environment for City of Tempe employees and residents

Objective: 1) To develop and implement the Diversity Action Plan; (2) serve as a safe haven for City employees; and 3) serve as a resource and resolution office for diversity related community issues

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Number (3) of EEOC Complaints	N/A	<3	1	<3
Successfully remediate employee safe havens/consultations	N/A	N/A	N/A	80%
Successfully remediate community concerns/consultations	N/A	N/A	N/A	80%

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To educate through programming and celebrate through events Tempe's rich diversity

Objective: To target 80% attendance to community diversity celebrations

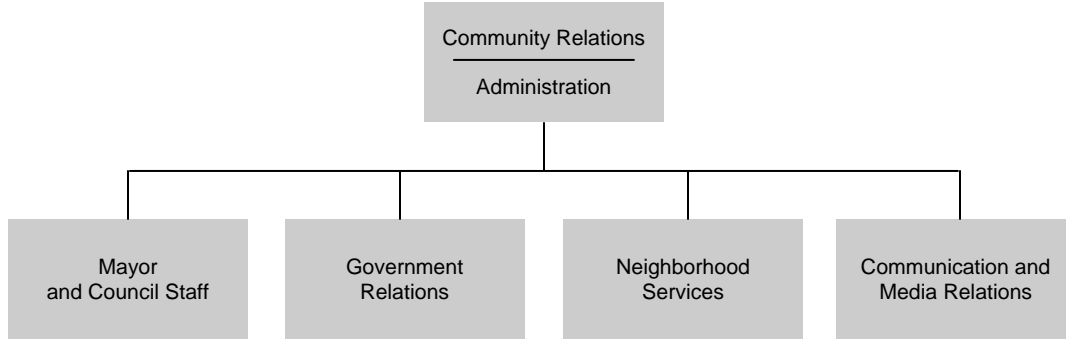
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Attendants rating events above average or higher	N/A	80%	95%	80%

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To promote an accessible environment for the City of Tempe workforce and community

Objective: To educate 90% of the workforce and community about the City's accessible policies and procedures

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Successfully remediate ADA grievances	N/A	90%	100%	90%



Department Purpose:

To serve the community, elected officials and city departments by delivering Tempe’s message and information to the public.

Department Description:

The Community Relations Office is comprised of the Mayor and Council’s Office Staff, Government Relations Division, Neighborhood Services Division, and Communication and Media Relations Division.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,520,442	\$1,665,576	\$1,704,474	\$1,826,829
Supplies and Services	609,785	808,569	798,069	723,379
Internal Services	188,186	300,298	257,867	233,990
Contributions	148,318	178,200	185,206	193,259
Expenditure Total	\$2,466,731	\$2,952,643	\$2,945,616	\$2,977,457
Per Capita	\$14.88	\$17.72	\$17.68	\$17.78

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Community Relations– Administration; Mayor and Council Staff	\$945,457	\$1,084,296	\$1,110,660	\$1,187,540
Government Relations	351,709	358,610	378,003	392,824
Neighborhood Services	266,337	233,775	220,543	241,139
Communication and Media Relations	903,228	1,275,962	1,236,410	1,155,954
Expenditure Total	\$2,466,731	\$2,952,643	\$2,945,616	\$2,977,457

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Community Relations- Admin; Mayor and Council Staff	7		0.98	9		0.98	9		0.98
Government Relations	1			1			1		
Neighborhood Services	2			2			2		
Communication & Media Relations	6		0.85	6		0.85	6		0.85
Total	16		1.83	18		1.83	18		1.83

Administration/Mayor's Office and Council Staff



The Administration Division coordinates the operations of the Community Relations Department. The Mayor's Office and Council Staff facilitate communication among the public, city staff, other elected entities and the Mayor and Council. Staff support is also provided for Council committees.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$669,355	\$767,968	\$787,571	\$864,924
Supplies and Services	172,614	212,498	217,498	213,308
Capital Outlay				
Internal Services	66,040	71,330	73,091	76,808
Contributions	37,448	32,500	32,500	32,500
Expenditure Total	\$945,457	\$1,084,296	\$1,110,660	\$1,187,540
Per Capita	\$5.70	\$6.51	\$6.67	\$7.09

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Community Relations - Administration; Mayor and Council Staff	7		0.98	9		0.98	9		0.98
Total	7		0.98	9		0.98	9		0.98

Government Relations



The Government Relations Division is responsible for the following activities: (1) coordination of all state and federal legislative activities; (2) oversight of all Maricopa Association of Governments programs and other intergovernmental activities; (3) review and coordination of various transportation and air quality issues, in conjunction with the Transportation Division; (4) staff assistance on special projects to the City Manager, and Mayor and City Council; and (5) serve as a liaison to the Tempe Sports Authority.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$124,872	\$131,139	\$133,531	\$139,389
Supplies and Services	103,776	115,955	115,955	115,955
Internal Services	23,335	7,816	17,811	18,721
Contributions	99,726	103,700	110,706	118,759
Expenditure Total	\$351,709	\$358,610	\$378,003	\$392,824
Per Capita	\$2.12	\$2.15	\$2.27	\$2.35

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Government Relations	1			1			1		
Total	1			1			1		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To maintain effective communication with the City's state and federal legislative delegation

Objective: 1) To preserve the City's existing revenue base and local zoning authority through regular meetings with appropriate parties; and 2) advocate for federal and state appropriations for energy, water and transportation projects

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Joint City Council/Legislative meetings	2	2	2	2
Briefings with federal legislative delegation	2	2	2	2

Neighborhood Services



The Neighborhood Services Division is designed to help preserve the integrity of Tempe's residential areas and to promote a sense of community. It provides technical and informational services to 67 neighborhood associations, more than 100 homeowner associations and 5 affiliate groups. It also supplies clerical support to neighborhood associations. The Neighborhood Services Division's key job is to maintain clear communication lines between neighborhood groups and City government, focusing on identifying, resolving and preventing neighborhood problems.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$189,413	\$207,255	\$200,404	\$220,646
Supplies and Services	63,956	13,350	13,350	13,350
Internal Services	12,968	13,170	6,789	7,143
Expenditure Total	\$266,337	\$233,775	\$220,543	\$241,139
Per Capita	\$1.41	\$1.41	\$1.32	\$1.44

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Neighborhood Services	2			2			2		
Total	2			2			2		

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To preserve and improve neighborhoods in the City of Tempe by encouraging citizen participation in decision-making processes

Objective: 1) To facilitate neighborhood problem-solving strategies with appropriate City departments; 2) strengthen a sense of community by establishing partnerships between neighborhoods and schools, businesses and civic organizations; and 3) keep neighborhoods involved and informed about City issues and programs

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Participating households	38,000	40,000	38,500	39,000
Grant applications received	50	50	33	35
Neighborhood association mailings	47,699	45,000	47,725	46,000
Neighborhood association meetings attended (percent of total)	96%	95%	97%	95%
Citizen contacts returned in 24 hours	98%	95%	98%	95%

Communication and Media Relations



The Communication and Media Relations Division handles all public information and media relations for the City and manages Tempe cable channel 11. It is responsible for keeping the community informed about programs and activities within the City as well as working on Tempe's image locally, regionally and nationally. Services provided by the division include media relations, graphic design, public relations, audio-visual and government access cable channel coordination.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$536,802	\$559,214	\$582,968	\$601,870
Supplies and Services	269,437	466,766	451,266	380,766
Internal Services	85,843	207,982	160,176	131,318
Contributions	11,145	42,000	42,000	42,000
Expenditure Total	\$903,227	\$1,275,962	\$1,236,710	\$1,155,954
Per Capita	\$5.45	\$7.66	\$7.42	\$6.90

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Communication & Media Relations	6		0.85	6		0.85	6		0.85
Total	6		0.85	6		0.85	6		0.85

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: 1) To keep Tempe residents, the general public, City employees and the media informed about City issues, programs, community events and organizational changes; and 2) position the City positively locally, regionally and nationally

Objective: 1) To provide information to the community through newsletters, brochures, press releases and advertising; 2) design and produce high quality informational publications, promotional items and visual graphics for all City departments that reflect the image of Tempe; and 3) provide the City with high quality audio/visual, media production and *Tempe 11* television programming services

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Tempe 11 electronic program guide accuracy and playback reliability	N/A	95%	97%	95%
Video-on-Demand access of public meetings within one working day	N/A	N/A	N/A	95%
Number of informational pieces provided	N/A	100	140	100
Press releases issued by Communications and Media Relations that result in news stories	N/A	90%	84%	85%



City Clerk

Department Purpose:

To accurately maintain the legal record of the actions of the City Council and all permanent City records, ensuring the preservation and accessibility of essential information, and to equitably conduct City elections to ensure the integrity of the democratic voting process.

Department Description:

The City Clerk, appointed by the Mayor and City Council pursuant to City Charter, serves as the legal custodian of the City's official records; serves as the Chief Elections Officer of the City; administers Council meetings; and affixes the City Seal on all official documents.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$337,092	\$369,501	\$325,343	\$388,610
Supplies and Services	362,754	206,600	116,541	306,600
Internal Services	47,211	45,873	37,207	39,108
Expenditure Total	\$747,057	\$621,974	\$479,091	\$734,318
Per Capita	\$4.51	\$3.73	\$2.88	\$4.39

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
City Clerk	4		0.58	4		0.58	4		0.58
Total	4		0.58	4		0.58	4		0.58

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To keep City personnel apprised regarding open meeting laws requirements, council packet submission requirements, and County regulations regarding recording of documents

Objective: To provide training sessions to 25% of the departments in any one year through semi-annual training sessions to City employees on open meeting law requirements, proper submission of council agenda packets, and document recording requirements.

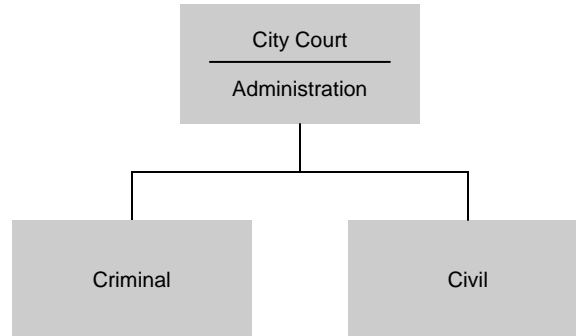
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Departments trained within the year	N/A	N/A	N/A	25%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To establish and maintain an active continuing program to comply with the AZ public records disclosure laws

Objective: To respond to all public records information requests within two business days, 95% of the time

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Public records requests responded within 2 days	N/A	N/A	N/A	95%



Department Purpose:

To contribute to the quality of life in our community by fairly and impartially administering justice in the most effective, efficient, and professional manner possible.

Department Description:

The City Court is a municipal limited jurisdiction court that deals with criminal misdemeanor, civil traffic cases, code enforcement and zoning violations as well as Orders of Protection and Injunctions Against Harassment. The court includes all judicial, administrative, and staff functions necessary to accomplish the court's purpose. This includes initial appearances, arraignments, pre-trial conferences, orders to show cause, subpoenas, arrest warrants, jury and non-jury trials, hearings, misdemeanor search warrants and financial services to enforce court orders by collecting fines, fees, surcharges and restitution.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,581,946	\$2,834,558	\$2,784,105	\$2,961,427
Supplies and Services	550,139	584,379	584,769	664,129
Internal Services	586,345	524,969	489,673	514,645
Expenditure Total	\$3,718,430	\$3,943,906	\$3,858,547	\$4,140,201
Per Capita	\$22.43	\$23.67	\$23.16	\$24.72

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
City Court - Administration	\$1,791,417	\$1,810,156	\$1,935,034	\$2,128,819
Criminal Division	822,454	877,298	835,022	878,585
Civil Division	1,104,559	1,256,452	1,088,491	1,132,797
Expenditure Total	\$3,718,430	\$3,943,906	\$3,858,547	\$4,140,201



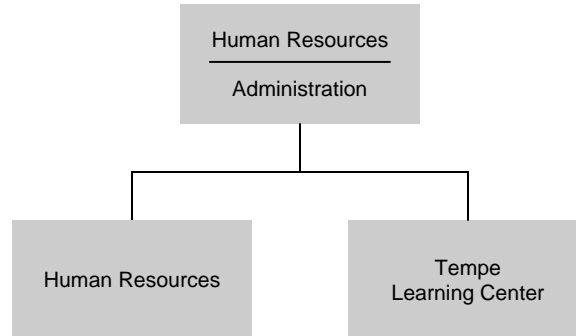
Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Court - Administration	10	.65		11	.65		11	.65	
Civil Division	14		4.10	16		2.10	15		2.10
Criminal Division	9		3.10	9		2.10	10		2.10
Total	33	.65	7.20	36	.65	4.20	36	.65	4.20

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To improve efficiency and effectiveness in the Tempe Municipal Court system's adjudication process

Objective: To achieve a 98% clearance rate of court filings

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total number of filings	124,724	126,475	123,057	123,057
Total number of dispositions	123,405	123,945	114,589	120,595
Clearance ratio	99%	98%	93%	98%



Department Purpose:

To attract, train and retain a diverse workforce that is better able to serve our community and mirrors the community in which we serve.

Department Description:

The Human Resources Department is responsible for Administration, Classification/Compensation and Recruitment/ Testing, Employee Benefits and Services, and the Tempe Learning Center (TLC). The department directly and indirectly serves all City departments and their respective employees by attracting and retaining a qualified and diverse work force; administering local, state and federal employment laws; wage and salaries; employee and retiree healthcare benefits; and the deferred compensation program to improve organizational productivity and effectiveness while effectively communicating to employees their rights, responsibilities, benefits, and training opportunities; investigating complaints and grievances; assisting with employee relations issues; and providing mediation services.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,175,421	\$2,537,847	\$2,481,805	\$2,783,111
Supplies and Services	842,494	891,825	891,278	990,329
Capital Outlay	1,035			
Internal Services	(291,512)	(497,616)	(508,988)	(512,072)
Expenditure Total	\$2,727,438	\$2,932,056	\$2,864,095	\$3,261,368
Per Capita	\$16.45	\$17.60	\$17.19	\$19.48

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Human Resources	\$2,001,989	\$2,031,022	\$1,996,492	\$2,325,463
Tempe Learning Center	725,449	901,034	867,603	935,905
Total	\$2,727,438	\$2,932,056	\$2,864,095	\$3,261,368



Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Human Resources	15	0.50		16	0.50		16	0.50	
Tempe Learning Center	3			4			4		
Total	18	0.50		20	0.50		20	0.50	

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To strive to retain a stable workforce

Objective: To maintain an annual turnover rate of less than 10%

Measures <i>(Comparative Benchmark)</i>	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Employee turnover rate	8.41%	7.5%	9.0%	9.0%

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To strive to retain a diverse workforce

Objective: To develop and maintain fair and equitable employment practices reflected by the percentage of unsubstantiated allegations and EEOC findings received in relation to the number of allegations and EEOC complaints filed

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Equal Employment Opportunity Commission (EEOC) complaints	7	7	1	2
Formal grievances	3	3	2	3
Employee unsubstantiated allegations	85%	85%	90%	90%
EEOC complaints found in favor of the City	100%	100%	100%	100%



The Tempe Learning Center (TLC) supports the City's mission, values and strategic initiatives through employee training and development. Working closely with the Diversity Steering Committee, the City's six-sided employee partnership and guided by the Tempe Learning Center Board, TLC ensures that services are inclusive and meet organizational objectives. In order to prepare Tempe employees for the future and to create a learning organization, TLC provides education and career counseling and administers the tuition reimbursement program. TLC also develops and manages a mandatory skills training series for managers and supervisors, educational partnerships for academic degree and vocational/technical certifications, and workshops targeting specific training needs.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$814,603	\$1,029,126	\$993,060	\$1,053,296
Materials and Supplies	9,857	19,577	12,674	66,021
Fees and Services/Travel	26,899	29,444	35,800	33,000
Internal Services	(125,910)	(177,113)	(173,931)	(216,412)
Expenditure Total	\$725,449	\$901,034	\$867,603	\$935,905
Per Capita	\$4.38	\$5.41	\$5.21	\$5.59

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Tempe Learning Center	3			4			4		
Total	3			4			4		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To utilize learning to support the City's mission, values, strategic initiatives and develop a stable, capable workforce

Objective: 1) To maintain a 90% knowledge, skills and competence improvement rate among participants; and 2) obtain a 95% successful completion rate for all courses with each education partnership degree program

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Participants who rated improved knowledge, skills and competence as a result of TLC training and development programming	92%	93%	93%	90%
Education partnership participants successfully completing assigned classes	98%	92%	90%	95%



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City Attorney

Department Purpose:

To facilitate Tempe's vision through supreme quality legal services.

Department Description:

The City Attorney, appointed by the Mayor and City Council under the City Charter, is legal advisor and attorney for the City. Activities include presentation and defense of the City's legal interests and rights and prosecution for misdemeanor complaints. The City Attorney also is responsible for attending City Council meetings and serving as legal counsel during such meetings. Services are as follows: (1) support the legislative and administrative processes (ordinances, opinions, litigation, contracts, legal research, liens); (2) present and defend the City's legal interests and rights before all courts, legislative and administrative tribunals; and (3) prosecute complaints (misdemeanor traffic and criminal, municipal and superior courts).

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,374,955	\$2,791,526	\$2,879,065	\$3,247,217
Materials and Supplies	160,416	235,524	109,822	235,484
Capital Outlay	32	3,800	3,800	
Internal Services	107,554	78,059	64,636	78,619
Expenditure Total	\$2,642,957	\$3,108,909	\$3,057,323	\$3,561,320
Per Capita	\$15.94	\$18.66	\$18.35	\$21.27

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
City Attorney	24	1.25	0.62	27	1.75	0.62	27	1.75	0.62
Total	24	1.25	0.62	27	1.75	0.62	27	1.75	0.62

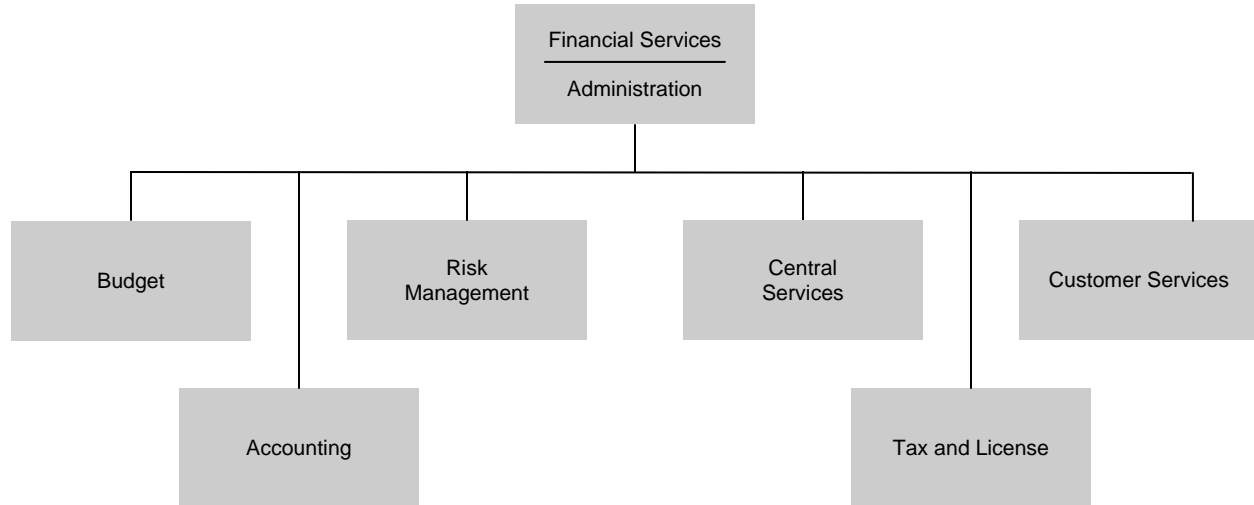


Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation				
Goal:	To provide prompt legal services			
Objective:	To achieve a 98% satisfaction rating from departments responding to the Civil Client Satisfaction Survey			
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Departments indicating a positive response to promptness	92%	98%	98%	98%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation				
Goal:	To provide excellent customer service			
Objective:	To maintain 100% satisfaction rating from departments responding to the Civil Client Satisfaction Survey			
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Departments indicating a positive response to courteous and approachable services	100%	100%	100%	100%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation				
Goal:	To provide prompt disposal of DUI cases			
Objective:	To dispose of 100% of DUI cases within 180 days			
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
DUI cases disposed of within 120 days	95%	95%	95%	95%
DUI cases disposed of within 180 days	99%	100%	100%	100%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation				
Goal:	To increase victim's rights satisfaction rating			
Objective:	To achieve a 75% victim's rights satisfaction rating			
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Victim's rights satisfaction rating	75%	75%	75%	75%



Department Purpose:

To provide excellent financial management services through sound fiscal administration with integrity, accountability, superior customer service, and low cost.

Department Description:

The Financial Services Department is comprised of Administration, Budget, Accounting, Risk Management, Central Services, Tax and License and Customer Services. The department's operational functions include all finance, accounting, budget, revenue audit and collections, purchasing, reprographics, business licensing responsibilities, and customer service billing operations. Though the main funding source for Financial Services is the General Fund, funding is also provided from the Water/Wastewater and Risk Management Funds.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$5,078,415	\$5,797,067	\$5,852,184	\$6,329,902
Supplies and Services	4,905,935	4,977,661	17,800,400	5,404,814
Capital Outlay	45,630	26,800	26,800	18,000
Internal Services	(4,263,728)	(4,336,080)	(17,362,609)	(5,217,847)
Expenditure Total	\$5,766,252	\$6,465,448	\$6,316,775	\$6,534,869
Per Capita	\$34.78	\$38.80	\$37.91	\$39.02

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Financial Services Administration	\$191,641	\$228,925	\$204,729	\$209,587
Budget	324,036	334,062	337,099	287,827
Accounting	888,155	1,227,290	1,088,026	1,086,562
Risk Management	23,154			
Central Services	1,116,600	1,304,892	1,249,394	1,377,083
Tax and License	1,486,519	1,579,100	1,602,816	1,678,522
Customer Services*	1,736,147	1,791,179	1,834,711	1,895,288
Total	\$5,766,252	\$6,465,448	\$6,316,775	\$6,534,869

*Funded by the Water/Wastewater Fund



Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	2			2			2		
Budget	4			4			4		
Accounting	10		0.63	10		0.63	10		0.63
Risk Management	3	0.50		4	0.50		4	0.50	
Central Services	11		0.62	12		0.62	12		0.62
Tax and License	17			17			17		
Customer Services	20			21			21		
Total	67	0.50	1.25	70	0.50	1.25	70	0.50	1.25

Administration and Budget



Administration is responsible for the overall management of the department. Budget responsibilities include: preparation of budget documents, comprehensive financial planning, forecasting, capital improvements program, budget monitoring, benchmarking, and special financial studies.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$624,063	\$714,158	\$696,185	\$799,741
Supplies and Services	66,207	38,386	38,386	38,386
Capital Outlay	5,071			
Internal Services	(179,664)	(189,557)	(192,743)	(340,713)
Expenditure Total	\$515,677	\$562,987	\$541,828	\$497,414
Per Capita	3.11	3.38	3.25	2.97

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	2			2			2		
Budget	4			4			4		
Total	6			6			6		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To ensure the long-term financial success of the City through sound financial management practices

Objective: To adhere to a financial management strategy that produces financial results that compare favorably with our peer cities as measured by generally accepted financial indicators

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration				
Fund balance coverage - General Fund	26%	>25%	31%	>25%
General obligation bond rating (Standard & Poor's/Moody's/Fitch)	AA+/Aa1/AAA	AA+/Aa1/AAA	AAA/Aa1/AAA	AAA/Aa1/AAA

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To provide quality customer service to all citywide user departments

Objective: To achieve a 95% or higher satisfaction with overall service provided by the Budget Office

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Budget				
Overall satisfaction with service	94%	95%	85%	95%



Accounting services include payroll, accounts payable, cash management, special assessments, accounts receivable, and financial reporting.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$746,351	\$808,291	\$829,979	\$872,482
Supplies and Services	386,850	564,700	414,700	476,700
Internal Services	(245,046)	(145,701)	(156,653)	(262,620)
Expenditure Total	\$888,155	\$1,227,290	\$1,088,026	\$1,086,562
Per Capita	\$5.36	\$7.37	\$6.53	\$6.49

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Accounting	10		0.63	10		0.63	10		0.63
Total	10		0.63	10		0.63	10		0.63

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: 1) To effectively perform accounts payable, payroll, and other accounting functions for City departments; 2) maintain adequate internal controls; 3) adhere to generally accepted accounting principles; and 4) ensure the safety of City investments

Objective: To receive positive independent certifications of financial reports

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Unqualified opinion from independent auditor	Yes	Yes	Yes	Yes
GFOA Certificate of Excellence	Yes	Yes	Yes	Yes

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To pay invoices in a timely manner

Objective: To enter vouchers for payment within two weeks of the purchase order dispatch date at least 90% of the time

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Compare the purchase order dispatch date/invoice date	N/A	N/A	N/A	90%

Risk Management



Risk Management functions include liability, property, Workers' Compensation claims resolution, and the administration of the employee safety program. This division is funded entirely by the Risk Fund.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$467,566	\$670,477	\$615,986	\$696,066
Supplies and Services	3,572,312	3,474,885	16,492,624	3,953,697
Capital Outlay	360	600	600	
Internal Services	(4,017,084)	(4,145,962)	(17,109,210)	(4,649,763)
Expenditure Total	\$23,154	\$0	\$0	\$0
Per Capita	\$0	\$0	\$0	\$0

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Risk Management	3	0.50		4	0.50		4	0.50	
Total	3	0.50		4	0.50		4	0.50	

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To partner with all City departments in the detection, elimination, and control of potential loss exposures to the City

Objective: 1) To reduce Workers' Compensation claims by 5% annually; and 2) increase subrogation recovery by 3% annually

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Claims investigated within 7 days	100%	100%	100%	100%
Workers' Compensation claims	\$774,431	\$800,000	\$750,000	\$800,000
Percent change	(3.2%)	(5%)	(6.2%)	0%
Subrogation recovery totals	N/A	\$200,000	\$222,577	\$200,000
Percent change	N/A	N/A	11.3%	3%

Central Services



Central Services functions include purchasing, contract negotiations for goods and services, duplicating services, mail delivery, and surplus property management.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$679,570	\$898,379	\$847,509	\$980,229
Supplies and Services	469,792	485,213	485,213	521,554
Internal Services	(32,762)	(78,700)	(83,328)	(124,700)
Expenditure Total	\$1,116,600	\$1,304,892	\$1,249,394	\$1,377,083
Per Capita	\$6.73	\$7.83	\$7.50	\$8.22

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Central Services	11		0.62	12		0.62	12		0.62
Total	11		0.62	12		0.62	12		0.62

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To procure low cost, quality goods and services for City departments, while ensuring that purchases are made in a timely and ethical manner

Objective: 1) To procure at least 45% of lower cost items through annual contracts; and 2) maintain 100% compliance with the American Bar Association Model Procurement Code

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Lower cost purchases made through annual contracts	40%	45%	39%	45%
Conformity to American Bar Association Model Procurement Code	95%	100%	100%	100%

Tax and License



Tax and License receives all City sales tax and licensing revenue and is responsible for issuing sales tax licenses and auditing license holders.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,249,398	\$1,338,178	\$1,388,036	\$1,455,436
Supplies and Services	45,107	52,480	52,480	52,480
Capital Outlay	2,623			
Internal Services	189,391	188,442	162,300	170,606
Expenditure Total	\$1,486,519	\$1,579,100	\$1,602,816	\$1,678,522
Per Capita	\$8.97	\$9.48	\$9.62	\$10.02

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Tax and License	17			17			17		
Total	17			17			17		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To administer the tax and license codes in an efficient, fair, and equitable manner

Objective: 1) To complete audits within 6 months of starting fieldwork 80% of the time; 2) have less than 10% of completed audits be protested; and 3) have protested audits upheld 80% of the time

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Audits completed within six months	N/A	80%	75%	80%
Completed audits protested	N/A	10%	1%	10%
Protested audits upheld as valid	N/A	80%	N/A*	80%

*One case only, hearing not held yet

Customer Services



Customer Services is responsible for billing and collecting charges for water, sewer, solid waste, and irrigation services. This division is funded entirely by the Water/Wastewater Fund.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,311,347	\$1,367,584	\$1,474,489	\$1,525,948
Supplies and Services	365,669	361,997	316,997	361,997
Capital Outlay	37,577	26,200	26,200	18,000
Internal Services	21,554	35,398	17,025	(10,657)
Expenditure Total	\$1,736,147	\$1,791,179	\$1,834,711	\$1,895,288
Per Capita	\$10.47	\$10.75	\$11.01	\$11.32

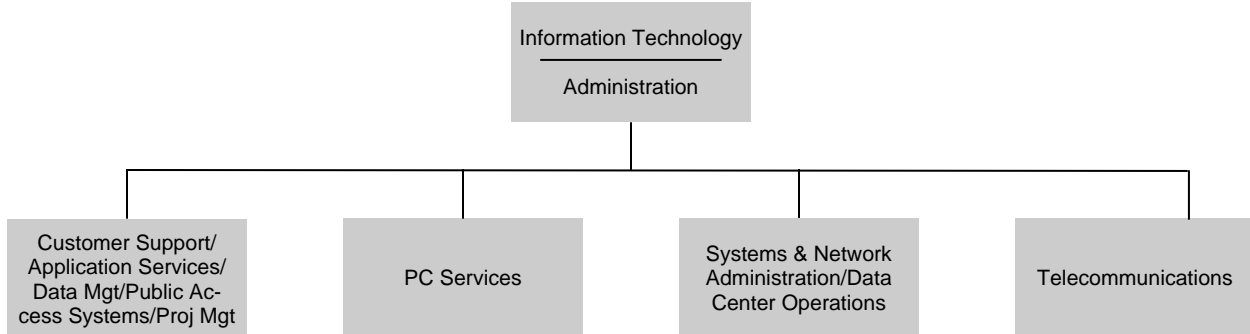
Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Customer Services	20			21			21		
Total	20			21			21		

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To answer all incoming calls within the industry standard based on American Water Works Association (AWWA) Benchmarking Water Utility Customer Relations Best Practices (AWWA Research Foundation, 2006)

Objective: 1) To answer customer calls under the AWWA industry standard of 58 seconds; and 2) maintain the abandoned call rate below the AWWA industry standard of 5.8%

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Monthly call center reports (average speed answered)	N/A	58 sec.	58 sec.	<58 sec.
Monthly call center reports (abandoned call rate)	N/A	N/A	N/A	<5.8%



Department Purpose:

To partner with internal customers and provide them with cost-effective, high quality service, support and systems enabling City departments to be productive, efficient, and deliver excellent service to the residents of Tempe.

Department Description:

The Information Technology Department (ITD) is responsible for fostering a partnership with City Departments and optimizing the productivity of the office environment by empowering our employees with state-of-the-art tools and leveraging the City's investment in information technology. ITD provides services that include: shared resources, systems, software, and information processing.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$6,596,779	\$7,034,909	\$6,954,904	\$7,597,784
Supplies and Services	6,231,358	5,825,100	5,841,038	5,899,396
Capital Outlay	29,767			115,235
Internal Services	(12,857,904)	(12,860,009)	(12,795,942)	(13,612,415)
Expenditure Total	\$0	\$0	\$0	\$0
Per Capita*	\$77.55	\$77.18	\$76.79	\$81.28

*Based on Internal Services expenditure. Displayed for informational purposes.

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration	\$2,249,262	\$2,147,559	\$2,105,452	\$2,200,753
Customer Support/Application Services/ Data Management/Public Access Systems/ Project Management	3,713,244	4,049,588	3,988,380	4,258,534
PC Services	1,898,512	1,977,819	1,936,762	2,087,271
Systems & Network Administration/Data Center Operations	3,157,689	2,985,386	3,010,224	3,166,734
Telecommunications	1,839,197	1,699,657	1,755,124	1,899,123
Internal Services	(12,857,904)	(12,860,009)	(12,795,942)	(13,612,415)
Total	\$0	\$0	\$0	\$0



Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	4			4			4		
Customer Support/Application Svcs/ Data Management/Public Access Systems/Project Management	37			37			37		
PC Services	8			8			8		
Systems & Network Administration/ Data Center Operations	18			19			19		
Telecommunications	5			5			5		
Total	72			73			73		

Related Strategic Issue: Education and Technology Advancement

Goal: To provide prompt response to computer system problems

Objective: 1) To resolve 86% of incoming calls to the Helpdesk within 30 minutes; 2) settle 11% of calls routed to second level support personnel within 4 hours; and 3) resolve 3% of the calls requiring 4 hours or longer to resolve

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Calls resolved within 30 minutes	N/A	81%	86%	86%
Second level calls resolved within 4 hours	N/A	16%	11%	11%
Calls requiring longer than 4 hours to resolve	N/A	3%	3%	3%

Related Strategic Issue: Education and Technology Advancement

Goal: To minimize system downtime

Objective: To average less than 30 milliseconds for PC to server response time during peak traffic load

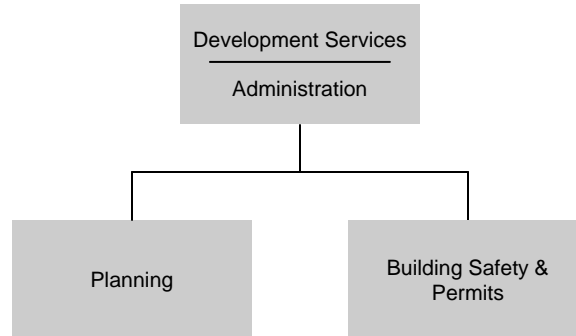
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
PC to server response time during peak traffic load (milliseconds)	N/A	70	30	30

Related Strategic Issue: Education and Technology Advancement

Goal: To provide prompt computer response time

Objective: To target 99.93% network access availability for voice and data

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Network access availability for voice and data	N/A	99.90%	99.93%	99.93%



Department Purpose:

To protect public health and safety by providing advice and giving direction as projects navigate the challenges and opportunities of developing in our built out community.

Department Description:

The Development Services Department is responsible for enhancing the quality of Tempe's living environment and its economic base. Services provided are as follows: (1) assisting our customers through the City's development entitlement process; (2) current planning and administrative support for design review, board of adjustment, planning commission, and City Council; (3) professional advisement on the change or adoption of codes and ordinances, rules and regulations applicable to new development, redevelopment, construction and property conservation; (4) review and approval of building plans and specifications of all proposed construction; (5) issuance of building, fire and engineering permits for development; (6) on-site building inspections; and (7) development of long range, strategic, and local area planning documents for the City of Tempe.

FY 2007-08 Budget Highlights:

Funding provided for contracted services for one full-time Hearing Officer, building plan review, inspections, and administrative support services. No change in staffing levels.



Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$3,971,777	\$5,040,444	\$4,759,821	\$5,628,014
Supplies and Services	673,946	482,116	578,586	482,116
Capital Outlay	14,926	26,740	28,440	
Internal Services	692,070	760,849	11,057,294	723,564
Expenditure Total	\$5,352,719	\$6,310,149	\$16,424,141	\$6,833,694
Per Capita	\$32.28	\$37.87	\$98.57	\$40.81

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Development Services - Administration	\$664,448	\$459,215	\$10,696,452	\$523,936
Building Safety and Permits	3,250,275	3,637,692	3,693,506	4,186,889
Planning	1,437,996	2,213,242	2,034,183	2,122,869
Total	\$5,352,719	\$6,310,149	\$16,424,141	\$6,833,694

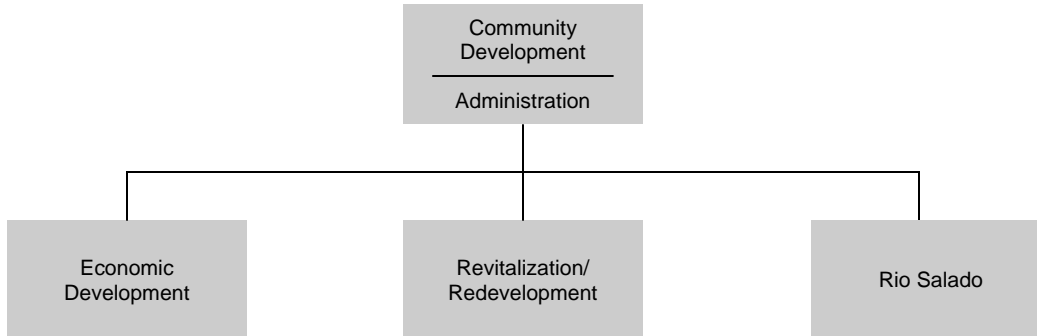
	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Development Services - Administration	3			3			3		
Building Safety and Permits	29		1.00	34		2.00	34		2.00
Planning	17		1.86	22		1.86	22		1.86
Total	49		2.86	59		3.86	59		3.86

Related Strategic Issue: Central City Development Committee of the Whole

Goal: To verify through formal plan check and permit processes that plans, specifications, and engineering calculations meet minimum requirements for adopted building codes, ADA, and planning and zoning ordinances

Objective: 1) To complete 100% of building inspections within one day of request; 2) process 95% of plan reviews within agreed time frame; 3) serve 100% of customers within five minutes of arrival; and 4) accurately perform front counter activities 95% of the time.

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Building inspections completed within one day of request	N/A	100%	100%	100%
Plan reviews processed within agreed time frame	N/A	95%	95%	95%
Customers served within five minutes of arrival	N/A	100%	100%	100%
Accuracy of front counter activities	N/A	95%	95%	95%



Department Purpose:

To proactively solve the challenges related to Economic Development, Redevelopment, Tempe Town Lake, Housing and Neighborhood Enhancement by focusing on quality new urban development and job attraction while making sure the physical condition of our neighborhoods is maintained and nurtured.

Department Description:

The Community Development Department is responsible for a wide range of activities that focus on promoting Tempe as a favorable place for business location and expansion. Its divisions and their respective functions include:

Economic Development is responsible for working with prospective businesses, coordinating regional and local entities in attracting quality companies, broadening the Tempe tax base, and encouraging educational, cultural and recreational opportunities that make for a well-balanced City and contribute to the quality of life.

Revitalization/Redevelopment is responsible for receiving and investigating complaints of all alleged City code violations, and initiating action to abate violations; recommending codes and ordinances, rules and regulations applicable to construction and property preservation; providing low interest housing rehabilitation loans and rental assistance for the elderly, persons with disabilities and low income individuals and families; administering redevelopment and historic preservation programs; and developing neighborhood plans and low income housing plans. Partially funded by Community Development Block Grant Fund and Section 8 Fund.

Rio Salado is responsible for management of the Rio Salado Town Lake project and coordinating development in the Rio Salado region. Funded by the Rio Salado Fund.



Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$3,766,993	\$3,996,187	\$3,865,209	\$5,583,990
Supplies and Services	13,808,210	11,452,190	12,036,240	11,098,786
Capital Outlay	25,701	59,563	59,867	8,000
Internal Services	59,042	350,303	308,886	(583,087)
Contributions	618,726	816,446	571,146	572,546
Contingencies		13,373	33,993	2,496
Expenditure Total	\$18,278,672	\$16,688,062	\$16,875,341	\$16,682,731
Per Capita	\$110.25	\$100.15	\$101.28	\$99.62

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration/Economic Development	\$940,847	\$1,029,609	\$1,145,151	\$1,247,678
Revitalization/Redevelopment	16,201,527	14,051,799	14,110,624	13,733,143
Rio Salado	1,136,298	1,606,654	1,619,566	1,701,910
Total	\$18,278,672	\$16,688,062	\$16,875,341	\$16,682,731

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration/Economic Development	6		1.00	8		1.00	8		1.00
Revitalization/Redevelopment	38			37		5.00	37		6.60
Rio Salado	8		0.49	9		0.49	9		0.49
Total	52		1.49	54		6.49	54		8.09

Administration/Economic Development



Working with prospective businesses, coordinating regional and local entities in attracting quality companies, broadening the Tempe tax base, and encouraging educational, cultural and recreational opportunities that make for a well-balanced city and contribute to the quality of life.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$582,673	\$622,911	\$746,381	\$850,292
Supplies and Services	150,273	128,630	170,755	165,630
Capital Outlay	261		89	
Internal Services	44,962	78,068	65,226	68,756
Contributions	162,678	200,000	162,700	163,000
Expenditure Total	\$940,847	\$1,029,609	\$1,145,151	\$1,247,678
Per Capita	\$5.67	\$6.18	\$6.87	\$7.45

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Economic Development	6		1.00	8		1.00	8		1.00
Total	6		1.00	8		1.00	8		1.00

Related Strategic Issue: Central City Development Committee of the Whole

Goal: To expand and diversify the Tempe economy

Objective: To grow the tax base and job market in the community

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Opportunities to retain Tempe businesses	15	20	25	22
Jobs generated by new companies	2,200	2,600	3,000	2,800
New businesses brought to Tempe	16	15	22	18
Successful business retention and expansions	22	8	28	10

Revitalization/Redevelopment



The Revitalization/Redevelopment Division is charged with a wide variety of projects including redevelopment, historic preservation, housing assistance, homeless coordination, code compliance and neighborhood revitalization. This division includes activities funded from the Federal Section 8, Community Development Block Grant funds, and the City's General Fund.

