

City of Tempe
Annual Budget



July 1, 2008 through June 30, 2009





Annual Budget FY 2008/09

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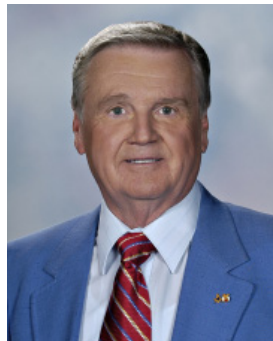
Illustration by Mike Gushock.

The Metro Light Rail going over the lighted Tempe Town Lake.

Tempe Mayor & City Council



Hugh Hallman
Mayor



Hut Hutson
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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, 2007

Handwritten signature of Charles S. Cox in cursive.

President

Handwritten signature of Jeffrey R. Emery in cursive.

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, 2007.

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.

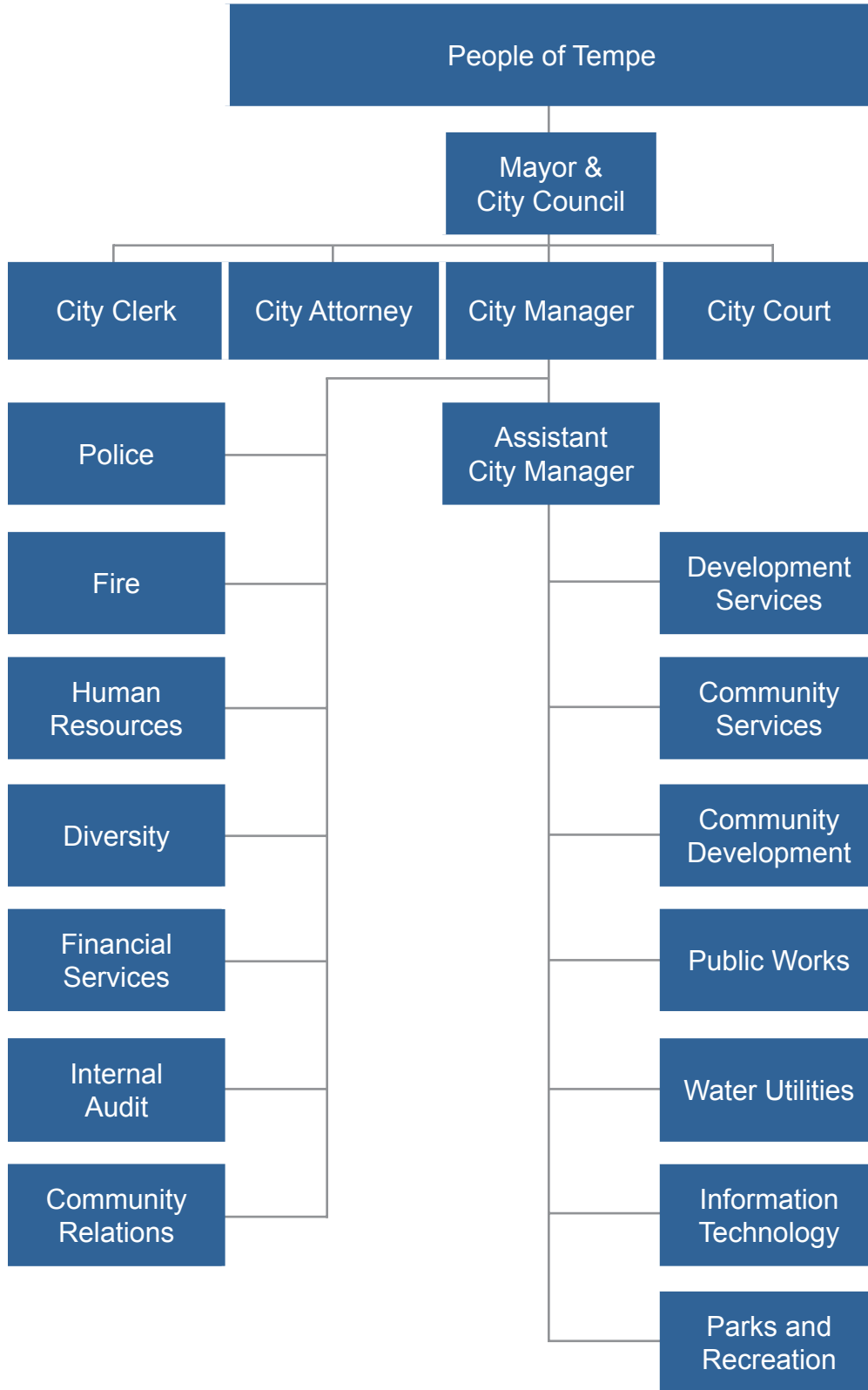
Respect

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, 2008

To the Honorable Mayor and City Council:

Transmitted herein is the City's Fiscal Year 2008-09 financial program. The combined operating and capital budgets included in the financial program total \$564 million, which represents a reduction of \$3.5 million, or 0.6% from the FY 2007-08 adopted budget. The decrease in the overall budget is attributed to the sizable reduction in the capital budget. Additional personnel, increasing health insurance costs, public safety retirement system contribution rates and annual employee step increases are driving the growth in the operating budget.

The Long-Range Financial Forecast reflected a \$12 million deficit in the General Fund for FY 2008-09. As a result, the Ad Hoc Long-Range Budget and Finance Planning Committee reconvened to address the immediate and ensuing fiscal years' estimated deficits. A number of methods were applied to balance this year's proposed operating budget, including revenue enhancements, expenditure reductions and a drawdown of the Rainy Day Reserve.

FINANCIAL PROGRAM SUMMARY

Total Annual Financial Program		
	FY 2007-08 Budget	FY 2008-09 Budget
Operating Budget	\$355,286,702	\$396,439,483
Percent Change		11.6%
Capital Improvements	\$212,706,469	\$168,033,325
Percent Change		(21.0%)
Total Financial Program	\$567,993,171	\$564,472,808
Percent Change		(0.6%)

OPERATING BUDGET

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

Operating Budget Summary			
	FY 2007-08 Budget	FY 2008-09 Budget	Percent Change
General Fund	\$173,148,855	\$186,327,945	7.6%
Special Revenue Funds			
Transportation	10,297,962	11,119,454	8.0%
Transit	51,893,704	64,370,597	24.0%
Rio Salado	2,078,346	2,467,828	18.7%
Performing Arts	8,598,850	8,965,354	4.3%
CDBG/Section 8	11,016,572	11,026,195	0.1%
Debt Service Fund	17,513,497	23,180,569	32.4%
Enterprise Funds			
Water/Wastewater	63,890,154	71,242,018	11.5%
Solid Waste	14,380,842	15,245,709	6.0%
Golf	2,078,836	2,108,511	1.4%
Cemetery	389,084	385,303	(1.0%)
Total Operating Budget	\$355,286,702	\$396,439,483	11.6%
Capital Improvements	212,706,469	168,033,325	(21.0%)
Total Financial Plan	\$567,993,171	\$564,472,808	(0.6%)

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 (General Fund)**
Movement of employees through the established salary ranges (\$6.9 million impact to the General Fund)
- **Public Safety Retirement**
The City's share of Public Safety Retirement for both the Police and Fire retirement systems increased by 41% and 34% respectively, (\$3.1 million impact to the General Fund)

Other factors contributing to operating budget growth include:

- **Midyear Budget Adjustments**
Additional Police, Human Resource, Diversity, and Information Technology staffing as part of the Police Department reorganization (\$1.7 million impact to the General Fund) and the addition of a 21 person fire company to staff Fire Station 7 (\$2.1 million impact to the General Fund)
- **Supplemental Budget Increases**
Supplemental increases to the operating budget for expansion of city services primarily in the Police Department, Community Services, and Community Development (\$1.9 million impact to the General Fund)
- **Transit Fund**
Additional funding for circulator bus routes, fixed route bus service, and light rail operations (\$10.8 million impact to the Transit Fund)
- **Water/Wastewater Fund**
Funding for increased expenses associated with personnel and other water plant maintenance items (\$0.7 million) and debt service (\$5.5 million)

CAPITAL BUDGET

The City's five-year Capital Improvement Program (CIP) covering FY 2008-09 through FY 2012-13 totals \$473.4 million. The first year of the five-year CIP, which the City incorporates into the annual budget totals \$168.0 million for FY 2008-09.

Capital Improvements Program Summary						
Program	2008-09 Funded Program	Additional Needs				Total Five-Year Program
		2009-10	2010-11	2011-12	2012-13	
Enterprise Program						
Water	\$47,529,000	\$28,344,000	\$20,538,400	\$17,402,400	\$6,365,000	\$120,178,800
Wastewater	20,425,000	17,290,950	17,184,250	17,440,000	16,490,000	88,830,200
Golf	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise	68,004,000	45,684,950	37,772,650	34,892,400	22,905,000	209,259,000
Special Purpose Program						
Transit	52,304,506	22,672,688	4,028,200	2,504,343	3,774,000	85,283,737
Rio Salado	5,971,361	17,184,030	6,870,672	282,080	294,476	30,602,619
Total Special Purpose	58,275,867	39,856,718	10,898,872	2,786,423	4,068,476	115,886,356
General Purpose Program						
Storm Drains	250,000	275,000	275,000	300,000	300,000	1,400,000
Police	6,261,249	2,360,800	950,000	950,000	900,000	11,422,049
Fire	5,312,020	8,890,959	7,731,821	500,000	0	22,434,800
Park Improvements	10,138,875	8,744,875	7,412,375	7,876,875	8,172,000	42,345,000
Community Services	5,211,938	4,219,409	532,509	373,467	266,290	10,603,613
Development Services	335,000	115,000	0	0	0	450,000
Information Technology	180,000	348,000	0	0	0	528,000
Community Relations	250,000	250,000	250,000	250,000	250,000	1,250,000
Public Works	1,678,000	882,000	782,000	782,000	782,000	4,906,000
Water Utilities	275,000	275,000	275,000	275,000	275,000	1,375,000
Total General Purpose	29,892,082	26,361,043	18,208,705	11,307,342	10,945,290	96,714,462
Transportation Program						
Transportation and R.O.W.	10,236,376	7,087,227	7,748,051	8,463,666	8,864,733	42,400,053
Traffic Signals/Street Lighting	1,625,000	1,753,348	2,286,319	1,575,000	1,921,469	9,161,136
Total Transportation Program	11,861,376	8,840,575	10,034,370	10,038,666	10,786,202	51,561,189
Total General/Transportation	41,753,458	35,201,618	28,243,075	21,346,008	21,731,492	148,275,651
Subtotal Tax Supported	100,029,325	75,058,336	39,141,947	24,132,431	25,799,968	264,162,007
TOTAL PROGRAM	\$168,033,325	\$120,743,286	\$76,914,597	\$59,024,831	\$48,704,968	\$473,421,007

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

New and continued funding for the Transit program (\$52.3 million) including:

- Continued funding for the planning, design and construction of the Central Phoenix and East Valley Light Rail Transit project (\$10.6 million)
- Continued funding for new fixed route and neighborhood circulator City buses (\$29.7 million)
- Funding for the construction of the South Tempe Transit Center (\$2 million)

New and continued funding for Water projects (\$47.5 million) including:

- Continued funding for expansion at the Johnny G. Martinez Water Treatment Plant (\$30 million)
- Continued funding for City water line replacements and upgrades (\$4.4 million)

New and continued funding for Wastewater projects (\$20.4 million) including:

- Continued funding for ongoing modifications to the 91st Avenue Wastewater Treatment Plant (\$15 million)

New and continued funding for Police projects (\$6.3 million) including:

- Continued funding for the Police Radio System Replacement (\$3.7 million)
- Funding for new ruggedized laptop computers for Patrol Officers and other field personnel (\$1.9 million)

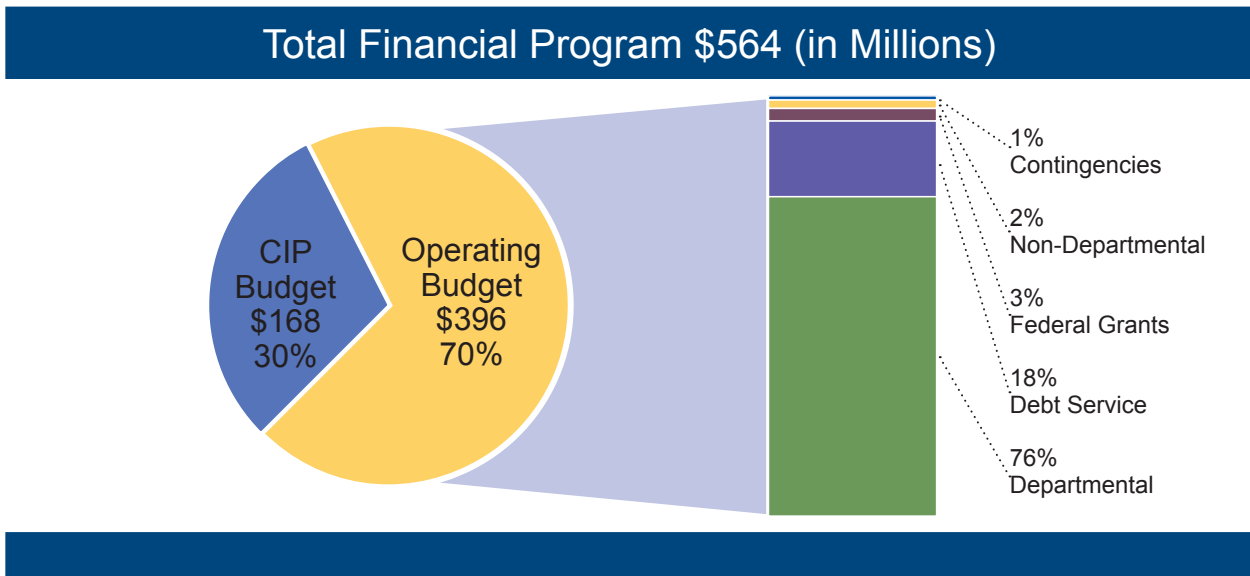
New and continued funding for Transportation Improvements (\$10.2 million)

New and continued funding for Park Renovation and Improvements (\$10.1 million)

New and continued funding for Fire projects (\$5.3 million) including:

- Continued funding for Fire Station 7 (\$3.9 million)
- Continued funding for a new Support Services Facility(\$665,136)

As the graph below depicts, the operating budget represents 70% of the FY 2008-09 total financial program. Departmental budgets make up 76% of the citywide operating budget.



Revenue Considerations

The City will modify revenue as needed in several areas for FY 2008-09.

Utility Rate Reviews

Upon finalizing the FY 2007-08 financial statements, Golf fees will be reviewed to determine if adjustments to the current fee structure are required. Council authorized residential rate increases of 5.5% for water and 20.5% for wastewater services are scheduled for implementation for this upcoming November. Residential solid waste increases of 5% are programmed for November 2008 and then again in November 2009.

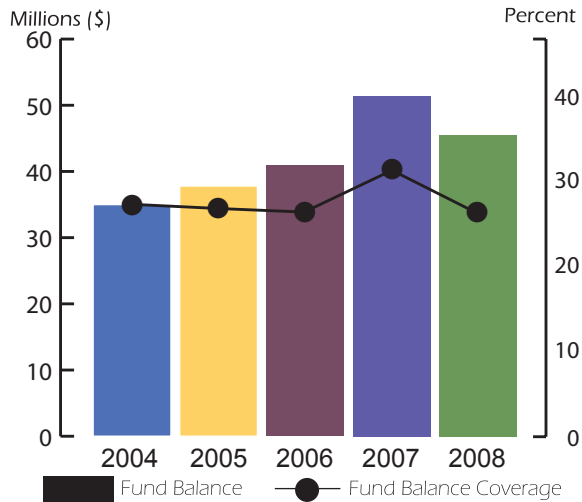
Review of Other Fees

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.