FY 2007-08 Budget Highlights:

Funding provided for five temporary FTE positions to identify neighborhood code violations. Funding also provided for the Homeless Outreach Program Effort.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,570,208	\$2,586,563	\$2,289,545	\$2,872,132
Supplies and Services	12,946,675	10,517,881	11,028,359	10,127,498
Capital Outlay	10,781	29,953	29,953	4,000
Internal Services	217,814	287,583	320,328	317,471
Contributions	456,049	616,446	408,446	409,546
Contingencies		13,373	33,993	2,496
Expenditure Total	\$16,201,527	\$14,051,799	\$14,110,624	\$13,733,143
Per Capita	\$97.72	\$84.33	\$84.68	\$82.01

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Revitalization/Redevelopment	38			37		5.00	37		6.60
Total	38			38		5.00	37		6.60

Related Strategic Issue: Central City Development Committee of the Whole

Goal: To obtain compliance with City codes that relate to nuisances, property enhancements, rental housing and zoning ordinance requirements

Objective: To resolve code issues within 40 days or less

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Number of days to resolve code violations	33	34	34	40
Code enforcement cases received	5,660	5,600	5,558	7,000
Code enforcement cases closed	5,241	5,600	5,471	7,000
Cases per inspector per month	71	70	70	60



Related Strategic Issue: Transportation and Affordable Housing

Goal: To make responsible investments of time, money, and energy that produce a variety of housing opportunities for those most in need while simultaneously strengthening the social, economic, and social character of our neighborhoods

Objective: 1) To invest in housing development that allows for maximum long-term affordability while providing alternatives for affordable housing units lost through redevelopment; and 2) increase community partnerships by 20%

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Decent and affordable rental housing units made available	5	10	5	5
Decent and affordable owner occupied housing units made available	8	10	5	5
Percent increase in community partnerships	15%	15%	20%	20%

Related Strategic Issue: Transportation and Affordable Housing

Goal: To create an adequate supply of affordable, quality, rental housing

Objective: 1) To provide rental subsidies, family self-sufficiency support; and 2) encourage homeownership for low income individuals and families living in rental housing

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Households provided with rental assistance Housing Choice Vouchers	1,006	1,082	1,051	1,082
Housing quality inspections	1,786	1,082	1,777	1,782
Home Occupancy Made Easier (HOME) program recipients	34	35	30	35
Section 8 Family Self-Sufficiency program participation	65	65	65	65

Related Strategic Issue: Transportation and Affordable Housing

Goal: To increase homeownership within the City, revitalize and preserve neighborhoods, and help low and moderate income families build wealth through their investment in homeownership

Objective: To ensure homebuyers have the information, education, and counseling services through partnerships with local nonprofit organizations and financial institutions

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Households becoming homeowners with HOME funding	25	25	33	8
Families graduated from Family Self-Sufficiency program	5	10	10	10
Section 8 families becoming homeowners through HOME or American Dream Down payment Initiative (ADDI) funds	1	5	3	3
Families receiving U.S. Department of Housing and Urban Development (HUD) housing counseling	58	50	71	25



The Rio Salado Division is responsible for the management of the Rio Salado Town Lake project and coordinating development in the Rio Salado region. This division is funded by the Rio Salado Fund.

FY 2007-08 Budget Highlights:

Funding provides for two full-time Park Ranger positions to provide security in Rio Salado area. These positions are funded from the Rio Salado Fund, but organized in the Police Department.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$614,111	\$786,713	\$829,283	\$1,292,890
Supplies and Services	711,261	805,679	837,126	491,997
Capital Outlay	14,659	29,610	29,825	
Internal Services	(203,733)	(15,348)	(76,668)	(82,977)
Expenditure Total	\$1,136,298	\$1,606,654	\$1,619,566	\$1,701,910
Per Capita	\$6.85	\$9.64	\$9.72	\$10.16

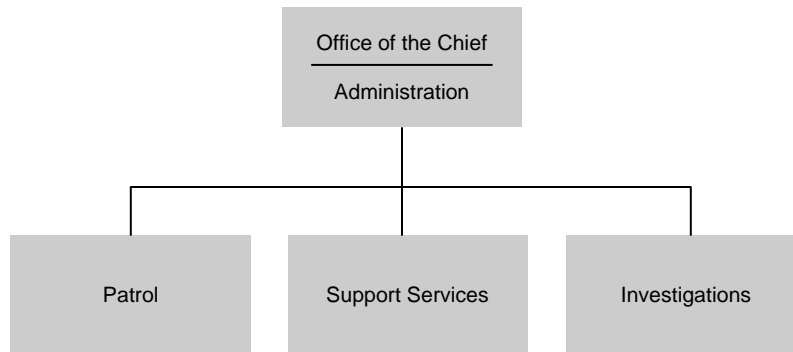
Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Rio Salado	8		0.49	9		0.49	9		0.49
Total	8		0.49	9		0.49	9		0.49

Related Strategic Issue: Central City Development Committee of the Whole

Goal: To increase use of Tempe Town Lake and the surrounding Rio Salado parks

Objective: To increase revenue from lake and activities in the surrounding parks

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Boat permit revenue	\$22,215	\$23,000	\$19,400	\$21,040
Boat storage marina revenue	\$10,630	\$12,000	\$32,175	\$29,000
Boating class revenue	\$17,435	\$11,500	\$16,570	\$18,100
Boat storage operations center revenue	\$62,149	\$22,000	\$22,845	\$22,660



Department Purpose:

To partner with the citizens of Tempe to improve the quality of life in our City by identifying and resolving public safety concerns.

Department Description:

The Police Department consists of the following divisions: Office of the Chief, Patrol, Support Services, and Investigations. The department's responsibilities include effective and efficient police protection through investigations of criminal offenses, enforcement of state laws and City ordinances, response to citizen requests for services, and maintenance of support services.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$42,295,401	\$45,496,600	\$45,251,252	\$52,519,538
Supplies and Services	4,139,175	4,641,730	4,653,852	4,968,839
Capital Outlay	20,248	3,500		99,525
Internal Services	8,535,267	9,370,517	9,687,999	8,455,927
Expenditure Total	\$54,990,091	\$59,512,347	\$59,593,103	\$66,043,829
<i>Per Capita (Comparative Benchmark)</i>	\$331.67	\$357.16	\$357.65	\$394.39

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Office of the Chief	\$5,364,278	\$4,337,957	\$4,244,640	\$4,727,425
Patrol	24,230,448	26,429,311	27,438,364	29,985,076
Support Services	11,070,521	12,548,871	12,115,350	13,243,582
Investigations	14,324,844	16,196,208	15,794,749	18,087,746
Total	\$54,990,091	\$59,512,347	\$59,593,103	\$66,043,829

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	13			13			15		
Patrol	218		3.29	216		3.29	266		3.29
Support Services	142		1.70	139		1.70	146		4.70
Investigations	156		1.26	156		1.26	130	0.50	1.26
Total	529		6.25	524		6.25	557	0.50	9.25



The Police Chief is responsible for the administration and general supervision of all police operations. This office also is charged with the coordination of all investigations and procedures. Services provided by this division are as follows: (1) provide leadership, management and administration for the Police Department; (2) conduct planning and research studies; (3) administer departmental operating and capital improvement budgets; (4) administer, review, and revise departmental policies and procedures; (5) coordinate the selection and retention of employees; and (6) store and retrieve departmental criminal justice information.

FY 2007-08 Budget Highlights:

Funding was provided for increased costs associated with basic operations. Funding also provided for one Planning and Research Analyst position and one Tactical Crime Analyst position.

FY 2007-08 Capital Budget Operating Impacts:

As part of the Capital Improvements Program Budget, funding was provided for ongoing software maintenance costs associated with the TIPS (Technology Integrated Police Systems) capital project as included in the *Capital Improvements Program Budget*.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,066,307	\$1,227,893	\$1,209,344	\$1,571,299
Supplies and Services	2,546,482	2,784,257	2,816,933	2,897,179
Capital Outlay	16,615			7,000
Internal Services	1,734,874	325,807	218,363	251,947
Expenditure Total	\$5,364,278	\$4,337,957	\$4,244,640	\$4,727,425
Per Capita	\$32.35	\$26.27	\$25.47	\$28.23

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	13			13			15		
Total	13			13			15		

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To uphold and enforce the laws of the state and City through professional law enforcement, and maintain the department's awareness of how the public perceives the department

Objective: 1) To maintain at a minimum of 85% the level of citizens' satisfaction with police services as measured by the annual citizen survey; and 2) efficiently manage resources to meet the needs of citizens with less than 2.04 sworn full-time equivalents (FTE) per 1,000 capita

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Citizen satisfaction survey	87%	90%	85%	85%
Operating and Maintenance Cost per Capita	\$332	\$359	\$358	\$394
Sworn FTE's per Capita (1,000)	1.97	1.96	1.96	2.04
Percent change	(2.90%)	(0.51%)	(0.51%)	4.08%
Non-Sworn FTE's per Capita (1,000)	1.13	1.15	1.15	1.22



The Police Patrol Division is responsible for providing basic community policing services. Services provided by this division are as follows: (1) respond to requests for service; (2) perform preliminary investigative work at crime scenes; (3) work with the community to address public safety concerns; (4) conduct vehicle patrol to provide visibility in neighborhoods; (5) provide police resources for special or unscheduled events that require additional staffing; and (6) provide crime prevention and community education programs to the public.

FY 2007-08 Budget Highlights:

Funding provided for several new positions, including:

- 9 Patrol Officers
- 1 Patrol Community Services Officer
- 1 Tow Hearing Community Services Officer
- 0.5 part-time Tow Hearing Administrative Assistant

Other personnel changes reflect departmental reorganizations.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$20,041,453	\$21,185,808	\$20,669,583	\$24,338,303
Supplies and Services	330,174	448,376	409,401	535,446
Capital Outlay		3,500		50,100
Internal Services	3,858,821	4,791,627	6,359,380	5,061,227
Expenditure Total	\$24,230,448	\$26,429,311	\$27,438,364	\$29,985,076
Per Capita	\$146.15	\$158.62	\$164.67	\$179.06

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Patrol	218		3.29	216		3.29	266		3.29
Total	218		3.29	216		3.29	266		3.29

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To effectively respond to requests for Police, Fire, and emergency medical calls

Objective: To respond to all accident emergency calls within an average of 5:00 minutes

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Average response time to emergency calls (minutes)	4:55	4:36	4:54	4:55

Support Services



The Support Services Division is comprised of Personnel Services, Communications, Records, Operations Support, Public Information, and Volunteers in Policing. Support Services is responsible for providing comprehensive support services to the entire Police Department. Services provided by this division are as follows: (1) answer all incoming calls and provide 24-hour dispatch service; (2) provide radio communications between the police station and all patrol field units; (3) provide full service police records management services; (4) respond to media requests for information; (5) recruit, test, and hire sworn police officers and civilian personnel; (6) provide in-service training programs; (7) investigate internal complaints and serve as liaison with the Tempe Citizens' Panel for Review of Police Complaints and Use of Force; (8) provide jail and booking service and transport all prisoners to the City Court; (9) update and implement organizational policy and procedure; (10) process and maintain all impounded property; and (11) provide crime scene photography and evidence collection services.

FY 2007-08 Budget Highlights:

Funding was provided for a number of new positions, including:

- 1 Property Detective
- 1 Polygraph Examiner
- 1 Background Investigator
- 1 Training Officer
- 1 Operations Support Administrative Assistant
- 1 Police Dispatcher
- 2 Records Clerk II positions
- 3 Part-time Dispatchers

Other changes reflect departmental reorganizations.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$9,430,146	\$9,934,682	\$10,483,347	\$11,386,478
Supplies and Services	551,279	597,379	601,350	678,592
Capital Outlay	3,633			42,425
Internal Services	1,085,462	2,016,810	1,030,653	1,136,087
Expenditure Total	\$11,070,520	\$12,548,871	\$12,115,350	\$13,243,582
Per Capita	\$66.77	\$75.31	\$72.71	\$79.08

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	142		1.70	139		1.70	146		4.70
Total	142		1.70	139		1.70	146		4.70

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: 1) To effectively answer "911" requests for Police, Fire, and emergency medical calls; and 2) provide proactive neighborhood programs

Objective: 1) To respond to all citizen calls for police services; and 2) maintain or increase neighborhoods participating in the Crime Watch program

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Priority Zero calls answered*	4,500	3,016	4,407	4,500
Percent change	(0.53%)	(32.98%)	(2.1%)	(2.1%)
Citizen calls for police service	128,150	133,884	125,945	129,944
Percent change	1.4%	4.2%	(2.0%)	3.2%
Neighborhoods with Crime Watch program	362	360	362	362
Percent change	20.7%	(0.6%)	0%	0%

* Priority zero calls are citizens calls for service that were responded to by patrol and have received a priority designation. They are the highest priority calls that represent life threatening emergencies.

Investigations



The Investigations Division is comprised of Criminal Investigations, Special Investigations, Special Services, and Traffic Investigations. The Investigations Division is responsible for investigating felony, misdemeanor crimes; working in the schools; providing undercover and narcotics investigations, testifying in court, and providing basic services in the Downtown and Rio Salado areas. Services provided by this division are as follows: (1) investigate and report incidents of crime; (2) investigate and report motor vehicle accidents; (3) investigate and clear Part 1 and Part II crimes against persons and property; (4) investigate and prevent traffic accidents; (5) develop selective enforcement programs against special or increasing crime problems; and (6) provide specialty services including Mounted and K-9 functions.

FY 2007-08 Budget Highlights:

Funding provided for several new positions, including:

- 1 Criminal Investigations Bureau Sergeants
- 2 Criminal Investigations Bureau Detective

Other changes reflect departmental reorganizations.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$11,757,495	\$13,148,217	\$12,888,978	\$15,223,458
Supplies and Services	711,240	811,718	826,168	857,622
Internal Services	1,856,109	2,236,273	2,079,603	2,006,666
Expenditure Total	\$14,324,844	\$16,196,208	\$15,794,749	\$18,087,746
Per Capita	\$86.40	\$97.20	\$94.79	\$108.01

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Investigations	156		1.26	156		1.26	130	0.50	1.26
Total	156		1.26	156		1.26	130	0.50	1.26

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To investigate and clear cases assigned to the Criminal Investigations Division

Objective: 1) To effectively manage 156 property cases per investigator; and 2) effectively manage 149 persons cases per investigator

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Property cases assigned	2,612	2,744	2,006	2,032
Cases per investigator	174	180	154	156
Percent change			9.0%	16.9%
Persons cases assigned	2,254	2,250	2,045	2,086
Cases per investigator	173	148	146	149
Percent change		15.2%	(.97%)	2.1%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

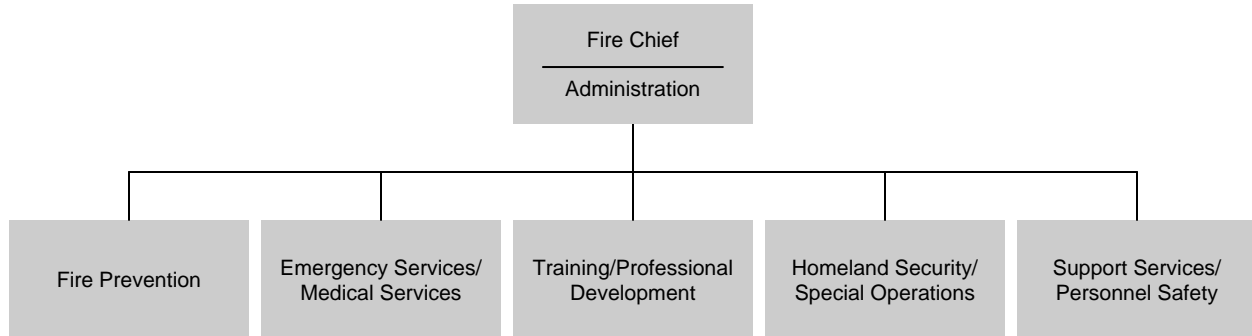
Goal: 1) To uphold and enforce the laws through professional law enforcement; and 2) maintain the Department's awareness of how the public perceives the department

Objective: To maintain or improve clearance rate of Part 1 crimes

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Part 1 Crimes-Property	12,559	14,229	12,689	12,854
Clearance rate	8.9%	13.8%	15.8%	16.0%
Park 1 Crimes-Persons	1,078	1,047	1,053	1,074
Clearance rate	45.2%	50.3%	42.8%	43.7%
Part 1 Crimes per 1,000 capita	85	89	83	83



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Department Purpose:

To provide for the safety and welfare of the public through preservation of life, property, and the environment.

Department Description:

The Fire Department consists of Administration and Fire Prevention, Emergency/Medical Services, Training/Professional Development, Homeland Security/Special Operations, and Support Services/Personnel Safety divisions.

The Department’s operational areas include administrative services, fire suppression, emergency management, emergency medical services, hazardous materials control, technical rescue, communications, equipment and facilities maintenance, training, fire prevention and inspection, and public safety education.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$15,274,132	\$16,649,721	\$16,930,725	\$18,765,587
Supplies and Services	1,243,905	1,357,829	1,350,738	1,605,157
Contributions	12,961	13,000	12,961	13,000
Capital Outlay	672,840	643,900	639,936	623,400
Internal Services	1,358,949	1,399,490	1,352,077	1,393,751
Expenditure Total	\$18,562,787	\$20,063,940	\$20,286,437	\$22,400,895
<i>Per Capita (Comparative Benchmark)</i>	\$111.96	\$120.41	\$121.75	\$133.77



Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration/Fire Prevention	\$2,699,858	\$2,972,425	\$2,947,610	\$3,171,455
Emergency/Medical Services	13,138,872	14,023,746	14,247,843	15,972,300
Training/Professional Development	417,273	384,294	425,710	412,038
Homeland Security/Special Operations	320,155	423,153	403,460	453,366
Support Services/Personnel Safety	1,986,629	2,260,322	2,261,814	2,391,736
Total	\$18,562,787	\$20,063,940	\$20,286,437	\$22,400,895

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration/Fire Prevention	17		1.00	19			19		
Emergency/Medical Services	141			129			129		
Training/Professional Development	3			3			3		
Homeland Security/Special Operations	3			3			3		
Support Services/Personnel Safety	5	1.00		5	1.00		5	1.00	
Total	169	1.00	1.00	159	1.00		159	1.00	

Administration and Fire Prevention/Personnel Safety



Administration is responsible for general policy and direction of the department, as delineated in the Five-Year Strategic Plan and Operational Guide, by providing management and leadership for the operating divisions within the Fire Department. Development and administration of the budget, recruitment, member safety and wellness program management are also basic responsibilities of Administration.

The goal of Fire Prevention is to prevent loss of life, injury and property loss to fire through the creation, implementation, and management of comprehensive and effective building and fire codes, education programs and fire inspections. Services include: (1) inspection of commercial and industrial properties; (2) response to citizen fire hazard complaints; (3) approval of plans for and inspections of new construction; (4) determination of cause and origin of fires; (5) public information office; (6) volunteer program; and (7) public safety education programs.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,628,621	\$1,878,870	\$1,911,593	\$2,128,194
Supplies and Services	180,359	206,822	204,407	199,262
Capital Outlay	17,390	3,500		
Internal Services	873,488	883,233	831,610	843,999
Expenditure Total	\$2,699,858	\$2,927,425	\$2,947,610	\$3,171,455
Per Capita	\$16.28	\$17.56	\$17.69	\$18.94

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration and Fire Prevention/Personnel Safety	17		1.00	19			19		
Total	17		1.00	19			19		

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide high quality cost efficient fire services

Objective: To efficiently manage resources to meet the needs of citizens with 8.18 sworn full-time equivalents (FTE) per capita and .15 fire stations per square mile

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Firefighters per capita (10,000)	8.93	8.22	8.22	8.18
Non-Firefighters per capita (10,000)	1.27	1.38	1.38	1.37
Fire Stations per square mile	0.15	0.15	0.15	0.15

Emergency/Medical Services



The goal of Emergency Services is to deliver rapid effective service when fire, medical and other hazardous emergencies occur. These services are extended through the use of seven engine companies and two ladder trucks located at six fire stations throughout the City. Services provided by this division are as follows: (1) respond to and extinguish fires; (2) deliver effective medical and rescue services for injuries, illnesses, and accidents; (3) respond to and control hazardous materials emergencies; (4) conduct company fire prevention inspections; and (5) provide technical rescue services.

Also, under the auspices of this section is the dispatch liaison function with the City of Phoenix Fire Dispatch Center. This includes helping to draft and implement policy and coordination of the technical aspect relevant to Tempe.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$12,618,513	\$13,564,632	\$13,822,148	\$15,364,598
Supplies and Services	436,525	393,714	360,759	524,302
Capital Outlay	83,834	65,400	64,936	83,400
Expenditure Total	\$13,138,872	\$14,023,746	\$14,247,843	\$15,972,300
Per Capita	\$79.25	\$84.16	\$85.51	\$95.38

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Emergency/Medical Services	141			129			129		
Total	141			129			129		

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide efficient response to fire, medical, hazardous materials, and rescue emergencies

Objective: To respond to safe emergency responses under 4:30 minutes

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Average emergency response time in minutes (from call receipt to arrival)*	4:17	4:17	4:19	4:28
Percent of emergency responses taking 5.0 minutes or less	84%	71%	84%	83%
Calls per capita (1,000)	110	83	112	115
Percent change		(25.0%)	34.9%	(2.7%)

*Calls do not include alarm processing time

Training/Professional Development



Training/Professional Development incorporates all categories of departmental training including recruit training, officer development, driver training, and minimum company standards. Incident analysis is another method used to improve the quality of our service by reviewing emergency incidents and applying lessons learned. All promotional and assignment tests are administered through this section. This section also provides oversight and maintenance of Department personnel certifications.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$324,539	\$324,491	\$365,907	\$350,675
Supplies and Services	92,734	59,803	59,803	61,363
Expenditure Total	\$417,273	\$384,294	\$425,710	\$412,038
Per Capita	\$2.52	\$2.31	\$2.55	\$2.46

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Training/Professional Development	3			3			3		
Total	3			3			3		

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide training and evaluation standards for all phases of emergency services

Objective: 1) To evaluate all Emergency Services Division personnel quarterly for compliance with Tempe Fire Department standards relating to fireground, EMS and special operations procedures; and 2) maintain 100% of completion

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Companies completing minimum company standards evaluations	100%	100%	97%	100%

Homeland Security/Special Operations



Homeland Security/Special Operations involves oversight of development, training, and certification of all special type emergency procedures including hazardous materials and technical rescue (high angle, confined space, swift water, etc.).

The Fire Department is charged with management of the City's emergency preparedness plan for disaster type issues. This includes development and maintenance of the plan, conducting disaster drills, and coordination of disaster preparedness with the County.

Also under the auspices of this section is oversight for matters relating to Homeland Security. This includes response to chemical, biological, radiological, nuclear and explosive incidents.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$259,931	\$371,901	\$344,247	\$401,062
Supplies and Services	\$47,263	38,252	46,252	39,304
Contributions	12,961	13,000	12,961	13,000
Expenditure Total	\$320,155	\$423,153	\$403,460	\$453,366
Per Capita	\$1.93	\$2.54	\$2.42	\$2.71

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Homeland Security/Special Operations	3			3			3		
Total	3			3			3		

Support Services/Personnel Safety



Primary responsibilities of Support Services/Personnel Safety include apparatus maintenance, equipment maintenance and repair, apparatus acquisition management, facilities maintenance, maintaining the Department's communications systems, and writing equipment bid specifications. In addition, the division orders and distributes firefighting supplies to the City's six fire stations.

This division is also responsible for physical training and wellness, safety, recruitment and employment, special events, and promotional testing.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$442,528	\$509,827	\$486,830	\$521,058
Supplies and Services	497,885	659,238	679,517	780,926
Capital Outlay	571,177	575,000	575,000	540,000
Internal Services	475,039	516,257	520,467	549,752
Expenditure Total	\$1,986,629	\$2,260,332	\$2,261,814	\$2,391,736
Per Capita	\$11.98	\$13.57	\$13.57	\$14.28

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services/Personnel Safety	5	1.00		5	1.00		5	1.00	
Total	5	1.00		5	1.00		5	1.00	

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

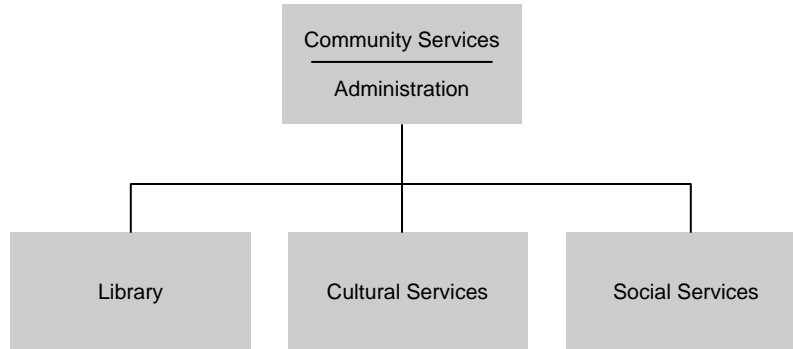
Goal: To conduct progressive maintenance, inspections, service work, and major and minor repairs of all fire apparatus

Objective: 1) To insure reliability and safety of 262 pieces of equipment serviced by Fire Maintenance; and 2) target 100% maintenance completion within the preventive maintenance (PM) schedule

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Preventive maintenance inspections	228	250	236	262
Completed within PM schedule	92%	100%	92%	100%



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Department Purpose:

To provide quality Cultural, Social and Library Services to our residents.

Department Description:

The Department's responsibilities include a full range of public library services; historical/cultural enrichment to Tempe citizens, and social service programs.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$14,341,188	\$11,077,678	\$10,373,845	\$13,005,566
Supplies and Services	3,816,920	2,658,155	2,427,917	2,078,149
Capital Outlay	82,707	110,240	55,472	
Internal Services	3,319,792	2,232,289	2,060,811	2,137,430
Expenditure Total	\$21,560,607	\$16,078,322	\$14,918,045	\$17,221,145
Per Capita	\$130.04	\$96.49	\$89.53	\$102.84

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration	\$779,327	\$512,855	\$468,878	\$531,400
Parks and Recreation	8,565,510			
Library	4,607,181	4,653,324	4,785,532	5,032,586
Cultural Services	1,948,345	4,363,854	3,164,792	4,044,368
Social Services	5,660,244	6,548,289	6,498,843	7,612,791
Total	\$21,560,607	\$16,078,322	\$14,918,045	\$17,221,145

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.52	3		0.52	3		0.52
Parks and Recreation	39	2.00	67.35						
Library	33	6.00	9.84	34	4.00	9.84	34	4.00	9.84
Cultural Services	31	0.50	21.29	31	0.50	21.29	20	3.50	21.29
Social Services	42	3.15	81.49	45	3.15	81.49	49	3.15	81.49
Total	148	11.65	180.49	113	7.65	113.14	106	10.65	113.14

Administration



Community Services Administration is responsible for overall management of the City's library, cultural, and social services resources. In this role, Administration manages services provided at the Tempe Public Library, the Tempe Historical Museum, the Vihel Cultural Center, and at community events throughout the City.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$330,499	\$361,626	\$360,935	\$410,048
Supplies and Services	340,204	100,500	88,003	100,003
Capital Outlay	2,782			
Internal Services	105,842	50,729	19,940	21,349
Expenditure Total	\$779,327	\$512,855	\$468,878	\$531,400
Per Capita	\$4.70	\$3.08	\$2.81	\$3.17

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.52	3		0.52	3		0.52
Recreation	39	2.00	67.35						
Total	42	2.00	67.87	3		0.52	3		0.52



The Tempe Public Library's mission is to be the premier information portal for the Tempe community. In keeping with this mission, the library provides materials, programs, and services that (1) address popular cultural and social trends and residents' recreational needs; (2) assist residents in developing their ability to find, evaluate, and use information effectively; (3) assist community members in understanding their own cultural heritage and the cultural heritage of others; (4) address the community's desire for self-directed personal growth and development opportunities; and (5) address the need to be able to read and perform essential daily tasks.

FY 2007-08 Budget Highlights:
No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,766,048	\$2,879,103	\$3,031,141	\$3,234,554
Supplies and Services	802,929	771,230	776,314	771,230
Capital Outlay	14		352	
Internal Services	1,038,190	1,002,991	977,725	1,026,802
Expenditure Total	\$4,607,181	\$4,653,324	\$4,785,532	\$5,032,586
Per Capita	\$27.79	\$27.93	\$28.72	\$30.05

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Library	33	6.00	9.84	34	4.00	9.84	34	4.00	9.84
Total	33	6.00	9.84	34	4.00	9.84	34	4.00	9.84

Related Strategic Issue: Arts and Community Services

Goal: To provide access to excellent library resources and services that will help community residents of all ages obtain information that meets their educational, professional, and recreational needs

Objective: 1) To obtain 95%+ satisfaction with the overall quality of library services; and 2) maximize community usage of the library's collection and electronic research resources

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Satisfaction with library services	N/A	N/A	N/A	95%+
Library visitors (door count)	974,985	1,011,910	976,250	976,500
Registered borrowers	143,595	158,298	150,957	151,000
Percent change	(22%)	3.0%	(5.0%)	0.0%
Circulation	1,289,682	1,341,836	1,289,000	1,300,000
Percent change	(6.0%)	3.0%	(4.0%)	0.8%
Public Computer Usage	154,938	160,733	152,170	155,000
Percent Change	(11.0%)	3.0%	(5.0%)	2.0%
Library FTE per 1,000 population	0.29	0.29	0.29	0.29
Circulation per capita	7.78	8.05	7.74	7.76

Cultural Services



The Cultural Services Division includes three program areas: the Tempe Historical Museum, Community and Fine Arts, and Performing Arts. Services include the management of the Tempe Historical Museum, Peterson House Museum, Elias Rodriguez House, Vihel Center for the Arts, the Tempe Performing Arts Center, exhibits, community arts, history and cultural classes, and public art. The Division is also overseeing the design, development and construction of the Tempe Center for the Arts.

FY 2007-08 Budget Highlights:

Funding provided for a Customer Outreach Marketing Coordinator position to market the Tempe Center for the Arts to regional and national businesses, meeting planners, and event planners. Position total for FY 2007-08 reflects a reorganization of positions into the Parks and Recreation and Public Works Departments.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$1,257,236	\$2,754,146	\$1,776,126	\$3,087,243
Supplies and Services	210,872	1,240,979	1,061,257	651,013
Capital Outlay	17,692	110,240	55,120	
Internal Services	462,545	258,489	272,289	306,112
Expenditure Total	\$1,948,345	\$4,363,854	\$3,164,792	\$4,044,368
Per Capita	\$11.75	\$26.19	\$18.99	\$24.15

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Cultural Services	12	0.50	8.02	12	0.50	8.02	12	0.50	8.02
Performing Arts	19		13.27	19		13.27	11		13.27
Total	15	0.50	8.02	31	0.50	21.29	23	0.50	21.29

Related Strategic Issue: Arts and Community Services

Goal: To provide visitors and volunteers with a quality experience that meets the mission of the Tempe Historical Museum

Objective: To attain 90%+ level of satisfaction by visitors and volunteers with their museum experience

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Quantified levels of satisfaction reported by visitors and volunteers on evaluation forms	N/A	N/A	N/A	90%+
Objects catalogued	3,000	3,000	1,200	2,000
Visitors to Historical Museum and Peterson House	19,000	20,000	20,000	20,000

Related Strategic Issue: Arts and Community Services

Goal: 1) To provide quality arts programming to the community; 2) facilitate the effective use of arts facilities; and 3) provide a diverse array of arts opportunities

Objective: 1) To achieve a 90%+ level of satisfaction by attendees; 2) support arts programming through grants funding of arts organizations and schools; and 3) offer a wide array of quality arts programming and classes

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Satisfaction reported by attendees and participants on evaluation form	N/A	N/A	N/A	90%+
Program enrollment	6,146	6,000	6,126	6,000
Percent change		(2.4%)	2.1%	0%
Grants provided to Art Organizations and Schools	\$127,580	\$132,635	\$132,635	\$132,000

Social Services



The Social Services Division provides a wide array of services for Tempe youth and families. Activities and services are offered to all age groups to promote positive and healthy lifestyles. Services for youth include pre-school programs at the Escalante and West Side Multigenerational Centers, Kid Zone before and after school enrichment program, Teen Zone which encourages youth involvement in positive activities and services, and the Youth Employment Program which promotes strong work values and assists youth in exploring career opportunities. Residents of all ages may participate in State Licensed Counseling and/or Crisis Intervention Services. The Diversion/Probation Program provides a constructive program of case management, assessment, counseling and community service to individuals referred from Tempe City Court.

FY 2007-08 Budget Highlights:

Funding was approved for two Crisis Intervention Specialists in the CARE 7 program. Funding also provided for a Social Services Specialist (Recruiter), four part-time Administrative Assistant II positions, and an increase in part-time temporary staff wages in the Kid Zone program. An increase in Kid Zone program rates will offset the increased program costs.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$4,513,667	\$5,082,803	\$5,205,643	\$6,273,721
Supplies and Services	403,412	545,406	502,343	555,903
Capital Outlay	359			
Internal Services	742,806	920,080	790,857	783,167
Expenditure Total	\$5,660,244	\$6,548,289	\$6,498,843	\$7,612,791
Per Capita	\$34.14	\$39.30	\$39.00	\$45.46

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Social Services/Administration	23	3.15	15.56	26	3.15	15.56	26	3.15	15.56
Social Services/Kid Zone	19		65.93	19		65.93	20	3.00	65.93
Total	42	3.15	81.49	45	3.15	81.49	46	6.15	81.49



Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide quality programs that enhance the quality of life of Tempe residents

Objective: To achieve 80% approval rating for customer input and feedback on services provided at the Escalante Community Center through program and facility surveys throughout the year

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Overall customer approval rating for the Escalante Early Education Program	N/A	80%	95%	80%
Overall customer approval rating for the Escalante Summer Camp Program	N/A	80%	91%	80%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: 1) To provide the residents of Tempe with quality crisis intervention services, support and referral; and 2) provide comprehensive services to victims of crimes occurring in Tempe

Objective: To ensure that a minimum of 85% of the clients served respond favorably to the services provided by Care 7

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Victims satisfied with services	95%	85%	95%	85%
Care 7 clients reporting satisfaction with services	95%	85%	95%	85%

Related Strategic Issue: Education and Technology Advancement

Goal: To continue to provide the highest quality of out of school time, enrichment program to the citizens of Tempe through the Kid Zone Enrichment Program

Objective: To maintain at least an 85% approval rating from customers and the school community who use the Kid Zone services for their children's out of school times

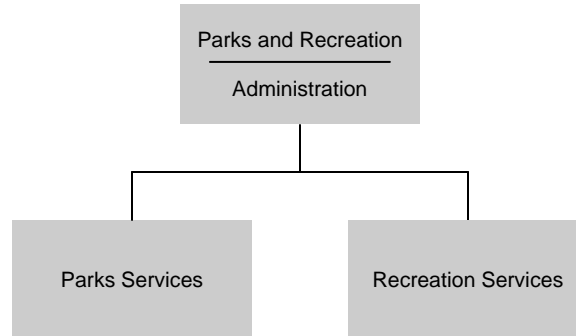
Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Parent evaluation survey results measures indicate "very satisfied" with the Kid Zone Enrichment Program	N/A	80%	87%	85%
Maintain the national accreditation evaluation survey results of "very satisfied with the Kid Zone Enrichment Program"	N/A	80%	93%	80%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To redirect offenders into positive community activities by providing assessment, counseling, referral and educational programs

Objective: To attain a successful program completion rate of 80%

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
New program participants	3,465	3,600	3,600	3,600
Successful program completion	80%	80%	80%	80%
Level of satisfaction	N/A	N/A	N/A	80%



Department Purpose:

To maintain all City public parks and two golf courses and to supervise City recreation programs.

Department Description:

The Parks and Recreation Department consists of Administration, Parks Services, and Recreation Services Divisions.

The Parks and Recreation Department was newly established in FY 2006-07 from a reorganization of the Community Services Department and the Public Works Department personnel and resources.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services		\$10,141,377	\$9,791,049	\$11,060,796
Supplies and Services		4,490,498	4,519,610	4,923,187
Internal Services		2,134,889	2,482,529	1,974,352
Contributions		92,324	92,324	86,994
Expenditure Total		\$16,859,088	\$16,885,512	\$18,045,329
Per Capita		\$101.69	\$101.34	\$107.76

Expenditures by Division	2005-06 Actual	2007-08 Budget	2006-07 Revised	2007-08 Budget
Administration		\$1,126,927	\$1,152,474	\$1,236,759
Parks Services		10,030,347	9,589,632	10,245,311
Recreation Services		5,701,814	6,143,406	6,563,259
Total		\$16,859,088	\$16,885,512	\$18,045,329

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration				10	0.75	0.22	9	0.75	0.22
Parks Services				86	0.50	9.64	86	0.50	9.64
Recreation Services				32	0.75	68.17	33	0.75	68.17
Total				128	2.00	78.03	128	2.00	78.03

Administration



Parks and Recreation Administration is responsible for the overall management of the City's parks and recreation resources. In this role, Administration manages services provided at municipal parks, golf courses, stadium facilities, sports complexes, swimming pools, recreation centers, the Double Butte Cemetery, right-of-way landscaping and community special events throughout the City. The Administration Division also administers the Parks and Recreation budget, approves all Parks and Recreation personnel actions, submits recommendations on Parks and Recreation and related activities to the City Council, manages employee safety programs and volunteer programs, and coordinates and administers the Capital Improvements Program, as well as the four advisory boards (Cemetery, Golf, Parks, and Sponsorship Review) for the Parks and Recreation Department.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services		\$971,360	\$991,395	\$1,069,592
Supplies and Services		35,355	35,355	35,402
Internal Services		90,212	95,724	101,765
Contributions		30,000	30,000	30,000
Expenditure Total		\$1,126,927	\$1,152,474	\$1,236,759
Per Capita		\$6.80	\$6.92	\$7.39

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration				10	0.75	0.22	9	0.75	0.22
Total				10	0.75	0.22	9	0.75	0.22

Parks Services



Parks Services consists of Parks and Golf Maintenance. Parks Services is responsible for managing and maintaining all of the City's public parks, sports complexes, golf courses, rights-of-way landscaping, and multi-modal paths, as well as administering and implementing the department's CIP projects and coordination of the park redevelopment plan.

The Parks Services Division of the Parks and Recreation Department assists in the planning and development of parkland and facilities. Services provided by this division are as follows: (1) maintain recreation facilities to meet the public demands; (2) maintenance for all parks, special facilities and golf courses; (3) oversight of golf course operations; (4) maintenance for the Diablo Stadium Sports Complex; (5) necessary services for a professional baseball team, other sporting activities, and special events held at the stadium complex; (6) maintain rights-of-way, multi-modal paths, and facility grounds in an attractive state; (7) maintain the Rio Salado linear parks; (8) assist in staging and clean-up for special events at Rio Salado/Town Lake; (9) maintain skate and off-leash dog parks; and (10) park planning and development.

This division also provides resources to coordinate improvements and expansions at the Double Butte Cemetery, using monies from the Cemetery Fund.