FINANCIAL ASSESSMENT

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

Unreserved General Fund Balance



Fund Balances

One measure of a city's financial strength is the level of its fund balances. The City's estimated unreserved fund balance in the General Fund will approximate \$45 million as of June 30, 2008. This balance represents 26% of FY 2007-08 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 Water/Wastewater fund has a fund balance of \$43.7 million, while the remaining Enterprise funds (Golf, Solid Waste, and Cemetery programs) will have a combined fund balance of approximately \$3.4 million at the end of FY 2007-08.

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. Included in various funds (General, Water/Wastewater, Rio Salado and Transit) of the annual operating budget and financed from current revenues is \$2.8 million of contingency funding for unanticipated emergencies. Finally,

the City's "Rainy Day Reserve" of \$8.0 million is available for unexpected emergencies. The Rainy Day Reserve will be tapped for \$2 million this fiscal year to balance the budget.

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

The 2007-2008 fiscal year was marked by the completion of office and industrial development under construction in the previous fiscal year. Over 0.9 million square feet of office development was delivered to the Tempe market. This new development facilitated a similar amount of leasing activity and increased the inventory of office space to 13.5 million square feet. The end-of-year office vacancy rate of 11.4% will provide needed space for incoming businesses and is well below the 16% Valley-wide rate. The delivery of new industrial/flex space was limited. However, leasing activity was strong (1.7 million square feet) and the negative net absorption of 385,833 square feet allowed for a healthy vacancy rate of 8% (13% Valley-wide) with a total industrial/flex inventory of 36.8 million square feet.

City staff facilitated the location/expansion of 25 businesses. These businesses contributed over \$250 million in capital investment, created over 2,000 jobs and included: biotechnology start-ups, capital equipment manufacturers, large scale semiconductor facilities and a variety of financial services companies. In addition to major projects, a number of small-to-medium sized businesses have continued to invest in equipment and tenant improvements.

The retail sector had a dramatic increase in absorption (1.4 million square feet) due to the opening of Tempe Marketplace. The Emerald Design Center and the pending construction of the Lowe's project at Baseline and Rural will provide additional retail opportunities for southern Tempe.

In summary, the delivered industrial, office and retail development contributed greatly to the strength of Tempe's economy. The diversity and quality of commercial development scheduled to be delivered next fiscal year will continue to provide opportunities for new businesses 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

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 Improvement Plan lives within the Debt Management Plan's design of limiting the issuance of General Governmental tax supported debt, currently averaging \$26.4 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 projected a deficit in FY 2008-09, largely attributed to the combination of reduced sales tax revenue collections and increasing personal services (salaries and benefits) costs.

This long-range forecast does not incorporate the impact to the City's finances of funding Other Post Employment Benefits (OPEB), which for Tempe is our retiree health care program. The issue is currently being examined by an ad hoc committee comprised of management, union representatives and City staff. A resolution of this issue is expected to be achieved during the year.

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

Council Budget Policy Direction

The following budget policy direction is incorporated within the assumptions of the Comprehensive Financial Plan.

- Successful efforts to manage the budget have been directed at reducing expenditures and/or increasing revenues.
- Maintain the City's strong financial reserve and fund balance program.
- 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 Council updates its strategic issues, goals and objectives on an annual basis to provide more long-range focus to resource allocation choices. The strategic issues, goals and objectives are aligned to current Council committees as follows:

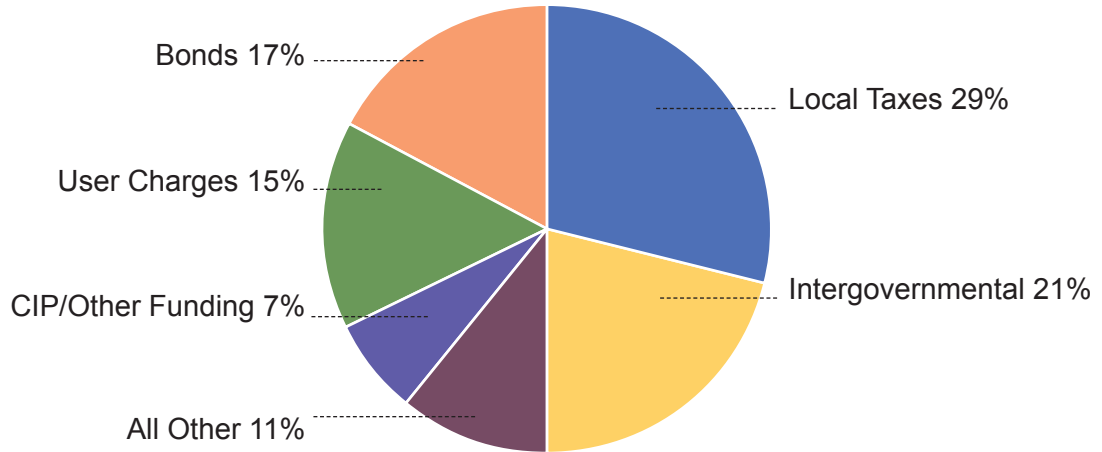
- Social Services and Culture
- Transportation, Housing, and Environment
- Finance, Economy, and Veterans' Affairs
- Tourism and Recreation
- Public Safety and Neighborhood Quality of Life
- Education, Technology, and Economic Development
- Central City Development Committee of the Whole

The goal of each committee 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.

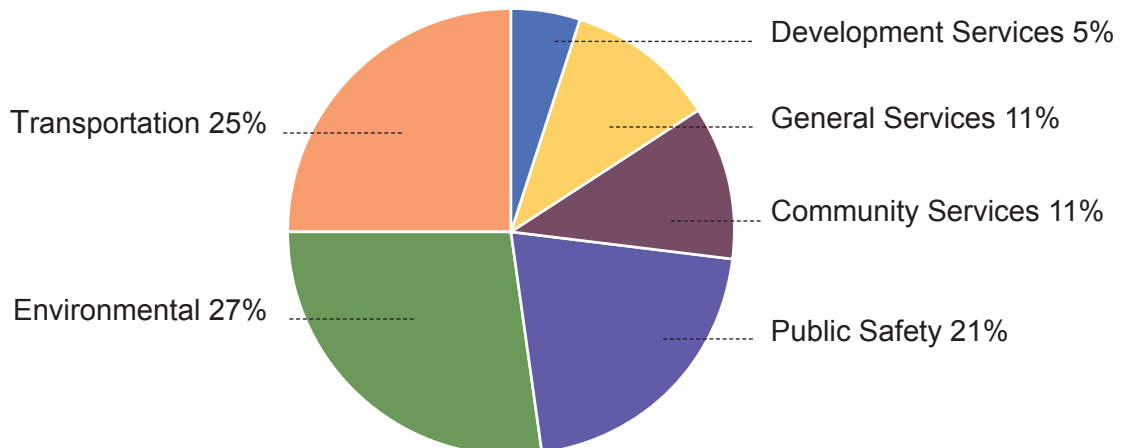
Income/Outgo

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 29% of the FY 2008-09 total revenue budget. Other major revenue sources include bond proceeds, user charges (such as water service and solid waste fees) and intergovernmental revenue.

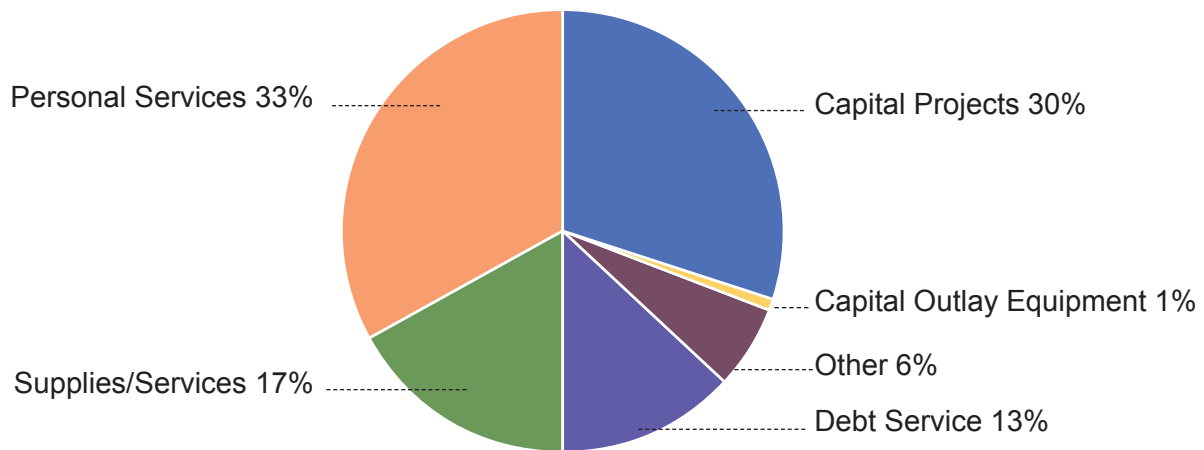
Where the Money Comes From by Source of Funds



Where the Money Goes by Type of Program



Where the Money Goes by Line Item Category



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 52% of the total financial program in 2008-09.

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

Conclusion

Though the economy is currently experiencing a slow-down, we expect conditions to improve over the long-term. Through sound management of current resources and a continued focus on long-range financial planning the city will adapt to the current situation and be on a strong foundation for the future.

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, achieving 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,

Charles W. Meyer, 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, financial reserves, financial reporting and the capital budget. 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 2008-09 estimated General Fund operating revenue (\$184.4 million) to expenditures (\$186.3 million) Ratio .99:1*

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 2007 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 2008-09 10.3%*

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 2008-09 with a 20 year debt amortization period: \$5.7 million for police and fire projects; \$10.4 million for transportation projects; \$14.0 million for parks, community services, and facility rehabilitation projects; \$63.6 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 2008-09 Annual CIP budget of \$168.0 million adopted representing the first year of a 5-year, \$473.4 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:** *FY 2008-09 operating and maintenance impact of new capital projects is estimated at \$5,891,477*

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 2008-09
General Obligation/Excise Tax Bonds	\$97.4
Pay-As-You-Go Financing	18.3
Outside Revenue	43.7
Capital Projects Fund Balance	8.6
Total Sources of Funds	\$168.0

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 07	Revenue FY 2006-07	Unreserved Fund Balance Coverage
\$43.3 M	\$160.5 M	30.0%
Estimated Unreserved Fund Balance FYE 08	Revenue FY 2007-08	Unreserved Fund Balance Coverage
\$45.5 M	\$172.6 M	26.4%
Estimated Unreserved Fund Balance FYE 09	Revenue FY 2008-09	Unreserved Fund Balance Coverage
\$47.6 M	\$184.4 M	25.8%



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 07	Revenue FY 2006-07	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$55.6 M	\$50.0 M	111.2%	406
Solid Waste	\$4.9 M	\$14.0 M	35.0%	128
Golf	\$0.4 M	\$1.9 M	21.1%	77
	Estimated Unreserved Fund Balance FYE 08	Revenue FY 2007-08	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$43.7 M	\$50.8 M	86.0%	314
Solid Waste	\$3.6 M	\$15.0 M	24.0%	88
Golf	\$0.3 M	\$2.1 M	14.3%	52
	Estimated Unreserved Fund Balance FYE 09	Revenue FY 2008-09	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$24.9 M	\$53.0 M	47.0%	176
Solid Waste	\$3.3 M	\$15.0 M	22.0%	80
Golf	\$0.3 M	\$2.1 M	14.3%	52

The Water/Wastewater Unrestricted Fund Balance is projected to fall below the policy goal due to a planned drawdown of retained earnings to finance pay-as-you-go capital improvement projects, and to facilitate the phasing in of new user rate increases beginning in 2008. As new rates are phased in, the need to use retained earnings will be eliminated, and the fund balance will gradually build back to a level which will comply with financial policy.

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

- **Status:** *FY 2008-09 \$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 steps:

- Prepared the **Long-Range Forecast** for all funds projecting revenue and expenditures over the next five years.
- Convened **Ad Hoc Long-Range Budget and Finance Planning Committee** to balance budget by reducing expenditures and generating new revenue.
- Submit **Retiree Health Care** (OPEB) issue to OPEB Ad Hoc Committee for review.
- 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.
- **Review Benefits Program** to explore such options as increasing deductibles, requiring greater participant contributions and/or modifying our benefits cafeteria programs.

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 2008-09 fiscal year. Beginning balances total \$195.1 million and the ending fund balances are estimated at \$154.5 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 Transit fund's \$17.6 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 2008-09 estimated shortfall will be absorbed by the Rio Salado and Community Facilities District reserves which have a current balance of \$5.7 million.

Drawdowns of fund balances for the Cemetery, 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 2008-09								
	Estimated Fund Balance 6/30/08	Revenue	Total Financial Resources	Budgeted Expenditures	Adjusted Financial Resources	Other Financing Sources	Interfund Transfer In	Interfund Transfer (Out)	Estimated Fund Balance 6/30/09
General	\$45,525,498	\$184,199,860	\$229,725,358	\$186,327,945	\$45,497,413	\$2,128,085 ¹			\$47,625,498
Special Revenue:									
HURF/LTAF	10,073,297	14,048,747	24,122,044	11,119,454	15,102,590			(2,770,000)	12,332,590
CDBG/Section 8		11,026,195	11,026,195	11,026,195	11,026,195				11,026,195
Rio Salado	(656,723)	1,550,804	894,081	2,467,828	(1,573,747)				(1,573,747)
Performing Arts	12,911,716	7,596,956	20,508,672	8,965,354	11,543,318				11,543,318
Transit	39,704,603	53,073,726	92,778,329	64,370,597	28,407,732			(17,621,942)	10,785,790
Debt Service	27,073,322	24,613,823	51,687,145	23,180,569	28,506,576		2,770,000		31,276,576
Enterprise:									
Cemetery	(537,691)	451,722	(85,969)	385,303	(471,272)				(471,272)
Golf	326,030	2,072,379	2,398,409	2,108,511	289,898				289,898
Solid Waste	3,602,711	14,990,105	18,592,816	15,245,709	3,347,107				3,347,107
Water/Wastewater	43,745,447	53,041,440	96,786,887	71,242,018	25,544,869			(679,540)	24,865,329
TOTAL OPERATING	181,768,210	366,665,757	548,433,967	396,439,483	151,994,484	2,128,085	2,770,000	(21,071,482)	152,047,282
Capital Improvements ²	13,323,177	141,946,344	155,269,521	168,033,325	(12,763,804)		18,301,482		5,537,678
TOTAL FUNDS	\$195,091,387	\$508,612,101	\$703,703,488	\$564,472,808	\$139,230,680	\$2,128,085	\$21,071,482	\$(21,071,482)	\$156,584,960

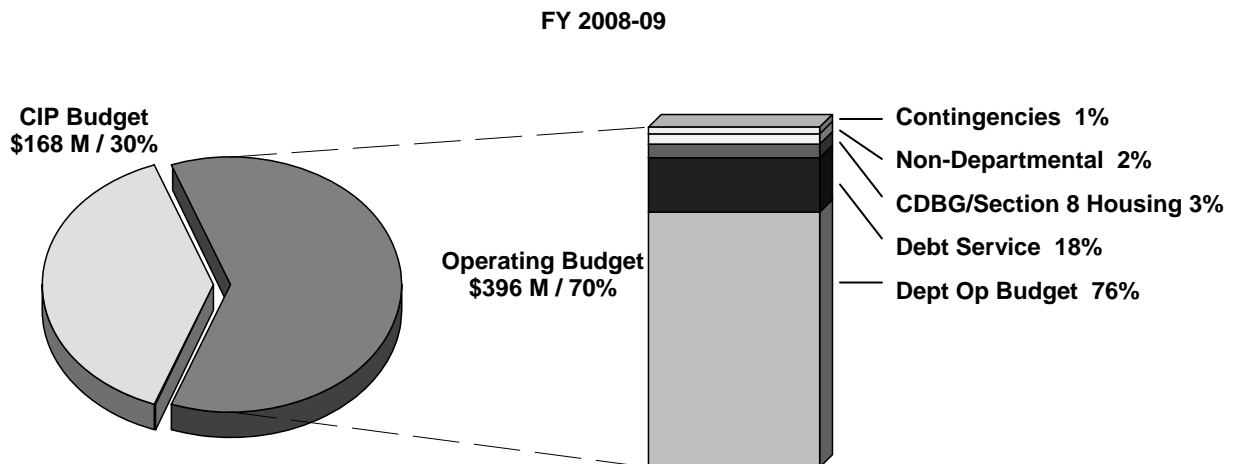
¹ Represents a planned drawdown of the Rainy Day Reserve

² Capital Improvements line includes Capital Improvements Reserves

Total Financial Program



The Total Financial Program adopted for FY 2008-09 is \$565 million, representing a 0.6% increase from the FY 2007-08 Total Financial Program. The FY 2008-09 amount includes an Operating Budget of \$396 million and a \$168 million Capital Budget. The operating budget growth of 11.6% in FY 2008-09 is related primarily to an increase in employee salary progression, public safety retirement, additional bus route service and light rail operation, and additional midyear personnel additions. The 21.0% decrease in the Capital Budget is largely attributed to the completion of light rail design and construction.



Total Financial Program		
	FY 2007-08	FY 2008-09
OPERATING BUDGET		
Departmental Operating Budget	\$265,625,763	\$302,871,661
Debt Service	64,240,431	72,100,332
Non-Departmental	9,274,500	7,605,859
Contingencies	5,129,436	2,835,436
CDBG/Section 8 Housing	11,016,572	11,026,195
TOTAL OPERATING BUDGET	\$355,286,702	\$396,439,483
TOTAL CAPITAL BUDGET	\$212,706,469	\$168,033,325
TOTAL FINANCIAL PROGRAM	\$567,993,171	\$564,472,808

Financial Program Summary



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

REVENUE		
<i>Operating Revenue</i>		
	FY 2007-08	FY 2008-09
General Governmental		
Local Taxes/Licenses	\$126,343,034	\$124,812,733
Intergovernmental	48,496,600	47,959,311
Charges for Services	11,463,351	11,212,246
Interest	5,424,874	6,939,071
Fines & Forfeitures	7,271,553	9,397,789
Other	2,670,282	8,492,533
Special Revenue		
Transit	44,667,414	53,073,726
Highway User Revenue Fund	12,497,060	13,545,047
CDBG/Section 8 Housing	11,016,572	11,026,195
Performing Arts	8,077,567	7,596,956
Rio Salado	1,358,770	1,550,804
Lottery Funds	514,000	503,700
Enterprise		
Water/Wastewater	50,751,164	53,041,440
Solid Waste	14,450,403	14,990,105
Golf	2,038,205	2,072,379
Cemetery	120,000	451,722
Subtotal Operating Revenue	\$347,160,849	\$366,665,757
Capital Revenue		
Bonds		
Water/Wastewater	52,641,000	63,594,000
Excise Tax	56,679,557	50,000
Tax-Supported General Obligation	39,215,396	33,770,407
CIP Outside Revenue		
Federal Funds	28,124,405	22,687,366
Development Fees	2,500,000	2,500,000
Other	33,546,111	45,431,552
Subtotal Capital Revenue	\$212,706,469	\$168,033,325
TOTAL PROGRAM	\$559,867,318	\$534,699,082

The difference between revenue and expenditures is due to planned drawdowns of the Rainy Day Reserve and various fund balances, including Transit, Performing Arts, Rio Salado, Water/Wastewater and Golf.

Rate increases for water, wastewater and solid waste will partially or fully offset the differences between revenues and expenditures.

EXPENDITURES		
<i>Operating Budget</i>		
	FY 2007-08	FY 2008-09
General Governmental		
Public Safety	\$92,584,925	\$107,432,947
General Services	35,614,263	33,693,824
Community Services	30,428,786	31,252,481
Debt Service	17,513,497	23,180,569
Development Services	13,413,017	12,913,693
Transportation (Maintenance of Effort)	870,000	1,035,000
Environmental Health	237,864	
Special Revenue		
Transit	51,893,704	64,370,597
Highway User Revenue Fund	10,297,962	11,119,454
Performing Arts	8,598,850	8,965,354
Section 8 Housing	8,702,388	8,856,767
CDBG	2,314,184	2,169,428
Rio Salado	2,078,346	2,467,828
Enterprise		
Water/Wastewater	63,890,154	71,242,018
Solid Waste	14,380,842	15,245,709
Golf	2,078,836	2,108,511
Cemetery	389,084	385,303
Subtotal Operating Budget	\$355,286,702	\$396,439,483
Capital Budget		
General Purpose		
Police	17,243,022	6,261,249
General Government	16,544,134	2,718,000
Park Improvements	10,388,724	10,138,875
Fire	3,863,798	5,312,020
Community Services	4,336,134	5,211,938
Storm Drains	250,000	250,000
Special Purpose		
Transit	94,585,115	52,304,506
Rio Salado	4,012,100	5,971,361
Enterprise		
Water	29,391,000	47,529,000
Wastewater	25,750,000	20,425,000
Golf	50,000	50,000
Transportation		
Streets	9,103,576	10,236,376
Street Lighting & Traffic Signals	1,525,000	1,625,000
Subtotal Capital Budget	\$212,706,469	\$168,033,325
TOTAL PROGRAM	\$567,993,171	\$564,472,808

Financial Program Summary for Revenues and Expenditures/Expenses



Total budgeted revenue in the FY 2008-09 Financial Program are nearly equivalent to the actual amount collected in FY 2006-07. This is due primarily to a smaller Capital Budget in FY 2008-09 being offset by increases in operating funds. Total budgeted expenditures have increased during this period, largely due to the influence of pay-as-you-go capital financing in the Water/Wastewater Fund and the Transit Fund. The difference between total revenue and total expenses represents planned drawdowns of fund balance for capital program needs as well as a one-time transfer from the Rainy Day Reserve in FY 2008-09.

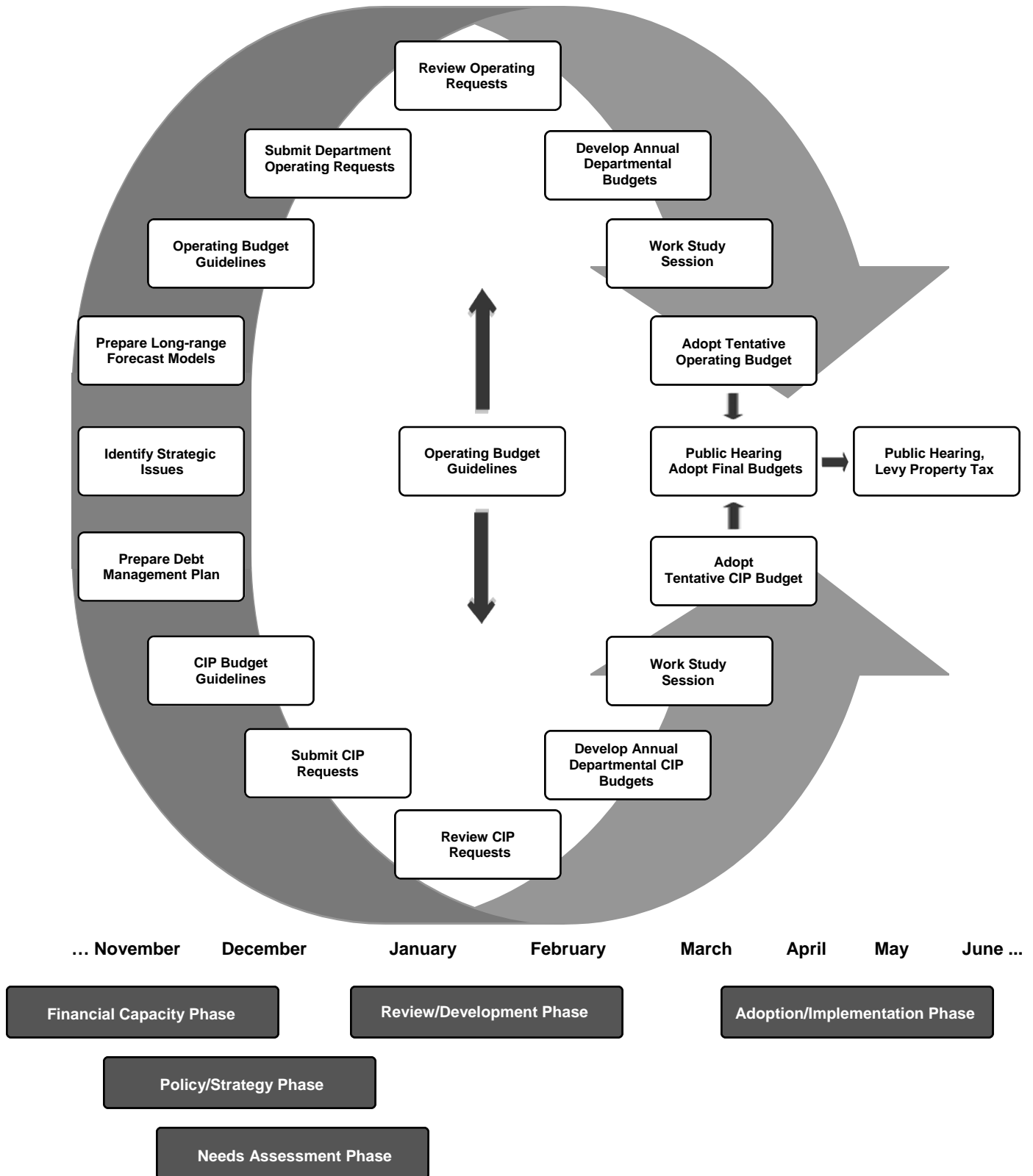
Revenue/Sources	FY 2006-07 Actual	FY 2007-08 Budget	% Change	FY 2007-08 Revised	% Change	FY 2008-09 Budget	% Change
General Fund	171,708,457	179,417,531	4%	172,565,758	-4%	184,199,860	6.7%
Special Revenue Funds	80,928,039	78,131,383	-3%	76,293,234	-2%	87,296,428	14.4%
Enterprise Funds	65,734,847	67,359,772	2%	67,653,668	0%	70,555,646	4.3%
Debt Service Fund	17,412,445	22,252,163	28%	22,127,214	-1%	24,613,823	11.2%
Capital Projects Fund	193,117,376	212,706,469	10%	212,706,469	0%	168,033,325	-21.0%
Total	\$528,901,164	\$559,867,318	6%	\$551,346,343	-2%	\$534,699,082	-3.0%

Expenditures/Uses	FY 2006-07 Actual	FY 2007-08 Budget	% Change	FY 2007-08 Revised	% Change	FY 2008-09 Budget	% Change
General Fund	162,925,975	173,148,855	6%	170,296,557	-2%	186,327,945	9%
Special Revenue Funds	64,633,848	83,885,434	30%	81,988,985	-2%	97,949,428	19%
Enterprise Funds	62,273,166	80,738,916	30%	78,655,016	-3%	88,981,541	13%
Debt Service Fund	29,674,024	17,513,497	-41%	15,556,608	-11%	23,180,569	49%
Capital Projects Fund	193,117,376	212,706,469	10%	212,706,469	0%	168,033,325	-21%
Total	\$512,624,389	\$567,993,171	11%	\$559,203,635	-2%	\$564,472,808	1%

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 the spring and adopted by June 30, 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 third 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

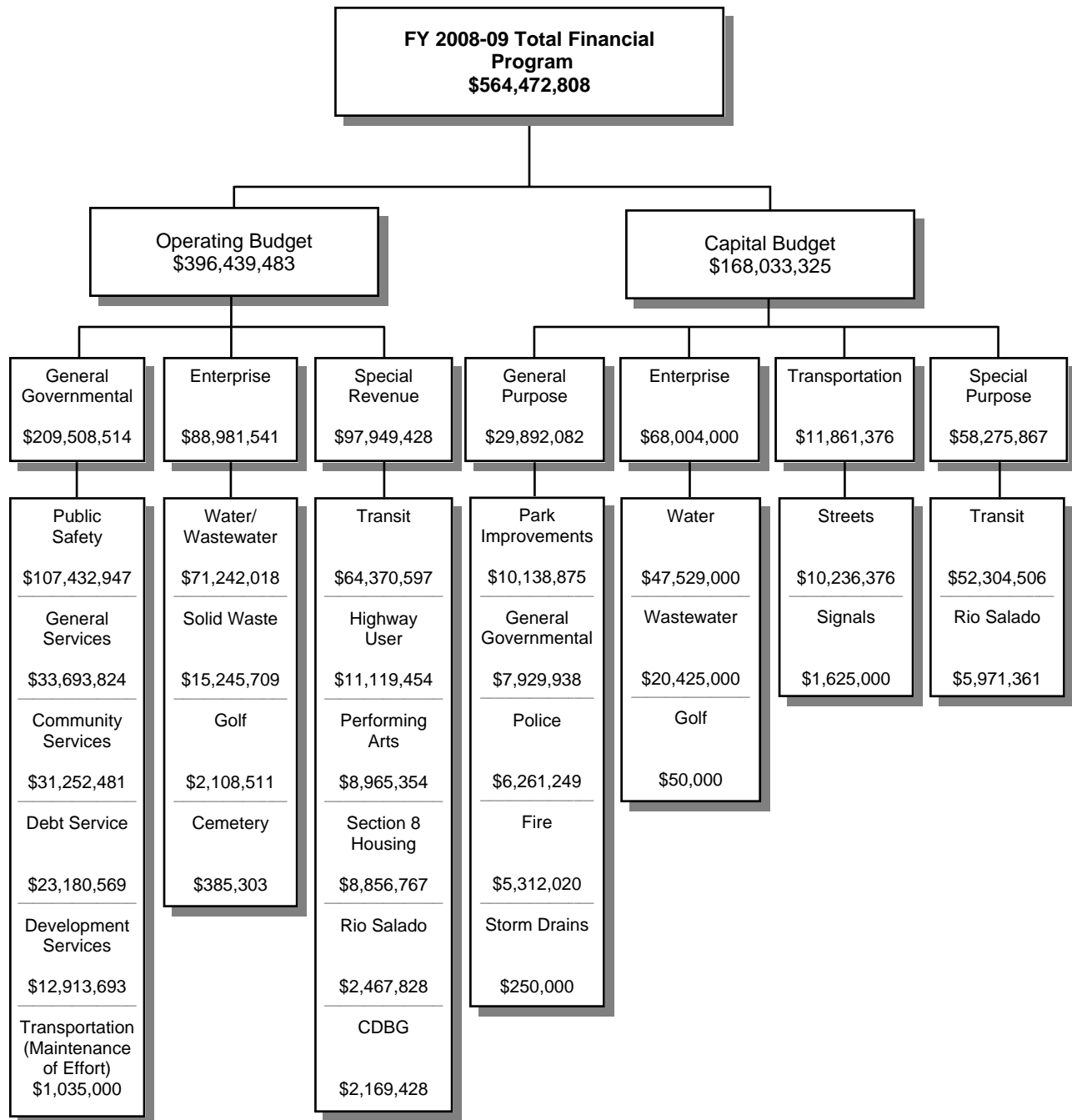


budget preparation responsibility can be identified more specifically:

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. **Midyear Program/Personnel Adjustment Request**; should the need arise for additional personnel or program enhancements during the fiscal year to meet some unforeseen need, a midyear 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**).