FY 2007-08 Capital Budget Operating Impacts:

Funding was approved for operation and maintenance costs associated with developing the Victory Acres property into a park.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services		\$5,199,370	4,629,811	5,436,597
Supplies and Services		3,314,064	3,342,632	3,718,632
Internal Services		1,516,913	1,617,189	1,090,082
Expenditure Total		\$10,030,347	\$9,589,632	\$10,245,311
Per Capita		\$60.50	\$57.55	\$61.18

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Parks Services				86	0.50	9.64	86	0.50	9.64
Total				86	0.50	9.64	86	0.50	9.64

Related Strategic Issue: Arts and Community Services

Goal: To provide recreational facilities for leisure opportunities that are accessible, attractive, enjoyable and safe

Objective: 1) To achieve 90% overall satisfaction with maintenance of City parks; and 2) provide facilities to meet the public's recreational needs and maintain high standards for all recreational use

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Satisfaction with City parks	N/A	N/A	N/A	90%+
Golf course rounds of play:				
Ken McDonald (18 hole rounds)	N/A	74,764	74,052	75,000
Percent change		N/A	(1.0%)	0.0%
Rolling Hills (9 hole rounds)	N/A	63,028	59,289	63,028
Percent change		N/A	(6.0%)	0.0%
Total park acreage	N/A	1,874	1,874	1,877
Acres per capita	N/A	.0114	.0112	.0112
Developed park acres	N/A	1,745	1,745	1,748
Developed park acres per capita	N/A	.0106	.0105	.0104

Recreation Services



Recreation Services consist of Aquatics, the Kiwanis Recreation Center, Special Events, Special Interest and Boating, Youth and Adult Sports, and Adapted Recreation. Services provided by the Recreation Services Division are as follows: (1) facilities coordination and scheduling; (2) general recreation; (3) special recreation for retired residents; (4) adapted recreation for special populations; (5) instructional programs; (6) community special events; (7) aquatics maintenance and programming; and (8) youth and adult sports.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services		\$3,970,647	\$4,169,843	\$4,554,607
Supplies and Services		1,141,079	1,141,623	1,169,153
Internal Services		527,764	769,616	782,505
Contributions		62,324	62,324	56,994
Expenditure Total		\$5,701,814	\$6,143,406	\$6,563,259
Per Capita		\$34.39	\$36.87	\$39.19

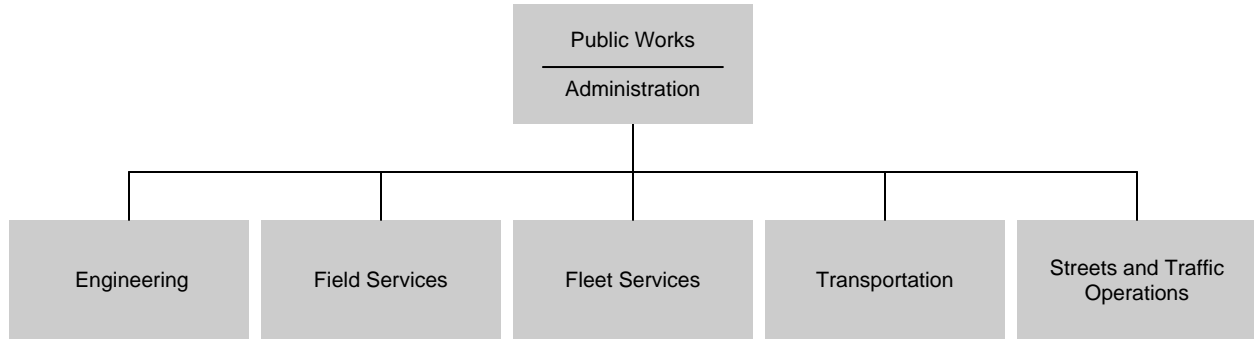
Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Recreation Services				32	0.75	68.17	33	0.75	68.17
Total				32	0.75	68.17	33	0.75	68.17

Related Strategic Issue: Arts and Community Services, Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: 1) To provide quality recreation services to coordinate the effective use of community parks and recreation resources; 2) provide a variety of recreation programs to meet the needs of residents; and 3) develop and maintain parks to meet the needs of residents and visitors to the community

Objective: 1) To attain 80% overall satisfaction with the quality of City recreation programs; 2) maintain and operate parks, recreation programs and facilities at a cost and staffing level that meets the needs of residents on a per capita basis; and 3) collect fees for programs and services at a level based on a percentage of the total budgeted expenditure for parks and recreation

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Satisfaction with recreation programs	N/A	N/A	N/A	80%
Operating & Maintenance Cost per capita	N/A	\$34.39	\$36.13	\$39.19
Recreation Services staff per capita	N/A	.00022	.00022	.00021
Parks Services staff per capita	N/A	.00051	.00052	.00052
Parks and Recreation revenue	N/A	\$2,235,600	\$2,333,835	\$2,333,835
Revenue vs. expenditures (Recreation)	N/A	34%	36%	36%



Department Purpose:

To serve the residents of Tempe and to assure that they have a clean, safe, well maintained environment, and a sound adequate infrastructure that will serve this community many years into the future.

Department Description:

The Public Works Department consists of Administration and Engineering, Field Services, Fleet Services, Transportation, and Streets and Traffic Operations.

The Engineering Division provides CIP project implementation, utility management, real estate services, property addressing, right-of-way permitting, project design, and construction management.

Field Services consists of Solid Waste and Facility Management. Field Services is responsible for performing building maintenance and custodial services and solid waste recycling, collection, and disposal.

Fleet Services is responsible for the City’s vehicle and equipment acquisition, repair, preventative maintenance, accident damage, fleet road service, utilization and disposal.

The Transportation group currently includes two major sections: Traffic Engineering and Transit. Transportation is responsible for traffic engineering design and studies, traffic calming, transit services, long-range transportation planning including light-rail and public involvement marketing.

Streets and Traffic Operations is responsible for pavement marking and striping, traffic signal maintenance and construction, street lighting, alley maintenance, street sweeping, pavement management and street repair and construction.



Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$22,651,098	\$21,696,458	\$21,577,698	\$25,261,238
Supplies and Services	37,087,809	37,697,633	37,327,168	45,954,272
Capital Outlay	3,380,537	4,919,072	4,882,962	2,783,262
Internal Services	(1,692,500)	(2,745,557)	(1,435,238)	(663,011)
Contributions	2,537	6,000	6,000	16,866
Expenditure Total	\$61,429,481	\$61,573,606	\$62,358,590	\$73,352,627
Per Capita	\$370.51	\$369.53	\$374.25	\$438.04

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Administration and Engineering	\$ 2,134,527	\$2,232,371	\$2,228,535	\$2,925,735
Field Services:				
Administration & Solid Waste	12,580,414	14,207,028	14,656,852	14,620,011
Facility Management	4,954,795	6,339,375	6,559,878	6,642,244
Parks and Golf Course Maintenance	7,999,940			
Fleet Services				
Transportation	26,193,528	30,306,517	30,506,285	40,074,358
Streets and Traffic Operations	7,566,277	8,488,315	8,407,040	9,090,279
Total	\$61,429,481	\$61,573,606	\$62,358,590	\$73,352,627

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration and Engineering	34		0.49	41		0.49	41		0.49
Field Services *	211	1.00	8.69	132	1.00	0.49	141	1.00	0.49
Fleet Services	33		0.50	33		0.50	33		0.50
Transportation	39			41	1.00	2.00	52	1.00	1.00
Streets and Traffic Operations	52			52		3.00	52		
Total	369	1.00	9.68	299	2.00	6.48	319	2.00	2.48

* The FY05/06 Field Services authorized personnel amount includes Parks Maintenance personnel. Due to a reorganization in FY06/07, these personnel were transferred to the new Parks and Recreation department.

Administration and Engineering



The Public Works Director has overall responsibility for providing the leadership, management and administrative support necessary for the Public Works Department.

Services provided are as follows: (1) administer the Public Works operating and capital budget and acquisition of capital outlay; (2) approve all Public Works personnel actions; (3) submit recommendations on Public Works and related activities to the City Council; (4) monitor public improvement projects; (5) plans review, technical standards, design services, and engineering studies; (6) control public rights-of-way: construction permits, construction inspection, Water, Sewer and Storm Drain Extension Ordinance, Grading and Drainage Ordinance, Flood Plain Ordinance and as-built records/information; and (7) provide real estate services (acquisitions, annexations, abandonments, encroachments and appraisals).

The Engineering Division has the primary responsibility of providing engineering, surveying, inspection, testing and contractual services for all improvements constructed within the public rights-of-way.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,683,845	\$3,274,790	\$3,291,944	\$3,791,018
Supplies and Services	377,592	439,872	441,760	394,758
Internal Services	(926,910)	(1,482,291)	(1,505,169)	(1,260,041)
Expenditure Total	\$2,134,531	\$2,232,371	\$2,228,535	\$2,925,735
Per Capita	\$12.87	\$13.40	\$13.37	\$17.47

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.49	3		0.49	3		0.49
Engineering	31			38			38		
Total	34		0.49	41		0.49	41		0.49

Related Strategic Issue: Central City Development Committee of the Whole

Goal: 1) To improve the quality of life by strategic planning, design and construction of various City facilities; 2) function as the custodian of good engineering practices to ensure specifications and applicable codes and ordinances are met; and 3) plan for the maintenance or upgrade of infrastructure to improve the quality of service to the public

Objective: 1) To ensure the timely completion of City and private development that meet specifications and applicable codes and ordinances; and 2) attain a 90% target associated with these measures

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Capital Improvement Program dollars budgeted	\$190.4M	\$179.7M	\$196.7M	\$202.0M
Contracts completed on schedule	N/A	95%	95%	95%
Contracts completed on budget	N/A	100%	100%	100%
Off-site Private Development Permits Issued	730	600	643	600
Utility Permits Issued	1,598	1,900	1,745	1,800
Construction projects by private developers	\$452M	\$300M	\$386M	\$300M
Civil plan reviews performed within scheduled time allotment	84%	90%	85%	90%

Field Services/Administration and Solid Waste Services



Solid Waste Services is responsible for the collection and disposal of solid waste generated from all residential and selected commercial facilities within the City of Tempe. The solid waste is taken to the Waste Management Sky Harbor Transfer Station. Services provided by this section include: (1) plastic solid waste containers provided to all residential customers, residential solid waste collected and transported to the transfer station; (2) commingled residential recyclables collected at curbside; (3) metal bulk solid waste containers provided to commercial customers, commercial solid waste collected and transported to the transfer station; (4) commercial cardboard and paper recycling program; (5) uncontained/bulk item solid waste collected from residential customers and transported to transfer station; and (6) container repair program featuring repair and maintenance of 90 and 300 gallon plastic solid waste containers, roll off containers and various sizes of solid waste metal containers.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$4,597,786	\$4,786,037	\$4,875,258	\$5,200,338
Supplies and Services	3,596,436	3,791,952	3,626,223	3,896,892
Capital Outlay	1,558,726	2,415,282	2,415,282	1,756,480
Internal Services	2,827,466	3,213,757	3,740,089	3,766,301
Expenditure Total	\$12,580,414	\$14,207,028	\$14,656,852	\$14,620,011
Per Capita	\$75.87	\$85.26	\$87.96	\$87.31

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Field Services Administration	4			3			2		
Solid Waste	63	0.50		65	0.50		65	0.50	
Total	67	0.50		68	0.50		67	0.50	

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To collect and dispose of all contained solid waste and green waste generated by residential customers

Objective: 1) To provide excellent service to residential customers by effectively and efficiently managing solid waste collected; and 2) divert 29% of residential recycling waste stream

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Residential contained/recycling cost per ton	\$75.35	\$90.03	\$80.92	\$82.29
Residential recycling diversion rate	29%	48%	28%	29%
Residential Contained Solid Waste tons per capita (1,000)	330	342	330	340

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To collect and dispose of solid waste from our commercial customers and multi-family housing units

Objective: To provide an efficient and competitive solid waste operation and minimize collection cost per ton to \$60

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Commercial service accounts (per month)	1,856	1,895	1,866	1,875
Commercial collection cost per ton	\$46.14	\$69.75	\$60.36	\$60.20

Field Services/Facility Management



The Facility Management Services Section provides maintenance and repair service to all City owned buildings and area lighting for City parks and parking lots. The maintenance and repair activities provided are: carpentry, painting, plumbing, electrical, heating, cooling, ventilation, locks, security, building automation systems, and energy management.

The Custodial Services Section provides interior cleaning of City owned buildings and park restrooms. The basic services provided are: trash removal, mopping, waxing, and vacuuming.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$3,089,709	\$3,672,309	\$3,778,245	\$4,068,292
Supplies and Services	4,124,689	2,684,399	2,691,399	2,917,743
Capital Outlay	6,418	1,446	1,446	
Internal Services	(66,941)	(18,779)	88,788	(343,791)
Expenditure Total	\$7,153,875	\$6,339,375	\$6,559,878	\$6,642,244
Per Capita	\$43.15	\$38.24	\$39.37	\$39.67

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Facility Services	20	0.50		21	0.50		22	0.50	
Custodial Services	40		0.49	43		0.49	43		0.49
Total	60	0.50	0.49	64	0.50	0.49	74	0.50	0.49

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To maintain a high level of maintenance and service to ensure that facilities are physically safe and in good condition

Objective: 1) To hold facility maintenance costs per square foot maintained under \$3.10; and 2) provide coverage between 70,000 to 74,000 square feet per 10 hour shift for routine maintenance functions

Measures - Facility Maintenance	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total square feet maintained per FTE	68,829	68,158	66,535	63,578
Operating and Maintenance Cost per square foot maintained	\$3.67	\$2.68	\$3.10	\$3.06

Related Strategic Issue: Finance, Economy and Veterans Affairs

Goal: To maintain a high level of cleanliness and maintain a sanitary environment for City facilities

Objective: 1) To hold custodial costs per square foot cleaned under \$2.00; and 2) maintain square footage per custodian between 18,000 to 18,500 per 8 hour shift for routine cleaning

Measures - Custodial Services	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Operating and Maintenance Cost per square foot cleaned	\$1.86	\$1.82	\$1.86	\$1.98
Total square feet cleaned per FTE	24,378	23,289	26,263	26,263



The Fleet Services Division of the Public Works Department is responsible for maintaining the municipal vehicular and construction equipment fleet in as high a degree of mechanical readiness as economically possible. Services provided by this division include: (1) vehicular fleet maintenance; (2) preventative maintenance; (3) unscheduled repair and road service; (4) quality control; (5) fuel site maintenance and fuel inventory control; (6) parts inventory control; (7) equipment specifications preparation, and (8) vehicle disposal.

FY 2007-08 Budget Highlights:

Funding was approved for one laptop computer and software to provide online technician training for Fleet Services employees. No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$2,297,422	\$2,470,298	\$2,381,690	\$2,685,719
Supplies and Services	2,815,538	3,120,836	3,113,452	3,154,856
Capital Outlay	1,566,948	1,999,204	1,999,204	596,066
Internal Services	(6,679,908)	(7,590,338)	(7,494,346)	(6,436,641)
Expenditure Total	\$0	\$0	\$0	\$0

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Fleet Services	33		0.50	33		0.50	33		0.50
Total	33		0.50	33		0.50	33		0.50

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To maintain the City's fleet at the lowest cost and highest quality of service and vehicle condition

Objective: 1) To contain the growth in maintenance and repair, fuel, and capital costs as measured by cost per mile; and 2) achieve a preventive maintenance compliance rate of 100%

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
<i>Cost per mile (maintenance and repair, fuel and capital cost):</i>				
Police patrol sedans	\$0.66	\$0.72	\$0.63	\$0.68
Light duty trucks	\$0.61	\$0.56	\$0.61	\$0.66
Solid Waste trucks	\$3.41	\$3.93	\$3.46	\$3.73
Preventive maintenance compliance rate	100%	100%	100%	100%

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To utilize personnel resources in an efficient and effective manner

Objective: 1) To maximize utilization of fleet mechanic time at a target of 70% productivity; and 2) maintain an optimum vehicle to mechanic ratio

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Mechanic utilization rate	71%	70%	70%	70%
Vehicles per mechanic	65	67	69	71



The Transportation Division is responsible, through its two sections (Traffic Engineering and Transit), for all transportation activities throughout the City. Services provided by this division include: (1) review subdivision plats, site development plans and permits; (2) study and analyze accidents at hazardous locations and conduct traffic engineering studies; (3) provide traffic volume data to general public and other agencies, and provide technical and professional assistance to other divisions; (4) prepare traffic signal, lighting, striping, signing designs, and other plans; (5) provide sight restriction abatements; (6) participate in regional transportation/transit planning and programming; (7) plan, coordinate, benchmark and provide transit services; (8) plan and administer bicycle facilities; and (9) staff the Transportation Commission which provides oversight over the dedicated transit tax.

FY 2007-08 Budget Highlights:

Funding provided for a base budget increase. Funding also provided for 5 full-time positions for maintenance and cleaning at the East Valley Bus Operations and Maintenance facility. Funding also provided for a Traffic Engineer position to provide high-level electronic and technical support of the city's Intelligent Transportation System components. Funding also provided for purchase of software and laptops computers for field work.

FY 2007-08 Capital Budget Operating Impacts:

As part of the Capital Improvements Program Budget, funding was approved for 11 full time positions associated with the Tempe Transportation Center capital project. Funded positions include 3 Custodian positions, 2 Building Equipment Technician II+ positions, 5 Park Ranger positions, and one Sergeant position.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$3,107,060	\$3,717,445	\$3,875,717	\$5,366,517
Supplies and Services	21,925,741	25,340,299	25,258,580	33,266,956
Capital Outlay	96,985	35,610		51,516
Internal Services	1,061,206	1,207,163	1,365,988	1,379,369
Contributions	2,536	6,000	6,000	10,000
Expenditure Total	\$26,193,528	\$30,306,517	\$30,506,285	\$40,074,358
Per Capita	\$157.99	\$181.88	\$183.08	\$239.31

Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Studies and Design	9			8		1.00	11		
Transit	30			33	1.00	1.00	41	1.00	1.00
Total	39			41	1.00	2.00	52	1.00	1.00

Related Strategic Issue: Transportation and Affordable Housing

Goal: To effectively manage and evaluate transit service provided through regional or City contracts funded by a dedicated Tempe transit tax

Objective: To efficiently and cost-effectively provide and monitor regional and local fixed route, circulator and Dial-A-Ride service

Measures (Comparative Benchmark)	2004-05 Actual	2005-06 Budget	2005-06 Revised	2006-07 Budget
Vehicle revenue miles (bus)	4,318,412	4,624,000	4,561,058	5,502,000
Operating and Maintenance Cost per vehicle revenue mile (bus)	\$4.83	\$4.74	\$5.26	\$5.76
Boardings per vehicle revenue mile (bus)	1.9	1.8	1.7	1.8



Related Strategic Issue: Transportation and Affordable Housing

Goal: 1) To attract people to use the transit system; 2) operate a reliable bus system; and 3) operate a reliable Dial-A-Ride system

Objective: 1) To increase bus boardings by 3%; 2) meet the Dial-A-Ride industry standard of 905% of trips on time (minimum); and 3) meet the industry standard of 90% of bus trips on time (minimum)

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Annual boardings (bus)	8,156,782	8,401,485	7,771,998	8,005,158
Percent Change	3%	3%	(4.7%)	3%
On-time performance (Dial-A-Ride)	92%	95%	95%	95%
On-time performance (bus)	N/A*	95%	89%	90%**

Related Strategic Issue: Transportation and Affordable Housing

Goal: To provide outstanding customer service to bus and Dial-A-Ride customers

Objective: To meet contract standards by limiting bus service complaints to 15 per 100,000 boardings (maximum) and Dial-A-Ride service complaints to 3 per 1,000 boardings (maximum)

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Complaints per 100,000 boardings (bus)	20	15	22	15
Complaints per 1,000 boardings (Dial-A-Ride)	3.5	3.0	2.3	3.0

* 2005-06 On Time Performance (bus) is not available due to technical/training issues with the new Vehicle Management System

** As of FY 2006-07, the Vehicle Management System provides 100% data on on-time performance, improving on random staff evaluations in prior years. While the benchmark has been lowered, there has been no actual degradation in performance relative to prior years.

Streets and Traffic Operations



The Streets and Traffic Operations Division, through its two sections, Street Maintenance and Traffic Operations, is responsible for the following work programs: 1) pavement marking and striping; 2) traffic signal maintenance and construction; 3) street lighting; 4) street sign fabrication, installation, and maintenance; 5) bus shelter maintenance; 6) alley reconstruction and maintenance; 7) street sweeping; 8) pavement management; 9) CIP project management/contract administration of annual street maintenance programs, including major and local street renovation and minor concrete improvements; 10) street repair; and 11) rights-of-way maintenance, including graffiti removal and tree trimming.

FY 2007-08 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$3,293,167	\$3,775,579	\$3,374,844	\$4,149,354
Supplies and Services	2,210,323	2,320,275	2,195,754	2,329,933
Capital Outlay	149,301	467,530	467,030	379,200
Internal Services	1,913,486	1,924,931	2,369,412	2,231,792
Expenditure Total	\$7,566,277	\$8,488,315	\$8,407,040	\$9,090,279
Per Capita	\$45.64	\$50.94	\$50.45	\$54.28

	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Street Maintenance	27			27			27		
Traffic Operations	25			25		3.00	25		
Total	52			52			52		

Related Strategic Issue: Transportation and Affordable Housing

Goal: To provide adequate illumination of the transportation system

Objective: To respond to a street light outage within three working days

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Street light outage calls repaired within three working days	96%	96%	96%	96%



Related Strategic Issue: Transportation and Affordable Housing

Goal: To improve and ensure the safety and efficiency of the traffic signal system

Objective: To respond to emergency signal service calls within 30 minutes

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Emergency signal service calls responded to within 30 minutes	98%	98%	98%	98%
Preventative maintenance of traffic signal control cabinets (twice annually)	100%	98%	100%	98%

Related Strategic Issue: Transportation and Affordable Housing

Goal: To meet environmental, storm water, and air quality requirements

Objective: To sweep 15,652 number of curb miles

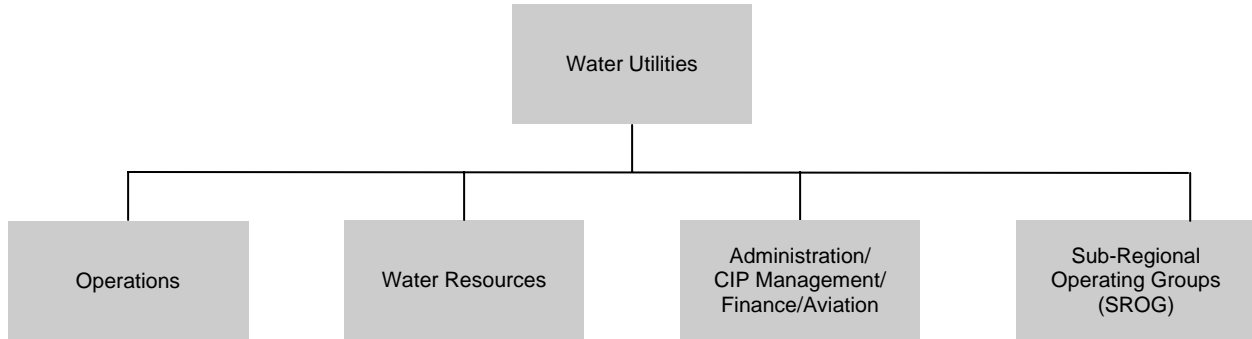
Measures (<i>Comparative Benchmark</i>)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
<i>Curb miles swept</i>	*N/A	15,652	15,338	15,652
<i>*New measure</i>				

Related Strategic Issue: Transportation and Affordable Housing

Goal: To perform preventive roadway maintenance to extend the life of city streets

Objective: To repair 1,828,834 square yards of street surface which includes crack routing, crack sealing, and edge milling

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Square yards repaired	1,628,777	1,828,834	1,828,834	1,828,834



Department Purpose:

To provide the residents, businesses and visitors of Tempe with a reliable and economical supply of drinking water that meets or exceeds all federal, state and local standards of quality, and to protect the health, safety and overall environment of our community through wastewater and storm water management and the collection and disposal of household hazardous materials.

Department Description:

The Water Utilities Department is responsible for Operations, Water Resources, Administration, and SROG. The Operations Division is comprised of Plant Operations, Field Operations, Environmental Services, Environmental Health & Safety, and Security. Water Resources is responsible for the water conservation program, Tempe Town Lake, and hydrology services. The Administration Division includes Capital Improvement Program (CIP) management, Finance, and Aviation. The Sub-Regional Operating Groups (SROG) division is responsible for administration of the SROG program.

FY 2007-08 Budget Highlights:

Funding was provided for a variety of purposes, including Pre-Sed Tower Collector Recoating, repair/replacement of the cathodic protection system, increased expenses at the 91st Avenue Wastewater Treatment Plant. Funding was also provided for a Plant Mechanic position at the Kyrene Water Reclamation Facility and also for a Environmental Quality Specialist at the Water Utilities Department's laboratory.

Expenditure by Type	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Personal Services	\$10,668,327	\$11,510,134	\$11,900,055	\$12,736,316
Supplies and Services	13,950,576	14,036,150	14,078,575	15,458,692
Capital Outlay	636,388	283,200	15,547	478,500
Internal Services	3,530,706	3,309,785	4,204,780	4,279,896
Expenditure Total	\$28,785,997	\$29,139,269	\$30,198,957	\$32,953,404
Per Capita	\$173.62	\$174.88	\$181.24	\$196.79

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Operations	\$17,418,750	\$19,079,336	\$20,157,032	\$21,170,834
Water Resources	763,577	1,052,672	1,012,074	1,082,585
Administration/CIP Management/Finance/Aviation	5,847,813	4,604,428	4,626,206	4,790,267
SROG	4,755,857	4,402,833	4,403,645	5,909,718
Total	\$28,785,997	\$29,139,269	\$30,198,957	\$32,953,404



Authorized Personnel	2005-06 Actual			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Operations	117	1.00		116	1.00	0.98	118	1.00	0.98
Water Resources	4			4			4		
Admin./CIP Mgt./Finance/Aviation	11	0.50	0.49	12	0.50	0.49	12	0.50	0.49
SROG	1			1			1		
Total	133	1.50	0.49	133	1.50	1.47	135	1.50	1.47

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide a safe and adequate domestic water supply to all citizens in Tempe, while at the same time minimizing cost

Objective: 1) To monitor increases in water treatment costs for the Johnny G. Martinez and South Tempe Water Treatment Plants; and 2) maintain an Operating and Maintenance Cost per 1,000 gallons treated under eighty cents

Measures (Comparative Benchmark)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Water Treatment Operating and Maintenance Cost	\$12,099,138	\$12,712,055	\$13,295,405	\$14,127,522
Number of customer accounts	41,979	42,000	42,129	42,129
Total gallons treated (Million Gallons)	16,775	17,900	17,900	17,900
Operating and Maintenance Cost per 1,000 gallons treated	\$0.72	\$0.71	\$0.74	\$0.79
Operating and Maintenance Cost per customer account	\$282.22	\$302.67	\$316.56	\$336.37

Related Strategic Issue: Neighborhood Quality of Life, Public Safety, and Parks and Recreation

Goal: To provide water of the highest quality to all residents

Objective: 1) To minimize the number of resident complaints related to water quality to 1% of total customer base in Tempe (1%/420 complaints); and 2) respond to those complaints within 24 hours 100% of the time

Measures	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Taste and odor complaints	10	<420 (1%)	8	<420 (1%)
Hardness complaints	5	<420 (1%)	4	<1
Other complaints	25	<420 (1%)	20	<5
Response within 24 hours of the complaint	100%	100%	100%	100%



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THE FOLLOWING SECTION SUMMARIZES ASSUMPTIONS, TRENDS, MAJOR INFLUENCES, RESTRICTIONS AND COMPOSITION OF THE CITY'S REVENUE SOURCES.

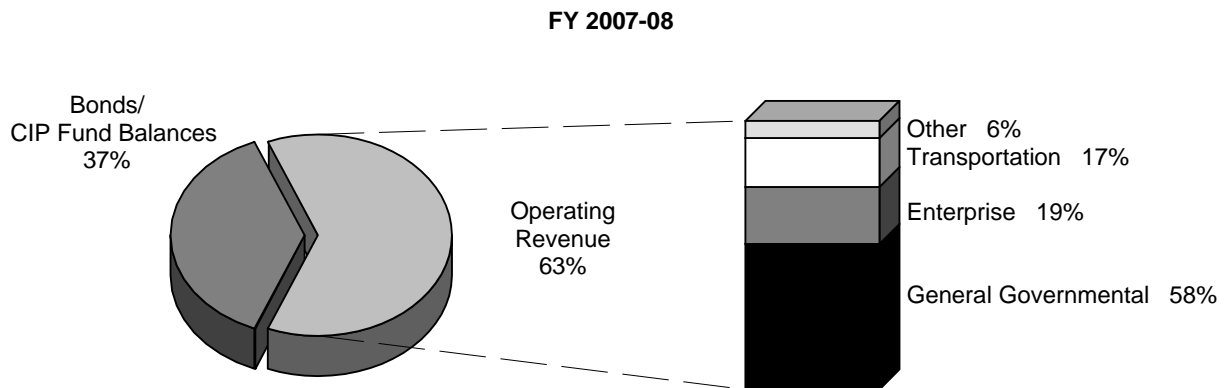


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Total Revenue



Total revenue for FY 2007-08 is \$560 million reflecting \$347.2 million in operating revenue and \$212.7 million from bond proceeds, fund balances and other funding sources. The FY 2007-08 operating revenue total represents 9.3% growth over FY 2006-07. The growth in operating revenue sources is indicative of the improvement from the 2001 recession, while the increase in bonding and other funding sources is directly related to the growth in the Capital Improvement Program (CIP) budget.

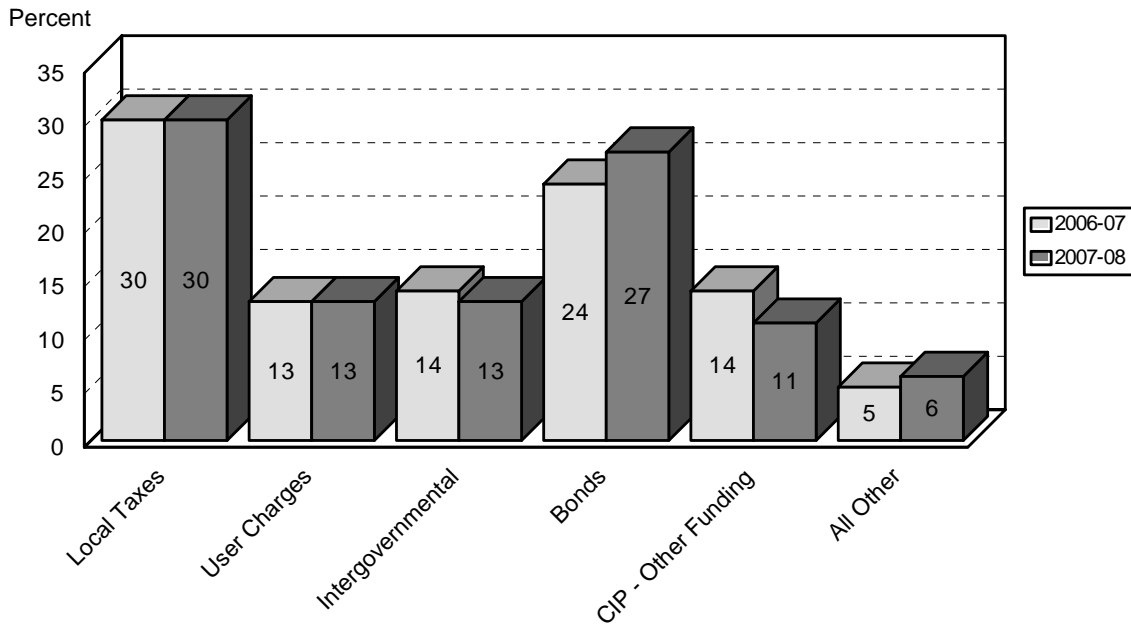


TOTAL REVENUE		
	FY 2006-07 Budget	FY 2007-08 Budget
OPERATING REVENUE		
General Governmental		
Local Taxes, Licenses and Permits, and Debt	\$113,905,630	\$126,343,034
Intergovernmental	40,809,492	48,496,600
Charges for Services	10,922,429	11,463,351
Miscellaneous	13,470,516	15,366,709
Transportation/Transit	55,928,919	57,678,474
Performing Arts	7,393,250	8,077,567
CDBG/Section 8 Housing	11,502,474	11,016,572
Rio Salado Special Revenue	1,052,747	1,358,770
Enterprise	62,741,283	67,359,772
TOTAL OPERATING REVENUE	\$317,726,740	\$347,160,849
Operating Revenue Per Capita	\$1,907	\$2,073
Bond/Note Proceeds	122,103,743	148,535,953
CIP Other Funding	47,623,748	32,154,815
Fund Balances	23,389,885	32,015,701
TOTAL REVENUE	\$510,844,116	\$559,867,318
Total Revenue Per Capita	\$3,067	\$3,343

Total Revenue by Source



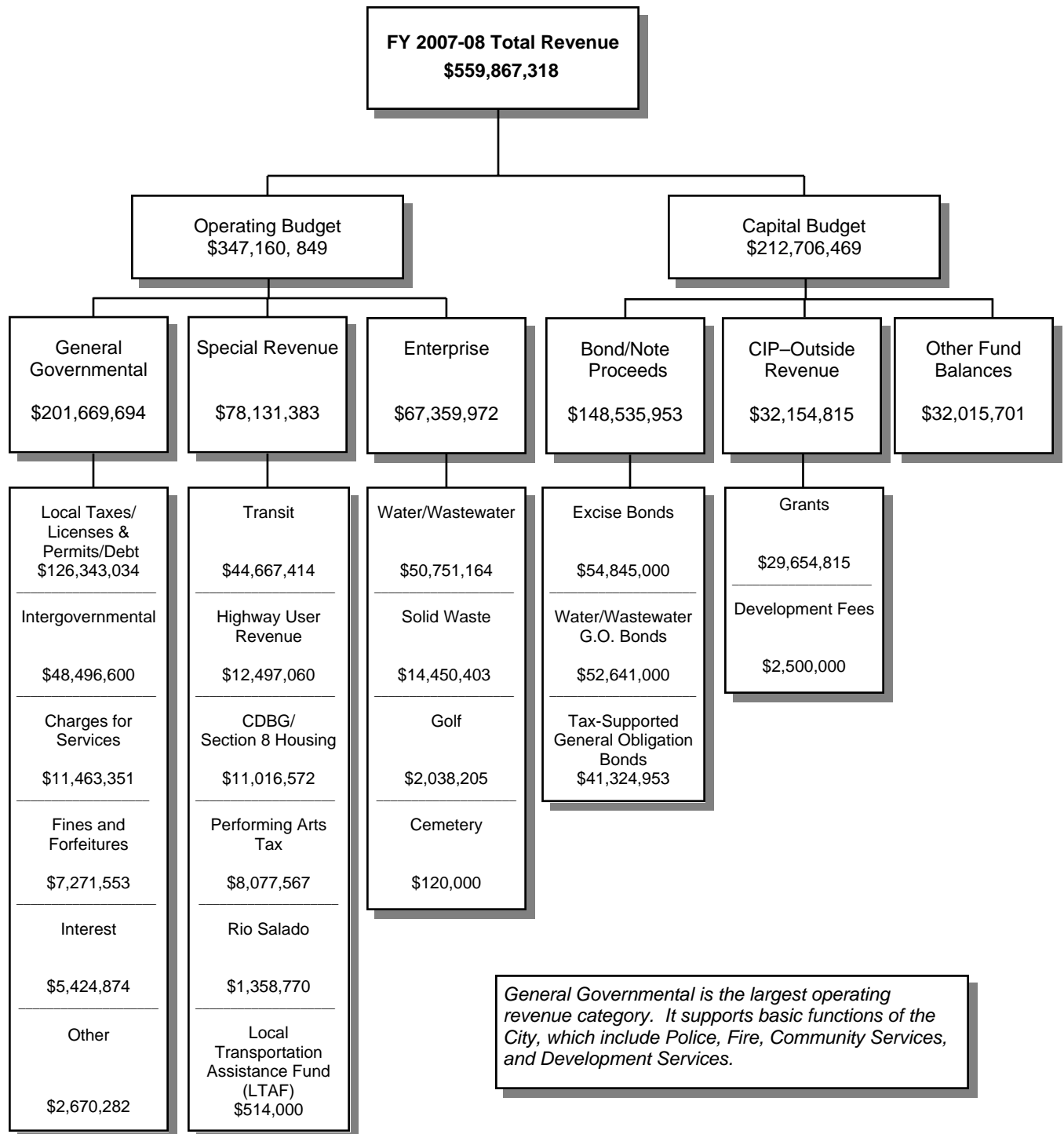
**Comparative Revenue by Source
FY 2006-07 Budget to FY 2007-08 Budget**



Where the Money Comes From

Revenue Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Local Taxes				
Local Sales Taxes	\$74,945,677	\$79,432,060	\$84,430,005	\$86,881,100
Transit Tax	32,440,081	33,984,000	34,991,000	36,250,700
Other Local Taxes	32,218,952	33,791,710	34,237,084	39,328,884
Performing Arts	6,480,218	6,796,800	7,017,796	7,270,400
User Charges				
Water/Wastewater	44,392,262	44,883,245	44,895,245	47,405,102
Solid Waste	11,160,934	11,858,647	12,196,081	12,823,128
Community Services	6,730,063	7,447,939	6,902,234	8,206,619
Building/Trades & Planning/Zoning	5,506,134	5,640,490	4,068,944	5,458,132
Intergovernmental				
State Shared Revenue	40,946,381	40,809,492	43,080,069	48,496,600
HURF/LTAF	11,222,223	11,102,520	11,480,000	11,998,090
CDBG/Section 8 Housing	13,842,836	11,502,474	11,488,257	11,016,572
Transit State & Federal	8,050,875	7,284,534	7,284,334	6,812,889
All Other				
Interest Revenue	8,648,334	6,519,334	8,937,802	8,635,367
Miscellaneous Revenue	10,829,310	7,732,962	7,641,693	8,105,063
Fines and Forfeitures	7,278,191	7,491,027	7,185,322	7,271,553
Licenses and Permits	1,202,049	1,449,506	1,193,650	1,200,650
Bonds/Note Proceeds	102,302,061	122,103,743	122,103,743	148,535,953
CIP - Outside Revenue	49,149,034	47,623,748	47,623,748	32,154,815
Other - Fund Balance	26,601,027	23,389,885	23,389,885	32,015,701
Total Revenue	\$493,946,642	\$510,844,116	\$520,146,892	\$559,867,318

Components of Total Revenue



Comparative Operating Revenue by Major Source and Fund



Revenue Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
General Fund				
Local Taxes				
City Sales Tax	\$74,365,297	\$78,948,000	\$83,761,312	\$86,188,300
Primary Property Tax	9,221,843	9,752,845	9,752,845	10,221,221
Transient Lodging Tax	2,983,156	3,079,800	3,146,052	3,267,200
Franchise Fees	1,867,311	1,571,500	1,945,863	2,671,000
<i>Total Local Taxes</i>	<i>88,437,607</i>	<i>93,352,145</i>	<i>98,606,072</i>	<i>102,347,721</i>
Intergovernmental Revenue				
State Sales Tax	16,810,763	17,484,642	17,159,115	17,948,400
State Income Tax	16,607,943	16,615,250	18,798,599	23,354,600
Vehicle License Tax	7,527,675	6,709,600	7,122,355	7,193,600
<i>Total Intergovernmental</i>	<i>40,946,381</i>	<i>40,809,492</i>	<i>43,080,069</i>	<i>48,496,600</i>
Building & Trades/Planning & Zoning	5,506,134	5,640,490	4,068,944	5,458,132
Cultural and Recreational				
Registration Fees	3,831,023	4,144,049	4,011,000	4,847,119
Recreation Admission Charges	285,016	328,700	348,500	348,500
Library Fines and Fees	448,808	349,490	351,200	351,200
Other Cultural and Recreation Fees	396,413	459,700	459,200	458,400
<i>Total Cultural and Recreational</i>	<i>4,961,260</i>	<i>5,281,939</i>	<i>5,169,900</i>	<i>6,005,219</i>
Fines, Fees and Forfeitures				
Traffic Fines	1,711,007	1,775,000	1,674,636	1,693,000
Criminal Fines	1,292,655	1,177,700	1,207,050	1,213,100
Parking Fines	620,260	661,000	446,384	448,600
Other Fines, Fees and Forfeitures	3,654,269	3,877,327	3,857,252	3,916,853
<i>Total Fines, Fees and Forfeitures</i>	<i>7,278,191</i>	<i>7,491,027</i>	<i>7,185,322</i>	<i>7,271,553</i>
Business/Non-Business Licenses	1,202,049	1,449,506	1,193,650	1,200,650
Other Revenue Sources				
SRP Payment in Lieu of Taxes	534,527	521,600	521,600	542,500
Interest Income	4,793,850	3,534,039	5,424,874	5,424,874
Other Miscellaneous Revenue and Loan	4,893,064	2,445,450	2,594,025	2,670,282
<i>Total Other Revenue</i>	<i>10,221,441</i>	<i>6,501,089</i>	<i>8,540,499</i>	<i>8,637,656</i>
Total General Fund	\$158,553,063	\$160,525,688	\$167,844,456	\$179,417,531
Debt Service Fund				
Secondary Property Tax	\$16,430,588	\$17,693,103	\$17,693,103	\$21,364,887
SRP Payment in Lieu of Taxes	897,151	887,276	887,276	887,276
Interest Income	73,912			
Other Miscellaneous Revenue	431,075			
Total Debt Service Fund	\$17,832,726	\$18,580,379	\$18,580,379	\$22,252,163