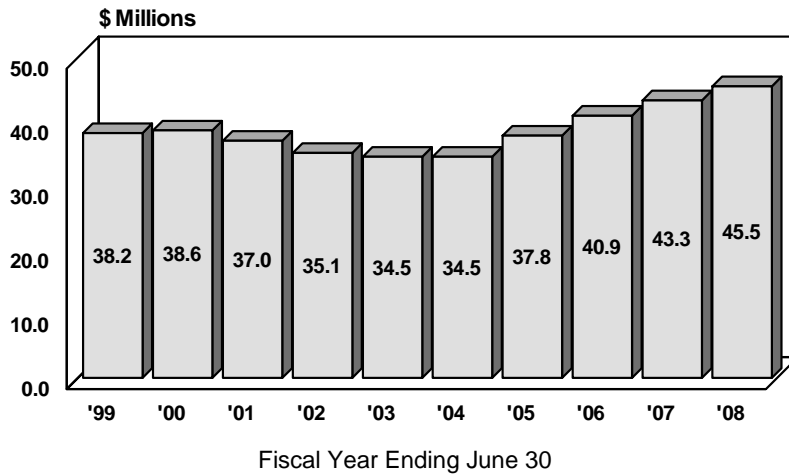
Components of Total Financial Program



General Governmental Funds: Ten Year Fund Balance Trends

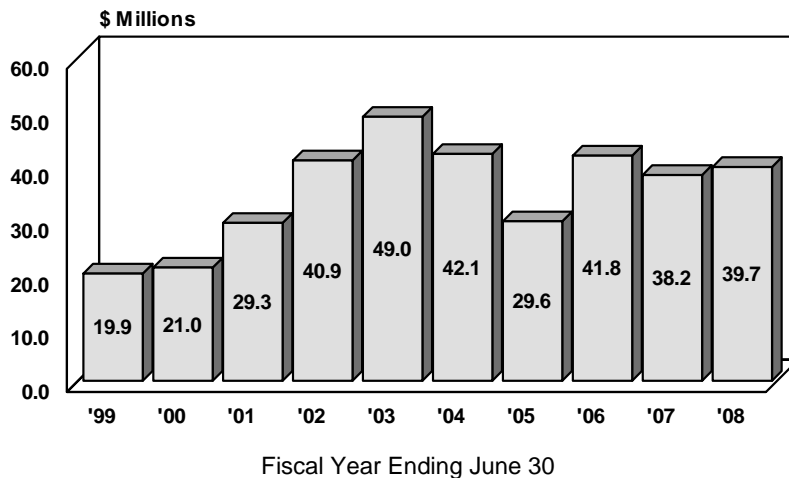


General Fund Unreserved Fund Balance



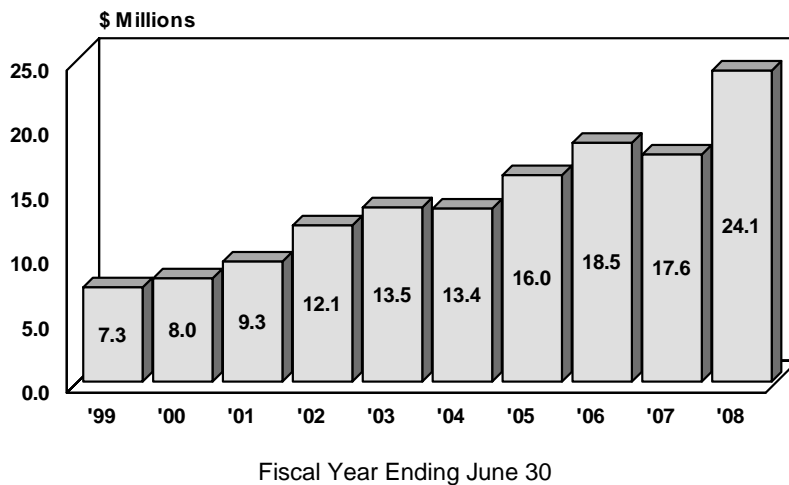
Over the ten year period, unreserved fund balances in the General Fund have been maintained at the policy guideline of 25% of revenue. At FYE 2008, the General Fund unreserved fund balance is estimated at \$45.5 million. This projected 5% increase is primarily the result of state income tax collections.

Transit Fund Balance



During the late 1990's the Transit Fund balance was built up in preparation for the construction and operation of the Light Rail Transit system. More recently, planned drawdowns of fund balance for use in the Capital budget have contributed to the declining fund balance.

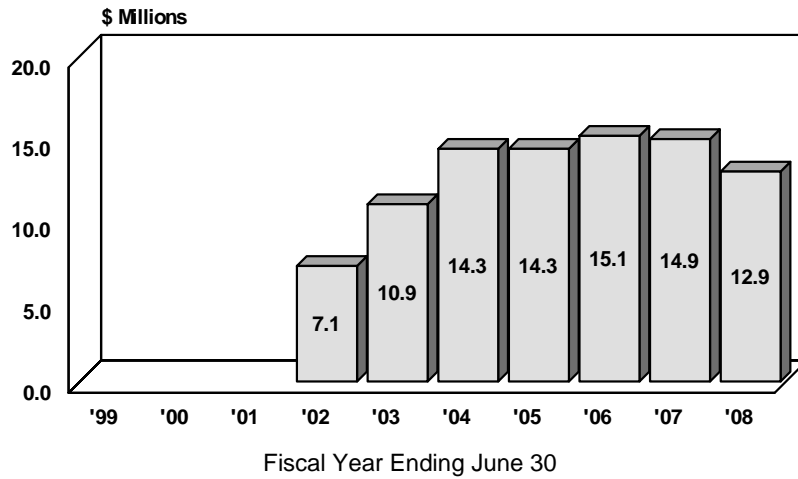
Debt Service Fund Balance



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

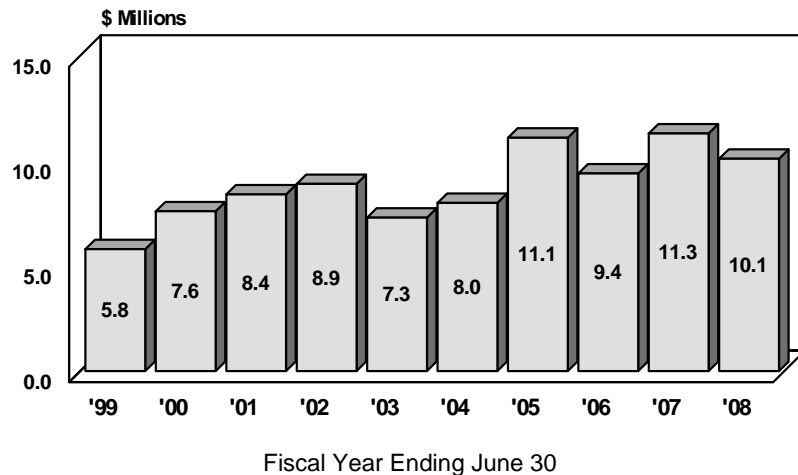


Performing Arts Fund Balance



Since the fund's inception in FY 2001-02, the fund balance steadily grew through FY 2005-06. Beginning in FY 2006-07, the fund has been tapped to cover differences between revenues and expenditures. This trend is consistent with the fund's financial plan.

Highway User Revenue/Local Transportation Assistance Fund Balances

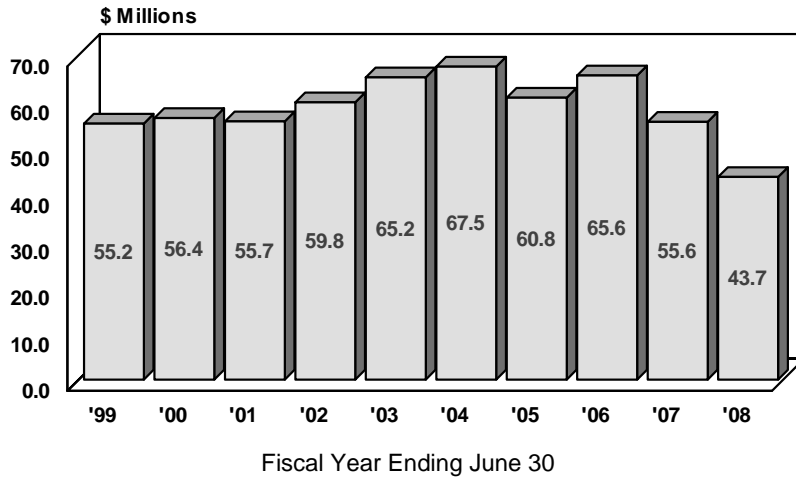


Planned drawdowns used to fund street infrastructure projects have contributed to the inconsistent trend in fund balances. The primary revenue source for these funds, state shared revenue, has grown at a modest pace, allowing the fund balance to rebound to a healthy level.

Enterprise Funds: Ten Year Fund Balance Trends

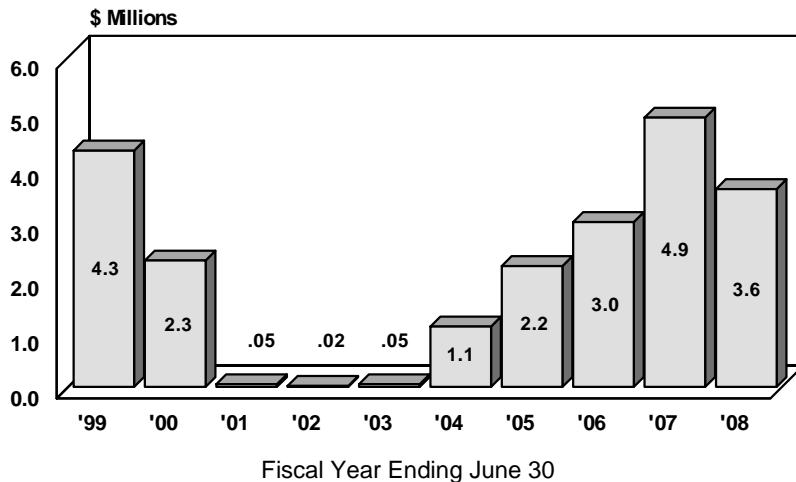


Water/Wastewater Fund Unreserved Retained Earnings



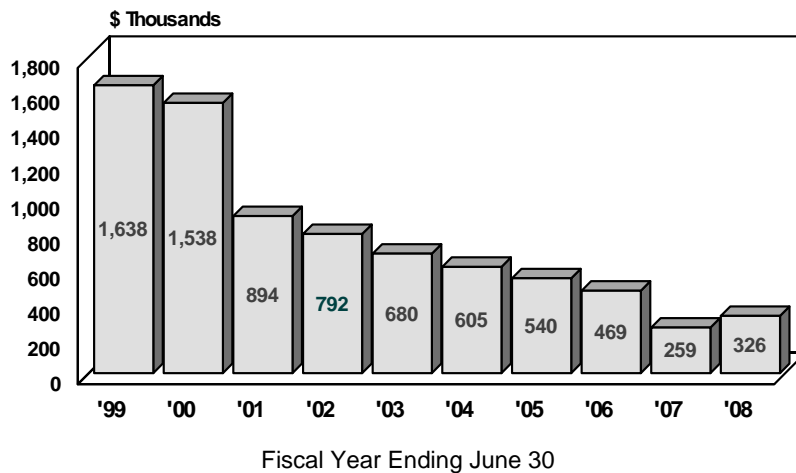
Between FY 2005-06 and FY 2007-08, a planned drawdown of retained earnings was utilized to finance pay-as-you-go capital improvement projects and to alleviate user rate increases. The continued use of these monies is projected to bring the fund balance below the City's Financial Policy target level of an amount equal to one year of the department's operating revenue; phased implementation of increases to user rates in 2008 will gradually build the fund balance.

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. Since then, fee increases have been implemented to restore the fund balance to meet the new financial guideline of a minimum of 10% of anticipated revenue.

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 Financial 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	August 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 budget requests from departments (based on goals and action plans).	City Council Executive Team	February
Evaluate status of goals and action plans with management team (midyear review).	City Council Executive Team	February (midyear review)
Evaluate budget requests and allocate budget resources accordingly.	Executive Team	March/April
Conduct public sessions on operating and capital improvement budget program.	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



Education, Technology and Economic Development

Address opportunities for improvement of education programs for all ages, attracting and advancing technology development and assessing economic development approaches. Work Plan includes (1) facilitate partnering between all educational entities and the City; (2) facilitate development of programs to improve schools; (3) facilitate and develop services to provide life-long learning opportunities; (4) develop and provide City services through school facilities; (5) identify and facilitate resources sharing between all elementary and high schools, Arizona State University, Maricopa Community College District and the City (6) facilitate ASU's and Maricopa Community College District's participation in education improvement in all Tempe schools, (7) identify and consolidate purchasing and maintenance programs between the City and educational agencies; (8) identify and facilitate joint facilities develop for schools-resident use; (9) expansion of the use and availability of technological enhancements by City Government and Tempe residents; (10) facilitate the development of high-technology, biotechnology and nanotechnology facilities within Tempe; (11) development, implementation and assessment of economic development approaches, projects and proposals; and (12) redevelopment and development services policy formation and implementation of council-approved projects.

Finance, Economy and Veterans' Affairs

Address finance, real estate and economic development issues. Work Plan includes (1) policy formation, implementation and assessment of finance and budget plans; (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; and (7) golf program operations and capital improvement programs for enhancing and stabilizing golf program revenues and expenses.

Public Safety and Neighborhood Quality of Life

Address neighborhood public safety and property enhancement standards. Work Plan includes (1) assess and develop public safety resources; (2) identify and address neighborhood quality of life issues; and (3) address impacts of Arizona State University on neighborhoods.

Social Services and Culture

Promote cultural and social service related programs and capital improvement projects. Work Plan includes (1) strengthen, promote and develop Community Service facilities and programs that serve the public; (2) strengthen and promote the development of Historical Properties; (3) promote and encourage the development of the Arts programming in Tempe; and (4) review and assess programs and services administered through and with the Tempe Community Council; (5) review and examine the coordination and implementation of services targeted at moving individuals from homelessness to home ownership.

Tourism and Recreation

Address tourism and amateur sports opportunities. Work Plan includes (1) identify and work with top decision makers to bring meetings and conferences to Tempe and attract additional facilities and hotels to Tempe; (2) develop, implement and execute plans for Insight Bowl in Tempe; (3) work with ASU to enhance and expand community use of ASU facilities for cost effective youth and amateur sports programs; (4) enhance Spring Training and capture community benefits from Diablo Stadium improvements and presence of Los Angeles Angels of Anaheim; (5) continue efforts to bring sporting events to Tempe; (6) improve regional parks; and (7) improve city-wide recreation programs.

Transportation, Housing and Environment

Address transportation, affordable housing and environment programs. Work Plan includes (1) ensure that light rail transit design and construction activities meet community needs; (2) increase transit ridership; (3) coordinate local and regional transportation decisions; (4) assure that safe and effective movement of people and vehicles along the street system; (5) recognize and encourage pedestrian and bicycle travel as an important part of the transportation system; (6) expand community partnerships; (7) explore regulatory-based incentives for the development affordable housing and implementation of inclusionary housing programs; (8) develop an affordable housing strategy to guide the City's overall efforts in creating and maintaining affordable housing; (9) seek to create new affordable housing programs and evaluate existing programs; (10) provide a forum for dialog with the community to understand the needs of affordable housing throughout the City; (11) encourage additional funding and continued support of the HOPE program; (12) form interdepartmental Sustainability Task Force.

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 the Tempe City Charter, the City Manager prepares and submits a Capital Improvements Program (CIP) annually to the Council. The CIP is a five-year financial plan for the acquisition, construction, expansion, or rehabilitation of infrastructure and capital assets. Capital Projects typically have one or more of the following characteristics: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) a systematic acquisition over an extended period of time, and; (4) scheduled replacement or maintenance of specific elements of physical assets. 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

Although capital projects are scheduled throughout the five-year plan, only those projects during the first year

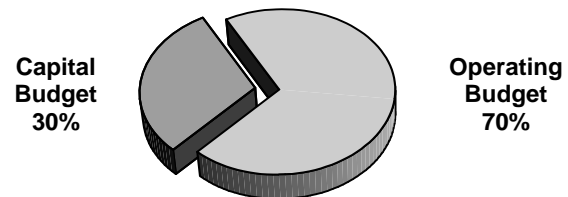
of the plan are adopted as part of the City's annual budget. The first year of the CIP constitutes the Capital Budget. The remaining years within the CIP serve as a guide for future planning and are subject to annual review and modification in subsequent years.

ANNUAL BUDGET PROGRAM SUMMARY

As shown in the following chart, the City of Tempe's Financial Program for FY 2008-09 totals \$564.4 million. Of this amount, approximately \$168 million is for projects included in the Capital Budget.

FY 2008-09 Total Financial Program

Operating Budget	\$396.4
Capital Budget	\$168.0
Total (\$ millions)	\$564.4



Comparison of FY 2007-08 and FY 2008-09 Capital Budgets

Capital Program	FY 2007-08 Budget	FY 2008-09 Budget
Enterprise		
Water	\$29,391,000	\$47,529,000
Wastewater	25,750,000	20,425,000
Golf	50,000	50,000
Special Purpose		
Transit	94,585,115	52,304,506
Rio Salado	4,012,100	5,971,361
General Purpose		
Police	17,243,022	6,261,249
Fire	3,863,798	5,312,020
Storm Drains	250,000	250,000
Park Improvements	10,388,724	10,138,875
General Governmental	16,544,134	7,929,938
Transportation		
Transportation and R.O.W	9,103,576	10,236,376
Traffic Signals/Street Lighting	1,525,000	1,625,000
Total	\$212,706,469	\$168,033,325



CIP PROCESS

In October 2007, the CIP process began with the CIP Coordinating Committee meeting to review and discuss guidelines, budget request forms, and availability of funds. This Committee consisted of City department heads, departmental capital project managers, and Financial Services staff. Based on guidance provided at this meeting, City departments submitted requests for projects to be included in the Capital Improvements Program.

After all the submissions were received, a follow-up 'discovery' meeting was held in mid-December 2007. At this meeting the total requests were put in context of total available funding. Through meetings with department managers and other key department representatives held over the ensuing months, the total requested program was reduced to meet the available resources. Based on these meetings, a five-year capital program was recommended to the City Manager.

On March 20, 2008, the City Council held an initial public Special Budget Session to examine the capital program including funding sources, debt service requirements, operating budget impacts, and project priorities. Subsequent meetings were held April 10th and April 17th, 2008 to further discuss the program and make revisions and additions based on Council priorities. The process culminated with Council adoption of the Capital Improvements Program on May 22nd, 2008.

CAPITAL BUDGET OVERVIEW

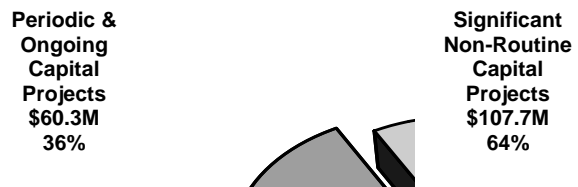
The Capital Budget consists of the following program areas: General Purpose, Transportation, Special Purpose, and Enterprise projects. As shown in the table below, the Enterprise and Special Purpose programs make up the bulk of the Capital Budget in FY 2008-09, representing 40% and 35% of the program, respectively. The Enterprise program includes Water, Wastewater, and Golf projects, and totals \$68 million. The Special Purpose program includes Transit and Rio Salado projects and totals \$58.3 million. The General Purpose program includes Police, Fire,

Parks, Storm Drains, and General Governmental projects, and represents \$29.9 million or 18%, of the funded projects in FY 2008-09. The Transportation program includes street and sidewalk construction and renovation, traffic signals, and lighting projects. Transportation program funding totals \$11.8 million in FY 2008-09, representing 7% of the Capital Budget.

In total, the four program areas account for 112 projects. In the course of evaluating all of the projects, the City recognizes a distinction between projects that require expenditures toward anticipated periodic and ongoing annual capital improvements, and projects that require significant non-routine capital expenditures.

Eighty-One (81) of the total CIP projects provide for periodic and ongoing expenditures to maintain and repair the City's facilities, streets, and parks, and for the gradual replacement of various capital assets. While these projects account for 72% of all projects, they account for only 36% or \$60.3 million of the total FY 2008-09 Capital Budget.

As shown in the chart below, the balance of the total CIP projects, (31 projects) account for 64% or \$107.7 million of the 2008-09 Capital Budget.



These significant non-routine capital expenditures are for major projects that are typically "one time" in nature and involve the construction or expansion of new facilities or City infrastructure, extensive renovation of existing facilities, the purchase of important capital assets, or the acquisition of new technology which will enhance service delivery. These major projects and associated funding sources are listed together with all projects by major program area in the complete CIP project listings and descriptions. The major projects are also listed separately for discussion in the Operating Impacts section of this document.

Because significant non-routine capital projects often translate into an increase in services required to support new or expanded facilities, or new or expanded City programs, they also often translate into increased operations and maintenance costs which impact the City's operating budget. The operating budget impacts resulting from significant non-routine capital expenditures are discussed in detail in the Operating Impact section of this document.

FY 2008-09 CIP by Program		
	\$ Millions	% of Total
Enterprise	68.0	40%
Special Purpose	58.3	35%
General Purpose	29.9	18%
Transportation	11.8	7%
Total	\$168.0	100%



CAPITAL BUDGET HIGHLIGHTS

Following are highlights from the Capital Budget for FY 2008-09:

Enterprise Program

City Water system projects (\$47.5 million) including:

- Continued funding for additional water quality improvements to meet required water quality regulations at the Johnny G. Martinez Water Treatment Plant (JGMWTP) (\$30 million)
- Continued funding for construction of a new reclaimed water distribution line from the Kyrene Water Reclamation Facility (KWRF) (\$4 million).

City Wastewater system projects (\$20.4 million) including:

- Continued funding for 91st Avenue Wastewater Treatment Plant capacity expansion (\$15 million)
- Continued funding for the Southern Avenue Interceptor Rehabilitation (\$2.2 million).

Special Purpose Program

Funding for the Transit program (\$52.3 million) including:

- Continued funding for the Central Phoenix and East Valley Light Rail Transit (CPEVLR) planning, design and construction (\$10.6 million)
- Continued funding for new fixed route and neighborhood circulator City buses (\$29.7 million).

Funding for the Rio Salado Program (\$6 million) including Rio East Park (\$4 million) and the Tempe Town Lake Pedestrian Bridge (\$1.7 million).

General Purpose Program

Funding for the City's Police Protection Program (\$6.3 million) including:

- Continued funding for the Police / City Radio Replacement (\$3.7 million)
- New funding for specialized Laptop Computer Replacement for Patrol Officers and other Field Personnel (\$1.9 million).

Fire Protection Program (\$5.3 million) including:

- Continued funding for a new Fire Station in the City's Southeast Quadrant (\$3.9 million)

- Continued funding for a New Support Services Facility (\$665,000).

Park Improvements Program (\$10.1 million) including:

- Continued funding for Park Renovation and Restoration (\$7 million)
- Continued funding for the replacement of the Kiwanis Park sprinkler system (\$1.5 million).

Funding for the General Governmental Program (\$7.9 million) including:

- Continued funding for the renovation of the Tempe Public Library (\$3.4 million)
- Continued funding for the Municipal Arts Program (\$1 million)
- Final funding for the renovation of the Tempe Historical Museum Exhibit Hall (\$690,000)
- Continued funding for the repair, replacement and maintenance of various City facilities.

Transportation Program

Funding for Transportation and Right-Of-Way improvements (\$10.2 million) including:

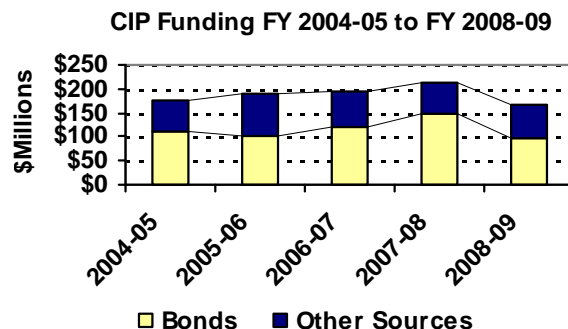
- New funding for replacement of the Baseline Road bridge over the Western Canal (\$4 million)
- Continued funding for street reconstruction and repairs (\$5 million).

Funding for Traffic Signals (\$1.6 million) including:

- Continued funding for New Signals / Modular Upgrades (\$600,000)

CAPITAL IMPROVEMENTS PROGRAM FINANCING

Tempe's capital program has been historically funded through a combination of bonds and other sources, as shown in the chart below. The other funding sources





have included pay-as-you-go financing, outside revenues, grants and capital project fund balances.

In FY 2008-09, the program is funded with a combination of bonded debt, representing 58% of program funding, and a total of 42% from a combination of other sources as shown in the table below.

FY 2008-09 Sources of Funds		
	\$ Millions	% of Total
General Obligation Bonds	\$97.4	58%
Pay-As-You-Go Financing	18.3	11%
Outside Revenue	43.7	26%
Capital Projects Fund Balance	8.6	5%
Total	\$168.0	100%

When compared to the prior fiscal year, bond financing in FY 2008-09 decreases as a percentage of the total Capital Budget largely due to a reduced reliance on bonded debt to support the Transit program.

For fiscal year 2008-09, the City plans to issue \$33.8 million in bonds for projects in the General Purpose and Transportation programs. Over the five-year Capital Improvements Program, we plan to issue \$131.9 million in bonds for these purposes; all in accordance with our debt management plan. Debt service on these bonds will be repaid by revenues from the City's secondary property taxes.

In addition, the City plans to issue approximately \$63.6 million of Enterprise Bonds in FY 2008-09 to finance a portion of the project costs in this program. Over the five-year CIP, we plan to issue approximately \$192 million in bonds in the Enterprise program. User fee revenue will support the debt service costs on these bonds.

The FY 2008-09 sources are described in further detail in the Capital Improvements Program Source of Funds table in the *Schedules and Summaries* section, as well as in the individual project descriptions.

DEBT MANAGEMENT PLAN

The need to incur long term obligations to finance past, present and future capital programs carries with it the obligation to manage the resultant debt program effectively. Accordingly, the level of outstanding debt and the City's capacity to incur and repay additional debt bear careful examination.

In 1989 the City Council adopted a long-range debt plan for the City. At the beginning of the capital budget process, the debt plan is updated using revised assessed property valuations, population assumptions, and operating revenue projections. Through adoption of this plan and by utilizing these factors to size our debt program, the City has achieved and maintained outstanding bond ratings. Currently, Tempe's General Obligation Bond ratings are:

- Fitch: "AAA" December 2000
- Moody's: "Aa1" April 1997
- Standard & Poor's: "AAA" December 2006

Notable is the recent upgrade in Standard and Poor's rating of the City's creditworthiness from AA+ to AAA in December 2006. This is the highest credit rating possible from this agency and is a testament to the City's prudent financial management practices.

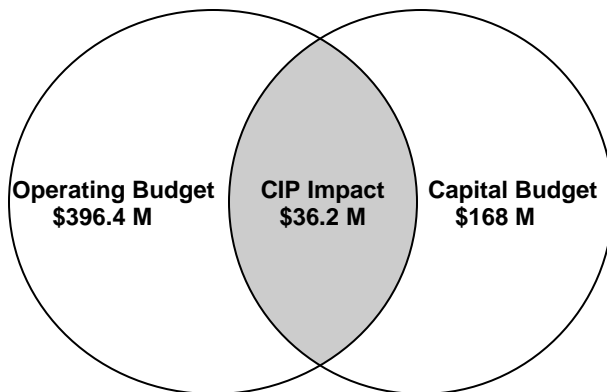
CONCLUSION

The five-year capital program serves as an excellent guide for future planning. In combination with the debt management plan, the capital program will ensure the City's capital needs are met in a timely fashion with no impact to the City's continued financial stability.

Relationship Between Operating and Capital Budgets



Though the City of Tempe prepares a Capital Budget separate from the Operating Budget, the two budgets are linked. These links include operating and maintenance costs associated with new facilities and infrastructure, debt service payments for new debt financed projects, and pay-as-you-go financing from operating revenues. As shown in the diagram and table below, these incremental impacts total \$36.2 million in FY 2008-09.



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; including any cost savings or new revenues resulting from a project. The table at the bottom of this page lists the FY 2008-09 projects with identified operating and maintenance impacts, and includes the projected fiscal impact on the FY 2008-09 operating budget.

It is important to note that although the capital budget expenditures for each of the projects identified below are considered significant and non-routine, the estimated annual operating budget impacts resulting from each project are anticipated to become permanent. The estimated future annual operating impacts resulting from these projects are discussed in the next section along with all other capital projects that are anticipated to have impacts on future operating budgets.

Incremental Impact of Capital Budget on Operating Budget - All Funds

	FY 2008-09
New Debt Service	
Enterprise	\$5,842,630
Transportation	852,807
General Purpose	5,918,888
New Operations and Maintenance	5,264,246
Pay-As-You-Go Financing	
Transit Fund	17,621,942
Water/Wastewater Fund	679,540
Total	\$36,180,053

As shown in the table at the bottom of the page, the FY 2008-09 completion of the Central Phoenix and East Valley Light Rail Transit (CP / EV LRT) project is anticipated to produce the largest *net* operating cost, with \$3.2 million budgeted in the Transit Fund. The total cost represents Tempe's identified share of FY 2008-09 payments to the management entity, Valley Metro Rail, which will operate the light rail system on behalf of the participating / benefitting metropolitan area cities. The new operating revenue identified as a product of this project represents estimated fare revenue from riders of the new light rail in FY 2008-09. Because light rail is not scheduled to begin operations until December 2008, the estimated operating costs and new revenues only represent six months of these operating impacts. The revenues and expenditures associated with this impact are budgeted in the Transit Fund.