Revenue Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Transit Fund				
Transit Tax	\$32,440,081	\$33,984,000	\$34,991,000	\$36,250,700
Lottery Transfer In	266,275	258,500	258,300	253,100
ASU-Flash Transit	496,403	508,434	508,434	521,000
Interest Income	1,320,051	989,577	538,039	261,290
Federal and State Funding	7,288,197	6,517,600	6,517,600	6,038,789
Miscellaneous Revenue	709,928	718,288	658,073	1,342,535
Total Transit Fund	\$42,520,935	\$42,976,399	\$43,471,446	\$44,667,414
Transportation Funds				
Highway User Revenue Tax	\$11,222,223	\$10,577,820	\$11,480,000	\$11,484,090
Maintenance of Effort	532,551	1,850,000	870,000	870,000
State Lottery Proceeds		524,700	524,000	514,000
Other Revenue				142,970
Total Transportation Funds	\$11,754,774	\$12,952,520	\$12,874,500	\$13,011,060
Rio Salado Fund				
City Sales Tax	\$580,380	\$484,060	\$668,693	\$692,800
Transient Lodging Tax	218,617	215,586	220,345	224,800
Primary Property Tax	65,759	70,000	70,000	150,000
Interest Income	171,424	136,601	161,470	137,754
Miscellaneous Revenue	128,308	148,500	151,454	153,416
Total Rio Salado Fund	\$1,164,488	\$1,054,747	\$1,271,962	\$1,358,770
Performing Arts				
Performing Arts Tax	\$6,480,218	\$6,796,800	\$7,017,796	\$7,270,400
Interest Income	573,984	451,450	457,167	457,167
Fees and Admission		145,000		350,000
Total Performing Arts	\$7,054,202	\$7,393,250	\$7,474,963	\$8,077,567
Total CDBG/Section 8 Housing Funds	\$13,842,836	\$11,502,474	\$11,488,257	\$11,016,572
Solid Waste Fund				
Residential Service	\$6,858,510	\$7,024,009	\$7,257,667	\$7,585,714
Commercial Service	4,302,424	4,834,638	4,938,414	5,237,414
Roll-Off Service	1,447,534	1,000,691	1,139,808	1,205,927
Recycling	228,767	140,700	200,000	210,000
Sludge Disposal	151,398	95,500	80,000	85,000
Interest Income	83,376	63,719	126,348	126,348
Other Miscellaneous Revenue	160,284			
Total Solid Waste Fund	\$13,232,293	\$13,159,257	\$13,742,237	\$14,450,403



Revenue Source	FY 2005-06 Actual	FY 2006-07 Budget	FY 2006-07 Revised	FY 2007-08 Budget
Water/Wastewater Fund				
Charges for Service-Water				
Water Consumption	\$18,429,978	\$18,619,482	\$18,619,482	\$19,418,054
Water Service	7,075,155	7,372,003	7,372,003	7,696,027
Irrigation	307,631	332,212	332,212	332,212
Other Water Charges	712,700	511,500	553,500	586,000
<i>Total Charges for Service-Water</i>	<i>26,525,464</i>	<i>26,835,197</i>	<i>26,877,197</i>	<i>28,032,293</i>
Charges for Service-Wastewater				
Sewer Usage	10,960,232	11,471,121	11,471,121	12,484,476
Sewer Service	5,986,625	6,436,927	6,436,927	6,778,333
Other Wastewater Charges	919,941	140,000	110,000	110,000
<i>Total Charges for Service-Wastewater</i>	<i>17,866,798</i>	<i>18,048,048</i>	<i>18,018,048</i>	<i>19,372,809</i>
Interest Income	1,608,988	1,338,219	2,222,229	2,222,229
Land and Facility Rental	519,250	520,000	520,000	520,000
Loan Repayment from General Fund	542,832	542,833	542,833	542,833
Other Miscellaneous Revenue	808,462	61,000	61,000	61,000
Total Water/Wastewater Fund	\$47,871,794	\$47,345,297	\$48,241,307	\$50,751,164
Golf Fund				
Greens Fees	\$1,749,860	\$1,850,000	\$1,722,834	\$1,731,400
Pro Shop and Restaurant Revenue	221,171	210,000	300,000	301,100
Interest Income	15,541	5,729	7,675	5,705
Other Revenue Sources	54686			
Total Golf Fund	\$2,041,258	\$2,065,729	\$2,030,509	\$2,038,205
Cemetery Fund				
Lot & Burial Sales	\$18,943	\$171,000	\$9,500	\$120,000
Interest Income	7,208			
Total Cemetery Fund	\$26,151	\$171,000	\$9,500	\$120,000
Total Revenue - All Funds	\$315,894,520	\$317,726,740	\$327,029,516	\$347,160,849

City Sales Tax



Restrictions	Fiscal Year	Amount	Percent Change
Current rate of 1.8% can be increased only by electorate.	1997-98	\$57,283,547	13.4
	1998-99	60,100,000	4.9
Certain proceeds are pledged as security for bond payments due under various bond security agreements. Revenue from a voter-approved 0.5% portion are dedicated to transit purposes and 0.1% dedicated funding for Performing Arts. In addition, all transaction privilege tax revenue generated in the Rio Salado Enterprise Fund Zone are deposited to the Rio Salado Fund for the operating expenses of the Rio Salado project.	1999-00	59,967,700	(0.2)
	2000-01	63,602,106	6.1
	2001-02	59,991,774	(5.7)
	2002-03	59,855,000	(0.2)
	2003-04	60,926,575	1.8
	2004-05	66,358,662	8.9
	2005-06	74,365,297	12.1
	2006-07 est.	83,761,312	12.6
	2007-08 est.	86,188,300	2.9

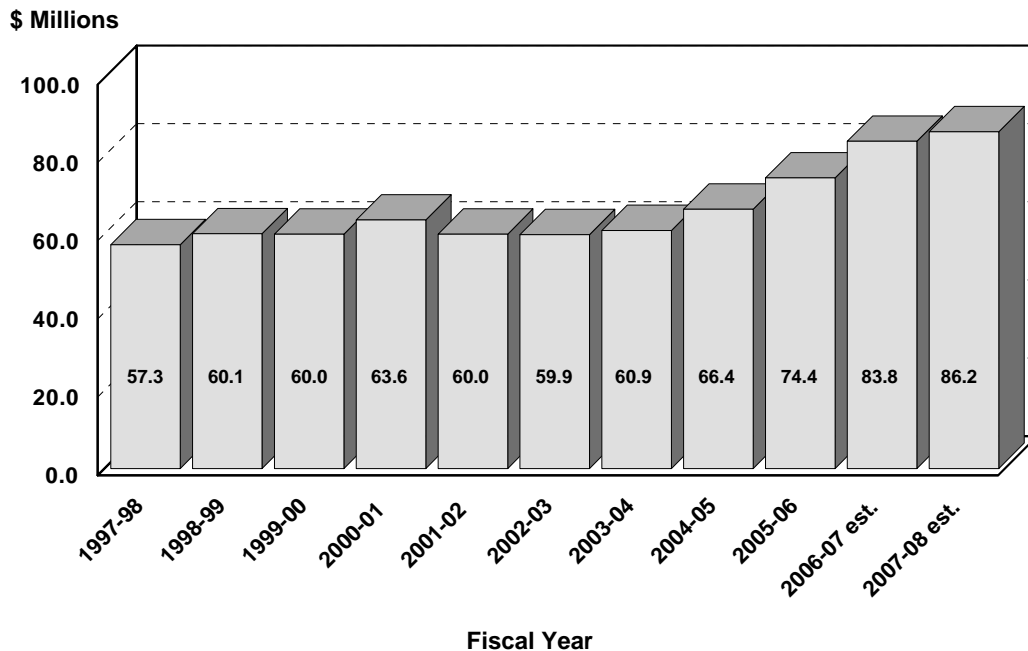
Assumptions

The City sales tax, known formally as the transaction privilege tax, is derived from a 1.8% tax on a variety of financial transactions, including retail sales, rental payments, contracting sales, utility, telecommunications payments, and hotel/restaurant sales. In FY 1993-94, voters approved a 0.2% increase from 1.0% to 1.2%. Additional increases of 0.5% (September 1996) and 0.1% (January 2001), are devoted to transit and performing arts needs and are not reflected in the amounts above.

A downturn in the national economy accounts for the 2001-03 reduction in sales tax collections. Due to proactive redevelopment and planning the City has fully recovered from this downturn. Recent years have seen strong growth in collections, however, it is anticipated that this growth will slow down due to effects of the regional housing market downturn.

Major Influences: Taxable Sales, Population, and Consumer Price Index

City Sales Tax



City Property Tax



Restrictions	Fiscal Year	Amount	Percent Change
Primary Levy: Limited to annual increase of 2% plus amount generated by new construction. No restriction on usage.	1997-98	\$13,832,004	8.0
	1998-99	15,172,288	9.7
	1999-00	16,561,936	9.2
	2000-01	18,414,400	11.2
Secondary Levy: Restricted for debt service purposes only. No limit on rate.	2001-02	18,864,580	2.4
	2002-03	20,238,875	7.3
	2003-04	21,373,212	5.6
	2004-05	23,510,234	10.0
	2005-06	25,652,431	9.4
	2006-07 est.	27,515,948	7.0
	2007-08 est.	31,736,108	15.3

Assumptions

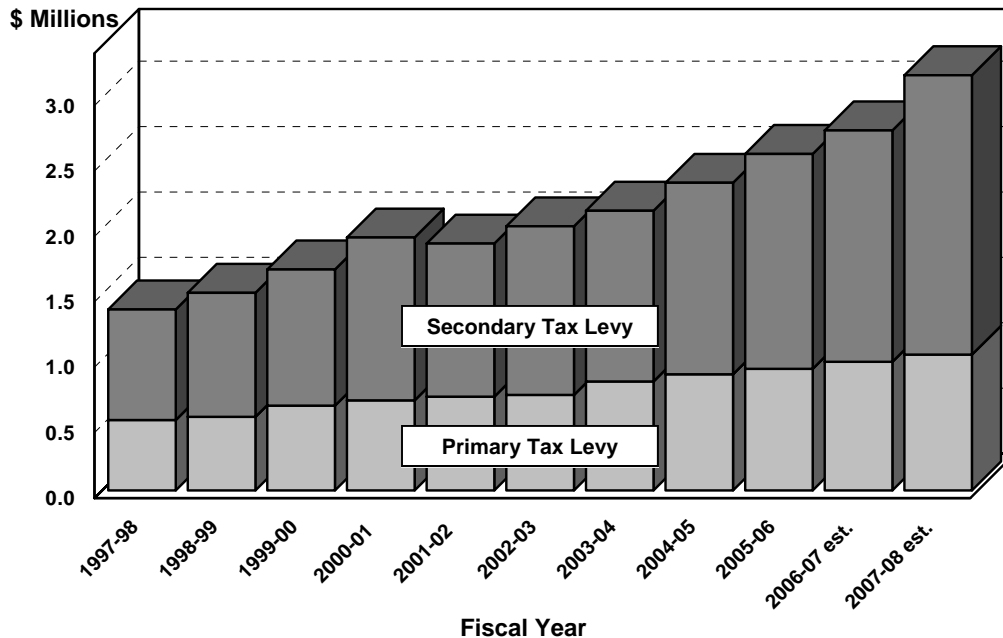
The City's property tax is levied based on the assessed value of the property from the previous February 10th as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Changes in total revenue collected during these years have been the result of state policy affecting assessed valuations, assessed valuation growth, and new development.

The combined primary and secondary property tax rate for FY 2007-08 will total \$1.40 per \$100 assessed valuation, consisting of \$0.51 per \$100 of the primary assessed valuation for operating and maintenance costs and \$0.89 per \$100 of secondary assessed valuation to fund principal and interest payments on bonded indebtedness. The City held the aggregate property tax rate at \$1.35 for five fiscal years before increasing it by \$0.05 in FY 2005-06 to \$1.40. The full amount of the increase was applied to the secondary, with the intent that the additional revenue generated be dedicated to repay debt for capital improvement projects.

The proceeds go to different funds. Of the primary levy, \$10.2 million goes to the General Fund and \$150 thousand goes to the Rio Salado Fund, and the entire secondary levy of \$21.4 million goes to the Debt Service fund.

Major Influences: Development, Assessor Appraisal Methodology, State Policy, Population Growth, and Policy Regarding Property Tax Rates

City Property Tax



Transient Lodging Tax



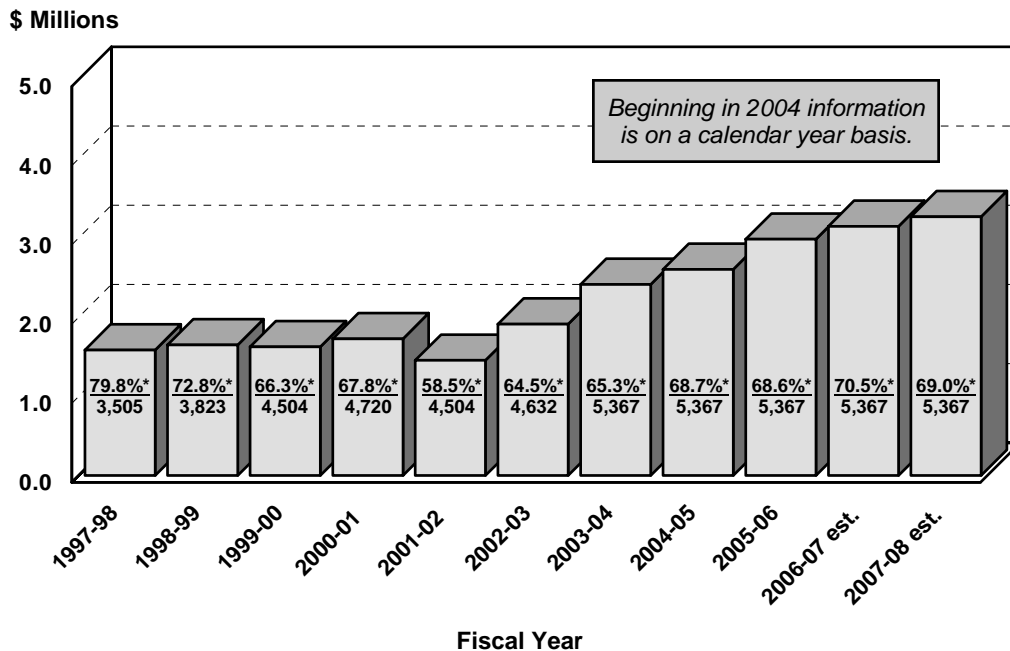
Restrictions	Fiscal Year	Amount	Percent Change
Current rate of 3% can be increased only by electorate.	1997-98	\$1,584,138	14.9
	1998-99	1,649,000	4.1
Of the total amount collected, 2/3 is pledged to the Tempe Convention and Visitors Bureau (TCVB). Excess unrestricted proceeds are deposited into the General Fund, except for bed tax revenue generated within the Rio Salado Enterprise Zone, which is deposited to the Rio Salado Fund for operating costs of the Rio Salado Project.	1999-00	1,625,300	(1.4)
	2000-01	1,725,597	6.2
	2001-02	1,454,927	(15.7)
	2002-03	1,911,752	31.4
	2003-04	2,413,099	26.2
	2004-05	2,603,119	7.9
The tax originated in June of 1988 at 2% with half (or 1%) dedicated to TCVB. In FY 2001 voters approved an additional 1% for TCVB, increasing the tax from 2% to 3%.	2005-06	2,983,156	14.6
	2006-07 est.	3,146,052	5.5
	2007-08 est.	3,267,200	3.9

Assumptions

The tax is imposed on businesses who charge for lodging for any period of not more than 30 consecutive days. The increase in the revenue projection beginning in 2001 is reflective of a voter approved 1% increase rather than an increase in lodging structures or occupants.

Major Influences: Economy, Competition from Hotels Located in Neighboring Cities, and Consumer Price Index

Transient Lodging Tax



*Percent Occupied/Number of Rooms

Salt River Project In-Lieu Tax



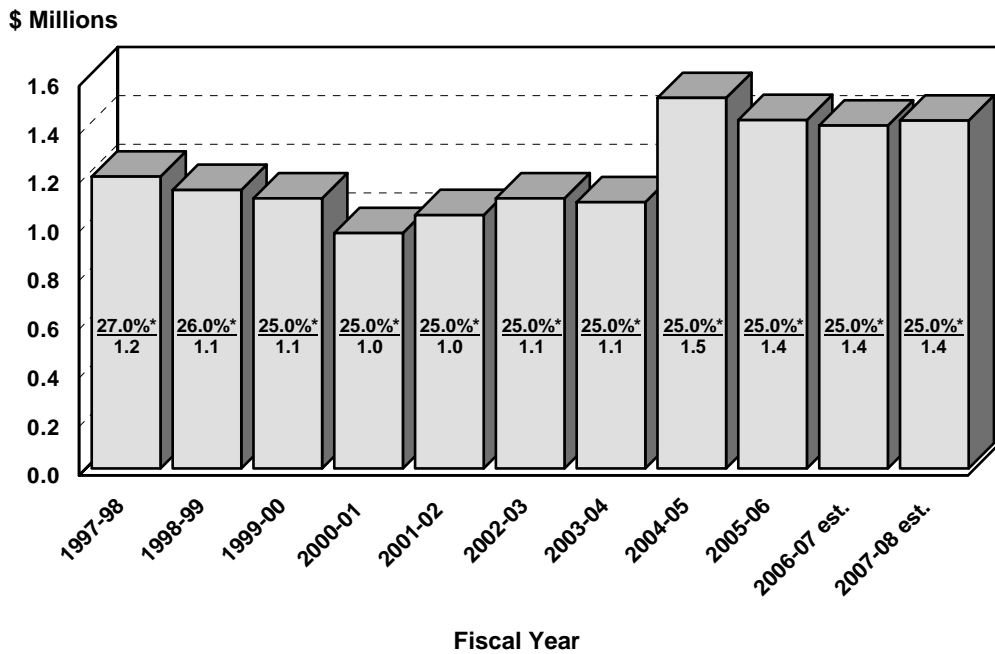
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1997-98	\$1,199,458	(5.1)
	1998-99	1,144,363	(4.6)
	1999-00	1,110,420	(3.0)
	2000-01	967,193	(12.9)
	2001-02	1,041,291	7.7
	2002-03	1,110,403	6.6
	2003-04	1,094,665	(1.5)
	2004-05	1,522,519	39.1
	2005-06	1,431,678	(6.0)
	2006-07 est.	1,408,876	(1.6)
	2007-08 est.	1,429,776	1.5

Assumptions

As a government-operated public utility, the Salt River Project pays no franchise or property taxes. In lieu of these taxes, an amount is received from the utility based on a computation involving property location and plant investment. Proceeds from this revenue source are received through Maricopa County in June and December, and deposited into two different funds. For FY 2007-08 it is estimated that \$542,500 will go to the General Fund and \$887,276 to the Debt Service Fund. The SRP In-Lieu payment increase in FY 2006-07 reflects estimated assessed property value increases.

Major Influences: Real Property Value and State Policy (assessment ratio)

Salt River Project In-Lieu Tax



*Percents represent the assessment ratio on SRP real property/In-Lieu Tax revenue

State Shared Sales Tax



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for a public purpose.	1997-98	\$10,476,954	(3.5)
	1998-99	12,292,002	17.3
	1999-00	13,511,356	9.9
	2000-01	13,951,532	3.3
	2001-02	12,148,438	(12.9)
	2002-03	12,405,713	2.1
	2003-04	13,345,152	7.6
	2004-05	14,695,069	10.1
	2005-06	16,810,763	14.4
	2006-07 est.	17,159,115	2.1
	2007-08 est.	17,948,400	4.6

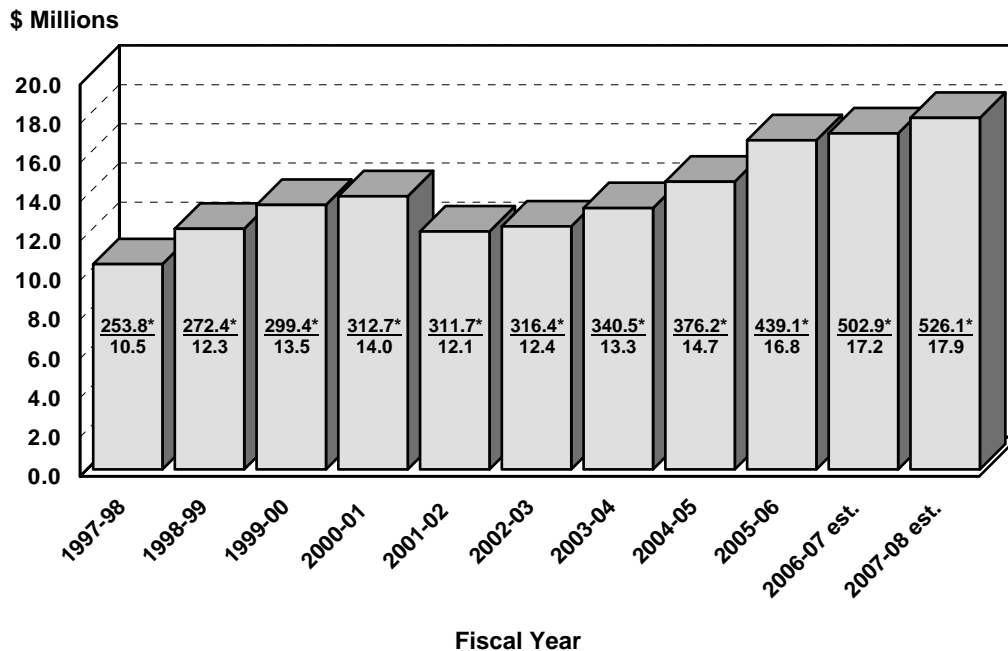
Assumptions

The state assesses a 5.6% sales tax, of which 0.6% is designated for educational purposes. Of the remaining, cities and towns share in 25% of the collections total (estimated at \$526 million for FY 2007-08) on the basis of their population in relation to total state population. Prior to 2000, Tempe accounted for 4.5% of the state's population, but with the 2000 Census Tempe's share fell to 4.0%. This reduction explains much of the decline in Tempe's state shared sales tax revenue in FY 2001-02. The share declined again to 3.4% with the 2005 mid-decade Census, but due to the robust State revenue growth the City did not experience a year over year net decrease.

The projected leveling of revenue is reflective of the slowing state economy following recent years of robust expansion.

Major Influences: Taxable Sales, Population (relative to State) and State Law

State Shared Sales Tax



*Total state shared sales tax revenue pool/City's share of pool

State Shared Vehicle License Tax



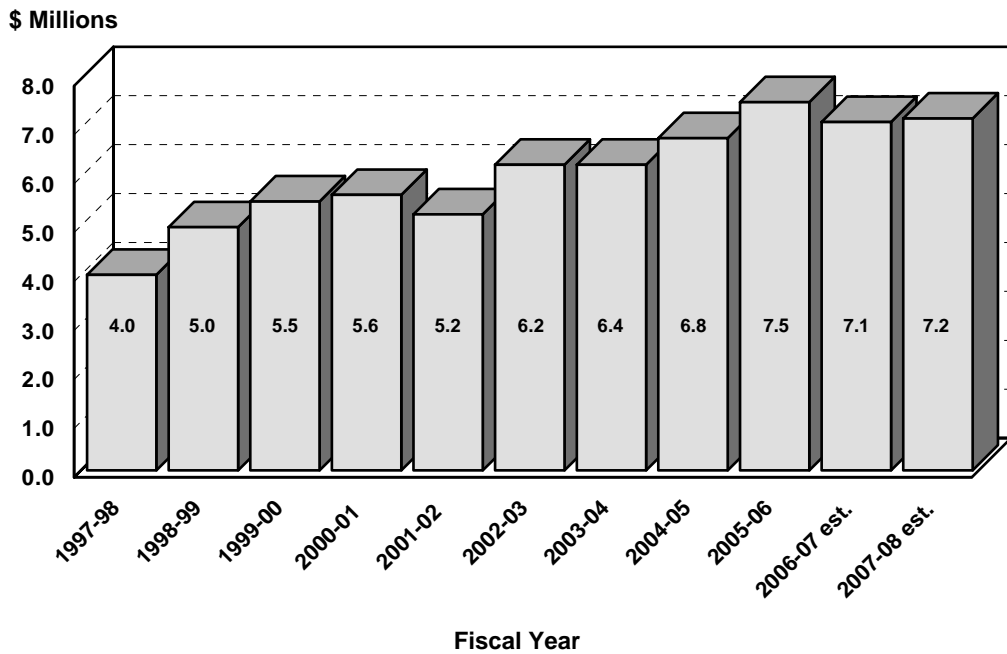
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for a public purpose.	1997-98	\$3,997,411	(3.7)
	1998-99	4,971,529	24.4
	1999-00	5,497,492	10.6
	2000-01	5,632,181	2.5
	2001-02	5,233,512	(7.1)
	2002-03	6,247,543	19.4
	2003-04	6,428,101	2.9
	2004-05	6,791,043	5.6
	2005-06	7,527,675	10.8
	2006-07 est.	7,122,355	(5.4)
	2007-08 est.	7,193,600	1.0

Assumptions

Cities and towns receive 25% of the net revenue collected for vehicle licensing within their county. The respective shares are determined by the Cities' share of population in relation to total incorporated population of the county. The remainder of the revenue collected is shared by schools, counties, and the state. Prior to 2000, Tempe accounted for 4.5% of the state's population. Based on the 2005 Special Census, this figure declined to 3.4%. In FY 2007-08, the strength of the state's economy has minimized the financial impact, but as the City nears build out, it will have a leveling effect on future revenue.

Major Influences: Population (relative to State), State Policy and Auto Sales

State Shared Vehicle License Tax



State Shared Income Tax



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for a public purpose.	1997-98	\$13,158,548	18.1
	1998-99	15,361,479	16.7
	1999-00	17,045,903	11.0
	2000-01	17,890,338	5.0
	2001-02	16,544,791	(7.5)
	2002-03	16,882,535	2.0
	2003-04	14,303,004	(15.3)
	2004-05	14,582,117	2.0
	2005-06	16,607,943	13.9
	2006-07 est.	18,798,599	13.2
	2007-08 est.	23,354,600	24.2

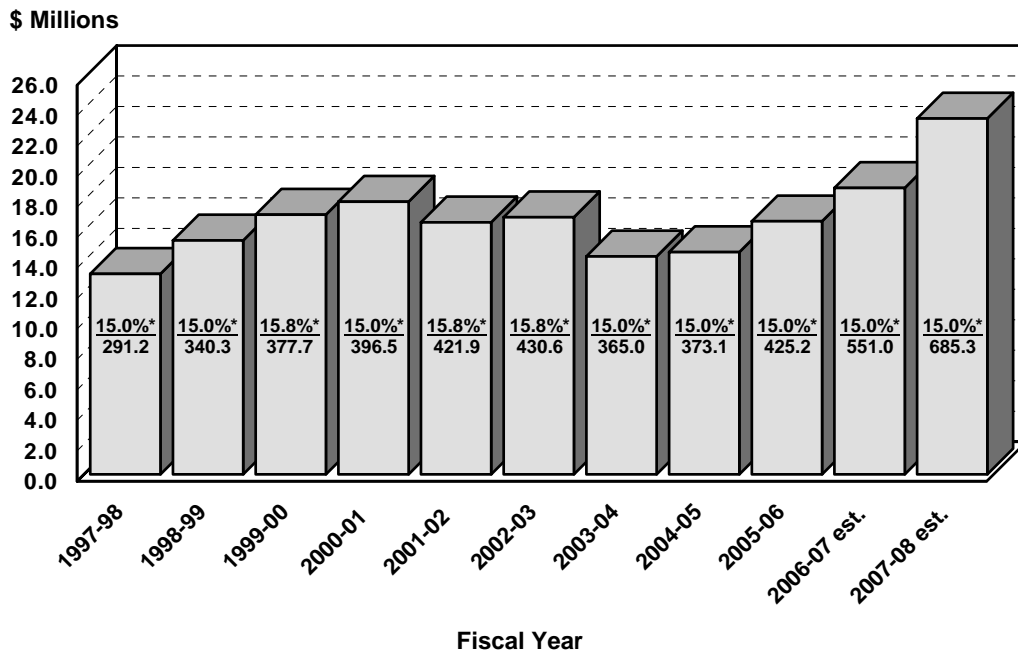
Assumptions

The right to levy income taxes in Arizona is a state responsibility. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the City receives the funds. Originally, Arizona cities and towns were entitled to receive 15.0% of the State's income tax collections, but this percentage is at the legislature's discretion and has varied from 13.6% in FY 1996-97 to 15.8% in FY 1999-00. Currently, the state shared revenue has been restored to 15.0%.

This state shared revenue is distributed to cities or towns based on the relation of their population to the total population of all incorporated cities and towns in the state. Prior to the 2005 Special Census, Tempe accounted for 4.0% of the state's population, but this share fell to 3.4% for FY 2006-07. The strength of the state's economy has offset the reduction in the City's percentage share and the FY 2006-07 estimate shows an increase of .1%.

Major Influences: Personal Income, Corporate Net Profits, Population (relative to State) and State Policy

State Shared Income Tax



* Percent of state income tax collections distributed to cities and towns/Total state shared tax revenue pool (\$ in millions)

Charges for Services/Recreation and Social Services



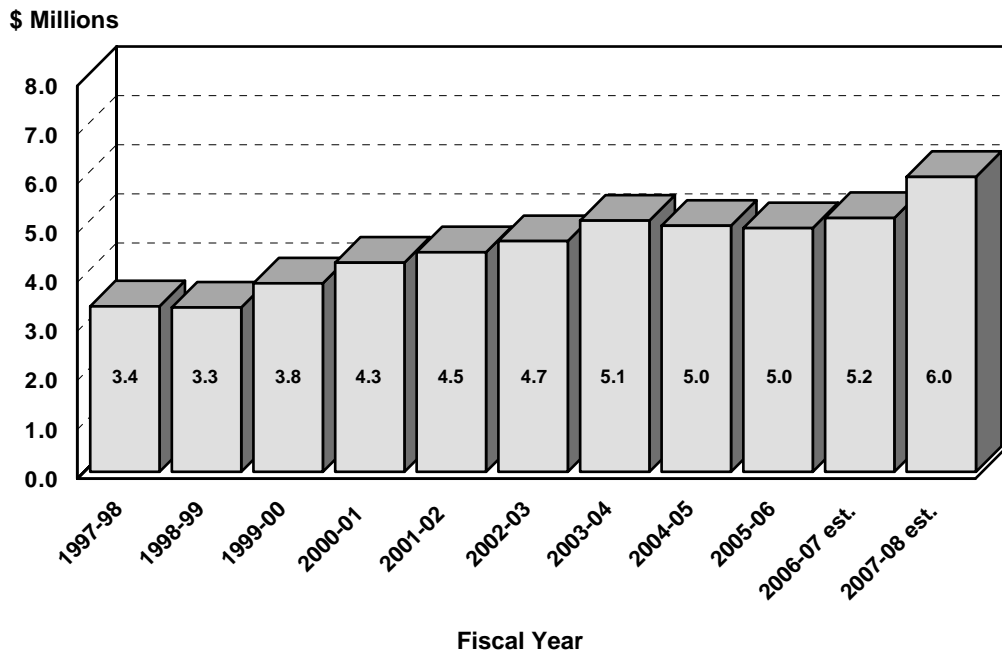
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage, but intended to defray costs of recreation and social service programs.	1997-98	\$3,369,509	7.1
	1998-99	3,345,728	(0.7)
	1999-00	3,836,700	14.7
	2000-01	4,258,777	11.0
	2001-02	4,471,110	5.0
	2002-03	4,699,196	(5.1)
	2003-04	5,113,578	8.8
	2004-05	5,009,690	(2.0)
	2005-06	4,961,260	(1.0)
	2006-07 est.	5,169,900	4.2
	2007-08 est.	6,005,219	16.2

Assumptions

Revenue in this category is derived from a wide array of recreational activities (such as softball, swimming, and tennis) and social services programs (such as counseling services and after-school programs). By Council policy, many of these activities and services are partially or fully funded through user charges. Fees are based on a targeted percentage for cost recovery of direct program operating costs, including wages and supply costs but excluding facility costs, administration, and capital outlay. The percentage of recovery of direct program costs is classified by user groups as follows: adult programs, 100% cost recovery; youth programs and senior programs, 50% cost recovery; and all Kiwanis Recreation Center classes/programs, 100% cost recovery. The FY 2007-08 figure reflects increased revenue due to a planned rate increase for the Kid Zone program.

Major Influences: Population, Cost Recovery Policy and New Program Development

Charges for Services/Recreation and Social Services



Charges for Services/Development Related



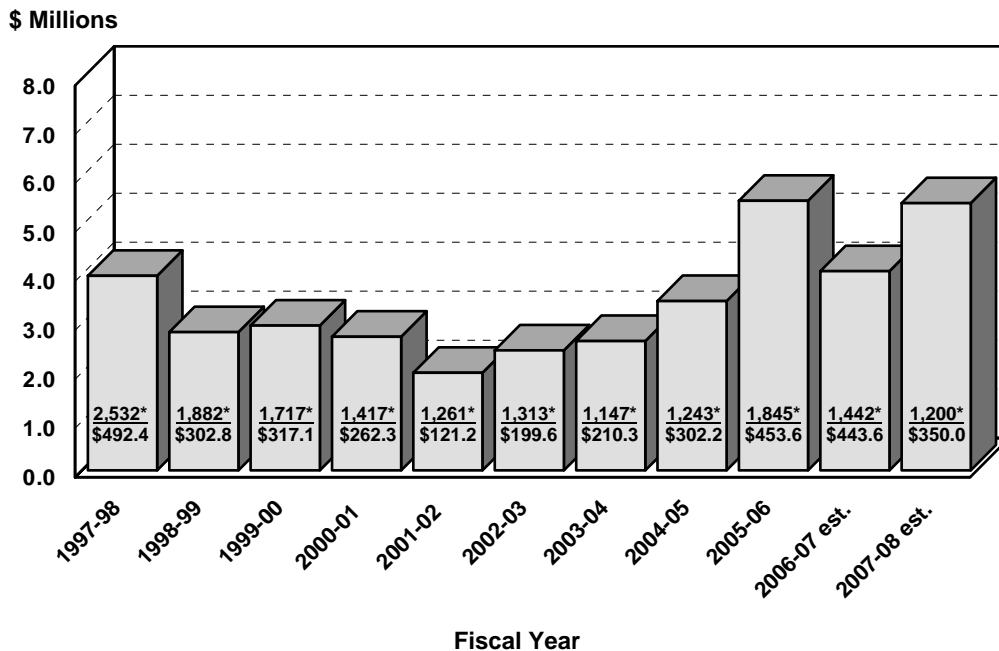
Restrictions	Fiscal Year	Amount	Percent Change
Intended to offset costs related to permitting and planning for residential and commercial development in the City, though there are no restrictions on usage.	1997-98	\$3,973,347	10.8
	1998-99	2,822,892	29.0
	1999-00	2,957,600	4.8
	2000-01	2,730,681	(7.7)
	2001-02	1,993,308	(27.0)
	2002-03	2,450,574	22.9
	2003-04	2,642,589	7.8
	2004-05	3,458,518	30.9
	2005-06	5,506,134	59.2
	2006-07 est.	4,068,944	(26.1)
	2007-08 est.	5,458,132	34.1

Assumptions

The annual growth rates shown above reflect the sometimes extreme cyclical nature of development. Following a year that included permit revenue related to the new Arizona Mills Mall, FY 1998-99 saw a drop-off in development activity in all sectors, consistent with declining rates of growth county-wide. Much of the increase in FY 2002-03 was due to a fee/rate increase. The impact of this increase was moderated in subsequent years in light of slow development activity associated with a landlocked community. This trend has reversed itself sharply, as the attractiveness of the Tempe downtown for development has increased permitting activity.

Major Influences: Population, Tax Laws, Economy and Development

Charges for Services/Development Related



* Number of building permits/Valuation (\$ in millions)

Fines and Forfeitures



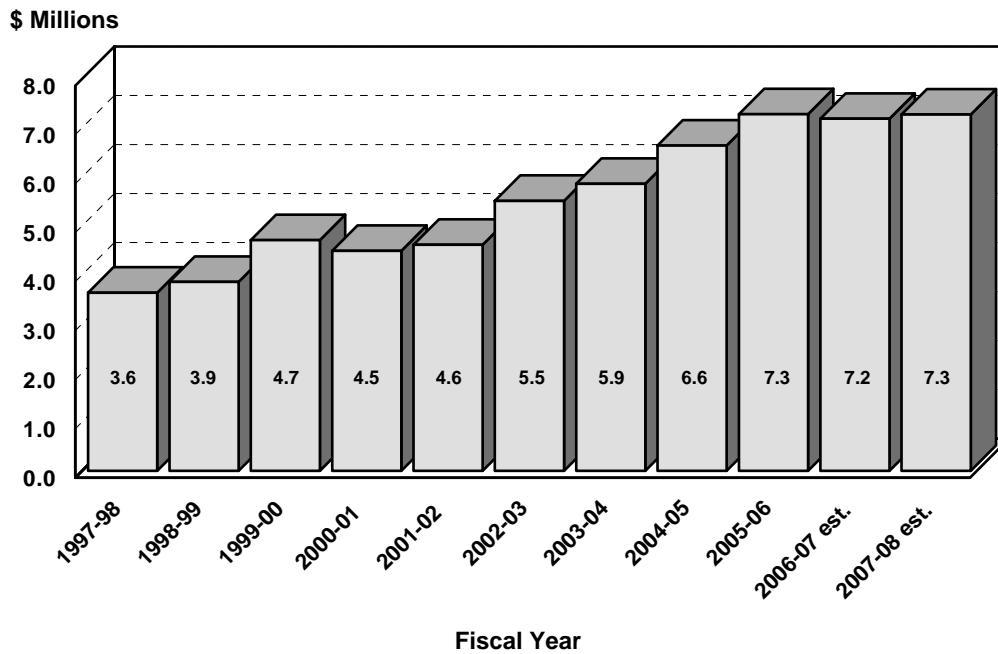
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1997-98	\$3,636,208	15.0
	1998-99	3,856,034	6.1
	1999-00	4,709,700	22.1
	2000-01	4,489,939	(4.7)
	2001-02	4,615,379	2.8
	2002-03	5,510,475	19.4
	2003-04	5,858,482	6.3
	2004-05	6,639,189	13.3
	2005-06	7,278,191	9.6
	2006-07 est.	7,185,322	(1.3)
	2007-08 est.	7,271,553	1.2

Assumptions

The fines and forfeitures revenue to the City derive from fines related to parking, traffic, criminal, animal control, defensive driving school, adult diversion, domestic violence, and false alarms, plus revenue from public defender reimbursements, forfeitures, and boot fees. Much of the FY 2002-03 increase is related to Council-approved increases in false alarm fines and alarm system registration fees and a police selective neighborhood traffic enforcement unit.

Major Influences: Population, Crime Rate and Internal Policy (Enforcement, Number of Police Officers)

Fines and Forfeitures



Transit Tax



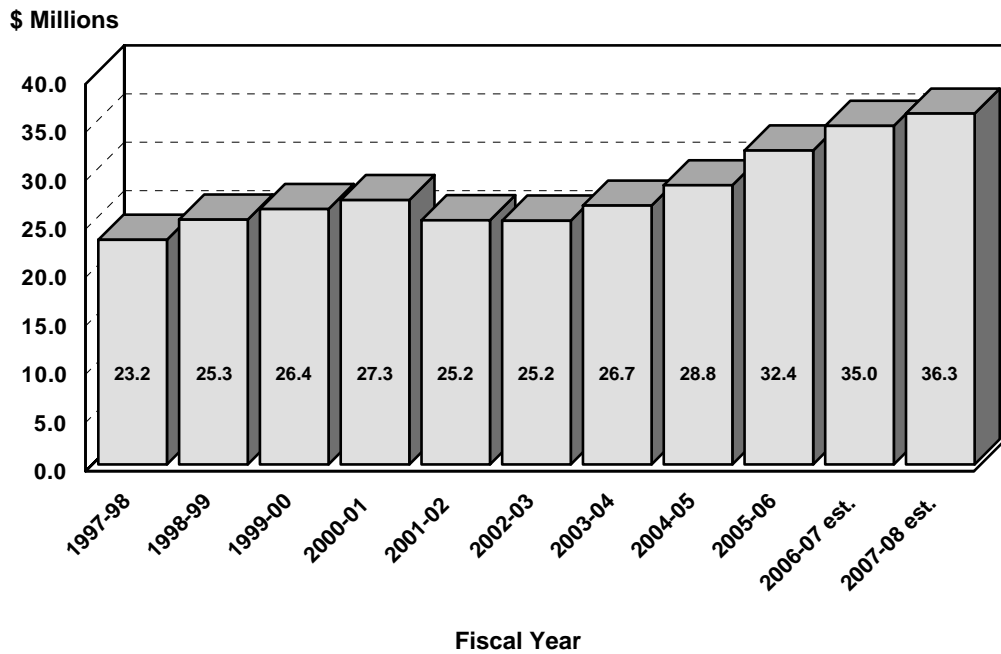
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote to transit-related purposes, such as bus acquisition and maintenance, connecting bus routes to neighboring cities, bus stop construction, transit planning, and light rail construction.	1997-98	\$23,212,252	122.6
	1998-99	25,300,000	9.0
	1999-00	26,384,500	4.3
	2000-01	27,310,246	3.5
	2001-02	25,229,927	(7.6)
	2002-03	25,187,121	(0.2)
	2003-04	26,740,623	6.2
	2004-05	28,848,493	7.9
	2005-06	32,440,081	12.4
	2006-07 est.	34,991,000	7.9
	2007-08 est.	36,250,700	3.6

Assumptions

The Transit Tax represents 1/2 cent of the 1.8% City Sales Tax. The tax for transit was approved by Tempe voters in September 1996 and became effective January 1, 1997. The revenue for FY 1996-97 only reflects collections over the last half of the fiscal year. Although the estimate for FY 2007-08 mirrors our trend for overall City sales tax growth, it does slightly deviate due to nuances resulting from rebates and tax incentives.

Major Influences: Taxable Sales, Population and Consumer Price Index

Transit Tax



Performing Arts Tax



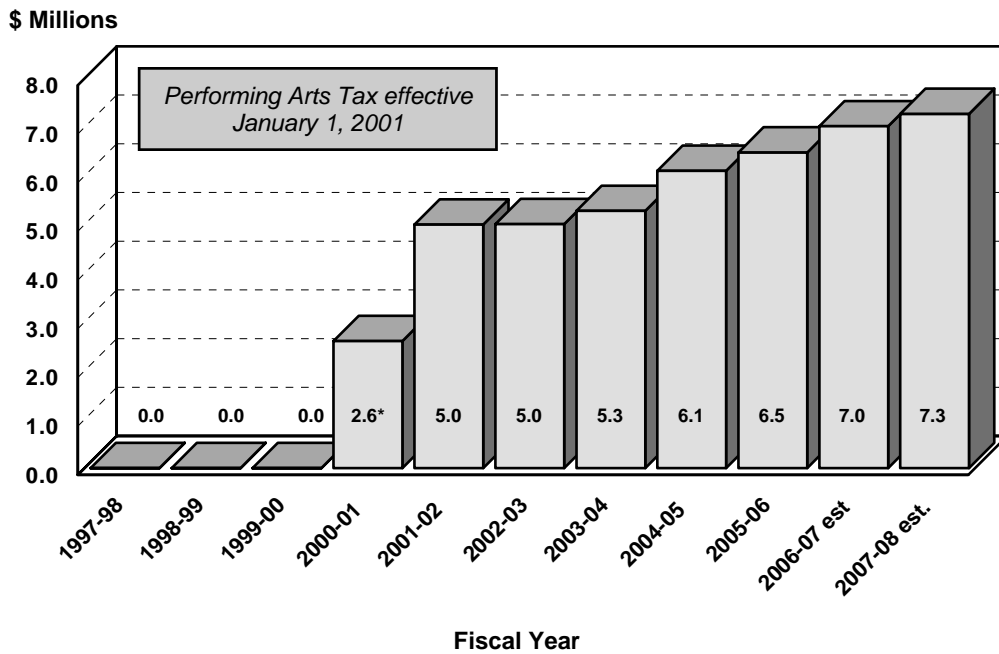
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote for construction and operation of the Performing Arts Center. *Collections over a six month period	2000-01*	\$2,607,541	-
	2001-02	4,999,984	91.2
	2002-03	5,010,392	(0.2)
	2003-04	5,279,580	5.4
	2004-05	6,103,402	15.6
	2005-06	6,480,218	6.2
	2006-07 est.	7,017,796	8.3
	2007-08 est.	7,270,400	3.6

Assumptions

The Performing Arts Tax represents 1/10 cent of the 1.8% City Sales Tax. This tax was approved in May 2000 and became effective January 2001. Although the estimate for FY 2007-08 mirrors our trend for overall City sales tax growth, it does slightly deviate due to nuances resulting from rebates and tax incentives.

Major Influences: Taxable Sales, Population, and Consumer Price Index

Performing Arts Tax



* Collections over a 6 month period

Highway User Tax



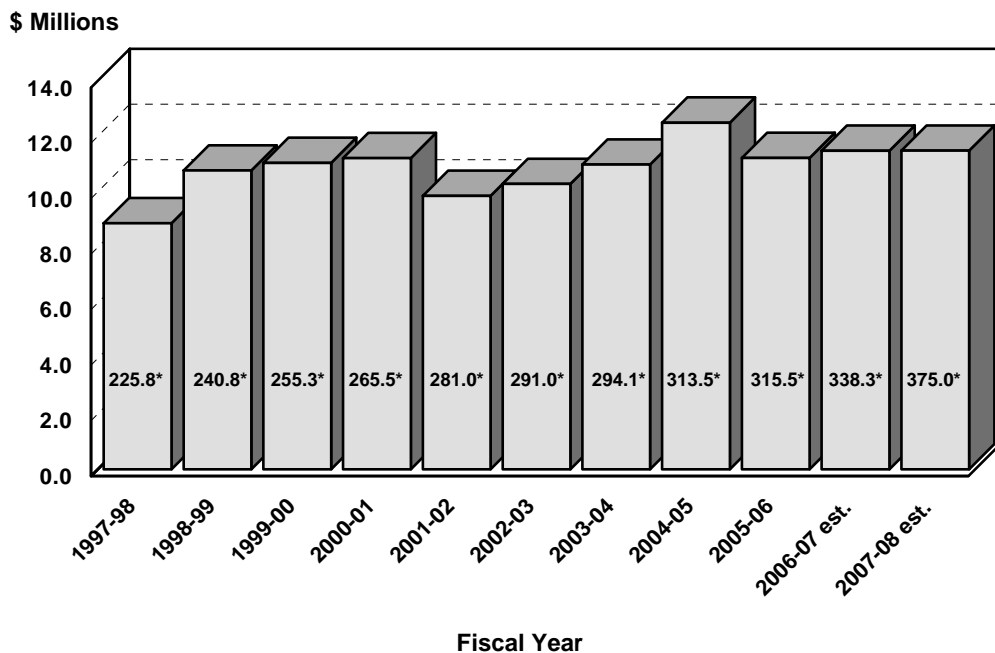
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway purposes including right-of-way acquisition, construction, reconstruction, maintenance, and payment of debt service on highway and street bonds.	1997-98	\$8,870,589	(9.4)
	1998-99	10,767,285	21.4
	1999-00	11,041,067	2.5
	2000-01	11,213,830	1.6
	2001-02	9,853,831	(12.1)
	2002-03	10,285,028	4.4
	2003-04	10,981,726	6.8
	2004-05	12,492,819	13.8
	2005-06	11,222,223	(10.2)
	2006-07 est.	11,480,000	2.3
	2007-08 est.	11,484,090	0.0

Assumptions

Highway User Revenue Fund (HURF) revenue is comprised primarily of a share of the state-imposed tax on fuel (18 cents per gallon), but also includes a portion of vehicle license taxes and other motor carrier permits and fees. Of the statewide total collected HURF revenue, 27.5% is distributed to cities and towns. Half of this pool amount is distributed based on each city or town's percentage share of the statewide total population of all incorporated cities and towns. The remaining one-half is divided into county pools based on each county's share of statewide fuel sales. Within each county, cities and towns receive an allocation based on their percentage share of total incorporated population in the county. Reductions in FY 1996-97 and FY 1997-98 were the result of the 1995 mid-decade Census, which placed Tempe at 4.5% of the state's population, down from the previous 5% share. The FY 2001-02 decline is a reflection of the 2000 Census, which resulted in Tempe's share declining to 4.0%. The 2005 mid-decade Census further declined to 3.4% resulting in a year over year decrease in revenue. For FY 2006-07 through FY 2007-08, negligible growth is anticipated.

Major Influences: Population, State Policy, Economy and Gasoline Sales

Highway User Tax



* Total State Shared Highway User Tax Revenue Pool distributed to Cities/Towns.

Local Transportation Assistance Fund



Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway projects, for any construction or reconstruction in the public right-of-way as well as transit programs.	1997-98	\$1,019,776	(5.7)
	1998-99	1,000,596	(1.9)
	1999-00	976,015	(2.5)
	2000-01	957,785	(1.9)
	2001-02	900,415	(6.0)
	2002-03	870,471	(3.3)
	2003-04	845,814	(2.8)
	2004-05	820,811	(3.0)
	2005-06	798,826	(2.7)
	2006-07 est.	782,800	(2.0)
	2007-08 est.	767,100	(2.0)

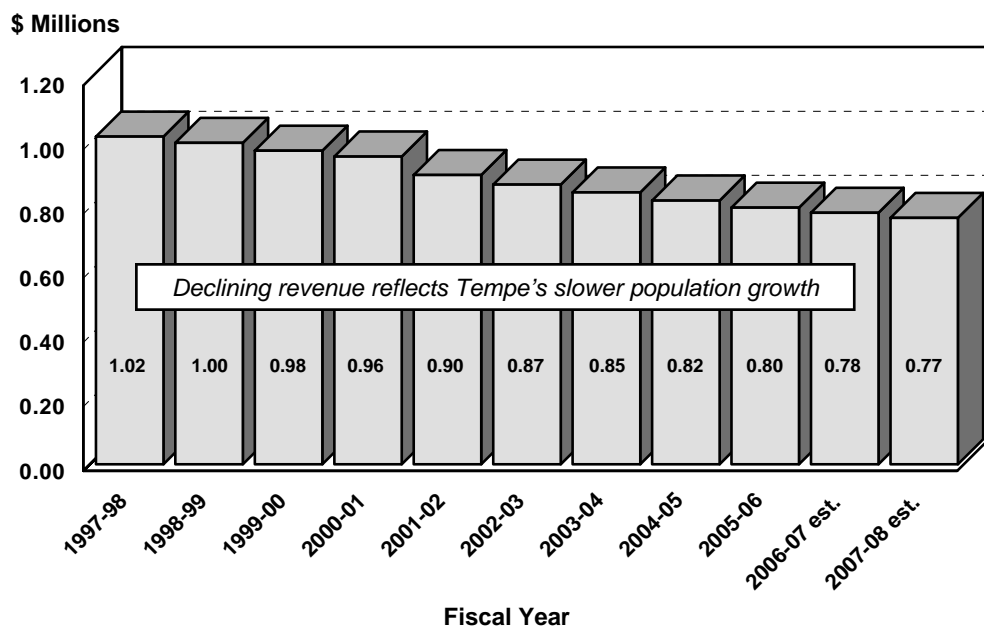
Assumptions

Revenue is derived from the state lottery game and the multi-state Powerball lottery game. By state statute, the state must distribute at least \$20.5 million annually to cities and towns from state lottery revenue, up to a maximum total distribution pool of \$23 million. Amounts distributed to cities and towns are based on their percentage share of statewide population as determined and updated annually by the state Department of Economic Security. Revenue derived from Powerball may be received only after the state first collects \$31 million from Powerball sales. If this threshold is reached, the state will distribute up to a total of \$18 million from Powerball revenue, dividing the pool into amounts based on each county's share of lottery ticket sales. Amounts from these county pools distributed to cities and towns are based on each city or town's share of incorporated population in the county.

The lottery state shared pool is adjusted every year by population determined by the Department of Economic Security. Tempe's declining share of statewide population accounts for the lottery revenue reduction over the past 10 years.

Major Influences: Population (relative to State) and Lottery Ticket Sales

Local Transportation Assistance Fund



Community Development Block Grant/Section 8 Housing Grant



Restrictions

Community Development Block Grant (CDBG) funds are awarded by the federal government and may be used only for the rehabilitation of owner-occupied housing and the removal of "slum and blight". Section 8 Housing Grants, also federal funds, may be used only for rent and utility subsidies for low income persons.

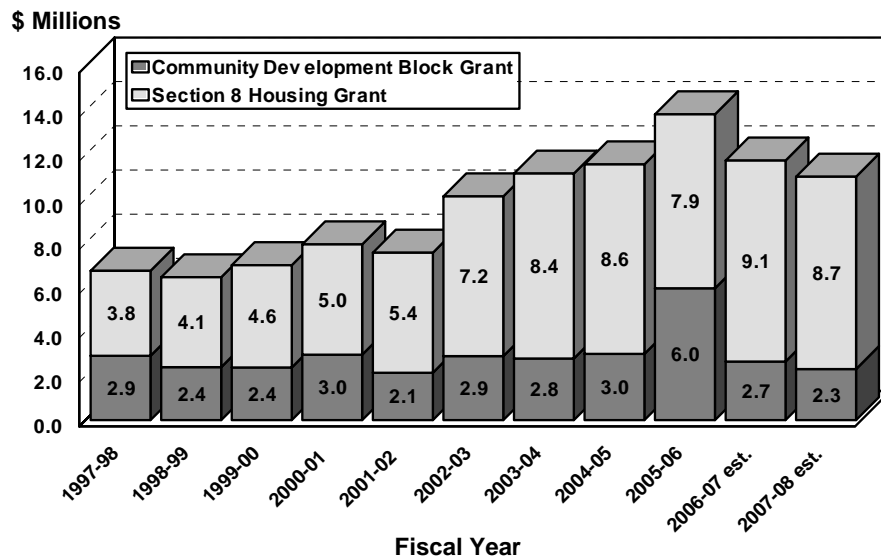
Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
1997-98	\$2,915,622	8.0	\$3,843,309	(0.5)
1998-99	2,399,237	(17.7)	4,068,842	5.9
1999-00	2,390,100	(0.4)	4,624,100	13.6
2000-01	2,967,700	24.2	4,985,700	7.8
2001-02	2,148,750	(27.6)	5,427,291	8.9
2002-03	2,896,728	34.8	7,227,924	33.2
2003-04	2,793,637	(3.6)	8,364,970	10.2
2004-05	2,996,729	7.3	8,577,743	3.7
2005-06	5,973,141	99.3	7,869,697	(8.3)
2006-07 est.	2,653,715	(55.6)	9,097,014	15.6
2007-08 est.	2,314,184	(12.8)	8,702,388	(4.3)

Assumptions

Funding levels in both programs are based on a federal formula which reflects local factors such as the percentage of people living in poverty, unemployment, population, age of existing housing, and the need for housing. The recent decline is due to a decrease in the total amount distributed by the Federal government.

Major Influences: Federal Policy, Poverty Levels and Population

Community Development Block Grant/Section 8 Housing Grant



Water/Wastewater User Fees



Restrictions	Fiscal Year	Amount	Percent Change
Fees can only be used to support the Water/Wastewater enterprise.	1997-98	\$37,928,781	8.4
	1998-99	37,540,000	(1.0)
	1999-00	46,296,100	23.3
	2000-01	45,349,960	(2.0)
	2001-02	44,591,306	(1.7)
	2002-03	40,586,501	(9.0)
	2003-04	41,037,476	1.1
	2004-05	40,674,305	(0.9)
	2005-06	44,392,262	9.1
	2006-07 est.	44,895,245	1.1
	2007-08 est.	47,405,102	5.6

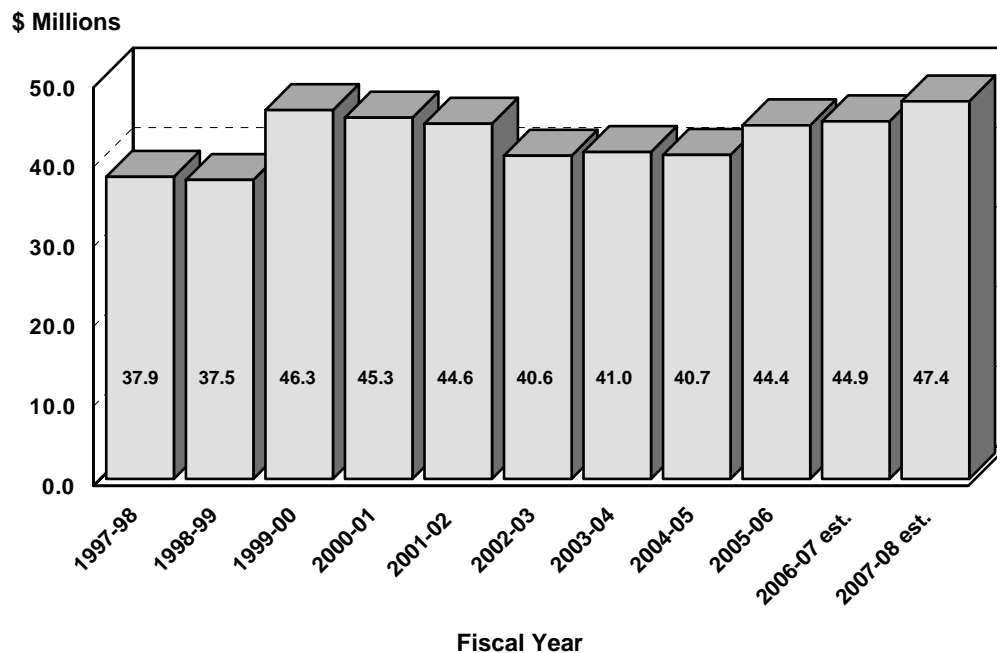
Assumptions

Water/Wastewater revenue is derived from fees and service charges assessed to residential and commercial customers of the City's water and wastewater systems. Revenue also includes charges to the City's residential irrigation customers. Over the past few years, both water and sewer rates have been adjusted to address increased costs resulting from inflation, debt service on capital projects, and environmental regulation compliance.

The most recent fee adjustment went into effect on November 1, 2006. Water rates were increased by 4.2% and sewer rates for residential customers increased by 7.1%. Per Council approval, water and sewer rates will be adjusted again in the fall of 2007. The impact to water and sewer customers will be 4.6% and 6.7%, respectively.

Major Influences: Population, Internal Policy, Water Consumption Patterns and Weather

Water/Wastewater User Fees



Solid Waste Fees



Restrictions	Fiscal Year	Amount	Percent Change
Used to defray costs of providing solid waste collection and disposal service.	1997-98	\$9,039,504	4.7
	1998-99	9,256,680	2.4
	1999-00	9,840,100	6.3
	2000-01	9,758,199	(0.8)
	2001-02	10,024,863	2.7
	2002-03	10,496,774	4.7
	2003-04	11,014,949	4.9
	2004-05	12,054,563	9.4
	2005-06	13,232,293	9.8
	2006-07 est.	13,742,237	3.9
	2007-08 est.	14,450,403	5.2

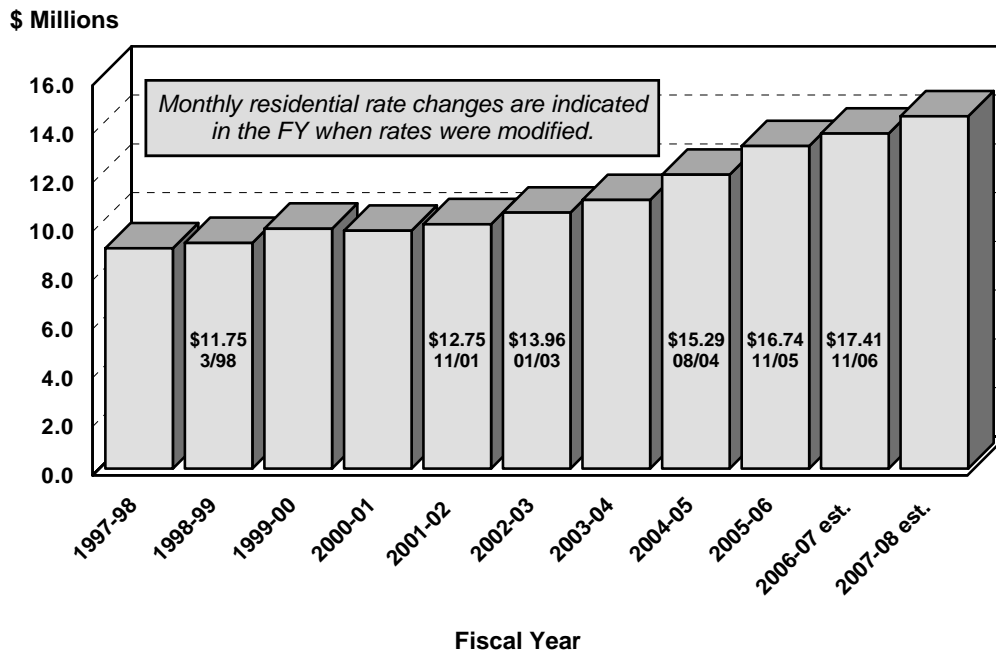
Assumptions

The collection and disposal of solid waste constitutes the City's second largest enterprise operation. Revenue derives from user fees for residential, commercial, roll-off, and uncontained solid waste service. As the graph below indicates, residential solid waste fees were increased five times starting in FY 1998-99 to address increased landfill and recycling costs.

Most recently, both residential and commercial rates were increased in November 2006 to address projected shortfalls in the Solid Waste Fund. Solid waste fees are reviewed annually to determine if the fee structure will generate sufficient revenue to cover operating expenses and provide a reserve for capital expenditures and contingencies. Per Council approval, in the fall of 2007 residential service rates will increase by 4% and commercial service charges will increase by 5%.

Major Influences: Population, Internal Policy, and Commercial Market/Competition

Solid Waste Fees



Golf Course Fees



Restrictions

Revenue is used to defray costs of operating the Rolling Hills and Ken McDonald golf courses.

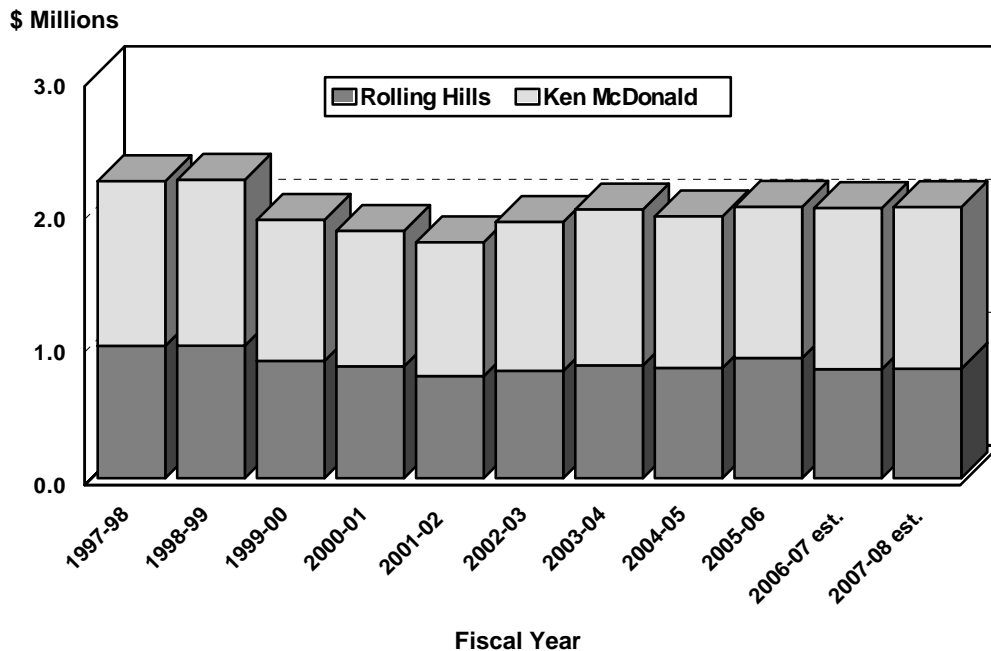
Fiscal Year	Rolling Hills		Ken McDonald	
	Amount	Percent Change	Amount	Percent Change
1997-98	\$994,964	(5.4)	\$1,237,961	(4.4)
1998-99	997,000	0.2	1,246,000	0.7
1999-00	882,082	(11.5)	1,060,418	(14.9)
2000-01	840,000	(4.8)	1,018,500	(4.0)
2001-02	767,285	(8.7)	1,006,532	(1.2)
2002-03	806,588	5.1	1,119,184	11.2
2003-04	847,844	5.1	1,172,288	4.7
2004-05	828,454	(2.3)	1,139,519	(2.8)
2005-06	903,047	9.0	1,136,795	(0.2)
2006-07 est.	819,322	(9.3)	1,211,187	6.5
2007-08 est.	823,072	0.5	1,215,133	0.3

Assumptions

Revenue from greens fees account for nearly 87% of golf course revenue, with the rest coming from lease agreements with the pro shops and restaurant concessionaires. Our projection conservatively assumes essentially flat revenue growth in light of the uncertainty that can result from weather conditions or fee changes, and competition from private courses.

Major Influences: Competition from Other Golf Courses, Weather, and City Fee Policy

Golf Course Fees





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THIS SECTION INCLUDES THE CITY'S
BUDGET RESOLUTION, PROPERTY TAX
INFORMATION, BUDGETARY UNITS, AND
BUDGET CONCEPTS ALONG WITH
PERSONNEL SCHEDULES AND
MISCELLANEOUS STATISTICAL DATA.

Schedules and Summaries Contents



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RESOLUTION 2007.32

A RESOLUTION DETERMINING AND ADOPTING
FINAL ESTIMATES OF PROPOSED EXPENDITURES
BY THE CITY OF TEMPE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2007, AND ENDING JUNE 30, 2008.
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 17, 2007, 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 17, 2007, at which meeting any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures, and

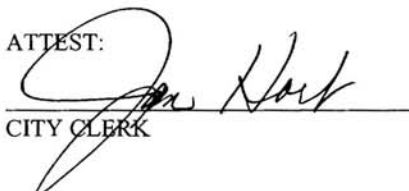
WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council set a property tax public hearing for May 31, 2007, and set an adoption date of June 14, 2007, to adopt the property tax rate, and

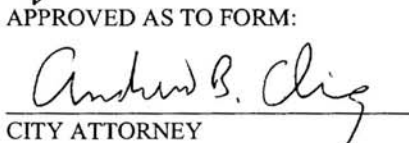
WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

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 2007-2008.

PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 31st day of May, 2007.


MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY


FINANCIAL SERVICES MANAGER



ORDINANCE NO. 2007.43

AN ORDINANCE LEVYING SEPARATE AMOUNTS TO BE RAISED FOR PRIMARY AND SECONDARY PROPERTY TAX LEVIES UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF THE ASSESSED VALUATION OF PROPERTY SUBJECT TO TAXATION WITHIN THE CITY OF TEMPE FOR THE FISCAL YEAR ENDING JUNE 30, 2008.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2007-2008 is required to be adopted on or before the third Monday in August.

WHEREAS, the County of Maricopa is the assessing and collecting authority for the City of Tempe.

WHEREAS, Tempe City Charter Section 5.11 allows an ordinance necessary in connection with the adoption of the annual budget to be adopted and go into effect upon adoption.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

Section 1: There is hereby levied on each One Hundred Dollars (\$100.00) of the limited assessed value of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a primary property tax rate, for general and administrative expenses of the City of Tempe. The City of Tempe intends to adopt a primary property tax levy reflecting the 2007 allowable levy limit as determined by Maricopa County pursuant to the laws of the state of Arizona;

Section 2: In addition to the rate set in Section 1 hereof, there is hereby levied on each One Hundred Dollars (\$100.00) of unlimited assessed valuation of all property, both real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation, a secondary property tax rate equal to the difference between the primary tax rate, established in Section 1, and totaling \$1.4000.

Section 3: The combined tax rate as set forth in Sections 1 and 2 shall equal \$1.4000 per one hundred dollars (\$100.00) of assessed valuation of all property, real and personal, within the corporate limits of the City of Tempe, except such property as may be by law exempt from taxation.

Section 4: Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Tempe upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

Section 5: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

Section 6: This ordinance shall become effective upon adoption.

Section 7: The Clerk of the City is directed to transmit a certified copy of this ordinance to the County Assessor and Board of Supervisors of Maricopa County.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 14th day of June, 2007.

ATTEST:

Council Prosschere
CITY CLERK Jan Hart

[Signature]
MAYOR

APPROVED AS TO FORM:

Andrew B. Cling
CITY ATTORNEY

[Signature]
FINANCIAL SERVICES MANAGER



Summary Schedule of Estimated Revenue and Expenditures/Expenses

Fund	Adopted Budgeted Expenditures/ Expenses FY 2006-07	Unaudited Actual Expenditures/ Expenses FY 2006-07	Fund Balance/ Retained Earnings 7-1-2007	Direct Property Tax Revenue FY 2007-08
General	\$158,994,288	\$163,874,269	\$51,395,254	\$10,221,221
Special Revenue	67,318,749	65,696,915	70,719,268	150,000
Debt Service	16,495,505	16,495,505	19,613,874	21,364,887
Capital Projects	196,728,491	196,728,491	5,865,743	
Enterprise	71,307,083	71,768,434	62,756,956	
Total	\$510,844,116	\$514,563,614	\$210,351,095	\$31,736,108

Fund	Estimated Revenue Other than Property Taxes 2007-08	Proceeds From Other Financing Sources 2007-08	Interfund Transfers 2007-08		Total Financial Resources Available 2007-08	Budgeted Expenditures/ Expenses 2007-08
			In	(Out)		
General	\$169,196,310				\$230,812,785	\$173,148,855
Special Revenue	77,981,383			(28,143,671)	120,706,980	83,885,434
Debt Service	887,276		2,770,000		44,636,037	17,513,497
Capital Projects		180,965,768	26,175,081		213,006,592	212,706,469
Enterprise	67,359,772			(801,410)	129,315,318	80,738,916
TOTAL	\$315,424,741	\$180,965,768	\$28,945,081	(\$28,945,081)	\$738,477,712	\$567,993,171

Expenditure Limitation Comparison

	2006-07	2007-08
1. Budgeted Expenditures/Expenses	\$510,844,116	\$567,993,171
2. Less: Estimated Exclusions	(257,589,509)	(297,507,043)
3. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation		
4. Expenditure Limitation*	\$253,254,607	\$270,486,128

* FY 2007-08 Estimate from the League of Arizona Cities and Towns.



Summary of Tax Levy and Tax Rate Information

	FY 2006-07	Estimated FY 2007-08
1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		\$10,371,221
2. Amount Received from Primary Property Taxation in the 2006-07 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	9,822,845	10,371,221
B. Secondary Property Taxes	17,693,103	21,364,887
C. Total Property Tax Levy Amounts	\$27,515,948	\$31,736,108
4. Property Taxes Collected		
A. Primary Property Taxes		
1. 2006-07 Levy	\$9,822,845	
2. Prior Years' Levies		
3. Total Primary Property Taxes	9,822,845	
B. Secondary Property Taxes		
1. 2006-07 Levy	17,693,103	
2. Prior Years' Levies		
3. Total Secondary Property Taxes	17,693,103	
C. Total Property Taxes Collected	\$27,515,948	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	0.5183	0.5105
2. Secondary Property Tax Rate	0.8817	0.8895
3. Total City Tax Rate	\$1.4000	\$1.4000



Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2006-07	Estimated Revenue FY 2006-07*	Budgeted Revenue FY 2007-08
General Fund			
Local Taxes			
City Sales Tax	\$78,948,000	\$83,761,312	\$86,188,300
Hotel Bed Tax	3,079,800	3,146,052	3,267,200
Franchise Taxes	1,571,500	1,945,863	2,671,000
Licenses and Permits			
Business Licenses	1,449,506	1,193,650	1,200,650
Intergovernmental Revenue			
State Shared	34,099,892	35,957,714	41,303,000
County	6,709,600	7,122,355	7,193,600
Charges for Services	10,922,429	9,238,844	11,463,351
Fines and Forfeitures	7,491,027	7,185,322	7,271,553
Interest on Investments	3,534,039	5,424,874	5,424,874
Voluntary Contributions			
SRP In-Lieu Tax	521,600	521,600	542,500
Miscellaneous Revenue	2,445,450	2,594,025	2,670,282
Total General Fund	150,772,843	158,091,611	169,196,310
Special Revenue Funds			
Highway Users Revenue Fund			
Intergovernmental	12,427,820	12,350,000	12,497,060
Total Highway Users Revenue Fund	12,427,820	12,350,000	12,497,060
Local Transportation Assistance Fund (LTAF)			
Intergovernmental	524,700	524,500	514,000
Total LTAF	524,700	524,500	514,000
Transit Fund			
Transit Tax	33,984,000	34,991,000	36,250,700
Lottery Transfer In	258,500	258,300	253,100
ASU-Flash Transit	508,434	508,434	521,000
Interest Earned-Trust Investment	989,577	538,039	261,290
Miscellaneous Revenue	7,235,888	7,175,673	7,381,324
Total Transit Fund	42,976,399	43,471,446	44,667,414



Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2006-07	Estimated Revenue FY 2006-07*	Budgeted Revenue FY 2007-08
Rio Salado Fund			
City Sales Tax	\$484,060	\$668,693	\$692,800
Miscellaneous Revenue	500,687	533,269	515,970
Total Rio Salado Fund	984,747	1,201,962	1,208,770
Performing Arts Fund			
Performing Arts Tax/Interest Income	7,393,250	7,474,963	8,077,567
Total Performing Arts Fund	7,393,250	7,474,963	8,077,567
Community Development Block Grant (CDBG)	11,502,474	11,750,729	11,016,572
Total Special Revenue Funds	75,809,390	76,773,600	77,981,383
Debt Service Fund			
SRP In-Lieu Tax	887,276	887,276	887,276
Total Debt Service Fund	887,276	887,276	887,276
Enterprise Funds			
Cemetery	171,000	9,500	120,000
Golf	2,065,729	2,030,509	2,038,205
Water/Wastewater	47,345,297	48,241,307	2,038,205
Solid Waste	13,159,257	13,742,237	14,450,403
Total Enterprise Funds	62,741,283	64,023,553	67,359,772
TOTAL ALL FUNDS	\$290,210,792	\$299,776,040	\$315,424,741

* 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.



Summary by Fund of Other Financing Sources and Interfund Transfers

Fund	Proceeds From Other Financing Sources FY 2007-08	Interfund Transfers FY 2007-08	
		In	Out
General Fund			
Special Revenue Funds			
HURF/LTAF			(\$2,770,000)
Transit			(25,373,671)
Total Special Revenue Funds			(28,143,671)
Total Debt Service Fund		\$2,770,000	
Capital Project Funds		26,175,081	
Bond/Note Proceeds	\$148,810,953		
CIP-Other Funding	32,154,815		
Total Capital Project Funds	180,965,768	26,175,081	
Enterprise Funds			
Water/Wastewater			(801,410)
Total Enterprise Funds			(801,410)
TOTAL ALL FUNDS	\$180,965,768	\$28,945,081	(\$28,945,081)



Summary by Department of Expenditures/Expenses Within Each Fund

	Adopted Budgeted Expenditures/ Expenses FY 2006-07	Expenditure/ Expense Adjustments Approved FY 2006-07	Revised Expenditures/ Expenses FY 2006-07*	Budgeted Expenditures/ Expenses FY 2007-08
General Fund				
Mayor and Council	\$399,696		\$372,045	\$429,943
City Manager	422,762		384,953	363,884
Community Relations	2,952,643	\$56,500	2,945,616	2,977,457
Diversity Program	732,197	(15,205)	624,661	604,701
Internal Audit	464,381	4,877	469,179	500,620
City Clerk	621,974		479,091	734,318
City Court	3,943,906	(800)	3,858,547	4,140,201
Human Resources	2,932,056	(600)	2,931,149	3,261,368
City Attorney	2,786,507	56,820	2,843,242	3,163,681
Financial Services	4,674,269	(144,600)	4,482,064	4,639,581
Community Development	3,578,934	350,045	3,505,046	3,964,249
Development Services**	6,310,149	10,425,215	16,424,141	6,833,694
Police	59,512,347	1,134,093	59,593,103	66,043,829
Fire	20,063,940	444,756	20,286,437	22,400,895
Community Services	13,081,200	83,604	13,096,749	14,639,346
Parks and Recreation	14,736,143	262,625	14,945,431	15,789,440
Public Works-General*	8,822,891	19,659	8,840,066	9,807,148
Non-Departmental	9,858,293	(888,357)	7,792,749	9,274,500
Contingencies	3,100,000	(2,491,569)		3,580,000
Total General Fund	158,994,288	9,297,063	163,874,269	173,148,855
Special Revenue Funds				
Highway Users Revenue Fund	9,413,469	(1,681)	9,411,502	10,297,962
Transit	35,313,568		34,984,796	51,893,704
CDBG	2,453,715	1,967,810	2,653,715	2,314,184
Section 8 Housing	9,048,759		9,097,014	8,702,388
Rio Salado	1,983,090	75,894	1,619,566	2,078,346
Performing Arts	9,106,148	139,400	7,930,322	8,598,850
Total Special Revenue Funds	67,318,749	2,181,423	65,696,915	83,885,434
Debt Service Fund				
Debt Service	16,495,505		16,495,505	17,513,497
Total Debt Service Fund	16,495,505		16,495,505	17,513,497
Capital Project Funds				
All Capital Projects	196,728,491		196,728,491	212,706,469
Total Capital Project Funds	196,728,491		196,728,491	212,706,469
Enterprise Funds				
Water/Wastewater	54,797,488	(4,237)	54,792,387	63,890,154
Golf	2,195,431		2,186,918	2,078,836
Cemetery	358,281		335,675	389,084
Solid Waste	13,955,883		14,453,454	14,380,842
Total Enterprise Funds	71,307,083	(4,237)	71,768,434	80,738,916
Total All Funds	\$510,844,116	\$11,474,249	\$514,563,614	\$567,993,171

* 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.

** FY 2006-07 adjustments for Development Services include a \$10,255,609 budget increase for a lawsuit settlement.



Accounting/Budgetary Basis

The City of Tempe's operating budget is legally adopted by Council resolution each fiscal year on a modified accrual basis, which is consistent with Generally Accepted Accounting Principles (GAAP). With modified accrual basis, revenue is recognized when it becomes available and measurable and expenditures as they are made. By contrast, Government-wide financial statements in the Comprehensive Annual Financial Report (CAFR) must be recorded on a full accrual basis. This is where revenue is recognized as soon as it is earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash inflows and outflows. Fund Statements, in the CAFR, are modified accrual basis for the General Fund, Debt Service Fund, Special Revenue Funds, and Capital Project Funds and accrual basis for Proprietary Funds.

Budget Units

• Funds (Fund Accounting)

The City's Operating Budget is organized by funds in conformity with GAAP with guidelines established by the Governmental Accounting Standards Board (GASB). The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. With this account structure, the revenue and expenditures/expenses are budgeted and approved prior to the beginning of each fiscal year by a resolution passed by the City Council.

The various funds are grouped by two types, governmental and proprietary. Governmental funds are those through which most governmental functions of the City are financed and include the General Fund, Debt Service Fund, Special Revenue Funds, and Capital Project Funds. Proprietary funds are used to account for the City's organizations and activities which are similar to those often found in the private sector. The Proprietary (Enterprise) Funds include the Water/Wastewater, Solid Waste, Golf and Cemetery Funds. The Comprehensive Annual Financial Report includes the combined financial statements of all funds.

• Programs

Presentation of the operating budget is also structured by programs which delineate budget expenditures in terms of broad goals and objectives. Major programs include 1) General Services, 2) Development Services, 3) Public Safety, 4) Environmental Health, 5) Community Services, and 6) Transportation.

Programs may transcend specific fund or departmental boundaries in that a program encompasses all associated activities, regardless of fund or department, directed toward the attainment of a general goal or

objective. The relationship between programs and funds is presented in summary form in the Budget Summaries section as is their relation to the Departments and Divisions engaged in the pursuit of the respective goals and objectives.

• Departments

Finally, the Performance Budget section of the operating budget illustrates the distribution of budget appropriations along the major organization units of City departments and their divisions.

Changes to the Budget

• Mid-Year Program/Personnel Adjustment Request

Should the need arise for additional personnel or program enhancements during the fiscal year to meet some unforeseen need, a mid-year program/personnel request is submitted to the Budget Office for a needs assessment and fiscal impact review. If after evaluation, the request is approved and involves either additional personnel or the abolition of a position(s), the request is forwarded to either the relevant Council Committee or full Council with recommended action.

• Budget Transfers

The department should process a budget transfer request form anytime a shortfall is anticipated in a departmental subtotal budget. Budget transfers are no longer necessary to address a shortfall within summary account groups as long as sufficient monies are available in the subtotal departmental budget. The subtotal budget includes salaries and wages, fringe benefits, materials and supplies, fees and services, travel and other expenses, contributions, and capital outlay, and excludes internal services.

Only as a last resort are contingency monies used to fund a shortfall. Alternative courses of action should be sought before contingency monies will be considered. Purchase orders and requisitions will be held until the budget shortfall is addressed.

• Transfer of Appropriation

At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office, or agency. Upon written request by the City Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department, office, or agency to another (Section 5.08, City of Tempe Charter).