FY 2008-09 Detailed Operating and Maintenance Impacts of Capital Improvements

Program / Project	Fund	Total Cost	New Revenue	Expenditure Reductions	Net Fiscal Effect	FTE
Special Purpose						
CP / EV LRT—Rail Planning, Design & Construction	Transit	\$4,437,707	\$1,259,938		\$3,177,769	
Crosscut Canal Multi-Use Path Phase II	Transit	5,200			5,200	
General Purpose						
Fire Station 7 for Southeast Quadrant	General	2,081,277			2,081,277	21
Total Operating Impacts		\$6,524,184	\$1,259,938	\$0	\$5,264,246	21



The other noteworthy FY 2008-09 operating impact is approximately \$2 million in the General Fund associated with the construction of a new fire station. In general terms, this amount provides for the hiring of a new 21 person fire company and related annual operating and maintenance costs for the station.

The operating budget impacts associated with the completion of Phase II of the Crosscut Canal Multi-Use Path represent additional permanent landscape maintenance expenditures that will be required once the path is completed and put into service in FY 2008-09.

All FY 2008-09 capital project operating impacts mentioned above are budgeted within the FY 2008-09 operating budget and constitute permanent increases to the annual base budget of each respective fund.

Future Operating and Maintenance Impacts

In addition to current year impacts, future operating costs, savings, and new revenue associated with current and planned projects are identified in the Capital Budget process to aid in long range planning. As the City Council only formally adopts Operating and Capital Budgets on an annual basis, it is important to note that these 'out-year' impacts merely represent a forecast based on the current scope of the project and inflation assumptions. As such, they will be subject to revision in future years based on changes in inflation, the scope of the project and Council and community priorities.

As shown in the table on page 34, a total of 16 current and/or future projects are projected to produce \$25.5 million in operating budget impacts between FY 2008-09 and FY 2012-13. Of the 16 projects, 12 are considered to be significant non-routine projects and are projected to produce 94% or \$23.8 million of the total estimated future operating budget impacts. Anticipated periodic and ongoing capital projects are estimated to produce approximately \$1.6 million in operating budget impacts over the same period.

Within the Special Purpose program, the current CP / EV LRT project is the primary driver of the operating budget impacts. Because the CP / EV LRT project is scheduled for completion in FY 2008-09, the project serves as an excellent example of how a significant non-routine project can result in significant permanent operating impacts. It is important to note that the estimated future operating impacts from the CP / EV LRT project assume the receipt of an annual revenue offset from fares paid by light rail riders. Because light rail operating cost and revenue sharing methodologies for future years have not been finalized among the participating municipalities, the annual operating impact amounts represent net estimates.

Overall, total projected annual increases in capital

project operating impacts remain fairly stable, increasing from approximately \$5.8 million in FY 2009-10, to approximately \$6.9 million in FY 2012-13. Clearly, the year over year increases in light rail operating costs drive this stability.

Other capital projects that exemplify how non-routine capital expenditures can often result in permanent operating budget impacts include the following:

- *Environmental Laboratory Facility* - Operating impacts represent the additional annual costs of electricity to operate the lab.
- *Customer Services Utility Billing Upgrade* - After installation, the new utility billing software system will require annual maintenance costs estimated at \$110,000.
- *Rio East Park* - Once complete, the new park will require 2.5 additional maintenance employees and associated supplies.
- *Fire Station 7* - As mentioned earlier, the new fire station has a FY 2008-09 operating budget impact of nearly \$2.1 million. The estimated future annual operating impact increases of roughly \$80,000 represent annual increases to the salaries, and inflationary items that became permanent adjustments to the base budget in FY 2008-09.
- *Cellular Phone Tracking System* - Although the new system does not represent a relatively major project in monetary terms, it is considered significant and non-routine in that it will introduce a new state of the art technology to the Police Department. The Project will include new permanent annual software maintenance costs.

Projected operating impacts produced by anticipated periodic and ongoing annual projects are primarily attributable to the scheduled replacement of capital assets, ongoing maintenance, and inflationary impacts on electricity, fuel, and materials and supplies.

Capital Expenditures Impact on Services

Inherent within the CIP is the overarching fundamental intention to maintain and improve the City's infrastructure and assets in order to create a positive and livable community environment, and to enhance the City's organizational ability to deliver services to residents. Ongoing projects such as waterline and street repair, park renovation, and facilities maintenance are basic examples of capital projects that perpetuate the livability of the City. Major non-routine projects such as Water Treatment Plant Upgrades, Rio East Park, and the Tempe Town Lake Pedestrian Bridge all represent major City investments that will ensure Tempe is a safe and accommodating place to live.



Other major non-routine capital projects that will result in appreciable enhancements to City service deliverability are highlighted below:

- Fire Station 7 in the Southeast Quadrant – Currently one fire station serves the City's southeast quadrant which represents approximately 40% of the City's geographical area. The construction of Fire Station 7 will add a second fire station to serve the southeast quadrant which will enable the City to become less reliant on neighboring municipalities in that area, and enhance the Fire Department's ability to maintain its goal of responding to 70% of emergency calls in fewer than 5 minutes.
- East Valley, Central Phoenix Light Rail Transit is anticipated to greatly enhance City residents' access to public transportation not only within Tempe, but also to the airport and neighboring Cities. The light rail system will include eight boarding stations within Tempe, including two stations through the heart of downtown and a rail bridge over Tempe Town Lake.
- Tempe Public Library Renovation – This project will substantially upgrade the library's computer system which will speed up resident access to information, and reduce complaints. The renovation also involves the purchase of a new wireless telephone system which will free librarians from service desks and allow them to interact with both telephone and in house customers in a more efficient manner.
- Tempe Historical Museum Renovation – The goal of this project is to enhance visitors' experience by creating a more flexible, interactive gathering space that attracts a larger, more diverse and involved audience. The project will redefine the exhibit area, integrate new technology, create a versatile multi-use area, improve efficiency of non-public space, and create a children's area that involves families and schools.
- Bus Fleet Replacement and Expansion – In response to increased demand for public transit in Tempe over the last decade, this project will significantly expand fixed route and neighborhood circulator bus service to City residents, thereby decreasing traffic congestion. The project will replace over 50 existing buses which will improve the quality of transit ridership

Projected Impact of Capital Improvements on Future Operating Budgets



Capital Improvements Plan Net Operating Impact Forecast: FY 2009-10 to FY 2012-13						
Capital Project	Fund	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Total
Enterprise Program						
Environmental Laboratory Facility	Water	70,000	70,000	70,000	70,000	280,000
Financial Services - Customer Services Utility Billing Upgrade	Water	110,000	110,000	110,000	110,000	440,000
Ken McDonald Golf Course Recharge Project	Water	64,460	64,460	64,460	64,460	257,840
Enterprise Subtotal		244,460	244,460	244,460	244,460	977,840
Special Purpose Program						
Crosscut Canal Multi-Use Path Phase II	Transit	5,356	5,517	5,682	5,853	22,408
Rio Salado Multi-Use Path - Tempe - Phoenix - (priest - 143)	Transit			10,400	10,712	21,112
CP / EV LRT - Rail Planning, Design and Construction	Transit	4,671,000	5,204,000	5,473,000	5,777,000	21,125,000
Rio East Park	Rio Salado	228,151	170,673	182,079	194,476	775,379
Special Purpose Subtotal		4,904,507	5,380,190	5,671,161	5,988,041	21,943,899
General Purpose Program						
Cellular Phone Tracking System	General	27,500	27,500	27,500	27,500	110,000
New Support Services Facility	General	101,085	78,242	80,945	83,869	344,141
Fire Station 2	General		6,960	6,960	6,960	13,920
Fire Station 7 for Southeast Quadrant	General	78,291	80,794	83,496	86,420	329,001
Tempe Public Library Renovation	General	38,400	38,400	48,400		125,200
Laptop Replacement*	General	44,000	44,000	44,000	44,000	176,000
TIPS (Technology Integrated Police Systems)*	General	97,000	97,000	97,000	97,000	388,000
Park Renovation and Restoration*	General	170,335	181,100	192,527	205,016	748,978
General Purpose Subtotal		556,611	547,036	580,828	550,765	2,235,240
Transportation Program						
Graffiti Removal*	General	71,341	78,205	85,784	94,154	329,484
Transportation Subtotal		71,341	78,205	85,784	94,154	329,484
Total		5,776,919	6,249,891	6,582,233	6,877,420	25,486,463

*Indicates estimated operating costs are associated with anticipated periodic and ongoing projects.

Significant Non-Routine Capital Project Expenditures by Major Program



Projects and Funding Sources by Major Program	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
<u>Enterprise Program</u>						
JGMWTP Treatment Upgrades						
<i>Water / Wastewater Bonds</i>	\$28,650,000	\$14,070,000				\$42,720,000
<i>Development Fees</i>	1,350,000	1,350,000				2,700,000
STWTP Water Quality Improvement						
<i>Water / Wastewater Bonds</i>		2,500,000	10,150,000	6,760,000		19,410,000
<i>Development Fees</i>			1,350,000	1,350,000		2,700,000
Environmental Laboratory Facility						
<i>Water / Wastewater Bonds</i>		432,000	2,059,400	2,059,400		4,550,800
<i>Development Fees</i>					540,000	540,000
STWTP Security Fencing - Lighting						
<i>Water / Wastewater Bonds</i>			2,806,000			2,806,000
JGMWTP Security Fencing - Lighting						
<i>Water / Wastewater Bonds</i>		2,318,000				2,318,000
New Production Well						
<i>Water / Wastewater Bonds</i>	1,900,000	700,000		900,000		3,500,000
Kyrene Reclaimed Water Transmission / Distribution Line						
<i>Water / Wastewater Bonds</i>	4,000,000					4,000,000
Financial Services - Customer Services Utility Billing System Upgrade						
<i>Capital Projects Fund Balance</i>	710,000	1,200,000				1,910,000
Ken McDonald Golf Course Recharge Project						
<i>Water / Wastewater Bonds</i>	390,000	1,724,000				2,114,000
Total Enterprise Program	37,000,000	24,294,000	16,365,400	11,069,400	1,440,000	90,168,800
<u>Special Purpose Program</u>						
Bus Purchase - Fleet Replacement & Expansion						
<i>Transit Tax</i>	1,951,000					1,951,000
<i>Regional Transportation Fund</i>	5,546,841	3,824,538				9,371,379
<i>Federal Grants</i>	22,187,366	15,298,150				37,485,516
CP / EV LRT - Rail Planning, Design & Construction						
<i>Transit Tax</i>	10,578,000					10,578,000

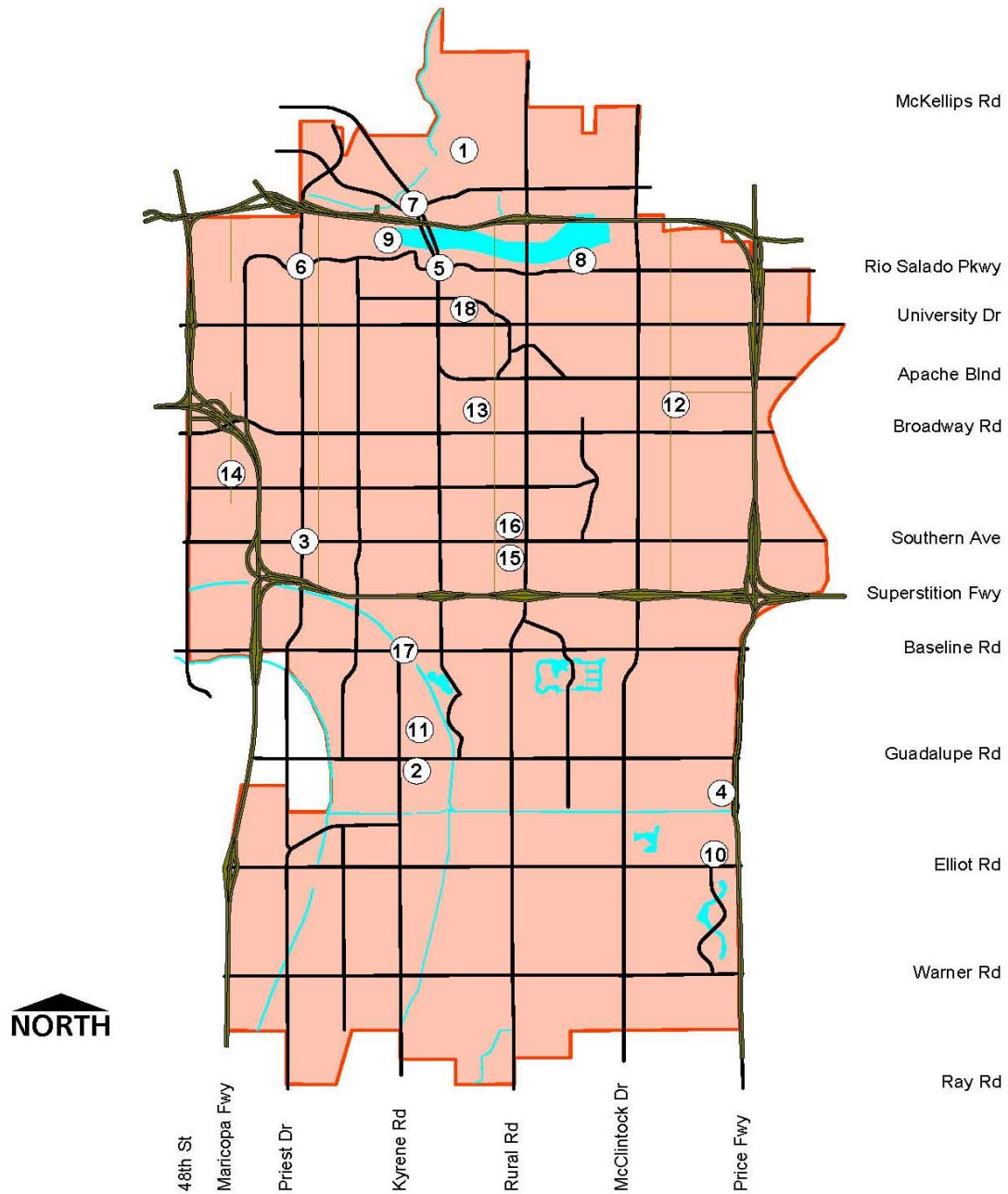


Projects and Funding Sources by Major Program	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Light Rail - Concurrent Non-Project Activities (CNPA)						
<i>Capital Projects Fund Balance</i>	4,805,499					4,805,499
I-10 Alameda Drive Bike Ped Crossing						
<i>Transit Tax</i>			403,200		2,574,000	2,977,200
<i>Federal Grants</i>					1,200,000	1,200,000
South Tempe Transit Center						
<i>Transit Tax</i>	80,677					80,677
<i>Regional Transportation Fund</i>	1,945,123					1,945,123
Crosscut Canal Multi-use Path Phase II						
<i>Transit Tax</i>	1,400,000					1,400,000
<i>Federal Grants</i>	500,000					500,000
Rio Salado Multi-Use Path - Tempe-Phx (Priest-143)						
<i>Federal Grants</i>			800,000			800,000
Tempe Town Lake Pedestrian Bridge						
<i>Land Sale Proceeds-Rio East</i>	1,004,800					1,004,800
<i>Grants</i>	750,000					750,000
Rio East Park						
<i>Land Sale Proceeds-Rio East</i>	2,616,561	1,684,030	170,672	182,080	194,476	4,847,819
<i>Developer Funding</i>	1,500,000					1,500,000
Tempe Town Lake Pedestrian Bridge						
<i>Land Sale Proceeds-Rio East</i>	1,004,800					1,004,800
<i>Grants</i>	750,000					750,000
Total Special Purpose Program	54,865,867	36,206,718	7,973,872	182,080	3,968,476	103,197,013
<u>General Purpose Program</u>						
Cellular Phone Tracking System						
<i>Land Sale Proceeds-Rio East</i>	362,600					362,600
New Support Services Facility						
<i>General Obligation Bonds</i>	665,136	8,215,639				8,880,775
Fire Station 2						
<i>General Obligation Bonds</i>		503,424	7,731,821			8,235,245
Fire Station 7 for Southeast Quadrant						
<i>General Obligation Bonds</i>	3,927,884					3,927,884