• Permission to Exceed Budget

In the event of an emergency, the Council may seek permission from the State Board of Tax Appeals (previously State Tax Commission) to exceed the adopted budget (Section 5.09, City of Tempe Charter).



- **Types of Budgeting**

Two separate budgets are adopted at the aggregate level for both the Operating and Capital Improvements Program and are then presented in program budget, performance and line-item form. The program budget portrays total and per capita expenditures along six broad programs or functions, including General Services, Development Services, Public Safety, Environmental Health, Community Services, and Transportation. This budget information is presented in the Budget Summaries section of the Annual Budget. The performance budget focuses on departmental and divisional goals and objectives. Benchmark and other workload data are collected to assess the effectiveness and efficiency of services. This information is published in the performance budget section of our Annual Budget. Finally, the line-item budget lists dollar amounts budgeted for each cost center and expenditure category and is published separately.

- **Level of Revenue and Expenditure Detail**

Revenue is presented at several levels within the revenue information section of the Annual Budget. Revenue is given by fund type (General Governmental, Special Revenue, and Enterprise), by revenue category, and by major source. Additionally, all key revenue is addressed in terms of a ten year history, underlying assumptions, and major influences with graphic illustration of the trends to facilitate review of the revenue patterns. Summary schedules of estimated revenue is also presented in the Schedules and Summaries section of the Annual Budget. Expenditures are presented at several levels of detail including information by line-item, organizational unit performance, program, and fund. Line-item detail of expenditures is given in the Annual Line-Item Budget. Performance, program, and fund level expenditure data are presented in the Annual Budget.

- **Relationship Between Budgeting and Accounting**

This budget is adopted on a basis consistent with GAAP, except for certain items which are adjusted on the City's accounting system at fiscal year end. During the year, the City's accounting system is maintained on the same basis as the adopted budget. This enables departmental budgets to be easily monitored via accounting system reports on a monthly basis.

The major differences between this adopted budget and GAAP for governmental funds are: a) encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP); b) certain revenue and expenditures, not recognized for budgetary purposes are accrued (GAAP); c) supply inventory and self-insurance contributions are recognized as expenditures for budgetary purposes only. Enterprise Fund differences consist of the following: a) encumbrances are recorded as the equivalent of expenses (budget

basis) as opposed to an expense of the following accounting period (GAAP); b) certain items, e.g., principal expense and capital outlay, are recorded as expenditures for budgetary purposes as opposed to adjustments of the appropriate balance sheet accounts (GAAP); and c) depreciation is recorded as an expense (GAAP) and not recognized for budgetary purposes.

Fund Structure

- **Governmental Funds**

Capital Projects Funds: Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

Debt Service Fund: Debt Service Funds are set up to receive dedicated revenue used to make principal and interest payments on City debt. They are used to account for the accumulation of resources and the payment of general obligation and special assessment debt principal, interest and related costs, except the debt service accounted for in the Special Revenue Funds and Enterprise Funds.

General Fund: The General Fund is the general operating fund of the City. It is used to account for all activities of the City not accounted for in some other fund.

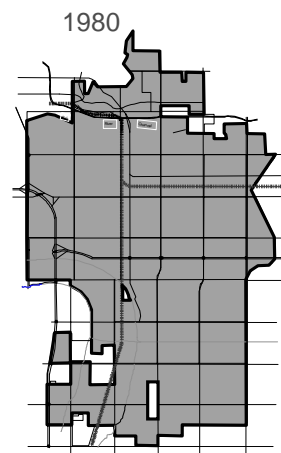
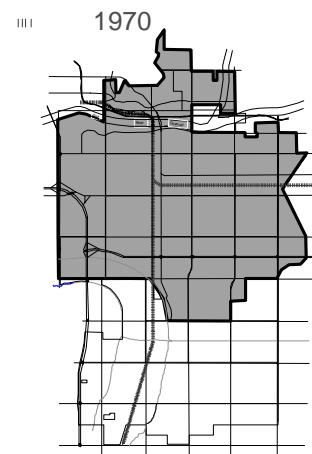
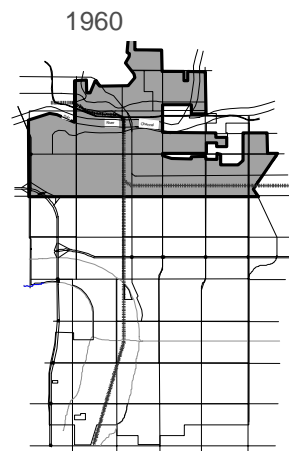
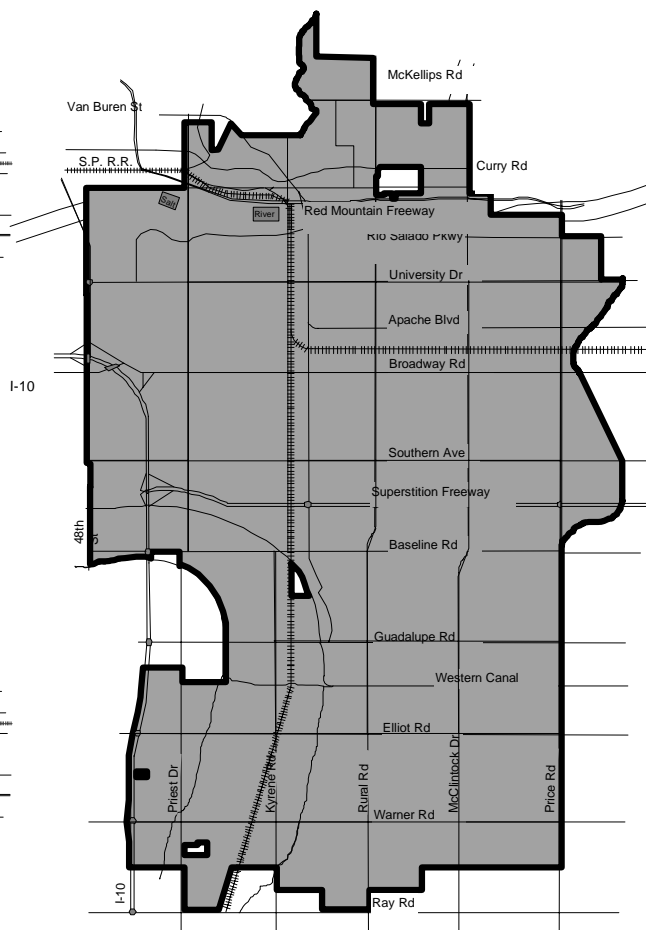
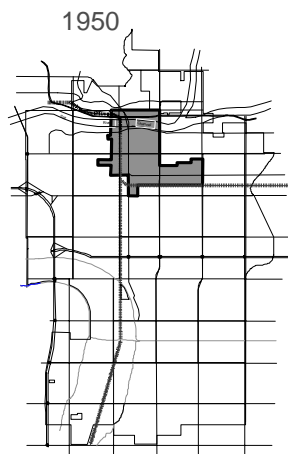
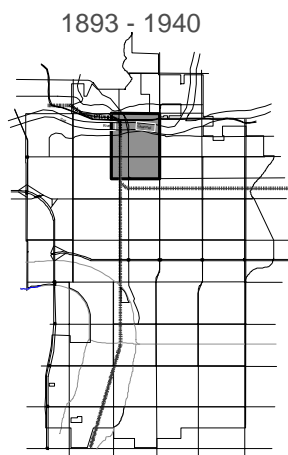
Special Revenue Funds: Special Revenue Funds are established to account for legally restricted funding. Our Special Revenue Funds include: Performing Arts, Highway User Revenue, Local Transportation Assistance, Rio Salado, Community Facilities District, Transit, Community Development Block Grant and Housing Assistance.

- **Proprietary Funds**

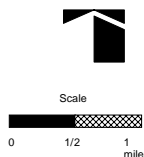
Enterprise Funds: Enterprise Funds are used to account for operations including debt service that are: (a) financed and operated in a manner similar to private businesses, where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Our Enterprise Funds include: Water and Wastewater, Solid Waste, Cemetery and Golf.



2007 City Limits



Year	Area	Year	Area	Year	Area
1893	1.0	1940	1.8	1975	36
1894	1.8	1950	2.6	1980	36
1900	1.8	1955	4.5	1985	38.5
1910	1.8	1960	17.5	1990	39.3
1920	1.8	1965	21.7	1995	39.8
1930	1.8	1970	25.3	2006	40.1





Date of Incorporation - November 26, 1894
Date Charter Adopted - October 19, 1964
Form of Government - Council - Manager

History-Tempe's History dates back to 1867 when Mr. Charles T. Hayden, father of former U.S. Senator Carl Hayden, constructed a cable ferry on the then uncontrolled waters of the Salt River. In 1871, Mr. Hayden and four others organized the Hayden Milling operations and related agricultural enterprises. Soon after, the Town of Hayden's Ferry was founded. The name of the town was changed from Hayden's Ferry to Tempe in 1880 and was incorporated in 1894.

Government and Organization-The City operates under a council-manager form of government. The Mayor is elected for four years and six council members are elected at large on a non-partisan ballot for staggered four-year terms. The City Council appoints the City Manager who has full responsibility for carrying out Council policies and administering City operations. The City Manager appoints City department heads as specified in the City's Charter.

Current Profile-Tempe is unique among valley cities, due to the youth of its population and education levels that exceed valley and state norms, with 72% of the population having at least some college and 40% with four or more years of college education. Tempe also stands out due to presence of the Tempe Town Lake, which provides both recreational and business opportunities for residents and visitors. The Hayden Ferry Lakeside office complex, Tempe Beach Park, and the Town Lake Marina will be joined by the Tempe Center for the Arts in 2007. This project will further enhance the status of both the Lake and Tempe downtown as valley destinations. Tempe is currently home to Arizona State University, the Insight Bowl, and the California Angels' spring training. Due to the selection of Phoenix as the headquarters for the International Genomics Consortium and the Translational Genomics Research Institute, the Arizona State University campus will be the site of the Arizona Biodesign Institute. The Institute's work in the field of biotechnical and biodesign research will put Tempe in the position to attract new businesses spawned by this research.





DEMOGRAPHICS

Area – Square Miles ⁽¹⁾

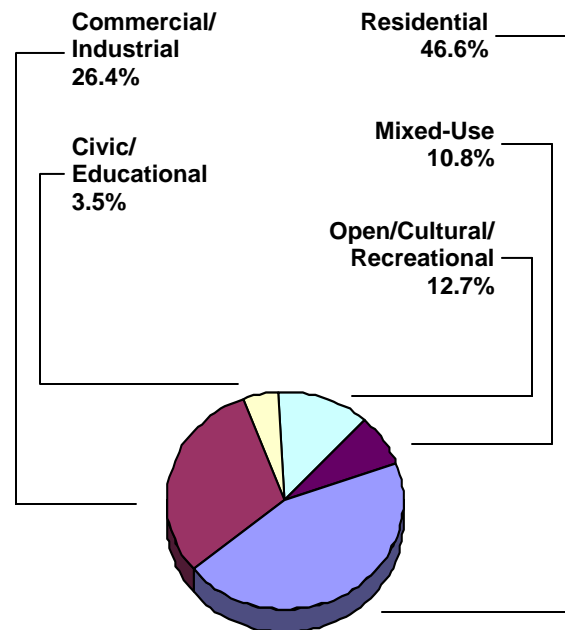
2007	40.1	1990	39.3
2005	40.0	1980	38.1
1999	39.8	1970	25.3
1993	39.6	1960	17.5
1992	39.3	1950	2.7
1991	39.3		

Land Use (2006)(%)(⁴)

Residential	46.6%
Commercial/Industrial	26.4%
Open/Cultural/Recreational	12.7%
Mixed-Use	10.8%
Civic/Educational	3.5%

Population ⁽²⁾

2005	Interim Census	165,796
2000	U.S. Census	158,625
1995	Interim Census	153,821
1990	U.S. Census	142,165
1985	Interim Census	132,942
1980	U.S. Census	106,743
1970	U.S. Census	63,550
1960	U.S. Census	24,897
1950	U.S. Census	7,906



Building Permits (Calendar Year Data) ⁽³⁾

	Number	Value (\$000)
2006	1,744	545,435
2005	1,416	287,539
2004	1,183	253,451
2003	1,303	174,689
2002	1,321	128,924
2001	1,301	189,010
1990	1,494	309,831
1999	1,905	304,600
1998	2,533	492,419
1997	1,984	406,821

Elections (2006) ⁽⁵⁾

Registered voters	Primary	76,613
	General	70,431
Voter Turnout	Primary	13,283
	General	12,550
% Voting	Primary	17%
	General	18%



DEMOGRAPHICS, continued

School Registration ⁽⁶⁾

Tempe Elementary District	13,800
Tempe Union High School District	13,653
ASU University (Fall 2005)	58,782

Education Attainment (%) ⁽⁷⁾

4 years or more College	39.6
1-3 years College	32.6
High School degree	17.9
Less than High School degree	9.9

Major Employers ⁽⁸⁾

Arizona State University	12,569
US Airways	3,916
Motorola, Inc.	3,510
JP Morgan Chase Bank	2,300
City of Tempe	1,734
Medtronic Microelectronics	1,363
State Farm Insurance	1,149
Bank One Corp.	1,000
Financial & Credit Services Group	914
Wilson Electric	850

Employment Trends ⁽⁹⁾

	Employment	Unemployment Rate
2006	115,961	3.0%
2005	109,631	3.5%
2004	105,306	3.8%
2003	101,619	4.5%
2002	99,507	4.9%

Household Income (1999)(%) ⁽¹⁰⁾

Less than \$15,000	14.6
\$15,000-\$34,999	25.5
\$35,000-\$49,999	17.3
\$50,000-\$100,000	29.9
\$100,000+	12.7

Median Household Income \$42,361

Occupational Composition (%) ⁽¹¹⁾

Sales and Office	29.4
Managerial and Professional	39.7
Service	14.6
Construction, Extraction, Maintenance	6.8
Production, Transportation, Material Moving	9.4
Farming, Forestry and Fishing	0.1

Industrial Composition (%) ⁽¹¹⁾

Agriculture, Forestry, Fishing, Hunting and Mining	0.1
Construction	5.2
Manufacturing	11.4
Wholesale trade	3.7
Retail trade	11.1
Transportation, Warehousing and Utilities	5.1
Information	3.6
Finance, Insurance, Real Estate, and Rental and Leasing	8.8
Professional, Scientific, Management, Administrative, and Waste Management Services	12.6
Educational, Health, and Social Services	19.4
Arts, Entertainment, Recreation, Accommodation, and Food Services	11.8
Other Services	3.6
Public Administration	3.6



ECONOMICS

Property Tax Rate ⁽¹²⁾

Primary	0.51
Secondary	0.89
Total	\$1.40

Largest Property Taxpayers ⁽¹³⁾

	% 2006-07 Secondary Assessed Value
Arizona Mills LLC	1.59%
Quest Corporation	1.50%
Arizona Public Service Company	1.30%
Wells Fargo Bank N A	0.89%
Freescale Semiconductor, Inc.	0.77%
Tempe Fountainhead Corporate LLC	0.76%
State Farm Mutual Automobile Insurance Company	0.65%
Safeway, Inc.	0.57%
Target Corporation T-9420	0.49%
Coca-Cola Enterprises, Inc.	0.47%

City Sales Tax ⁽¹⁴⁾

1.8%

Bond Rating

Fitch	AAA
Standard and Poor's	AAA
Moody's	Aa1

Police ⁽¹⁵⁾

Sworn Personnel	350
Non-Sworn Personnel	207
Total	557

Avg. Emergency Response Time (min.) 4:54

Crime Index (CY 2006) 13,758

Part I Crime Per 1,000 Capita (CY 2006) 83

Fire

Sworn Personnel	137
Non-Sworn Personnel	22
Total	159

Fire Stations 6

Avg. Emergency Response Time (min.) 4:19

Response to emergency medical incidents 14,003

Total number of calls 18,680

Solid Waste

Residential Accounts Serviced	32,922
Commercial Accounts Serviced	1,866
Solid Waste Collected (tons)	159,162

Parks/Golf Courses

Developed Parks 47

Parks Acres Maintained 1,874

Municipal Golf Courses: 2

Rounds of Play:

Ken McDonald (18 holes) 74,052

Rolling Hills (18 holes) 59,289

Water/Wastewater

Active Accounts Serviced 42,129

Water Treated and Distributed
(billions of gallons) 17.9

Sanitary Sewers (miles) 549

Source: (1) Area-Square Miles, City of Tempe-Development Services; (2) Population for 2005 based on mid-decade Special Census; (3) Building Permits, City of Tempe-Development Services; (4) Land Use, City of Tempe-General Plan 2030; (5) Elections, City of Tempe-City Clerk's Office; (6) School Registration, Tempe Elementary & High School District, ASU; (7) Education Attainment, 2000 U.S. Census; (8) Major Employers, City of Tempe-Community Development; (9) Employment Trends, Arizona Department of Economic Security; (10) Household Income, 1999 Special Census; (11) Occupational, Industrial Composition, 2000 U.S. Census; (12) Property Tax Rate, City of Tempe-Financial Services; (13) Largest Property Taxpayers, Maricopa County Treasurer (14) City Sales Tax, Bond Rating, City of Tempe-Financial Services; (15) Police, Fire, Solid Waste, Parks/Golf Courses, Water/Wastewater, City of Tempe Annual Budget-Performance Section.



COMMUNITY COMPARISONS

Tempe is part of the greater Phoenix metropolitan area, which is the economic, political, and population center of the state. Popularly referred to as the Valley of the Sun, this area includes a number of adjacent communities with distinct municipal jurisdictions. The following section provides a perspective on the relative populations of the largest cities in the Valley as well as key comparative cost of service data. This information was obtained from city Budget Offices, as well as, printed and online budget documents.

Population (2005 Mid-Decade Census)		Operating Budget (FY 2007-08)		Million \$
Phoenix	1,475,834	Phoenix		3,563.7
Mesa	448,096	Mesa		1,014.0
Glendale	242,369	Chandler		579.1
Scottsdale	234,752	Scottsdale		518.9
Chandler	230,845	Gilbert		505.2
Gilbert	173,072	Tempe		355.3
Tempe	165,796	Gilbert		505.2
Peoria	138,143	Peoria		333.3

Property Tax (as of July 1, 2007)	(per \$100 assessed Value)	Incorporated City Limits	sq. miles
Phoenix	\$1.82	Phoenix	515.0
Glendale	1.62	Scottsdale	185.0
Peoria	1.49	Peoria	170.5
Tempe	1.40	Mesa	131.2
Chandler	1.20	Chandler	63.3
Gilbert	1.15	Glendale	58.5
Scottsdale	0.79	Gilbert	58.0
Mesa	N/A	Tempe	40.1

Sales Tax (as of July 1, 2007)	
Phoenix	1.80%
Glendale	1.80%
Peoria	1.80%
Tempe	1.80%
Mesa	1.75%
Scottsdale	1.65%
Chandler	1.50%
Gilbert	1.50%

Personnel Summary



Department	2005-06 Actual			2006-07 Budget			2006-07 Revised			2007-08 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Mayor and Council	7			7			7			7		
City Manager	3		0.50	3		0.50	3		0.50	3		0.50
Diversity Program	3	0.50		3	0.50		3	0.50		3	0.50	
Internal Audit	4			4			4			4		
Community Relations	16		1.83	18		1.83	18		1.83	18		1.83
City Clerk	4		0.58	4		0.58	4		0.58	4		0.58
City Court	33	0.65	7.20	36	0.65	4.20	36	0.65	4.20	36	0.65	4.20
City Attorney	24	1.25	0.62	26	1.75	0.62	27	1.75	0.62	27	1.75	0.62
Financial Services	67	0.50	1.25	70	0.50	1.25	70	0.50	1.25	70	0.50	1.25
Human Resources	18	0.50		20	0.50		20	0.50		20	0.50	
Information Technology	72			73			73			73		
Development Services	49		2.86	58		3.86	59		3.86	59		3.86
Police	529		6.25	525		6.25	524		6.25	557	0.50	9.25
Fire	169	1.00	1.00	159	1.00		159	1.00		159	1.00	
Community Services	148	11.65	180.49	111	9.65	113.14	113	7.65	113.14	106	10.65	113.1
Parks and Recreation				128	2.00	77.99	128	2.00	78.03	128	2.00	78.03
Community Development	52		1.49	54		6.49	54		6.49	54		8.09
Public Works												
Admin & Engineering	34		0.49	40		0.49	41		0.49	41		0.49
Field Services	211	1.00	8.69	132	1.00	0.49	132	1.00	0.49	141	1.00	0.49
Fleet Services	33		0.50	33		0.50	33		0.50	33		0.50
Transportation	91			94		5.00	93	1.00	5.00	104	1.00	1.00
Total Public Works	369	1.00	9.68	299	1.00	6.48	299	2.00	6.48	319	2.00	2.48
Water Utilities	133	1.50	0.49	133	1.50	0.49	133	1.50	1.47	135	1.50	1.47
Sub Total	1,700	18.55	214.24	1,731	19.05	223.68	1,734	18.05	224.70	1,782	21.55	225.30
Total Personnel		1,932.79			1,973.73			1,976.75			2,028.85	

The number of full-time employees for FY 2007-08 totals 2,028.85 full-time equivalents (FTE), including 1,782 full-time, 21.55 permanent full-time equivalents, and 225.30 temporary full-time equivalent employees. This total translates to a 2.8% increase over the 1,973.73 full-time equivalents budgeted in FY 2006-07.

Public Works and Police account for over 42% of the total work force, representing 323.48 and 566.75 full-time equivalents in FY 2007-08.

Personnel Schedules



Cost Center	Position	Range	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
1110	MAYOR & COUNCIL					
	Mayor	99	1	1	1	1
	Vice-Mayor	98	0	0	1	1
	Council Member	98	6	6	5	5
	Mayor & Council Department Total Full-Time		7	7	7	7
1210	CITY MANAGER					
	City Manager	103	1	1	1	1
	Assistant City Manager	178	1	1	1	1
	Sr. Executive Assistant City Admin+ Administrative Intern*	36	1	1	1	1
			0.50	0.50	0.50	0.50
	City Manager Department Total Full-Time		3	3	3	3
	City Manager Department Total Temp FTE*		0.50	0.50	0.50	0.50
1212	DIVERSITY					
	Diversity Manager	163	1	1	1	1
	Diversity Specialist	44	1	1	1	1
	Administrative Assistant I/II+ ADA Compliance Specialist**	20	1	1	1	1
		40	0.50	0.50	0.50	0.50
	Diversity Department Total Full-Time		3	3	3	3
	Diversity Department Total Perm FTE**		0.50	0.50	0.50	0.50
1213	INTERNAL AUDIT					
	Internal Audit Manager	163	1	1	1	1
	Internal Auditor	43	2	2	2	2
	Contract Administrator	36	1	1	1	1
	Internal Audit Department Total Full-Time		4	4	4	4
	COMMUNITY RELATIONS					
1219	Administration					
	Community Relations Manager	167	1	1	1	1
	Mayor's Chief of Staff	161	1	1	1	1
	Sr. Executive Assistant City Admin+	36	1	1	2	2
	Sr. Mayoral/City Council Aide+	36	1	1	4	4
	Mayoral/City Council Aide I+	32	2	3	0	0
	Executive Assistant	30	1	1	0	0
	Administrative Assistant I/II+	20	0	1	1	1
	Administrative Intern*		0.49	0.49	0.49	0.49
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		7	9	9	9
	Total Temp FTE*		0.98	0.98	0.98	0.98
1214	Communication & Media Relations					
	Communication & Media Relations Director	159	1	1	1	1



	Media Services Administrator	48	1	1	1	1
	Communications Relations Coordinator	40	2	2	2	2
	Media Services Producer I/II+	34	2	2	2	2
	Media Services Assistant *		0.19	0.19	0.19	0.19
	Media Services Intern*		0.66	0.66	0.66	0.66
	Total Full-Time		6	6	6	6
	Total Temp FTE*		0.85	0.85	0.85	0.85
1215	Neighborhood Program					
	Neighborhood Program Director	156	1	1	1	1
	Neighborhood Services Specialist	42	1	1	1	1
	Total Full-Time		2	2	2	2
1216	Government Relations					
	Government Relations Director	160	1	1	1	1
	Total Full-Time		1	1	1	1
	Community Relations Department Total Full-Time		16	18	18	18
	Community Relations Department Total Temp FTE*		1.83	1.83	1.83	1.83
1310	CITY CLERK					
	City Clerk	100	1	1	1	1
	Executive Assistant	30	3	3	3	3
	COE *		0.58	0.58	0.58	0.58
	City Clerk Department Total Full-Time		4	4	4	4
	City Clerk Department Total Temp FTE*		0.58	0.58	0.58	0.58
	CITY COURT					
1410	Administration/Judicial Division					
	Presiding City Judge	101	1	1	1	1
	Court Manager	159	1	1	1	1
	City Judge	104	2	2	2	2
	Court Commissioner	56	0	0	0	1
	Deputy Court Manager	49	2	2	2	2
	Hearing Officer	45	2	2	2	1
	Court Services Supervisor	34	0	0	1	1
	Court Training Coordinator	32	1	1	1	1
	Court Interpreter	29	1	1	1	1
	Court Interpreter**		0.65	0.65	0.65	0.65
	<i>(Position funded by State Fill the Gap Grant)</i>					
	Total Full-Time		10	10	11	11
	Total Perm FTE**		0.65	0.65	0.65	0.65
1411	Criminal Division					
	Court Services Supervisor	34	2	2	1	2
	Court Services Specialist I/II+	21	7	8	8	8
	Court Services Specialist I/II+ *		1	0	0	0



	COE*		2.10	2.10	2.10	2.10
	Total Full-Time		9	10	9	10
	Total Temp FTE*		3.10	2.10	2.10	2.10
1412	Civil Division					
	Court Services Supervisor	34	3	3	3	2
	Court Services Specialist I/II+	21	11	13	13	13
	Court Services Specialist I/II+ *		2	0	0	0
	COE*		2.10	2.10	2.10	2.10
	Total Full-Time		14	16	16	15
	Total Temp FTE*		4.10	2.10	2.10	2.10
	City Court Department Total Full-Time		33	36	36	36
	City Court Department Total Perm FTE**		0.65	0.65	0.65	0.65
	City Court Department Total Temp FTE*		7.20	4.20	4.20	4.20
	CITY ATTORNEY					
1710	Legal Services					
	City Attorney	102	1	1	1	1
	Deputy City Attorney	66	1	1	2	2
	City Prosecutor	64	1	1	0	0
	Sr. Assistant City Attorney	61	1	1	1	1
	Police Legal Advisor	61	0	0	1	1
	Assistant City Attorney	305	8	9	9	9
	Paralegal II+	33	1	1	1	1
	Legal Executive Assistant	32	1	1	1	1
	Administrative Support Supervisor	32	1	1	1	1
	Paralegal I+	29	1	1	1	1
	<i>(1 position 60% funded by General Fund / 40% by Victim's Rights Grants)</i>					
	Legal Specialist I/II+	24	1	1	1	1
	Legal Assistant	23	4	5	5	5
	Paralegal**	29	0.75	0.75	0.75	0.75
	Assistant City Attorney**		0.50	1.00	1.00	1.00
	Law Intern*		0.62	0.62	0.62	0.62
	Total Full-Time		21	23	24	24
	Total Perm FTE**		1.25	1.75	1.75	1.75
	Total Temp FTE*		0.62	0.62	0.62	0.62
3115	City Attorney/Water					
	Sr. Assistant City Attorney	61	1	1	1	1
	Assistant City Attorney	305	1	1	1	1
	Administrative Assistant I/II+	20	1	1	1	1
	Total Full-Time		3	3	3	3
	City Attorney Department Total Full-Time		24	26	27	27
	City Attorney Department Total Perm FTE**		1.25	1.75	1.75	1.75
	City Attorney Department Total Temp FTE*		0.62	0.62	0.62	0.62



FINANCIAL SERVICES					
1810	Administration				
	Financial Services Manager	170	1	1	1
	Executive Assistant	30	1	1	1
	Total Full-Time		<u>2</u>	<u>2</u>	<u>2</u>
1812	Budget				
	Deputy Financial Services Manager	161	1	1	1
	Lead Budget and Finance Analyst	48	1	1	1
	Sr. Budget and Finance Analyst	45	2	2	2
	Total Full-Time		<u>4</u>	<u>4</u>	<u>4</u>
2621	Risk Management				
	Risk Manager	54	1	1	1
	Safety and Risk Coordinator	41	0	1	1
	Claims Officer - Liability	39	1	1	1
	Risk Management Specialist	25	1	1	1
	Administrative Assistant II**	20	0.50	0.50	0.50
	Total Full-Time		<u>3</u>	<u>4</u>	<u>4</u>
	Total Perm FTE**		<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
1831	Accounting				
	Controller	56	1	1	1
	Sr. Accountant	46	1	1	1
	Cash Management Specialist	43	1	1	1
	Payroll Supervisor	39	1	1	1
	Accountant	35	1	1	1
	Payroll Specialist	23	1	1	1
	Financial Services Technician I/II+	23	4	4	4
	Accounting Assistant*		0.63	0.63	0.63
	Total Full-Time		<u>10</u>	<u>10</u>	<u>10</u>
	Total Temp FTE*		<u>0.63</u>	<u>0.63</u>	<u>0.63</u>
1832	Tax and Licensing				
	Tax and License Administrator	52	1	1	1
	License & Collections Supervisor	44	1	1	1
	Tax Audit Supervisor	44	1	1	1
	Tax Auditor I/II+	36	5	5	5
	Specialty Licenses Coordinator	34	1	1	1
	Tax Analyst	28	1	1	1
	Revenue Compliance Officer I/II	28	3	3	3
	Financial Services Technician I/II+	23	4	4	4
	Total Full-Time		<u>17</u>	<u>17</u>	<u>17</u>
1841	Customer Services				
	Deputy Financial Services Manager	161	1	1	1
	Customer Services Administrator	52	1	1	1



	Customer Services Office Supervisor	39	1	1	1	1
	Customer Services Field Supervisor	37	1	1	1	1
	Sr. Financial Services Technician	26	0	0	0	1
	Financial Services Technician I/II+	23	9	9	9	8
	Water Meter Reader II+	19	6	7	7	7
	Water Meter Reader I+	15	1	1	1	1
	Total Full-Time		<u>20</u>	<u>21</u>	<u>21</u>	<u>21</u>
1851	Central Services/Purchasing					
	Central Services Administrator	54	1	1	1	1
	Procurement Officer	40	2	3	3	3
	Financial Services Technician I/II+	23	3	3	3	3
	Administrative Assistant II+	20	1	1	1	1
	Unclassified Temporary-Office*		0.62	0.62	0.62	0.62
	Total Full-Time		<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>
	Total Temp FTE*		<u>0.62</u>	<u>0.62</u>	<u>0.62</u>	<u>0.62</u>
1852	Central Services/Duplicating & Supplies					
	Reprographics Supervisor	25	2	2	2	2
	Reprographics Operator	17	1	1	1	1
	Distribution Clerk	11	1	1	1	1
	Total Full-Time		<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
	Financial Services Department Total Full-Time		<u>67</u>	<u>70</u>	<u>70</u>	<u>70</u>
	Financial Services Department Total Perm FTE**		<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
	Financial Services Department Total Temp FTE*		<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>
	HUMAN RESOURCES					
1911	Human Resources -Administration					
	Human Resources Manager	168	1	1	1	1
	Deputy Human Resources Manager	161	1	1	1	1
	Human Resource Administrator	52	1	1	1	1
	Employee Benefits Administrator	51	1	1	1	1
	Sr./Human Resources Analyst +	43	3	4	4	4
	Sr./Benefits Coordinator +	37	1	1	1	1
	Human Resources Specialist	32	1	1	1	1
	Executive Assistant	30	1	1	1	1
	Benefits Specialist	28	1	1	1	1
	Human Resources Technician I/II+	28	3	3	4	4
	Administrative Assistant I/II+	20	1	1	0	0
	Human Resources Technician I/II+**	28	0.50	0.50	0.50	0.50
	Total Full-Time		<u>15</u>	<u>16</u>	<u>16</u>	<u>16</u>
	Total Perm FTE**		<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>



1920	Tempe Learning Center				
	Org Development Administrator	51	1	1	1
	Performance Management Designer	43	0	1	1
	Sr. Learning & Organizational Development Assoc.	38	1	1	1
	Learning & Organizational Development Assoc.	32	1	1	1
	Total Full-Time		3	4	4
Human Resources Department Total Full-Time			18	20	20
Human Resources Department Total Perm FTE**			0.50	0.50	0.50

INFORMATION TECHNOLOGY

1981	Information Technology/Administration				
	Information Technology Manager	169	1	1	1
	Deputy Information Tech Manager	161	2	2	2
	Executive Assistant	30	1	1	1
	Total Full-Time		4	4	4

1982	Information Technology/Customer Support				
	PC Services Supervisor	51	1	1	1
	Sr. PC Services Consultant	45	2	2	2
	PC Services Consultant I/II+	39	5	5	5
	Total Full-Time		8	8	8

1983	Information Technology/Technical Services				
	Systems and Network Supervisor	54	1	1	1
	Data Center & Network Operations Supervisor	52	1	1	1
	Sr. Enterprise Network Engineer	51	1	1	1
	Sr. Tech Support Analyst	51	2	2	2
	Enterprise Network Engineer I/II+	49	4	5	5
	Technical Support Analyst	45	4	4	4
	Production Control Coordinator	37	1	1	1
	Sr. Data Center Support Specialist	30	1	1	1
	Data Center Support Specialist	26	3	3	3
	Total Full-Time		18	19	19

1984	Information Technology/Application Services				
	Applications Supervisor	55	1	1	1
	IT Project Coordinator	53	1	1	1
	Business Analyst	52	8	8	8
	<i>(1 position funded by Water/Wastewater)</i>				
	Database Administrator	51	2	2	3
	Webmaster	51	2	2	2
	IT Support Analyst Supervisor	51	1	1	1
	Sr. Programmer Analyst	50	10	10	10
	<i>(1 position funded by Water/Wastewater)</i>				
	Programmer Analyst I/II+	46	6	6	5
	<i>(1 position funded by Water/Wastewater)</i>				



	IT Training Coordinator	44	1	1	1	1
	IT Support Analyst I/II+	35	5	5	5	5
	Total Full-Time		37	37	37	37
1985	Information Technology/Telecommunications					
	Telecommunications Operations Supervisor	43	1	1	1	1
	Sr. Management Assistant	38	1	1	1	1
	Sr. Communication Network Technician	34	1	1	1	1
	Communication Network Technician	31	2	2	2	2
	Total Full-Time		5	5	5	5
Information Technology Department Total Full-Time			72	73	73	73
DEVELOPMENT SERVICES						
2710	Development Services - Administration					
	Development Services Manager	170	1	1	1	1
	Management Assistant I/II+	38	1	1	1	1
	Executive Assistant	30	1	1	1	1
	Total Full-Time		3	3	3	3
2721	Building Safety and Permits					
	Deputy Dev Services Manager	162	0	1	1	1
	Plan Review Administrator	51	0	1	1	1
	Bldg. Inspection Superintendent	45	0	1	1	1
	Development Project Coordinator	45	0	0	1	1
	Sr. Plan Check Engineer	43	0	2	6	6
	Sr. Building Inspector	42	0	1	1	1
	Plan Check Engineer	40	0	4	0	0
	Building Code Complaint Investigator	38	0	1	1	1
	Plans Examiner	37	0	2	1	1
	Permit Center Supervisor	36	0	1	1	1
	Building Inspector I/II+	36	0	8	8	8
	Code Inspector I/II+	31	0	1	1	1
	Dev Services Specialist I/II +	27	0	6	6	6
	Administrative Assistant I/II+	20	0	4	5	5
	Building Inspector I/II+ *		0.00	2.00	2.00	2.00
	Total Full-Time		0	33	34	34
	Total Perm FTE**		0	0	0	0
	Total Temp FTE*		0.00	2.00	2.00	2.00
2722	Planning/Building Safety-Administration					
	Deputy Dev Services Manager-Dev.	157	1	0	0	0
	Administrative Assistant I/II+	18	2	0	0	0
	Total Full-Time		3	0	0	0



2723	Inspection					
	Building Inspection Supt	41	1	0	0	0
	Sr. Building Inspector	37	1	0	0	0
	Building Code Complaint Investigator	33	1	0	0	0
	Building Inspector I/II+	31	6	0	0	0
	Code Inspector I/II+	28	1	0	0	0
	Administrative Assistant II	18	1	0	0	0
	Total Full-Time		11	0	0	0
2724	Current and Advanced Planning					
	Deputy Dev Services Manager - Planning	158	1	0	0	0
	Principal Planner	47	2	0	0	0
	Sr. Planner	40	5	0	0	0
	Planner I/II+	34	6	0	0	0
	Code Inspector I/II+	28	1	0	0	0
	Administrative Assistant I/II+	18	2	0	0	0
	COE*		1.86	0.00	0.00	0.00
	Total Full-Time		17	0	0	0
	Total Temp FTE*		1.86	0.00	0.00	0.00
2725	Customer Service Counter					
	Permit Center Supervisor	35	1	0	0	0
	Development Services Specialist I/II+	22	5	0	0	0
	Dev Services Specialist I/II+*		1.00	0.00	0.00	0.00
	Total Full-Time		6	0	0	0
	Total Temp FTE*		1.00	0.00	0.00	0.00
2726	Plan Check					
	Plan Review Administrator	49	1	0	0	0
	Sr. Plan Check Engineer	41	2	0	0	0
	Plan Check Engineer	37	4	0	0	0
	Plans Examiner	32	2	0	0	0
	Total Full-Time		9	0	0	0
2731	Planning					
	Deputy Dev Services Manager	162	0	1	1	1
	Principal Planner	51	0	2	2	2
	Senior Planner	44	0	5	7	7
	Planner I/II+	39	0	7	5	5
	Senior Code Inspector Specialist	37	0	1	1	1
	Code Inspector I/II +	31	0	3	3	3
	Administrative Assistant II+	20	0	3	3	3
	COE*		0.00	1.86	1.86	1.86
	Total Full-Time		0	22	22	22
	Total Temp FTE*		0.00	1.86	1.86	1.86
	Development Services Department Total Full-Time		49	58	59	59
	Development Services Department Total Temp FTE*		2.86	3.86	3.86	3.86



POLICE					
2210	Office of the Chief				
	Police Chief	175	1	1	1
	Police Legal Advisor	61	1	1	0
	Fiscal-Research Administrator	52	1	1	1
	Planning and Research Analyst	44	0	0	0
	Management Assistant II	38	2	2	2
	Crime Analyst I/II+	37	3	3	3
	Executive Assistant	30	1	1	1
	Alarm Coordinator	30	1	1	1
	Administrative Assistant I/II+	20	1	3	3
	Crime Analysis Technician	22	1	1	1
	Administrative Assistant I	10	1	0	0
	Total Full-Time		<u>13</u>	<u>14</u>	<u>13</u>
				<u>15</u>	
2222	RICO				
	Police Officer - CIB Detective	36	1	1	1
	<i>(Funded through FY 07-08)</i>				
	Total Full-Time		<u>1</u>	<u>1</u>	<u>1</u>
2231	Detention Facility				
	Detention Administrator	44	1	1	1
	Detention Supervisor	34	6	6	6
	Police Property Supervisor	33	1	1	1
	Detention Officer	22	20	20	20
	Police Property Technician	21	6	6	6
	<i>(1 position funded through December 2006)</i>				
	Detention Officer Trainee	18	4	4	4
	<i>(Positions funded through December 2006)</i>				
	Total Full-Time		<u>38</u>	<u>38</u>	<u>38</u>
				<u>31</u>	
2232	Communications Bureau				
	Police Communications Administrator	47	1	1	1
	Police Communications Shift Supervisor.	37	6	6	6
	Police Communications Dispatcher I/II+	26	38	36	36
	Administrative Assistant I/II	20	0	0	0
	Police Communications Dispatcher I/II+*		0	0	0
	<i>(3.0 FTE positions funded for FY07/08)</i>				
	Total Full-Time		<u>45</u>	<u>43</u>	<u>43</u>
	Total Tempe FTE*		<u>0</u>	<u>0</u>	<u>3</u>
2233	Records Bureau				
	Records & Identification Administrator	53	1	1	1
	Police Records Supervisor	33	3	3	3
	Administrative Assistant I/II+	20	1	1	1
	Police Records Clerk II	19	15	15	15
	Police Records Clerk I	15	8	8	8



	COE*		1.00	1.00	1.00	1.00	
	Total Full-Time		28	28	28	30	
	Total Temp FTE*		1.00	1.00	1.00	1.00	
2235	Identification Unit						
	Police Identification Supervisor	45	1	1	1	1	
	Police ID Technician	36	5	5	5	5	
	Fingerprint Technician	25	2	2	2	2	
	Total Full-Time		8	8	8	8	
2236	Crime Prevention						
	Police Sergeant	44	1	1	1	1	
	Police Officer	36	4	4	4	4	
	Crime Free Multi-Housing Coordinator	30	1	1	1	1	
	Administrative Assistant I/II+	20	1	1	1	1	
	Total Full-Time		7	7	7	7	
2241	Investigations/Criminal Investigations						
	Assistant Police Chief	165	1	1	1	1	
	Police Commander	59	1	1	1	1	
	Police Sergeant	44	6	6	6	7	
	Police Officer	36	38	38	38	40	
	Administrative Support Supervisor	32	1	1	1	1	
	Police Community Service Officer	23	3	3	3	3	
	Police Investigative Assistant	21	3	3	3	3	
	Administrative Assistant I/II+	20	1	1	1	1	
	COE*		1.26	1.26	1.26	1.26	
	Total Full-Time		54	54	54	57	
	Total Temp FTE*		1.26	1.26	1.26	1.26	
2242	Investigations/Traffic Investigations						
	Police Commander	59	1	1	1	1	
	Police Sergeant	44	5	5	5	5	
	Police Officer - Assgt.	29	0	0	0	0	
	Police Officer	36	25	24	24	24	
	Community Service Officer	23	0	1	1	2	
	Administrative Assistant I/II+	20	2	2	2	2	
	Traffic Enforcement Aide	14	7	7	7	7	
	Administrative Assistant I/II+**	20	0.00	0.00	0.00	0.50	
	Total Full-Time		40	40	40	41	
	Total Perm FTE**		0.00	0.00	0.00	0.50	
2243	SEU						
	Police Commander	59	1	1	1	1	
	Police Sergeant	44	5	5	5	5	
	Police Officer	36	23	23	23	23	
	<i>(1 position is a Senior Intelligence Officer)</i>						



	Criminal Intelligence Analyst	35	1	1	1	1
	Police Community Service Officer	23	1	1	1	1
	Police Investigative Assistant	21	1	1	1	1
	Administrative Assistant I/II+	20	1	1	1	1
	Total Full-Time		<u>33</u>	<u>33</u>	<u>33</u>	<u>33</u>
2248	Downtown Unit					
	Police Commander	59	1	1	1	1
	Police Sergeant	44	3	3	3	3
	Police Officer	36	13	13	13	13
	Police Licensing Specialist	29	1	1	1	1
	Administrative Assistant I/II+	20	0	0	1	1
	Total Full-Time		<u>18</u>	<u>18</u>	<u>19</u>	<u>19</u>
2251	Administration					
	Assistant Chief	165	1	1	1	1
	Police Commander	59	1	1	1	1
	Police Sergeant	44	8	8	8	8
	Police Polygraph Examiner I/II+ <i>(1 position sworn, 2 non-sworn)</i>	42	2	2	2	3
	Management Assistant I/II	38	1	1	1	1
	Police Officer	36	5	5	5	7
	Policy Procedures Officer	36	1	1	1	1
	Volunteer Coordinator	34	1	1	1	1
	Police Support Services Specialist	24	0	1	1	1
	Administrative Assistant I/II+	20	2	1	1	1
	Administrative Assistant I	10	1	0	0	0
	COE*		0.70	0.70	0.70	0.70
	Total Full-Time		<u>23</u>	<u>22</u>	<u>22</u>	<u>25</u>
	Total Temp FTE*		<u>0.70</u>	<u>0.70</u>	<u>0.70</u>	<u>0.70</u>
2257	Property Unit					
	Police Officer (Property Detective)	36	0	0	0	1
	Police Property Supervisor	33	0	0	0	1
	Police Property Technician	21	0	0	0	5
	Total Full-Time		<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
2258	Rio Salado - Park Rangers					
	Park Ranger	21	6	6	6	0
	Total Full-Time		<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>
2259	Rio Salado - Sworn					
	Police officer	36	5	5	5	0
	Total Full-Time		<u>5</u>	<u>5</u>	<u>5</u>	<u>0</u>



2271	Patrol-Administration					
	Assistant Police Chief	165	1	1	1	1
	Police Commander	59	0	0	0	0
	Police Sergeant	44	2	2	2	2
	Police Officer	36	1	1	1	1
	Administrative Assistant I/II+	20	2	5	4	4
	Administrative Assistant I	10	2	0	0	0
	Police Reserves*		0.16	0.16	0.16	0.16
	Service Aide*		2.50	2.50	2.50	2.50
	COE*		0.63	0.63	0.63	0.63
	Total Full-Time		8	9	8	8
	Total Temp FTE*		3.29	3.29	3.29	3.29
2272	Patrol					
	Police Commander	59	6	6	6	6
	Police Sergeant	44	24	24	24	24
	Police Officer	36	140	141	141	150
	Police Community Service Officer	23	10	10	10	11
	Total Full-Time		180	181	181	191
2273	City Security Team					
	Police Sergeant	44	1	1	1	1
	<i>(.75 funded by Rio Salado Fund)</i>					
	Park Ranger	21	9	9	9	9
	Total Full-Time		10	10	10	10
2274	Recruits					
	Police Officer	36	12	8	8	8
	<i>(4 Police Officers non-recurring through FY 05-06)</i>					
	Total Full-Time		12	8	8	8
3912	PD - EVBO & Maintenance Facility					
	Park Ranger (Security Officers)	21	0	0	0	2
	<i>(All positions funded by Transit Fund)</i>					
	Total Full-Time		0	0	0	2
3913	PD - Security Transportation Center					
	Police Sergeant	44	0	0	0	1
	Park Ranger (Security Officers)	21	0	0	0	5
	<i>(All positions funded by Transit Fund)</i>					
	Total Full-Time		0	0	0	6
4416	Rio Salado - Sworn					
	Police officer	36	0	0	0	5
	<i>(All positions funded by Rio Salado Fund)</i>					
	Total Full-Time		0	0	0	5



4417	Rio Salado - Park Rangers					
	Park Ranger	21	0	0	0	8
	<i>(All positions funded by Rio/CFD Fund)</i>					
	Total Full-Time		0	0	0	8
	Police Department Total Full-Time		529	525	524	557
	Police Department Total Perm FTE**		0.00	0.00	0.00	0.50
	Police Department Total Temp FTE*		6.25	6.25	6.25	9.25
	FIRE					
2310	Administration					
	Fire Chief	173	1	1	1	1
	Assistant Fire Chief	163	1	1	1	1
	Fire Battalion Chief	50	3	3	3	3
	Senior Management Assistant	44	0	1	1	1
	Executive Assistant	30	0	1	1	1
	Administrative Assistant I/II+	20	1	0	0	0
	Total Full-Time		6	7	7	7
2330	Fire Prevention					
	Assistant Fire Chief	163	1	1	1	1
	Fire Inspector I/II+	38	7	8	8	8
	Fire Education Specialist	25	2	2	2	2
	Administrative Assistant I/II+	20	1	1	1	1
	Unclassified Temporary*		1.00	0.00	0.00	0.00
	Total Full-Time		11	12	12	12
	Total Temp FTE*		1.00	0.00	0.00	0.00
2340	Fire Emergency Services					
	Fire Captain	38	30	30	30	30
	Fire Engineer	33	33	33	33	33
	Firefighter	29	74	62	62	62
	<i>(12 overhires authorized through FY 05-06)</i>					
	<i>(57 Firefighter, Engineer or Captain positions are paramedic assignment)</i>					
	Total Full-Time		137	125	125	125
2350	Training/Professional Development					
	Fire Battalion Chief	50	1	1	1	1
	Fire Captain - Assgt.	40	1	1	1	1
	Administrative Assistant II	20	1	1	1	1
	Total Full-Time		3	3	3	3
2363	Fire Apparatus Maintenance					
	Senior Fire Mechanic	37	1	1	1	1
	Fire Mechanic	32	1	1	1	1
	Inventory Services Specialist **	17	0.50	0.50	0.50	0.50
	Total Full-Time		2	2	2	2



	Total Perm FTE**		0.50	0.50	0.50	0.50
2361	Support Services - Administration					
(2364)	Fire Battalion Chief	50	1	1	1	1
	Fire Services Inventory Technician	26	1	1	1	2
	Fire Support Services Technician	23	1	1	1	0
	Service Aide **		0.50	0.50	0.50	0.50
	Total Full-Time		3	3	3	3
	Total Perm FTE**		0.50	0.50	0.50	0.50
2370	Medical Services					
	Fire Battalion Chief	50	1	1	1	1
	Fire Captain - Paramedic-Assgt.	40	1	1	1	1
	Emergency Medical Services Coordinator	40	1	1	1	1
	Medical Transport Contract Supervisor	35	1	1	1	1
	Total Full-Time		4	4	4	4
2380	Special Operations					
	Fire Battalion Chief	50	1	1	1	1
	Haz Mat Program Specialist	41	1	1	1	1
	Fire Captain - Paramedic-Assgt.	40	1	1	1	1
	Total Full-Time		3	3	3	3
	Fire Department Total Full-Time		169	159	159	159
	Fire Department Total Perm FTE**		1.00	1.00	1.00	1.00
	Fire Department Total Temp FTE*		1.00	0.00	0.00	0.00
	COMMUNITY SERVICES					
2410	Administration					
	Community Services Manager	170	1	1	1	1
	Sr. Social Services Coordinator	38	1	1	1	1
	Management Assistant II+	38	1	1	1	1
	Unclassified Temporary*		0.52	0.52	0.52	0.52
	Total Full-Time		3	3	3	3
	Total Temp FTE*		0.52	0.52	0.52	0.52
2421	Recreation/Administration					
	Dep Comm. Svs. Mgr. - Parks & Rec	159	1	0	0	0
	Management Assistant II+	35	1	0	0	0
	Recreation Coordinator	31	1	0	0	0
	Community Services Registration Tech	19	1	0	0	0
	Administrative Assistant II	18	3	0	0	0
	Administrative Assistant II**		0.75	0.00	0.00	0.00
	Unclassified Temporary*		0.22	0.00	0.00	0.00
	Total Full-Time		7	0	0	0
	Total Perm FTE**		0.75	0.00	0.00	0.00
	Total Temp FTE*		0.22	0.00	0.00	0.00



2422	Recreation/Community Events								
(2483)	Community Services Supervisor	39	1	0	0	0			
	Recreation Coordinator	31	2	0	0	0			
	Assistant Recreation Coordinator	23	0	0	0	0			
	Unclassified Temporary*		1.18	0.00	0.00	0.00			
	Total Full-Time		3	0	0	0			
	Total Temp FTE*		1.18	0.00	0.00	0.00			
2423	Recreation/Special Populations								
	Senior Recreation Coordinator	35	1	0	0	0			
	Asst. Recreation Coordinator	23	2	0	0	0			
	Administrative Assistant II	18	1	0	0	0			
	Unclassified Temporary*		2.87	0.00	0.00	0.00			
	Total Full-Time		4	0	0	0			
	Total Temp FTE*		2.87	0.00	0.00	0.00			
2424	Recreation/Rec. Instructional								
	Community Services Supervisor	39	1	0	0	0			
	Recreation Coordinator	31	2	0	0	0			
	Assistant Recreation Coordinator	23	1	0	0	0			
	Recreation Leader III*		1.93	0.00	0.00	0.00			
	Unclassified Temporary*		4.72	0.00	0.00	0.00			
	Total Full-Time		4	0	0	0			
	Total Temp FTE*		6.65	0.00	0.00	0.00			
2425	Recreation/Youth Sports								
	Social Services Coordinator	31	0	0	0	0			
	Recreation Coordinator	31	2	0	0	0			
	Unclassified Temporary*		3.84	0.00	0.00	0.00			
	Total Full-Time		2	0	0	0			
	Total Temp FTE*		3.84	0.00	0.00	0.00			
2426	Recreation/Adult Sports								
	Community Services Supervisor	39	1	0	0	0			
	Recreation Coordinator	31	2	0	0	0			
	Unclassified Temporary*		3.89	0.00	0.00	0.00			
	Total Full-Time		3	0	0	0			
	Total Temp FTE*		3.89	0.00	0.00	0.00			
2427	Recreation Resources								
	Recreation Coordinator	31	1	0	0	0			
	Unclassified Temporary*		4.1	0.00	0.00	0.00			
	Total Full-Time		1	0	0	0			
	Total Temp FTE*		4.1	0.00	0.00	0.00			



2429	Recreation/Diablo Stadium Operation					
	Senior Recreation Coordinator	35	1	0	0	0
	Unclassified Temporary*		2.41	0.00	0.00	0.00
	Total Full-Time		1	0	0	0
	Total Temp FTE*		2.41	0.00	0.00	0.00
2431	Recreation/Kiwanis Center					
	Community Services Supervisor	39	1	0	0	0
	Recreation Coordinator	32	1	0	0	0
	Asst. Recreation Coordinator	23	2	0	0	0
	Administrative Assistant II	18	2	0	0	0
	Administrative Assistant II**		0.75	0.00	0.00	0.00
	Recreation Leader I*		0.75	0.00	0.00	0.00
	Recreation Worker*		0.50	0.00	0.00	0.00
	Unclassified Temporary*		18.46	0.00	0.00	0.00
	Total Full-Time		6	0	0	0
	Total Perm FTE**		0.75	0.00	0.00	0.00
	Total Temp FTE*		19.71	0.00	0.00	0.00
2432	Recreation/Kiwanis Concession					
	Unclassified Temporary*		1.99	0.00	0.00	0.00
	Total Temp FTE*		1.99	0.00	0.00	0.00
2433	Recreation/Aquatics					
	Community Services Supervisor	39	1	0	0	0
	Recreation Coordinator	31	1	0	0	0
	Swimming Pool Maint Mechanic	27	1	0	0	0
	Swimming Pool Maint Technician	21	1	0	0	0
	Unclassified Temporary*		18.08	0.00	0.00	0.00
	Total Full-Time		4	0	0	0
	Total Temp FTE*		18.08	0.00	0.00	0.00
2434	Adapted Recreation					
	Senior Recreation Coordinator	35	1	0	0	0
	Total Full-Time		1	0	0	0
2435	Recreation/Kiwanis Batting Cage					
	Batting Cage Coordinator	27	1	0	0	0
	Unclassified Temp*		2.41	0.00	0.00	0.00
	Total Full-Time		1	0	0	0
	Total Temp FTE*		2.41	0.00	0.00	0.00
2440	Library					
	Dep Comm Svcs Mgr - Library	162	1	1	1	1
	Library Supervisor	41	4	4	4	4
	Sr. Social Services Coordinator	38	1	1	1	1



	Librarian I/II+	37	11	11	11	11
	Catalog Services Coordinator	33	1	1	1	1
	Circulation Services Coordinator	30	1	1	1	1
	Library Specialist I/II+	21	9	9	9	9
	Administrative Assistant II+	20	1	1	1	1
	Library Assistant	13	3	3	5	5
	Librarian I/II+**		0.50	0.50	0.50	0.50
	Library Specialist II**		1.00	1.00	1.00	1.00
	Library Assistant**		4.50	4.50	2.50	2.50
	Unclassified Temp - Office*		9.84	9.84	9.84	9.84
	Total Full-Time		33	32	34	34
	Total Perm FTE**		6.00	6.00	4.00	4.00
	Total Temp FTE*		9.84	9.84	9.84	9.84
2486	Social Services/Administration					
	Dep Comm Svcs Mgr - Social Services	162	1	1	1	1
	Management Assistant II	38	1	1	1	1
	Administrative Assistant II+	20	3	3	3	3
	Administrative Assistant II+**	20	1.00	1.00	1.00	1.00
	Unclassified Temporary*		0.85	0.85	0.85	0.85
	Total Full-Time		5	5	5	5
	Total Perm FTE**		1.00	1.00	1.00	1.00
	Total Temp FTE*		0.85	0.85	0.85	0.85
2451	Social Services/Diversion					
	Social Services Supervisor	45	1	1	1	1
	Social Services Counselor I/II+	38	3	3	3	3
	Social Services Counselor**		0.65	0.65	0.65	0.65
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.65	0.65	0.65	0.65
2457	Social Services/KID ZONE					
	Kid Zone Program Administrator	51	1	1	1	1
	Sr. Social Services Coordinator	38	5	5	5	5
	Social Services Specialist	30	3	3	4	5
	Assistant Recreation Coordinator	26	9	9	9	9
	Administrative Assistant II (Program Manager)**	20	0	0	0	3
	Unclassified Temporary*		65.93	65.93	65.93	65.93
	Total Full-Time		19	19	19	20
	Total Perm FTE**		0.00	0.00	0.00	3.00
	Total Temp FTE*		65.93	65.93	65.93	65.93
2485	Social Services/Partnerships					
	Social Services Supervisor	45	2	2	2	2
	Sr. Social Services Coordinator+	38	1	1	2	2
	Social Services Counselor II+	38	1	1	1	1
	Social Services Coordinator	34	1	1	0	0



	Crisis Intervention Specialist	33	1	3	3	3
	<i>(2 positions funded through FY 07/08)</i>					
	Unclassified Temporary *		7.43	7.43	7.43	7.43
	Total Full-Time		6	8	8	8
	Total Temp FTE*		7.43	7.43	7.43	7.43
2487	Social Services/Escalante					
	Social Services Administrator	49	1	1	1	1
	Sr. Social Services Coordinator	38	2	1	2	2
	Social Services Coordinator	34	2	3	2	2
	Assistant Recreation Coordinator	26	2	0	0	0
	Administrative Assistant II+	20	1	1	1	1
	Social Services Coordinator**	34	0.00	0.75	0.75	0.75
	IT Support Specialist I**		0.75	0.00	0.00	0.00
	Administrative Assistant II+**	20	0.75	0.75	0.75	0.75
	Unclassified Temporary*		7.28	7.28	7.28	7.28
	Total Full-Time		8	6	6	6
	Total Perm FTE**		1.50	1.50	1.50	1.50
	Total Temp FTE*		7.28	7.28	7.28	7.28
2415	Social Services/North Side Multigenerational Center					
	Sr. Social Services Coordinator	38	0	2	2	2
	Administrative Assistant I/II+	20	0	1	1	1
	Total Full-Time		0	3	3	3
2481	Cultural Services - Administration					
	Dep Comm Svcs Mgr - Cultural Services	162	1	1	1	1
	<i>(50% funded by General Fund, 50% by Performing Arts Fund)</i>					
	Arts Administrator	47	1	1	1	1
	Arts Coordinator	36	2	2	2	2
	Administrative Assistant II	20	1	1	1	1
	Recreation Leader III*		0.95	0.95	0.95	0.95
	Recreation Leader IV*		0.36	0.36	0.36	0.36
	Unclassified Temporary*		6.01	6.01	6.01	6.01
	Total Full-Time		5	5	5	5
	Total Temp FTE*		7.32	7.32	7.32	7.32
2484	Historical Museum					
	Museum Administrator	49	1	1	1	1
	Museum Curator	36	4	4	4	4
	Museum Registrar	30	1	1	1	1
	Administrative Assistant II	20	1	1	1	1
	Museum Aide**	19	0.50	0.50	0.50	0.50
	Unclassified Temp - Office*		0.70	0.70	0.70	0.70
	Total Full-Time		7	7	7	7
	Total Perm FTE**		0.50	0.50	0.50	0.50
	Total Temp FTE*		0.70	0.70	0.70	0.70



3310	Cemetery Administration					
	Executive Assistant	30	1	0	0	0
	Administrative Assistant I**		0.50	0.00	0.00	0.00
	Total Full-Time		1	0	0	0
	Total Perm FTE**		0.50	0.00	0.00	0.00
3311	Cemetery Maintenance					
	Groundskeeper I	8	1	0	0	0
	Total Full-Time		1	0	0	0
3610	Performing Arts - Administration					
	Cultural Facilities Administrator	56	1	1	1	1
	Community Outreach Marketing Coordinator II	40	0	0	0	1
	Management Assistant II	38	1	1	1	1
	Arts Coordinator (Production)	36	1	1	1	1
	Arts Coordinator (Gallery)	36	1	1	1	1
	Arts Coordinator (Patron & Client Services)	36	1	1	1	1
	Facility Automation Tech	34	1	1	1	0
	Arts Specialist (Production)	31	1	1	1	2
	Production Specialist	31	1	1	1	0
	Arts Specialist (Box Office)	31	1	1	1	1
	TCA Maintenance Supervisor	32	1	1	1	0
	Building Equipment Technician II	23	1	1	1	0
	Administrative Assistant II	20	1	1	1	1
	TCA Maintenance Worker	19	3	3	3	0
	Box Office Assistant	18	1	1	1	1
	Custodian	9	3	3	3	0
	Unclassified Temp*		13.27	13.27	13.27	13.27
	Total Full-Time		19	19	19	11
	Total Temp FTE*		13.27	13.27	13.27	13.27
	Community Services Department Total Full-Time		148	111	113	106
	Community Services Department Total Perm FTE**		11.65	9.65	7.65	10.65
	Community Services Department Total Temp FTE*		180.49	113.14	113.14	113.14

PARKS AND RECREATION

2511	Rolling Hills Golf Course					
	Parks & Golf Course Maintenance Coordinator	30	0	1	1	1
	Parks & Golf Course Mechanic	25	0	1	1	1
	Sprinkler Systems Maint. Worker I/II+	24	0	1	1	1
	Equipment Operator II	23	0	1	1	1
	Groundskeeper I/II+	19	0	4	4	4
	Equipment Operator I	19	0	1	1	1
	Groundskeeper I/II+*		0.00	1.07	1.07	1.07
	Total Full-Time		0	9	9	9
	Total Temp FTE*		0.00	1.07	1.07	1.07



2512	Ken McDonald Golf Course								
	Parks & Golf Course Supervisor	41	0	1	1	1			
	Parks & Golf Course Maintenance Coordinator	30	0	1	1	1			
	Parks & Golf Course Mechanic	25	0	1	1	1			
	Sprinkler System Maint. Worker I/II+	24	0	1	1	1			
	Equipment Operator II	23	0	2	1	1			
	Groundskeeper I/II+	19	0	5	6	6			
	Equipment Operator I	19	0	1	1	1			
	Groundskeeper I/II+*		0.00	1.35	1.35	1.35			
	Total Full-Time		0	12	12	12			
	Total Temp FTE*		0.00	1.35	1.35	1.35			
2521	Parks & Recreation - Administration								
	Parks and Recreation Manager	170	0	1	1	1			
	Dep Comm. Svs. Mgr. - Parks & Rec	162	0	2	2	2			
	Parks & Golf Course Supervisor	41	0	2	1	1			
	Sr. Recreation Coordinator	38	0	1	1	1			
	Management Assistant II+	38	0	2	2	1			
	Executive Assistant	30	0	0	1	1			
	Administrative Assistant II	20	0	3	2	2			
	Administrative Assistant II**		0.00	0.75	0.75	0.75			
	Unclassified Temporary*		0.00	0.22	0.22	0.22			
	Total Full-Time		0	11	10	9			
	Total Perm FTE**		0.00	0.75	0.75	0.75			
	Total Temp FTE*		0.00	0.22	0.22	0.22			
2522	Special Events								
	Community Services Supervisor	46	0	1	1	1			
	Sr. Recreation Coordinator	38	0	2	2	2			
	Assistant Recreation Coordinator	26	0	2	0	0			
	<i>(Positions funded by Rio Salado Fund)</i>								
	Recreation Leader*		0.00	1.00	1.00	1.00			
	Unclassified Temporary*		0.00	1.18	1.18	1.18			
	Total Full-Time		0	5	3	3			
	Total Temp FTE*		0.00	2.18	2.18	2.18			
2523	Senior Adults								
	Senior Recreation Coordinator	38	0	1	1	1			
	Asst. Recreation Coordinator	26	0	2	2	2			
	Administrative Assistant II	20	0	1	1	1			
	Unclassified Temporary*		0.00	2.87	2.87	2.87			
	Total Full-Time		0	4	4	4			
	Total Temp FTE*		0.00	2.87	2.87	2.87			
2524	Special Interest and Boating								
	Community Services Supervisor	46	0	1	1	1			



	Sr. Recreation Coordinator	38	0	2	2	2
	Assistant Recreation Coordinator	26	0	1	1	0
	Recreation Leader III*		0.00	1.93	1.93	1.93
	Unclassified Temporary*		0.00	4.72	4.72	4.72
	Total Full-Time		<u>0</u>	<u>4</u>	<u>4</u>	<u>3</u>
	Total Temp FTE*		<u>0.00</u>	<u>6.65</u>	<u>6.65</u>	<u>6.65</u>
2525	Adult Sports					
	Social Services Coordinator	31		0	0	
	Sr. Recreation Coordinator	38	0	2	2	1
	Unclassified Temporary*		0.00	3.84	3.84	3.84
	Total Full-Time		<u>0</u>	<u>2</u>	<u>2</u>	<u>1</u>
	Total Temp FTE*		<u>0.00</u>	<u>3.84</u>	<u>3.84</u>	<u>3.84</u>
2526	Youth Sports					
	Community Services Supervisor	46	0	1	1	1
	Sr. Recreation Coordinator	38	0	2	2	2
	Unclassified Temporary*		0.00	3.89	3.89	3.89
	Total Full-Time		<u>0</u>	<u>3</u>	<u>3</u>	<u>3</u>
	Total Temp FTE*		<u>0.00</u>	<u>3.89</u>	<u>3.89</u>	<u>3.89</u>
2527	Facility Resources					
	Sr. Recreation Coordinator	38	0	1	1	1
	Unclassified Temporary*		0.00	4.10	4.10	4.10
	Total Full-Time		<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>
	Total Temp FTE*		<u>0.00</u>	<u>4.10</u>	<u>4.10</u>	<u>4.10</u>
2529	Diablo Stadium					
	Sr. Recreation Coordinator	38	0	1	1	1
	Unclassified Temporary*		0.00	2.41	2.41	2.41
	Total Full-Time		<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>
	Total Temp FTE*		<u>0.00</u>	<u>2.41</u>	<u>2.41</u>	<u>2.41</u>
2531	Kiwanis Recreation Center					
	Community Services Supervisor	46	0	1	1	1
	Sr. Recreation Coordinator	38	0	1	1	1
	Recreation Coordinator	34	0	0	1	1
	Asst. Recreation Coordinator	26	0	2	1	1
	Administrative Assistant II	20	0	2	2	2
	Administrative Assistant II**	20	0.00	0.75	0.75	0.75
	Recreation Leader I*		0.00	0.75	0.75	0.75
	Recreation Worker*		0.00	0.50	0.50	0.50
	Unclassified Temporary*		0.00	18.50	18.50	18.50
	Total Full-Time		<u>0</u>	<u>6</u>	<u>6</u>	<u>6</u>
	Total Perm FTE**		<u>0.00</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>
	Total Temp FTE*		<u>0.00</u>	<u>19.75</u>	<u>19.75</u>	<u>19.75</u>



2532	Kiwanis Concessions					
	Unclassified Temporary*		0.00	1.99	1.99	1.99
	Total Temp FTE*		<u>0.00</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>
2533	Aquatics					
	Community Services Supervisor	46	0	1	1	0
	Sr. Recreation Coordinator	38	0	1	1	1
	Swimming Pool Maint Mechanic	29	0	1	1	1
	Swimming Pool Maint Technician	25	0	1	1	1
	Unclassified Temporary*		0.00	18.08	18.08	18.08
	Total Full-Time		<u>0</u>	<u>4</u>	<u>4</u>	<u>3</u>
	Total Temp FTE*		<u>0.00</u>	<u>18.08</u>	<u>18.08</u>	<u>18.08</u>
2534	Adapted Recreation					
	Sr. Recreation Coordinator	38	0	1	1	1
	Total Full-Time		<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>
2535	Kiwanis Batting Cage					
	Sr. Recreation Coordinator	38	0	1	1	1
	Unclassified Temp*		0.00	2.41	2.41	2.41
	Total Full-Time		<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>
	Total Temp FTE*		<u>0.00</u>	<u>2.41</u>	<u>2.41</u>	<u>2.41</u>
2536	Boating Programs					
	Sr. Recreation Coordinator	38	0	0	0	1
	Assistant Recreation Coordinator	26	0	0	0	1
	Total Full-Time		<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
2537	Community Outreach/Marketing					
	Community Services Supervisor	46	0	0	0	1
	Management Asst II+	38	0	0	0	1
	Total Full-Time		<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
4411	Rio Salado Special Events					
	Assistant Recreation Coordinator	26	0	0	1	1
	<i>(Position funded by Rio Salado Fund)</i>					
	Total Full-Time		<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
4412	Rio Salado Events Marketing					
	Assistant Recreation Coordinator	26	0	0	1	1
	<i>(Position funded by Rio Salado Fund)</i>					
	Total Full-Time		<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
2551	Sports Complex Maintenance					
	Senior Groundskeeper	26	0	1	1	1
	Groundskeeper I/II+	19	0	2	2	2
	Total Full-Time		<u>0</u>	<u>3</u>	<u>3</u>	<u>3</u>



2553	Diablo Stadium Maintenance								
	Parks and Golf Course Supervisor	41	0	1	1	1			
	Parks & Golf Course Maintenance Coordinator	30	0	0	1	1			
	Senior Groundskeeper	26	0	2	1	1			
	Sprinkler Sys. Maint. Worker I/II+	24	0	1	1	1			
	Groundskeeper I/II+	19	0	5	5	5			
	Groundskeeper*		0.00	0.56	0.56	0.56			
	Total Full-Time		0	9	9	9			
	Total Temp FTE*		0.00	0.56	0.56	0.56			
2554	Rio Salado Maintenance								
	Parks & Golf Course Maintenance Coordinator	30	0	0	1	0			
	Senior Groundskeeper	26	0	2	0	0			
	<i>(1 Position funded by Performing Arts Fund)</i>								
	Groundskeeper I/II+	19	0	2	1	0			
	<i>(1 Position funded by Performing Arts Fund)</i>								
	Groundskeeper*		0.0	0.10	0.10	0.00			
	Unclassified Temporary*		0.0	1.40	0.00	0.00			
	Total Full-Time		0	4	2	0			
	Total Temp FTE*		0.0	1.50	0.10	0.00			
4414	Rio Salado Maintenance								
	Parks & Golf Course Maintenance Coordinator	30	0	0	0	1			
	Senior Groundskeeper	26	0	0	0	0			
	Groundskeeper I/II+	19	0	0	0	1			
	Groundskeeper*		0.0	0.00	0.00	0.10			
	Unclassified Temporary*		0.0	0.00	0.00	0.00			
	<i>(All positions funded by Rio Salado Fund)</i>								
	Total Full-Time		0	0	0	2			
	Total Temp FTE*		0.0	0.00	0.00	0.10			
3611	Tempe Arts Park								
	Senior Groundskeeper	26	0	0	1	1			
	Groundskeeper I/II+	19	0	0	1	1			
	Unclassified Temporary*		0	0	1.44	1.44			
	<i>(All positions funded by Performing Arts Fund)</i>								
	Total Full-Time		0	0	2	2			
	Total Temp FTE*		0	0	1.44	1.44			
2555	Landscape Maintenance								
	Parks and Golf Course Supervisor	41	0	1	1	1			
	Total Full-Time		0	1	1	1			
2556	North Parks								
	Parks and Golf Course Supervisor	41	0	0	1	1			
	Parks & Golf Course Maintenance Coordinator	30	0	0	3	3			
	Parks Facility Maint. Worker I/II	30	0	1	1	1			



	Parks & Golf Course Mechanic	25	0	1	1	1
	Sprinkler Sys. Maint. Worker I/II+	24	0	3	3	3
	Equipment Operator II	23	0	2	2	2
	Senior Groundskeeper	26	0	4	1	1
	Pest Control Technician	21	0	2	2	2
	Groundskeeper I/II+	19	0	7	5	7
	Equipment Operator I	19	0	1	1	1
	Groundskeeper*		0	1.75	1.75	1.75
	Unclassified Temporary*		0.00	1.67	1.67	1.67
	Total Full-Time		0	21	20	22
	Total Temp FTE*		0.00	3.42	3.42	3.42
2557	Rio Salado - Ent. Zone					
	Groundskeeper I/II+	19	0	2	2	0
	Total Full-Time		0	2	2	0
2558	Cemetery Maintenance					
	Groundskeeper I/II+	19	0	1	1	1
	Total Full-Time		0	1	1	1
2559	South Parks					
	Parks and Golf Course Supervisor	41	0	1	1	1
	Parks Facility Maint. Wkr. I/II+	30	0	1	1	1
	P&G Course Maint Coord	30	0	0	4	4
	Senior Groundskeeper	26	0	3	1	1
	Equipment Operator II	23	0	3	4	4
	Sprinkler Sys. Maint. Worker I/II+	24	0	3	3	3
	Pest Control Technician	21	0	2	2	2
	Groundskeeper I/II+	19	0	5	7	5
	Equipment Operator I	19	0	3	0	0
	Groundskeeper*		0.00	0.87	0.87	0.87
	Unclassified Temporary*		0.00	0.83	0.83	0.83
	Total Full-Time		0	21	23	21
	Total Temp FTE*		0.00	1.70	1.70	1.70
4415	Rio Salado - Ent. Zone					
	Groundskeeper I/II+	19	0	0	0	2
	<i>(Positions funded by Rio/CFD fund)</i>					
	Total Full-Time		0	0	0	2
3310	Cemetery Administration					
	Executive Assistant	30	0	1	1	1
	Groundskeeper I	15	0	0	1	1
	Executive Assistant**		0.00	0.50	0.50	0.50
	Total Full-Time		0	1	2	2
	Total Perm FTE**		0.00	0.50	0.50	0.50



3311	Cemetery Maintenance				
	Groundskeeper I	15	0	1	0
	Total Full-Time		0	1	0
	Parks & Recreation Department Total Full-Time		0	128	128
	Parks & Recreation Department Total Perm FTE**		0.00	2.00	2.00
	Parks & Recreation Department Total Temp FTE*		0.00	77.99	78.03

COMMUNITY DEVELOPMENT

2810	Community Development - Admin				
	Community Development Manager	170	1	1	1
	Principal Architect	53	1	1	1
	Senior Architect+	49	1	1	1
	Technology Development Specialist	47	1	1	1
	Economic Development Specialist	45	1	1	1
	Neighborhood Enhance Program Coord	34	0	0	1
	Executive Assistant	30	1	1	1
	Administrative Assistant II+	20	0	0	1
	COE*		1.00	1.00	1.00
	Total Full-Time		6	6	8
	Total Temp FTE*		1.00	1.00	1.00

2811	Neighborhood Enhancement				
	Code Enforcement Administrator	49	1	1	1
	Senior Code Inspector Specialist	37	1	1	1
	Neighborhood Enhance Program Coord	34	1	1	0
	Code Inspector I/II+	31	8	8	8
	Administrative Assistant II	20	0	0	1
	Unclassified Temporary*		0.00	5.00	5.00
	<i>(Positions funded through FY 2007-08)</i>				
	Total Full-Time		11	11	11
	Total Temp FTE*		0.00	5.00	5.00

2812	Redevelopment/Special Projects				
	Dep Comm Dev Manager - Revitalization & Redev	162	0	0	1
	Principal Planner	51	2	2	2
	<i>(1 position funded by Federal Grant)</i>				
	Sr. Planner	44	3	4	3
	<i>(1 position funded by Federal Grant)</i>				
	Planner I/II+	39	2	2	3
	Total Full-Time		7	8	9

2813	Redevelopment/Revitalization				
	Administrative Assistant II	20	1	2	0
	Administrative Assistant I	13	1	0	0
	Total Full-Time		2	2	0



2814	Neighborhood Enhancement					
	Unclassified Temporary*		0.00	0.00	0.00	1.60
	<i>(Positions funded through FY 2007-08)</i>					
	Total Full-Time		0	0	0	0
	Total Temp FTE*		0.00	0.00	0.00	1.60
2861-	Housing Services Division					
2869	Dep Comm Dev Manager - Revitalization & Redev	162	1	1	0	0
2770-	<i>(50% funded by General Fund)</i>					
2779	Housing Services Administrator	53	1	1	1	1
	Housing Services Supervisor	40	1	1	2	2
	Accountant	35	1	1	1	1
	Homeless Coordinator	34	1	1	1	1
	Rehabilitation Specialist	33	3	3	2	2
	Family Self Sufficiency Specialist	31	2	2	2	2
	Housing Services Specialist	23	6	6	6	6
	Administrative Assistant II	20	2	2	2	2
	Total Full-Time		18	18	17	17
4410	Community Development - Rio Salado Administration					
	Deputy Community Development Manager	162	1	1	1	1
	Rio Salado Manager	51	0	0	1	1
	Rio Salado Financial Analyst	44	1	1	1	1
	Senior Planner	44	1	2	1	1
	Administrative Project Coordinator	42	1	1	1	1
	Community Relations Coordinator	40	1	1	1	1
	Administrative Assistant II	20	1	1	1	1
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		6	7	7	7
	Total Temp FTE *		0.49	0.49	0.49	0.49
4413	Community Development - Rio Salado Operations					
	Administrative Assistant I/II	20	2	2	2	2
	Total Full-Time		2	2	2	2
	Rio Salado Division Total Full-Time		8	9	9	9
	Rio Salado Division Total Temp FTE*		0.49	0.49	0.49	0.49
	Community Development Department Total Full-Time		52	54	54	54
	Community Development Department Total Temp FTE*		1.49	6.49	6.49	8.09
	PUBLIC WORKS					
3210	Administration					
	Public Works Manager	171	1	1	1	1
	Sr. Management Assistant	44	1	1	1	1
	Executive Assistant	30	1	1	1	1



COE*		0.49	0.49	0.49	0.49
Total Full-Time		3	3	3	3
Total Temp FTE*		0.49	0.49	0.49	0.49
3221	Engineering/Admin. Support/Contract Admin.				
	Deputy PW Manager-Engineering	165	1	1	1
	Contract Compliance Auditor	40	0	1	1
	<i>(1 position funded by Transit)</i>				
	Engineering Services Administrator	50	1	1	1
	Contract Administrator	36	1	1	1
	Engineering Technician I/II+	29	0	1	0
	Engineering Contract Services Specialist	24	2	2	2
	Total Full-Time		5	7	6
3222	Engineering/Private Development and Utility				
	Assistant City Engineer	57	1	1	1
	Senior Civil Engineer+	49	1	1	1
	Engineering Permit Inspection Supervisor	44	1	1	1
	Utility Infrastructure Supervisor	44	1	1	1
	Sr./ Engineering Associate+	38	4	6	6
	Engineering Technician I/II+	29	0	0	1
	Total Full-Time		8	10	11
3223	Engineering/Capital Improvements				
	Principal Civil Engineer	53	1	2	2
	<i>(1 Position funded by Transit)</i>				
	Senior Civil Engineer+	49	2	3	3
	<i>(1 Position funded by Water/Wastewater)</i>				
	Senior Construction Project Mgr	47	0	0	1
	<i>(1 Position funded by Water/Wastewater)</i>				
	Senior Engineering Associate+	38	4	4	4
	Total Full-Time		7	9	10
3225	Engineering/Information & Technical Services				
	Engineering Services Administrator	50	1	1	1
	Engineering GIS Supervisor	44	1	1	1
	Real Estate Program Coordinator	41	1	1	2
	GIS Coordinator	39	3	2	1
	Senior Engineering Associate+	38	0	1	1
	GIS Analyst/Technician	34	2	2	2
	Engineering Technician I/II+	29	2	2	2
	Survey Technician II+	25	1	1	1
	Total Full-Time		11	11	11
Admin & Engineering Division Total Full-Time			34	40	41
Admin & Engineering Division Total Temp FTE*			0.49	0.49	0.49



3231	Field Operations/Administration								
	Senior Management Assistant	44	1	1	1	1			
	Administrative Assistant II	20	2	2	2	2			
	Total Full-Time		<u>4</u>	<u>3</u>	<u>3</u>	<u>2</u>			
3241	Field Operations/Facility Maintenance Administration								
	Facility Maintenance Director	151	1	1	1	1			
	Sr. Management Assistant	44	1	1	1	1			
	Facility Maintenance Supervisor	36	1	1	1	1			
	Facility Automation Technician	34	1	2	2	2			
	Building Equipment Technician I/II+	30	15	15	15	15			
	Facility Electrician	28	1	1	1	1			
	Administrative Assistant II	20	0	0	0	0			
	Building Equipment Technician I/II+ **		0.50	0.50	0.50	0.50			
	Total Full-Time		<u>20</u>	<u>21</u>	<u>21</u>	<u>22</u>			
	Total Perm FTE**		<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>			
3271	Field Services/Custodial 1								
	Custodial Services Superintendent	39	1	1	1	1			
	Custodial Supervisor	28	0	0	1	1			
	Administrative Assistant II	20	0	0	1	1			
	Custodian	9	10	12	10	10			
	Total Full-Time		<u>11</u>	<u>13</u>	<u>13</u>	<u>13</u>			
3272	Field Services/Custodial 2								
	Custodial Supervisor	28	1	1	1	1			
	Custodian	9	8	7	9	9			
	Total Full-Time		<u>9</u>	<u>8</u>	<u>10</u>	<u>10</u>			
3273	Field Services/Custodial 3								
	Custodial Supervisor	28	1	1	1	1			
	Custodian	9	7	7	9	9			
	Total Full-Time		<u>8</u>	<u>8</u>	<u>10</u>	<u>10</u>			
3274	Field Services/Custodial 4								
	Custodial Supervisor	28	1	1	1	1			
	Custodian	9	11	13	9	9			
	Custodian*		0.49	0.49	0.49	0.49			
	Total Full-Time		<u>12</u>	<u>14</u>	<u>10</u>	<u>10</u>			
	Total Temp FTE*		<u>0.49</u>	<u>0.49</u>	<u>0.49</u>	<u>0.49</u>			
3612	TCA Facility Management								
	Facility Automation Tech	34	0	0	0	1			
	Building Equipment Technician II+	30	0	0	0	1			
	TCA Maintenance Supervisor	32	0	0	0	1			