Projects and Funding Sources by Major Program	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Replace Burn Room at the Fire Training Center						
<i>General Obligation Bonds</i>				500,000		500,000
Kiwanis Park Sprinkler System Replacement						
<i>General Obligation Bonds</i>	1,534,000	1,534,000				3,068,000
Diablo Stadium Scoreboard Replacement						
<i>General Obligation Bonds</i>	621,000					621,000
Tempe Public Library Renovation						
<i>General Obligation Bonds</i>	3,425,133	3,536,333	115,000			7,076,466
Tempe Historical Museum Renovation Project						
<i>General Obligation Bonds</i>	690,000					690,000
Development Services Technology Modernization						
<i>Land Sale Proceeds-Rio East</i>	225,000	75,000				300,000
City Hall / Municipal Complex Rehabilitation						
<i>Land Sale Proceeds-Rio East</i>	450,000					450,000
Total General Purpose Program	11,900,753	13,864,396	7,846,821	500,000	0	34,111,970
<u>Transportation & R.O.W. Improvements Program</u>						
Baseline Bridge Replacement Over Western Canal						
<i>General Obligation Bonds</i>	3,000,000					3,000,000
<i>LTA Fund Balance</i>	1,000,000					1,000,000
Total Transportation and R.O.W. Program	4,000,000					4,000,000
Total All Programs	\$107,766,620	\$74,365,114	\$32,186,093	\$11,751,480	\$5,408,476	\$231,477,783

Capital Improvements Project Map



Location	Project Description
1.	Johnny G. Martinez Water Treatment Plant Upgrades
2.	Kyrene Reclaimed Water Transmission/Distribution Line
3.	Southern Avenue Interceptor Rehabilitation
4.	Sedimentation Basins Grout Liner Replacement
5.	Central Phoenix & East Valley Light Rail Planning, Design & Construction
6.	Bus Purchase - Fleet Replacement & Expansion
7.	Crosscut Canal Multi-Use Path Phase II
8.	Rio East Park
9.	Tempe Town Lake Pedestrian Bridge

Location	Project Description
10.	Fire Station Station 7
11.	Kiwanis Park Sprinkler System Replacement
12.	Park Renovation and Restoration - Hudson Park
13.	Park Renovation and Restoration - Daley Park
14.	Diablo Stadium Scoreboard Replacement
15.	Tempe Public Library Renovation
16.	Tempe Historical Museum Renovation
17.	Baseline Bridge over Western Canal
18.	City Hall Municipal Complex Rehabilitation

Capital Budget Strategic Focus



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

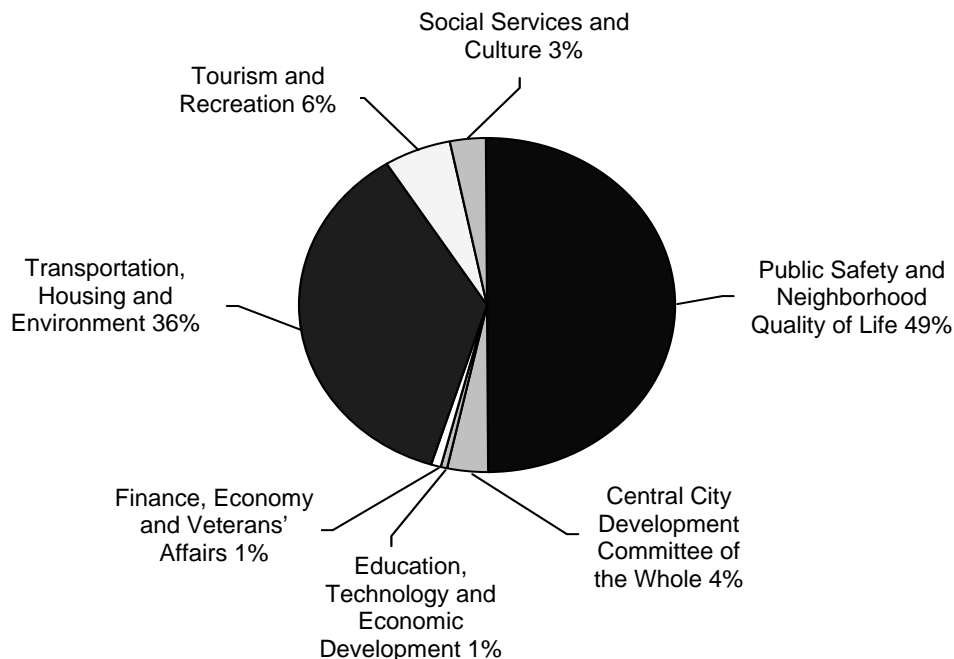
- Central City Development Committee of the Whole
- Education, Technology and Economic Development
- Finance, Economy and Veterans' Affairs
- Public Safety and Neighborhood Quality of Life
- Social Services and Culture
- Tourism and Recreation
- Transportation, Housing and Environment

The objective 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 2008-09 Capital Program organized by strategic issue is shown in the chart below.

The FY 2008-09 Capital Budget largely focuses on capital projects related to two strategic areas: (1) Public Safety and Neighborhood Quality of Life; and (2) Transportation, Housing and Environment. These two strategic issue areas alone account for 85% of the Capital Budget in the upcoming fiscal year.

CIP project concentration in Public Safety and Neighborhood Quality of Life is attributable to the City's continuing reinvestment in water and sewer infrastructure to support new and existing development; and new facilities and equipment to support the Police and Fire departments. CIP concentration in Transportation, Housing and Environment is attributable to the City's focus on linking the downtown area to the regional light rail transit system, reinvestment in the City bus fleet, and ongoing maintenance of City street systems.



Capital Improvements Program Summary



Program	Funded Program		Additional Needs			Total 5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Enterprise Program						
Water	\$47,529,000	\$28,344,000	\$20,538,400	\$17,402,400	\$6,365,000	\$120,178,800
Wastewater	20,425,000	17,290,950	17,184,250	17,440,000	16,490,000	88,830,200
Golf	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise	68,004,000	45,684,950	37,772,650	34,892,400	22,905,000	209,259,000
Special Purpose Program						
Transit	52,304,506	22,672,688	4,028,200	2,504,343	3,774,000	85,283,737
Rio Salado	5,971,361	17,184,030	6,870,672	282,080	294,476	30,602,619
Total Special Purpose	58,275,867	39,856,718	10,898,872	2,786,423	4,068,476	115,886,356
General Purpose Program						
Police	6,261,249	2,360,800	950,000	950,000	900,000	11,422,049
Fire	5,312,020	8,890,959	7,731,821	500,000		22,434,800
Storm Drains	250,000	275,000	275,000	300,000	300,000	1,400,000
Park Improvements	10,138,875	8,744,875	7,412,375	7,876,875	8,172,000	42,345,000
General Governmental						
Community Services	5,211,938	4,219,409	532,509	373,467	266,290	10,603,613
Development Services	335,000	115,000				450,000
Information Technology	180,000	348,000				528,000
Community Relations	250,000	250,000	250,000	250,000	250,000	1,250,000
Public Works	1,678,000	882,000	782,000	782,000	782,000	4,906,000
Water Utilities	275,000	275,000	275,000	275,000	275,000	1,375,000
Total General Purpose	29,892,082	26,361,043	18,208,705	11,307,342	10,945,290	96,714,462
Transportation Program						
Transportation and R.O.W.	10,236,376	7,087,227	7,748,051	8,463,666	8,864,733	42,400,053
Traffic Signals / Street Lighting	1,625,000	1,753,348	2,286,319	1,575,000	1,921,469	9,161,136
Total Transportation	11,861,376	8,840,575	10,034,370	10,038,666	10,786,202	51,561,189
Total General/Transportation	41,753,458	35,201,618	28,243,075	21,346,008	21,731,492	148,275,651
Subtotal Tax Supported	100,029,325	75,058,336	39,141,947	24,132,431	25,799,968	264,162,007
TOTAL PROGRAM	\$168,033,325	\$120,743,286	\$76,914,597	\$59,024,831	\$48,704,968	\$473,421,007

Capital Improvements Program Source of Funds



Program	Funded Program		Additional Needs			Total 5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Enterprise Supported						
Water/Wastewater						
Water / Wastewater Bonds	\$63,594,000	\$41,284,950	\$35,122,650	\$31,742,400	\$20,255,000	\$191,999,000
Capital Projects Fund Balance	1,860,000	1,850,000	100,000	600,000	100,000	4,510,000
Development Fees	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000
Total Water/Wastewater Fund	67,954,000	45,634,950	37,722,650	34,842,400	22,855,000	209,009,000
Golf						
Excise Tax Bonds - Golf Fund	50,000	50,000	50,000	50,000	50,000	250,000
Subtotal Enterprise Supported	68,004,000	45,684,950	37,772,650	34,892,400	22,905,000	209,259,000
Special Purpose						
Transit						
Transit Tax Revenues	17,079,677	978,220	2,128,200	1,017,803	2,574,000	23,777,900
Regional Public Transportation Fund	7,491,964	3,824,538				11,316,502
Federal Grants	22,687,366	17,869,930	1,900,000	1,486,540	1,200,000	45,143,836
Capital Projects Fund Balance	5,045,499					5,045,499
Total Transit Fund	52,304,506	22,672,688	4,028,200	2,504,343	3,774,000	85,283,737
Rio Salado						
Mondrian Agreement		10,800,000				10,800,000
Developer Funding	1,500,000					1,500,000
Land Sale Proceeds-Rio East	3,721,361	6,384,030	6,870,672	282,080	294,476	17,552,619
Grants	750,000					750,000
Total Rio Salado	5,971,361	17,184,030	6,870,672	282,080	294,476	30,602,619
Total Special Purpose	58,275,867	39,856,718	10,898,872	2,786,423	4,068,476	115,886,356
General Purpose & Transportation						
General Obligation Bonds	33,770,407	32,512,592	25,994,598	19,665,541	19,915,674	131,858,812
Capital Improvements Reserve	777,000	777,000	777,000	777,000	777,000	3,885,000
Water / Wastewater Fund	679,540	456,350	377,227	348,424	228,550	2,090,090
Transit Fund	542,265	226,727	40,282	25,043	37,740	872,057
Local Transportation Assistance Fund	1,000,000					1,000,000
Land Sale Proceeds-Rio East	2,393,600	1,093,000	530,000	530,000	530,000	5,076,600
Capital Project Fund Balances	880,000					880,000
Community Oriented Policing						
Services (COPS) Grant	1,625,646					1,625,646
Federal Grants		135,950	523,968		242,528	902,446
Racketeer Influenced and Corrupt						
Organizations Act (RICO) Funds	85,000					85,000
Total General/Transportation	41,753,458	35,201,618	28,243,075	21,346,008	21,731,492	148,275,651
Subtotal Tax Supported	100,029,325	75,058,336	39,141,947	24,132,431	25,799,968	264,162,007
TOTAL PROGRAM	\$168,033,325	\$120,743,286	\$76,914,597	\$59,024,831	\$48,704,968	\$473,421,007

Capital Improvements Changes in Fund Balances



Program	Estimated Fund Balance 06-30-08	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Balance 06-30-09
Enterprise						
Water / Wastewater	\$5,675,318		\$2,500,000	\$63,594,000	\$67,954,000	\$3,815,318
Golf				50,000	50,000	
Cemetery	297,232					297,232
Subtotal Enterprise	5,972,550	0	2,500,000	63,644,000	68,004,000	4,112,550
Special Purpose						
Transit	5,050,000	17,079,677	30,179,330		52,304,506	4,501
Performing Arts	1,018,198					1,018,198
Rio Salado	497,964		5,971,361		5,971,361	497,964
Subtotal Special Purpose	6,566,162	17,079,677	36,150,691	0	58,275,867	1,520,663
General Purpose						
Police Protection	313,578		1,988,246	3,973,003	6,261,249	13,578
Fire Protection				5,312,020	5,312,020	
Storm Drains				250,000	250,000	
Park Improvements	291,833			9,928,875	10,138,875	81,833
General Governmental	(469,702)	1,998,805	1,816,000	4,115,133	7,929,938	(469,702)
Subtotal General Purpose	135,709	1,998,805	3,804,246	23,579,031	29,892,082	(374,291)
Transportation						
Transportation & R.O.W. Improvements	471,099	1,000,000	200,000	8,836,376	10,236,376	271,099
Traffic Signals / Street Lighting	177,657		100,000	1,355,000	1,625,000	7,657
Subtotal Transportation	648,756	1,000,000	300,000	10,191,376	11,861,376	278,756
TOTAL PROGRAM	\$13,323,177	\$20,078,482	\$42,754,937	\$97,414,407	\$168,033,325	\$5,537,678

Capital Improvements Program Project Listings and Descriptions



Water Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
JGMWTP Treatment Upgrades	\$30,000,000	\$15,420,000				\$45,420,000
STWTP Water Quality Improvement		2,500,000	11,500,000	8,110,000		22,110,000
Water Line Replacement and Repair	850,000	850,000	850,000	4,000,000	4,000,000	10,550,000
Environmental Laboratory Facility		432,000	2,059,400	2,059,400	540,000	5,090,800
New Production Well	1,900,000	700,000		900,000	900,000	4,400,000
Kyrene Reclaimed Water Transmission / Distribution Line	4,000,000					4,000,000
WL Upgrade / Replacement Rural Rd. (RioSalado - Apache)		1,372,000	2,200,000			3,572,000
STWTP Security Fencing and Lighting			2,806,000			2,806,000
JGMWTP Security Fencing and Lighting		2,318,000				2,318,000
Sedimentation Basins Grout Liner Replacement	2,200,000					2,200,000
Ken McDonald Golf Course Recharge Project	390,000	1,724,000				2,114,000
Financial Services - Customer Services Utility Billing System Upgrade	710,000	1,200,000				1,910,000
Distribution System Fittings	500,000	500,000	400,000	230,000	230,000	1,860,000
Small Meter Replacement Program - 2 Inches and Under	650,000	650,000	100,000	100,000	100,000	1,600,000
Water Line Upgrade / Replacement Orange / Lemon	1,503,500					1,503,500
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
Water Line Upgrade / Replacement Margo / Geneva (Fairmont-Hardy)	1,168,500					1,168,500
Update the Integrated Master Plan	500,000			500,000		1,000,000
Water Line Upgrade / Replacement on 22nd / 24th St (Hardy-Roosevelt)	957,000					957,000
Undergrounding of Water Aqueduct at the JGMWTP				857,000		857,000
Well #13 Equipping	680,000					680,000
NaOCl Cells and Brine Tank Installation	480,000					480,000



Water Program Projects by Total Project Cost (continued)

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Central Arizona Project Capital Charge	95,000	95,000	95,000	95,000	95,000	475,000
HVAC Replacement at the Three Water & Wastewater Treatment Plants	175,000	83,000	28,000	51,000		337,000
Alum Tank Replacement at the STWTP	270,000					270,000
Water Program Total	\$47,529,000	\$28,344,000	\$20,538,400	\$17,402,400	\$6,365,000	\$120,178,800