	TCA Maintenance Worker	19	0	0	0	6
	<i>(All positions funded by Performing Arts Fund)</i>					
	Total Full-Time		0	0	0	9
3212	Central Parks and Rio Salado District					
	Parks and Golf Course Supervisor	34	1	0	0	0
	Senior Groundskeeper	21	2	0	0	0
	Sprinkler Sys. Maint. Worker I/II+	17	1	0	0	0
	Pest Control Technician	17	1	0	0	0
	Groundskeeper I/II+	17	4	0	0	0
	Groundskeeper*		0.88	0.00	0.00	0.00
	Unclassified Temporary*		0.84	0.00	0.00	0.00
	Total Full-Time		9	0	0	0
	Total Temp FTE*		1.72	0.00	0.00	0.00
3213	North Parks District					
	Parks and Golf Course Supervisor	34	1	0	0	0
	Parks Facility Maint. Wkr. I/II+	23	1	0	0	0
	Senior Groundskeeper	21	2	0	0	0
	Parks & Golf Course Mechanic	21	1	0	0	0
	Equipment Operator II	19	2	0	0	0
	Sprinkler Sys. Maint. Worker I/II+	17	3	0	0	0
	Pest Control Technician	17	1	0	0	0
	Groundskeeper I/II+	17	3	0	0	0
	Equipment Operator I	11	1	0	0	0
	Groundskeeper*		0.87	0.00	0.00	0.00
	Unclassified Temporary*		0.83	0.00	0.00	0.00
	Total Full-Time		15	0	0	0
	Total Temp FTE*		1.70	0.00	0.00	0.00
3214	South Parks and Sports Complex					
	Parks and Golf Course Supervisor	34	1	0	0	0
	Parks Facility Maint. Wkr. I/II+	23	1	0	0	0
	Senior Groundskeeper	21	4	0	0	0
	Equipment Operator II	19	3	0	0	0
	Sprinkler Sys. Maint. Worker I/II+	17	3	0	0	0
	Pest Control Technician	17	2	0	0	0
	Groundskeeper I/II+	17	8	0	0	0
	Equipment Operator I	11	3	0	0	0
	Groundskeeper*		0.87	0.00	0.00	0.00
	Unclassified Temporary*		0.83	0.00	0.00	0.00
	Total Full-Time		25	0	0	0
	Total Temp FTE*		1.70	0.00	0.00	0.00
3253	Field Services/Baseball Facility					
	Parks and Golf Course Supervisor	34	1	0	0	0
	Senior Groundskeeper	21	2	0	0	0



	Groundskeeper I/II+	17	5	0	0	0
	Groundskeeper*		0.56	0.00	0.00	0.00
	Total Full-Time		8	0	0	0
	Total Temp FTE*		0.56	0.00	0.00	0.00
3254	Field Services/Rio Salado					
	Senior Groundskeeper	21	1	0	0	0
	Groundskeeper I/II+	17	1	0	0	0
	Groundskeeper*		0.10	0.00	0.00	0.00
	Total Full-Time		2	0	0	0
	Total Temp FTE*		0.10	0.00	0.00	0.00
3255	Field Services/Landscape Maintenance Contract					
	Parks and Golf Course Supervisor	34	1	0	0	0
	Total Full-Time		1	0	0	0
3256	Field Services/Pest Control					
	Pest Control Technician	17	0	0	0	0
	Total Full-Time		0	0	0	0
3257	Field Services/Rio Salado - CFD					
	Groundskeeper I/II+	17	2	0	0	0
	Total Full-Time		2	0	0	0
3258	Double Butte Cemetery					
	Groundskeeper I/II+	17	1	0	0	0
	Total Full-Time		1	0	0	0
3712	Field Services/Solid Waste Support Services					
	Solid Waste Services Superintendent	51	1	1	1	1
	Solid Waste/Recycling Supervisor	38	1	1	1	1
	Solid Waste Services Specialist	28	1	1	0	0
	Solid Waste Inspector	28	0	1	2	2
	Administrative Assistant II	20	1	1	1	1
	Total Full-Time		4	5	5	5
3713	Field Services/Solid Waste Residential Refuse					
	Solid Waste/Recycling Supervisor	38	1	1	1	1
	Solid Waste Equipment Operator II	23	19	19	19	19
	Total Full-Time		20	20	20	20
3714	Field Services/Solid Waste Commercial Refuse					
	Solid Waste/Recycling Supervisor	38	1	1	1	1
	Senior Equipment Operator	29	3	3	3	3
	Solid Waste Equipment Operator II	23	12	13	13	13
	Total Full-Time		16	17	17	17



3715	Field Services/Roll Off Tilt Frame				
	Senior Equipment Operator	29	0	0	0
	Solid Waste Equipment Operator II	23	3	3	3
	Total Full-Time		<u>3</u>	<u>3</u>	<u>3</u>
3716	Field Services/Solid Waste Support Services				
	Lead Solid Waste Technician	23	1	1	0
	Solid Waste Equipment Specialist	20	3	3	4
	Wash Bay Attendant**	9	0.50	0.50	0.50
	Total Full-Time		<u>4</u>	<u>4</u>	<u>4</u>
	Total Perm FTE**		<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
3718	Field Services/Solid Waste Uncontained Refuse				
	Solid Waste/Recycling Supervisor	38	1	1	1
	Solid Waste Equipment Operator II	23	15	15	15
	Total Full-Time		<u>16</u>	<u>16</u>	<u>16</u>
2511	Field Services/Rolling Hills Golf				
	Parks & Golf Course Supervisor	34	0	0	0
	Senior Groundskeeper	21	1	0	0
	Parks & Golf Course Mechanic	21	1	0	0
	Equipment Operator II	19	1	0	0
	Sprinkler Systems Maint. Worker I/II+	17	1	0	0
	Groundskeeper I/II+	17	4	0	0
	Equipment Operator I	11	1	0	0
	Groundskeeper I/II+*		1.07	0	0
	Total Full-Time		<u>9</u>	<u>0</u>	<u>0</u>
	Total Temp FTE*		<u>1.07</u>	<u>0</u>	<u>0</u>
2512	Field Services/Ken McDonald Golf				
	Parks & Golf Course Supervisor	34	1	0	0
	Senior Groundskeeper	21	1	0	0
	Parks & Golf Course Mechanic	21	1	0	0
	Equipment Operator II	19	2	0	0
	Sprinkler System Maint. Worker I/II+	17	1	0	0
	Groundskeeper I/II+	17	5	0	0
	Equipment Operator I	11	1	0	0
	Groundskeeper I/II+*		1.35	0	0
	Total Full-Time		<u>12</u>	<u>0</u>	<u>0</u>
	Total Temp FTE*		<u>1.35</u>	<u>0.00</u>	<u>0.00</u>
	Field Services Division Total Full-Time		<u>211</u>	<u>132</u>	<u>132</u>
	Field Services Division Total Perm FTE**		<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
	Field Services Division Total Temp FTE*		<u>8.69</u>	<u>0.49</u>	<u>0.49</u>
3261	Fleet Services/Fleet Management				
	Fleet Director	155	1	1	1
	Fleet Analyst	42	1	1	1



	Auto Parts Supervisor	38	1	1	1	1
	Equipment Control Coordinator	33	1	1	1	1
	Fleet Parts Specialist	26	3	3	3	3
	Administrative Assistant II	20	1	1	1	1
	Parts Messenger*		0.50	0.50	0.50	0.50
	Total Full-Time		8	8	8	8
	Total Temp FTE*		0.50	0.50	0.50	0.50
3262	Fleet Services/Fleet Maintenance					
	Fleet Supervisor	40	3	3	3	3
	Sr. Fleet Equipment Mechanic	35	3	3	3	3
	Equipment Mechanic	31	14	14	14	14
	Fleet Paint & Body Repair Technician	28	1	1	1	1
	Equipment Service Worker II	16	4	4	4	4
	Total Full-Time		25	25	25	25
	Fleet Services Division Total Full-Time		33	33	33	33
	Fleet Services Division Total Temp FTE*		0.50	0.50	0.50	0.50
3813	Streets & Traffic Operations/Street Maintenance					
	Street Maintenance Superintendent	49	1	1	1	1
	Senior Civil Engineer +	49	1	1	1	1
	Street Maintenance Supervisor	36	1	1	1	1
	Street Maintenance Team Leader	29	3	3	3	3
	Senior Pest Control Technician	28	1	1	0	0
	Street Maintenance Equip Operator I/II	24	19	19	19	19
	<i>(2 positions funded by Solid Waste for Alley Management Program)</i>					
	<i>(4 positions funded by Water/Wastewater for Street sweeping-stormwater program)</i>					
	Administrative Assistant II	20	1	1	1	1
	Total Full-Time		27	27	26	26
3814	Street & Traffic Operations/Right-of-Way					
	Street Maintenance Team Leader	29	0	0	1	1
			0	0	1	1
3821	Streets & Traffic Operations/Administration					
	Deputy PW Manager - Trans. Ops. & Streets	163	1	1	1	1
	Deputy PW Manager - Admin. & Cust. Svcs	162	1	1	1	1
	Total Full-Time		2	2	2	2
3822	Transportation/Studies & Design					
	Traffic Engineer	53	1	1	1	2
	Intelligent Trans. System Coordinator	51	1	1	1	1
	Senior Civil Engineer+	49	1	1	3	3
	Senior Transportation Planner	43	1	1	0	0
	Traffic Engineering Analyst	38	3	3	2	2
	Sr./Traffic Engineering Technician+	30	1	1	0	2



	Administrative Assistant II	20	1	1	1	1
	Traffic Engineering Technician+ *		0.00	1.00	1.00	0.00
	<i>(Position funded through December 2006)</i>					
	Total Full-Time		9	9	8	11
	Total Temp FTE*		0.00	1.00	1.00	0.00
3823	Streets & Traffic Operations/Operations					
	Traffic Operations Supervisor	49	1	1	1	1
	Senior Sign Technician	33	1	1	1	1
	Traffic Operations Crew Leader	27	2	2	2	2
	Traffic Operations Support Specialist	24	1	1	1	1
	Sign Technician	23	1	1	1	1
	Transportation Worker I/II+	21	4	4	4	4
	Total Full-Time		10	10	10	10
3824	Streets & Traffic Operations/Street Lighting					
	Management Assistant I/II+	38	1	1	1	1
	Lighting Systems Coordinator	38	1	1	1	1
	Total Full-Time		2	2	2	2
3825	Streets and Traffic Operations/Signal System					
	Traffic Signal Supervisor	41	1	1	1	1
	Traffic Signal Tech Crew Lead	36	1	1	1	1
	Traffic Signal Technician I/II+	31	3	3	3	3
	Traffic Signal Services Crew Lead	30	1	1	1	1
	Traffic Signal Service Worker I/II+	25	4	4	4	4
	Underground Utilities Coordinator	24	1	1	1	1
	Unclassified Temporary*		0	3	3	0
	<i>(Positions funded through FY 2006-07 only)</i>					
	Total Full-Time		11	11	11	11
	Total Temp FTE*		0.00	3.00	3.00	0.00
3911	Transportation/Transit					
	Deputy Public Works Manager-Transit & Transp.	162	1	1	1	1
	Transportation Financial Analyst	44	1	1	1	1
	Management Assistant I/II	38	1	1	1	1
	Transportation Support Specialist	24	1	1	1	1
	Administrative Assistant I/II+	20	1	1	1	1
	Administrative Assistant I/II+ *		0.00	1.00	1.00	1.00
	Total Full-Time		5	5	5	5
	Total Temp FTE*		0.00	1.00	1.00	1.00
3914	Transit Operations					
	Transit Administrator	52	1	1	1	1
	Transit Facility Supervisor	42	0	1	1	1
	Sr. Transit Operations Coordinator	40	1	1	1	1
	Transit Operations Coordinator I/II +	36	2	2	2	2



	Building Equipment Tech II+	30	0	0	0	1
	Custodian	09	0	0	0	2
	Total Full-Time		4	5	5	8
3915	Transportation/Transit Store					
	Building Equipment Tech II+	30	0	0	0	2
	Lead Transit Store Technician	27	3	3	1	1
	Financial Svcs Tech I/II+	23	0	0	1	1
	Custodian	09	0	0	0	3
	Financial Svcs Tech I/II+**		0	0	1	1
	Total Full-Time		3	3	2	7
	Total Perm FTE**		0	0	1	1
3916	Marketing and Public Information					
	Community Outreach & Marketing Supervisor	47	1	1	1	1
	Community Outreach Marketing Coordinator I/II+	40	2	2	1	1
	Transit Information Specialist	36	0	0	1	1
	Total Full-Time		3	3	3	3
3917	Transportation/Bus Stop Maintenance					
	Transportation Operations Worker I/II+	21	5	5	5	5
	Total Full-Time		5	5	5	5
3921	CP/EV Light Rail Project					
	Dep PW Manager - LRT Project Manager	162	1	1	1	1
	Principal Civil Engineer	53	1	1	1	1
	Sr. Management Assistant	44	0	1	1	1
	Senior Transportation Planner +	43	1	1	1	1
	LRT Transportation Planner	38	1	1	1	1
	Management Assistant II	38	1	1	1	1
	Sr. / Traffic Engineering Technician	33	0	1	2	1
	Management Intern**		0.00	0.00	0.00	0.00
	Total Full-Time		5	7	8	7
	Total Perm FTE**		0.00	0.00	0.00	0.00
3922	Transportation Systems					
	Sr. Civil Engineer+	49	1	1	1	1
	ITS Network Engineer	49	0	0	0	1
	Total Full-Time		1	1	1	2
3923	Operations/Transportation					
	Principal Planner	51	2	2	2	2
	Sr. Transportation Planner +	38	2	2	2	2
	Total Full-Time		4	4	4	4
	Transportation Division Total Full-Time		91	94	93	104
	Transportation Division Total Perm FTE**		0.00	0.00	1.00	1.00
	Transportation Division Total Temp FTE**		0.00	5.00	5.00	1.00



Public Works Department Total Full-Time	369	299	299	319
Public Works Department Total Perm FTE**	1.00	1.00	2.00	2.00
Public Works Department Total Temp FTE*	9.68	6.48	6.48	2.48

WATER UTILITIES

3002	Water Utilities - Administration					
	Water Utilities Dept. Manager	171	1	1	1	1
	Deputy Water Utilities Manager - Operations	163	1	1	1	1
	Principal Infrastructure Engineering Planner	51	1	1	1	1
	Assistant to the WUD Manager	46	1	1	1	1
	Planning and Research Analyst	44	1	1	1	1
	Environmental Quality Specialist	41	1	1	1	1
	Management Assistant I/II+	38	1	1	1	1
	Engineering Tech II+	29	0	1	1	1
	Administrative Assistant II	20	2	2	2	2
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		9	10	10	10
	Total Temp FTE*		0.49	0.49	0.49	0.49
3003	Water Utilities Warehouse					
	Warehouse Supervisor	31	1	1	1	1
	Inventory Services Specialist	17	1	1	1	1
	Inventory Services Specialist**		0.50	0.50	0.50	0.50
	Total Full-Time		2	2	2	2
	Total Perm FTE**		0.50	0.50	0.50	0.50
3004	Water Utilities Security					
	WUD Security Coordinator	37	1	1	1	1
	Water Utility Security Guard	18	2	2	2	2
	Water Utility Security Guard**		0.5	0.5	0.5	0.5
	Total Full-Time		3	3	3	3
	Total Perm FTE**		0.5	0.5	0.5	0.5
3011	Water Quality - Administration					
	Plant Operations Administrator	53	1	1	1	1
	Total Full-Time		1	1	1	1
3012	Control Center Operations					
	Control Center Supervisor	41	1	1	1	1
	Instrumentation and Control Tech (4 SBP)	32	4	4	4	4
	Control Center Operator	31	4	4	4	4
	Total Full-Time		9	9	9	9
3013	Johnny G. Martinez Water Plant					
	Plant Team Leader	40	1	1	1	1
	Plant Electrician (SBP)	32	1	1	1	1
	Plant Mechanic (SBP)	29	3	2	2	2



	Plant Operator I/II+ (6 SBP)	28	9	8	8	8
	<i>(1 position funded through FY 08/09 only)</i>					
	Total Full-Time		14	12	12	12
3014	South Tempe Water Plant					
	Plant Team Leader	40	1	1	1	1
	Plant Electrician (SBP)	32	1	1	1	1
	Plant Mechanic (SBP)	29	1	2	2	2
	Plant Operator I/II+ (4 SBP)	28	5	6	6	6
	<i>(1 position funded through FY 08/09 only)</i>					
	Total Full-Time		8	10	10	10
3021	Distribution System Services - Administration					
	Transmission and Collection Administrator	53	1	1	1	1
	Total Full-Time		1	1	1	1
3022	Distribution System Maintenance					
	Utility Services Supervisor	39	1	1	1	1
	Utility Services Team Lead	30	2	2	2	2
	Utility Services Tech I/II+ (SBP)	25	10	10	10	10
	Total Full-Time		13	13	13	13
3024	Irrigation					
	Water Systems Supervisor	37	1	1	1	1
	Irrigator	15	7	7	7	7
	Total Full-Time		8	8	8	8
3025	Technical Support Team					
	Engineering Tech II+	29	2	1	0	0
	CMMS Tech II	28	4	4	4	4
	TV Truck Technician	28	1	1	2	2
	Underground Utilities Coordinator	24	2	2	2	2
	Administrative Assistant II	20	1	1	1	1
	Total Full-Time		10	9	9	9
3027	Environmental Services					
	Environmental Services Administrator	56	1	1	1	1
	Environmental Program Supervisor	51	1	1	1	1
	Environmental Quality Specialist	41	2	2	2	3
	Cross Connection Control Supervisor	37	1	1	1	1
	Cross Connection Control Inspector	30	1	1	1	1
	Administrative Assistant II**		0.5	0.5	0.5	0.5
	Total Full-Time		6	6	6	7
	Total Perm FTE**		0.5	0.5	0.5	0.5
3028	Environmental - Wastewater					
	Environmental Compliance Supervisor	42	1	1	1	1



	Environmental Compliance Inspector I/II+	31	6	6	6	6
	Environmental Technician I/II+	24	4	4	4	4
	Administrative Assistant II	20	2	2	2	2
	Total Full-Time		13	13	13	13
3029	Environmental Health & Services					
	Environmental Health & Safety Supervisor	51	1	1	1	1
	Industrial Hygienist	41	1	1	1	1
	Hazardous Material Safety Specialist	38	1	1	1	1
	Water Utility Safety & Training Coordinator	36	2	2	2	2
	HPCC Interns*		0	0	0.98	0.98
	Total Full-Time		5	5	5	5
	Total Temp FTE*		0	0	0.98	0.98
3031	Wastewater Services - Administration					
	S.R.O.G Program Administrator	52	1	1	1	1
	Total Full-Time		1	1	1	1
3033	Wastewater Utility Services					
	Utility Services Team Lead (SBP)	30	2	2	2	2
	Utility Services Tech I/II+ (SBP)	25	8	8	8	8
	Total Full-Time		10	10	10	10
3034	Kyrene Water Reclamation Plant					
	Plant Team Leader	40	1	1	1	1
	Plant Electrician	32	1	1	1	1
	Plant Mechanic+ (SBP)	29	1	1	1	2
	Plant Operator I/II+ (SBP)	28	2	2	2	2
	Total Full-Time		5	5	5	6
3035	Field Facilities - Wastewater					
	Plant Team Leader (SBP)	40	1	1	1	1
	Plant Mechanic+ (SBP)	29	2	2	2	2
	Total Full-Time		3	3	3	3
3041	Laboratory Services - Administration					
	Laboratory Supervisor	46	1	1	1	1
	Chemist I/II+	36	5	5	5	5
	Water Quality Specialist	28	1	1	1	1
	Administrative Assistant II	20	1	1	1	1
	Total Full-Time		8	8	8	8
3051	Water Resources - Administration					
	Water Resource Administrator	54	1	1	1	1
	Water Resources Hydrologist	48	1	1	1	1
	Total Full-Time		2	2	2	2



3052	Water Conservation					
	Water Conservation Coordinator	39	1	1	1	1
	Water Conservation Specialist	35	1	1	1	1
	Total Full-Time		2	2	2	2
	Water Utilities Department Total Full-Time		133	133	133	135
	Water Utilities Department Total Perm FTE*		1.50	1.50	1.50	1.50
	Water Utilities Department Total Temp FTE*		0.49	0.49	1.47	1.47
	Grand Total Full-Time		1,700	1,731	1,734	1,785
	Grand Total Perm FTE**		18.55	19.05	18.05	18.55
	Grand Total Temp FTE*		214.24	223.68	224.70	225.30

****Permanent Full-Time Equivalent *Temporary Full-Time Equivalent ()Former Cost Center Number**



Grant Funded Personnel (Included in above totals)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
City Attorney				
Legal Services (Victims Right Grant)	1	1	1	1
City Court	0	0	0	0
Development Services				
Redevelopment/Section 8 Housing	18	18	17	17
Redevelopment, Neighborhood Planning and Urban Design	3	3	3	2
Total	22.00	22.00	21.00	20.00
Police				
Grant Funded	1	1	1	1
Total	1	1	1	1
Grand Total	24.00	24.00	23.00	22.00

Personnel by Fund (Full-Time Only)	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
General Fund	1,302	1,315	1,319	1,346
Risk Management Fund	3	4	4	4
Special Revenue Funds				
HURF	55	55	54	57
Transit	30	35	36	52
Rio Salado/CFD	19	26	26	28
Performing Arts	19	21	21	22
CDBG/Section 8	18	18	17	17
Enterprise Funds				
Golf	21	21	21	21
Cemetery	3	3	3	3
Water/Wastewater	165	166	166	168
Solid Waste	65	67	67	67
Grand Total	1,700	1,731	1,734	1,785



Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Adopted Budget - The financial plan of revenue and expenditures for a fiscal year as approved by the governing entity.

Annexation - Is the legal merging of some territory into another. A city might annex unincorporated areas or a county might annex other disputed territories. Also used to refer to mergers of countries.

Appropriation - An authorization made by the City Council which permits the City to incur obligations to make expenditures for specific purposes.

Assessed Valuation - A value that is established for real and personal property for use as a basis for levying property taxes (note: Property values are established by the County).

Asset - Resources owned or held by a government which have monetary value.

Available (Undesignated) Fund Balance - Refers to the funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Balance Sheet - A financial statement showing the assets, liabilities, and net worth of an entity as of a specific date.

Balanced Budget - A balanced budget arises when the government entity estimates the same amount of money from revenue collection as it is appropriating for expenditures.

Benchmarking - The process of comparing a entities performance against the practices of other leading entities -in or outside of an industry -for the purpose of improving performance. Entities also benchmark internally by tracking and comparing past performance.

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used to finance capital projects.

Bond Rating - Is the measure of the quality and safety of a bond. It indicates the likelihood that a debt issuer will be able to meet scheduled repayments, and dictates the interest rate paid.

Bond Refinancing - The payoff and re-issuance of

bonds, to obtain better interest rates and/or bond conditions.

Budget - A plan of financial operation for a specified period of time (fiscal year). The annual Budget authorizes, and provides the basis for control of, financial operations during the fiscal year.

Capital Budget - A Capital Budget is a separate budget from the operating budget. Items in the CIP are usually construction or renovation projects designed to improve the value of the government assets. Examples of capital improvement projects include new roads, sewer lines, buildings, recreational facilities and large scale remodeling. The City Council receives a separate document that details the CIP costs for the upcoming fiscal year.

Line-Item Budget - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

Performance Budget - A budget that focuses upon departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess the effectiveness and efficiency of services. Typical measures collected might include average emergency response time for fire or cost per man-hour of garbage collection.

Program Budget - A budget that focuses upon broad functions or activities of an agency or jurisdiction rather than upon its organizational budget units or object classes of expenditure. The City's programs: (1) General Services; (2) Development Services; (3) Public Safety; (4) Environmental Health; (5) Community Services; and (6) Public Transportation.

Budget Adjustment - A procedure to revise a budget appropriation either by City Council approval through the adoption of a supplemental appropriation ordinance for any interdepartmental or interfund adjustments or by City Manager authorization to adjust appropriations within a departmental budget.

Budget Calendar - The schedule of key dates or milestones which the City follows in the preparation,



adoption, and administration of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Group - A fun group of hard working employees responsible for budget preparation, benchmarking, forecasting, and financial analysis.

Budget Message - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

Budgetary Basis - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, Modified Accrual or some type of statutory form budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that (a) encumbrances are considered to be an expenditure chargeable to appropriations, (b) no depreciation is budgeted for in enterprise funds, (c) investments in supply inventories and assets restricted for self-insurance purposes are not considered to be appropriable, (d) revenue accruing to sinking funds are not appropriable, and (e) contributions into sinking funds are budgeted, whereas disbursements from sinking funds are not budgeted. Unencumbered appropriations lapse at the close of the fiscal year.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenue.

Capital Budget - The appropriation of bonds or other revenue for improvements to facilities and other infrastructure.

Capital Expenditures - Expenditures approved in the Capital Budget related to the acquisition, expansion or rehabilitation of an element of the government's physical plant.

Capital Improvements - The acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvements Program - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a period of several future years. Tempe's City Charter requires annual submission of a five-year capital program for City Council approval.

Capital Outlay - Expenditures which result in the acquisition of or addition to fixed assets.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Community Development Block Grant (CDBG) - Program authorized by the Housing and Community Development Act of 1974 in place of several community development categorical grant programs. CDBG provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low and moderate income persons.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost Center - An organizational budget/operating unit within each City division or department, i.e., Radio Maintenance is a cost center within the Communications Division.

Debt Management (Capacity) Plan - The City's basis to evaluate upcoming and future debt financing in relation to the impact the borrowing will have on the City's debt ratios and related to the City's credit position as determined by the major rating agencies.

Debt Ratios - Ratios which provide measure of assessing debt load and ability to repay debt which play a part in the determination of credit ratings. They are also used to evaluate the City's debt position over time and against its own standards and policies. The four major debt ratios used by the City are (1) Debt Per Capita; (2) Debt to Full Value; (3) Debt to Personal Income; and (4) Debt Services to Revenue.

Debt Service - The amount of interest and principal that a City must pay each year on net direct long-term debt plus the interest it must pay on direct short-term debt.

Direct Debt - The sum of the total bonded debt and any unfunded debt (e.g. short-term notes) of the City for which the City has pledged its "full faith and credit." It does not include the debt of overlapping jurisdictions.

Self-Supporting Debt - Debt for which the City has pledged a repayment source separate from its general tax revenue (e.g. water bond repaid from water utility income/special assessment bonds).



Outstanding Tax Supported Debt - Direct debt minus self-supporting debt. Debt for which the City has pledged a repayment from its secondary property taxes.

Overall Net Debt - Net direct debt plus overlapping debt.

Overlapping Debt - The City's proportionate share of the debt of other local overlapping governmental jurisdictions. The debt is generally apportioned based on relative assessed value.

Debt Service Fund Requirements - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures over revenue during a single accounting period.

Department - A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.

Department Goal - Specific intended result of a strategy; used interchangeably with objective. The term "goal" is used in a wide variety of ways in planning; e.g. as a strategic result or outcome; an objective, a measure, a target, etc.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division - A group of homogeneous cost centers within a department, i.e., all traffic engineering, traffic operations and transit cost centers make up the Transportation Division within the Public Works Department.

Effective Measure - Degree to which an activity or initiative is successful in achieving a specified goal. Also, the degree to which activities of a unit achieve the unit's mission or goal.

Efficiency Measure - Degree of capability or productivity of a process, such as the number of cases closed per year or tasks accomplished per unit cost.

Encumbrance - The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year.

Expenditure/Expense - This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

Fiscal Year - The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Tempe has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Franchise Fees - Annual fees paid by utilities (electricity, telephone, cable TV, natural gas) for the use of the city's public rights-of-way, or that are granted a service monopoly that is regulated by the city (garbage collection). The franchise fee is typically a set percentage of gross revenue within the city.

Full Faith and Credit - A pledge of a government's taxing power to repay debt obligations.

Full-Time Equivalent (FTE) - There are three types of classifications: (1) Full-time - works 40 hrs/week (full-time) and is benefitted; (2) Permanent FTE - works more than 19.5 hours per week and less than 40 hrs/week, is not seasonal, is not of specific limited duration, and is not for educational training; and (3) Temporary FTE - works less than 40 hrs/week, is seasonal, and is of specific limited duration, or is for educational training.

Fund - A set of inter-related accounts to record revenue and expenditures associated with a specific purpose. Fund structure consists of Governmental Funds (e.g., General Fund, Special Revenue Fund, Debt Service Fund), Proprietary Funds, and Fiduciary Funds (See previous section on "Financial Structure and Operations" for complete description of funds).

Governmental Funds

Capital Projects Fund - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

Debt Service Fund - Debt Service Funds are set up to receive dedicated revenue used to make principal and interest payments on City debt.



They are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment debt principal, interest and related costs, except the debt service accounted for in the Special Revenue Funds, and Enterprise Funds.

General Fund - The General Fund is the general operating fund of the City. It is used to account for all activities of the City not accounted for in some other fund.

Special Revenue Fund - Special Revenue Funds are set up as accounts for Federal or State grants legally restricted to expenditures for specific purposes. Our Special Revenue Funds include the Highway User Fund, the Local Transportation Assistance Fund, the Performing Arts Fund, the Community Development Fund, and the Housing Assistance Fund.

Proprietary Funds

Enterprise Funds - Enterprise Funds are used to account for operations including debt service (a) that are financed and operated in a manner similar to private businesses - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes. Our Enterprise Funds include the Water and Wastewater Fund, the Solid Waste Fund, the Cemetery Fund and the Golf Course Fund.

Fund Balance - The difference between revenue and expenditures. The beginning fund balance represents the residual funds brought forward from the previous year (ending balance).

General Governmental Revenue - The revenue of a government other than those derived from and retained in an enterprise fund. General Governmental revenue include those from the General, Debt Service, and Special Revenue Funds.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from secondary property taxes, and these bonds are backed by the "full faith and credit" of the issuing government.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards for financial accounting

and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal - A long-term, attainable target for an organization—its vision of the future.

Governmental Accounting Standards Board (GASB) - An accounting standards board formed in 1984 by the Financial Accounting Foundation (FAF) to develop accounting standards for state and local governmental entities.

Grant - A contribution by the State or Federal government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

Highway User Revenue Fund (HURF) - Special revenue fund to account for the receipts and expenditures of highway user monies. Arizona cities/towns are entitled to receive a portion of the highway user revenue collected by the state. The highway user revenue consist of the gasoline and diesel fuel taxes as well as other transportation related fees. One half of the money is distributed on the basis of the population of an incorporated city/town as a percentage of the total of all incorporated cities/towns in the state. The remaining half of the money is distributed based on the level of gasoline sales in the county in which the municipality is located and the population of each city or town in the county. Highway user revenue funds may only be used for street and highway purposes.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned, such as administrative support, facility maintenance or custodial services.

Infrastructure - The basic facilities, services, and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, and public institutions including schools, post offices, and prisons.

Interfund Transfer - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenue, and payments in lieu of taxes.

Internal Services Charges - The charges to user departments for internal services provided by another government agency, such as data processing, fleet services and communications.



Liability - Amounts owed for items received, services rendered, expenses incurred, assets acquired, construction performed, and amounts received but not as yet earned.

Local Transportation Assistance Fund (LTAF) - Special revenue fund to account for the receipts and expenditures associated with LTAF monies. This state shared revenue is generated by the state lottery. Distribution is based upon the population of the city/town in relation to the total population of all cities/towns. Each city/town is entitled to receive a minimum of \$10,000. A maximum of \$23 million (if that amount is generated by the lottery) is distributed each year to cities/towns. The principal use of these funds is for transportation purposes.

Levy - To impose taxes for the support of government activities.

Line-Item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Long-Term Debt - Debt with a maturity of more than one year after the date of issuance.

Maintenance of Effort - A transfer of General Fund dollars to Transportation to fulfill the statutory requirement placed on cities to maintain the expenditure of local revenue for streets at a level computed as an average of local funds expended for any four of the FY 1981-82 through FY 1985-86. That obligation is calculated at \$1,850,705.

Mandate - Is a binding obligation issued from an inter-governmental organization for example the state to a county which is bound to follow the instructions of the organization.

Modified Accrual Basis - Refers to the accrual basis of accounting, which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Thus, under modified accrual basis of accounting, then, amounts are recognized as revenue when earned, only so long as they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period.

Municipality - An urban district having corporate status and powers of self-government.

Objective - A specific measurable and observable result of an organization's activity which advances the organization toward its goal.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations, including such items as taxes, user fees, interest earnings, and grant revenue. Operating revenue is used to pay for day-to-day services.

Other Post Employment Benefits - in addition to salary, an employee may earn benefits over their years of service that will not be received until after their employment ends. Post-employment benefits other than pensions generally take the form of health insurance and dental, vision, prescription or life insurance benefits provided to eligible retirees. As a group, these are referred to as Other Post-employment Benefits, or OPEB.

Pay-As-You-Go Financing - A term used to describe a financial policy by which the capital program is financed from current revenue rather than through borrowing.

Per Capita - Applies to a unit of population or a person and shows how much each would have if a commodity/expense was divided equally.

Performance Budget - A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Performance Indicators - Specific quantitative and qualitative measure of work performed as an objective of the department.

Performing Arts Fund - Used to account for the receipts and expenditures of Performing Arts monies. This tax is for the construction and operation of the performing and visual arts center.

Personal Services - Expenditures for salaries, wages, and fringe benefits of a government's employees.

Policy - A plan, course of action or guiding principle, designed to set parameters for decisions and actions.

Prior Year Encumbrances - Obligations from previous years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program Budget - A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments. The City's program budget is divided into six major programs:

(1) **General Services** consists of: Mayor and Council; City Manager; Internal Audit; Diversity Program; Community Relations; City Clerk;



Human Resources; City Attorney; Financial Services; Public Works; Information Technology; and Other Programs.

(2) Development Services consists of: Development Services, Community Development, and Public Works – Design/Construction/ Landscape maintenance.

(3) Public Safety consists of: City Court; Police; and Fire.

(4) Environmental Health consists of: Water Utilities; Public Works- Solid Waste; and Development Services – Code Enforcement.

(5) Community Services consists of: Community Services – Recreation/Library/ Social Services; Public Works – Park Maintenance; and Cemetery.

(6) Transportation consists of: Public Works – Transit/Street Maintenance.

Property Tax - A levy upon the assessed valuation of the property within the City of Tempe upon each \$100 of valuation. Property taxes in Arizona consist of both primary and secondary levies.

Primary Property Tax - A statutory limited tax levy which may be imposed for any purpose.

Secondary Property Tax - An unlimited tax levy which may be used only to retire the principal and interest or redemption charges on bond indebtedness.

Purpose - A broad statement, in terms of meeting public service needs, that a department is organized to meet.

Reserve - An account used to indicate that a portion of a fund's assets are restricted for a specific purpose and is, therefore, not available for general appropriation.

Resolution - A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenue, fund transfers, and beginning balances.

Retained Earnings - An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenue - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenue and interest income.

Revenue Bonds - Bonds usually sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

Revised Budget - A revised budget is a revision of the adopted budget previously submitted and authorized by a governing board.

Right-of-Way - The land used by a public utility, road, or railroad.

Rio Salado - Spanish for Salt River was a project to re-introduce water into a dry riverbed. In 1999, Tempe Town Lake was filled and it extends about 5.5 miles in length and one mile in width.

Rio Salado Community Facilities District Fund - Special revenue fund established in 1987, under the laws of the State of Arizona. The purpose is to account for the receipts and expenditures associated with Tempe Town Lake.

Rio Salado Fund - Special revenue fund to account for the receipts and expenditures of miscellaneous monies used to foster the development of Rio Salado.

Risk Management - An organization goal to protect a government's assets against accidental loss in the most economical method.

R.O.W. - Abbreviated form, see *Right-of-Way*.

Source of Revenue - Revenue are classified according to their source or point of origin.

Surplus - An excess of receipts over disbursements.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.



User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).

Acronyms

ADA-American with Disabilities Act
ADDI-American Dream Downpayment Initiative
APS-Arizona Public Service
ARC-Annual Retiree Contribution
A.R.S.-Arizona Revised Statutes
AWA-America West Airlines
AWWA-American Water Works Association
ASU-Arizona State University
CAD-Computer Assisted Dispatch
CAFR-Comprehensive Annual Financial Report
CAP-Central Arizona Project
CAWCD-Central Arizona Water Conservation District
CDBG-Community Development Block Grant
CFD-Community Facilities District
CIP-Capital Improvement Plan
COE-Cooperative Office Education
COPS-Community Oriented Policing System
CP/EV-Central Phoenix/East Valley
EEOC-Equal Employment Opportunity Commission
DUI-Driving Under the Influence
FEVA-Finance, Economy, and Veterans Affairs
FTE-Full Time Equivalent
FRWS-Field Report Writing System
FTA-Federal Transportation Administration
FY-Fiscal Year
FYE-Fiscal Year Ending
GAAP-Generally Accepted Accounting Principles
GASB-Governmental Accounting Standards Board
GIS-Geographical Information System
G.O.-General Obligation
HBN-High Tech, Nanotech, Biotech
HOME-Home Ownership Made Easier
HPCC-Household Products Collection Center
HUD-Housing and Urban Development
HURF-Highway User Revenue Fund
HVAC-Heating, Ventilation, and Air Conditioning
ICMA-International City Management Association
IMP-Integrated Master Plan
ITD-Information Technology Department
JGMWTP-Johnny G. Martinez Water Treatment Plant
LTAF-Local Transportation Assistance Fund
MAG-Maricopa Association of Governments
MGD-Million Gallons per Day
N/A-Not Applicable
O&M-Operation and Maintenance
OPEB-Other Post Employment Benefits
OSHA-Occupational Safety & Health Administration
PTF-Priority Transportation Fund
RICO-Racketeer Influenced and Corrupt Organizations
RMS-Records Management System

ROW-Right-of-Way
RPTA-Regional Public Transportation Authority
SAI-Southern Avenue Interceptor
SCADA-Supervisory Control and Data Acquisition
SBP-Skill Based Pay
SROG-Sub Regional Operating Group
TCA-Tempe Center for the Arts



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Office of Management and Budget Staff



Even though the budget is heard by the Mayor and Council in March and April, its preparation begins months prior, with projections of City funding sources, remaining bond authorization, reserves, revenue, and expenditures. It continues through numerous phases and culminates with adoption in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the fiscal year. Each year, every effort is made to improve both the budget process and the usefulness of budget documents.

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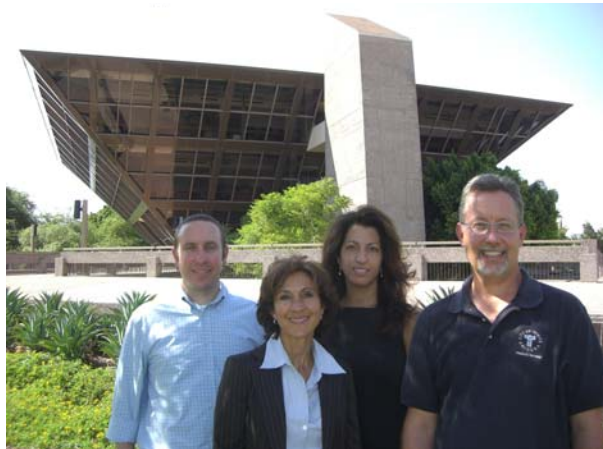
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Please see City of Tempe budget documents on the World Wide Web.

We're at: www.tempe.gov/budget

If you have any questions, call us at (480) 350-8350

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Office of Management and Budget Staff. In the background is Tempe City Hall.

This award-winning and unusual building was completed in 1970. It serves as municipal offices for the City of Tempe. Its unique shape was designed to conserve energy by allowing less light into the building. It was designed by Michael and Kemper Goodwin, Tempe architects.



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