Crew at work on waterline



Water Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Funding Source:						
<u>Water / Wastewater Bonds</u>						
JGMWTP Treatment Upgrades	\$28,650,000	\$14,070,000				\$42,720,000
STWTP Water Quality Improvement		2,500,000	10,150,000	6,760,000		19,410,000
Water Line Replacement and Repair	850,000	850,000	850,000	4,000,000	4,000,000	10,550,000
Environmental Laboratory Facility		432,000	2,059,400	2,059,400		4,550,800
New Production Well	1,900,000	700,000		900,000		3,500,000
Kyrene Reclaimed Water Transmission / Distribution Line	4,000,000					4,000,000
Water Line Upgrade / Replacement Rural Rd. (Rio Salado - Apache)		1,372,000	2,200,000			3,572,000
STWTP Security Fence - Lighting			2,806,000			2,806,000
JGMWTP Security Fence - Lighting		2,318,000				2,318,000
Sedimentation Basins Grout Liner Replacement	2,200,000					2,200,000
Ken McDonald Golf Course Recharge Project	390,000	1,724,000				2,114,000
Distribution System Fittings	500,000	500,000	400,000	230,000	230,000	1,860,000
Water Line Upgrade / Replacement Orange / Lemon	1,503,500					1,503,500
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
Water Line Upgrade / Replacement Margo / Geneva (Fairmont-Hardy)	1,168,500					1,168,500
Water Line Upgrade / Replacement on 22nd / 24th St (Hardy-Roosevelt)	957,000					957,000
Undergrounding of Water Aqueduct at the JGMWTP				857,000		857,000
Well #13 Equipping	680,000					680,000
NaOCl Cells and Brine Tank Installation	480,000					480,000
CAP Capital Charge	95,000	95,000	95,000	95,000	95,000	475,000
HVAC Replacement at the Three Water & Wastewater Treatment Plants	175,000	83,000	28,000	51,000		337,000
Alum Tank Replacement at the STWTP	270,000					270,000
Subtotal	44,319,000	25,144,000	19,088,400	15,452,400	4,825,000	108,828,800



Water Program Projects by Funding Source (continued)

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Funding Source:						
<u>Capital Projects Fund Balance</u>						
Financial Services - Customer Services Utility Billing System Upgrade	710,000	1,200,000				1,910,000
Small Meter Replacement Program - 2 Inches and Under	650,000	650,000	100,000	100,000	100,000	1,600,000
Update the Integrated Master Plan (IMP)	500,000			500,000		1,000,000
Subtotal	1,860,000	1,850,000	100,000	600,000	100,000	4,510,000
Funding Source:						
<u>Development Fees</u>						
JGMWTP Treatment Upgrades	1,350,000	1,350,000				2,700,000
STWTP Water Quality Improvement			1,350,000	1,350,000		2,700,000
Environmental Laboratory Facility					540,000	540,000
New Production Well					900,000	900,000
Subtotal	1,350,000	1,350,000	1,350,000	1,350,000	1,440,000	6,840,000
Water Program Total	\$47,529,000	\$28,344,000	\$20,538,400	\$17,402,400	\$6,365,000	\$120,178,800



Water Program Project Descriptions

JGMWTP Treatment Upgrades

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will install additional water quality improvements to meet required water quality regulations at the Johnny G. Martinez Water Treatment Plant (JGMWTP). The project includes a comprehensive site study, a Granular Activated Carbon (GAC) facility, and solids handling improvements (plate settlers and sludge holding tank).

2008-09 Source of Funds	
Water / Wastewater Bonds	28,650,000
Development Fees	1,350,000

STWTP Water Quality Improvement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project includes improvements and modifications to the existing South Tempe Water Treatment Plant that will ensure the plant is in compliance with current water quality regulations and goals. The project includes a Granular Activated Carbon facility and other site improvements.

2008-09 Source of Funds	
N/A	

Water Line Replacement and Repair

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

The Water Utility Department Integrated Master Plan identifies most of the specific waterlines that need to be replaced to meet increasing demands. This project provides a recurring funding source to replace water lines that break during normal operation or that have reached their useful life.

2008-09 Source of Funds	
Water / Wastewater Bonds	850,000

Environmental Laboratory Facility

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will construct a new 10,000 square foot Water Utilities Department, Leadership in Energy and Environmental Design (LEED) Green Building certified Environmental Laboratory facility on existing City-owned land at the South Tempe Water Treatment Plant site adjacent to the existing Environmental Services Building. 10,000 square feet is believed to be sufficient space for all currently required analyses, process control and research analyses, and future requirements added by EPA. The project will add two new chemists so that tests will be conducted internally. Accordingly, two chemists have been included in the operating impacts of this project. In addition to these two positions, another research / process control chemist position is to be added to operational impacts of the proposed capital project beginning in FY 2011-12.

2008-09 Source of Funds	
N/A	

New Production Well

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides funding for one new potable water well, and city connections to four existing wells. The Water Utilities Department Integrated Master Plan (2000), and Water Resources Plan (2006) identified a shortage of well capacity in Tempe and recommend that the City increase well capacity to meet emergency supply needs and supplemental drought supply. These wells would provide an additional 16.5 million gallons per day of production capacity to the City, and coupled with existing wells, meet the needs of an emergency situation. The wells also double as storage capacity and effectively reduce capital requirements for additional above-ground storage and pumping.

The new City of Tempe well is to be drilled and equipped in south Tempe. Two of the four wells to be connected to the City's distribution system will require renovation as part of the project.

2008-09 Source of Funds	
Water / Wastewater Bonds	1,900,000

Kyrene Reclaimed Water Transmission / Distribution Line

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

With the expansion of the City's Kyrene Reclamation Facility and its producing a higher quality effluent from the use of Membrane Technology, the City has excess reclaimed water to reuse. One major use of this reclaimed water is to refill Tempe Town Lake from evaporation and other losses. In order to accomplish this a pipeline will be constructed 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.

2008-09 Source of Funds	
Water / Wastewater Bonds	4,000,000



Water Program Project Descriptions (continued)

Water Line Upgrade / Replacement on Rural Road (Rio Salado - Apache)

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will install approximately 5,000 feet of new 16 inch distribution main water line which will replace the existing 14 inch cast iron pipe on Rural Rd. between University Dr. and Apache Blvd. The existing 14 inch pipe was installed in 1968 and its non-standard size makes new connections and repairs more expensive and of longer duration.

The new distribution main will be tied to a larger 30 inch transmission main at Rio Salado, University and Apache. The new line and connections will facilitate the Arizona State University Tempe campus Masterplan, and new development in the Rio Salado corridor. New fire hydrants, gate valves for control, onsite fire suppression system connections, services meters, and connections to the remainder of the distribution system will be included.

2008-09 Source of Funds

N/A

STWTP Security Fencing and Lighting

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project would replace the existing chain link perimeter fence that borders the eastern and southern perimeter along the South Tempe Water Treatment Plant. The project is a continuation of security improvements recommended by the vulnerability assessment completed as per federal requirements.

The existing chain link fence is not considered to be a high level security barrier and does not provide consistent adequate height requirements for security. The fence is also aging and in need of replacement. The replacement fence would be constructed with solid metal vertical and horizontal materials which are consistent with higher security standards. The perimeter fence line adjacent to Price Rd. would also have a metal cable barrier system installed to prevent vehicular intrusion. The lighting proposed for this site would be of free standing poles with fixtures that would provide sufficient illumination for deterrence and detection of any intruders.

2008-09 Source of Funds

N/A

JGMWTP Security Fencing and Lighting

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project consists of replacing the existing chain link fence that runs along the western perimeter of the Johnny G. Martinez Water Treatment Plant, and providing perimeter lighting along the same path. The chain link fence currently in place is over 20 years old and is in need of repair. The fence is the only barrier from public access and is not considered to be a high security barrier. The fence will be replaced with a higher level of security fence consisting of solid metal vertical and horizontal materials.

The proposed lighting would consist of free standing poles with lighting fixtures which would illuminate the perimeter fence line. Both the fence and lighting would add another layer of perimeter deterrence and detection for the facility. This project is a continuation of security improvements recommended by a vulnerability assessment completed for our critical assets.

2008-09 Source of Funds

N/A

Sedimentation Basins Grout Liner Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will completely replace the grout lining in the sedimentation basins at the South Tempe Water Treatment Plant. The current grout in the sedimentation basins is delaminating from the concrete underlayment. The grout serves the purpose of creating an angle for the sludge created from water treatment to collect in the middle of the circular basins for disposal. As the grout separates from the concrete it creates obstacles for the collection racks to overcome and blocks pump impellers and piping.

2008-09 Source of Funds

Water / Wastewater Bonds 2,200,000

Ken McDonald Golf Course Recharge Project

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will address the first two phases of the Tempe Ken McDonald Golf Course Groundwater Recharge Project. Phase 1 consists of deepening and equipping one existing recharge well, to convert it to an Aquifer Storage and Recovery (ASR) injection well. The injection well will provide reclaimed water aquifer storage and recovery. Phase 1 also includes the construction of discharge piping to recover stored reclaimed water (groundwater credits) for delivery to the golf course lakes for irrigation reuse.

Phase 2 includes the drilling and equipping of two additional ASR recharge wells and connection to the discharge piping for irrigation reuse.

2008-09 Source of Funds

Water / Wastewater Bonds 390,000



Water Program Project Descriptions (continued)

Financial Services - Customer Services Utility Billing System Upgrade

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project is for the upgrade / replacement of the Utility Billing software system. Currently, the Banner utility billing system bills an estimated \$56 million annually for the City's Water, Sewer and Solid Waste services for approximately 42,000 accounts. The current system has been operational since June 2001 with expected replacement for June 2010 (a nine year life). Modifications to the original software and the fact that a current software maintenance agreement is not in place, necessitates system replacement. Annual maintenance cost is estimated to be \$110,000 starting in FY 2009-10.

2008-09 Source of Funds

Capital Projects Fund Balance 710,000

Distribution System Fittings

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the acquisition, assembly and installation of water works infrastructure including meters, valves, hydrants and water lines at multiple City locations.

2008-09 Source of Funds

Water / Wastewater Bonds 500,000

Small Meter Replacement Program - 2 Inches and Under

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the replacement of revenue generating water meters that are 15 years or older. By replacing these meters the City should realize increased revenue and accurate water accounting. The estimated replacement schedule is as follows:

Approximately 11,000 small meters that are 15 years or older

Year 1) 5,500 meters

Year 2) 5,500 meters

Ongoing replacement program:

Year 3) 850 meters

Year 4) 850 meters

Year 5) 850 meters

2008-09 Source of Funds

Capital Projects Fund Balance 650,000

Water Line Upgrade / Replacement - Orange / Lemon

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace approximately 3,200 feet of 6 inch water line originally installed in 1962. The existing cast iron line has reached its design life, and does not meet current criteria for providing adequate water supply / fire flow in this multi-family area. New fire hydrants, gate valves for additional control, onsite fire suppression connections, and services meters will be included.

2008-09 Source of Funds

Water / Wastewater Bonds 1,503,500

JGMWTP Capital Equipment Replacement

Related Strategic Issue: Education, Technology and Economic Development

This project provides an annual funding mechanism to address equipment failures at the Johnny G. Martinez Water Treatment Plant which have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. Efforts are underway to develop comprehensive preventative maintenance programs and procedures to help minimize equipment failures.

2008-09 Source of Funds

Water / Wastewater Bonds 250,000

STWTP Capital Equipment Replacement

Related Strategic Issue: Education, Technology and Economic Development

This project provides an annual funding mechanism to address equipment failures at the South Tempe Water Treatment Plant which have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. Efforts are underway to develop comprehensive preventative maintenance programs and procedures to help minimize equipment failures.

2008-09 Source of Funds

Water / Wastewater Bonds 250,000



Water Program Project Descriptions (continued)

Water Line Upgrade / Replacement on Margo / Geneva (Fairmont-Hardy)

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace approximately 2,450 feet of existing 6 inch asbestos cement water line installed in 1980. Although the line has only reached its design half-life, it does not meet the current criteria for providing adequate water supply / fire flow in this heavy industrial area. New fire hydrants, gate valves for additional control, onsite fire suppression connections, and service meters will be included.

2008-09 Source of Funds
Water / Wastewater Bonds 1,168,500

Update the Integrated Master Plan (IMP)

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides funding to facilitate the first update to the water, wastewater, storm water and flood irrigation Integrated Master Plan (IMP) completed by the Water Utilities Department in 2000. Because of the projected intense capital spending necessary to meet growing service demand, it was recommended to update the master plan initially on a three-year cycle. If growth slows in the future, the period between IMP updates may be increased. The IMP has also proven to serve as a very functional financial model that aids in CIP planning and rate setting.

2008-09 Source of Funds
Capital Projects Fund Balance 500,000

Water Line Upgrade / Replacement on 22nd / 24th Street (Hardy-Roosevelt)

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace approximately 2,520 feet of existing 6 inch cast iron water lines which were installed in 1960. The lines are nearing the end of their design life and do not meet current criteria for providing adequate water supply / fire flow in this heavy industrial area. New fire hydrants, gate valves for additional control, new onsite fire suppression connections, and service meters will be included.

2008-09 Source of Funds
Water / Wastewater Bonds 957,000

Undergrounding of Water Aqueduct at the JGMWTP

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

The purpose of this project is to replace the water aqueduct or flume that brings raw water from the Crosscut Canal to the Johnny G. Martinez Water Treatment Plant. The aqueduct is part of the original infrastructure of the plant built almost 45 years ago. The goal of the project is to replace the aqueduct with an underground pipe.

2008-09 Source of Funds
N/A

Well #13 Equipping

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Well #13 is located south of the Western Canal between Rural Road and McClintock Drive. This planned well project was originally intended for use as a recovery well project to pump storage credits to the Salt River Project (SRP) canal as a water exchange supply source. The FY 08-09 project scope is being expanded to include a direct connection to the Tempe municipal water distribution system as a back-up drinking water supply well along with the connection to the SRP Western Canal.

2008-09 Source of Funds
Water / Wastewater Bonds 680,000

NaOCl Cells and Brine Tank Installation

Related Strategic Issue: Education, Technology and Economic Development

This project will add two Sodium Hypochlorite (NaOCl) generating cells to the current generating system, and one 60 ton Brine tank to the current NaOCl salt storage system. The addition of the two NaOCl generating cells will reduce system run time during high peak, high demand production times, saving up to 120 hours per month in peak electrical pricing. Adding the additional Brine Tank will help ensure a constant brine supply for NaOCl generation.

2008-09 Source of Funds
Water / Wastewater Bonds 480,000

Central Arizona Project Capital Charge

Related Strategic Issue: Education, Technology and Economic Development

An agreement with the Central Arizona Water Conservation District 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.

2008-09 Source of Funds
Water / Wastewater Bonds 95,000



Water Program Project Descriptions (continued)

HVAC Replacement at the Three Water and Wastewater Treatment Plants

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides funding to replace city owned air conditioning equipment and carpet located within the three water and wastewater treatment plants that has been identified as being ineffective, inefficient or has exceeded its life span according to the Public Works facility maintenance division. The replacement schedule is as follows:

- 2008-09: replace 17 heat pumps at the Johnny G. Martinez Water Treatment Plant (JGMWTP), and 3 air conditioning units at the South Tempe Water Treatment Plant (STWTP)
- 2009-10: replace 14 air conditioning units and heat pumps at JGMWTP, STWTP and Kyrene Water Reclamation Facility (KWRF)
- 2010-11: replace 1 heat pump and other equipment at JGMWTP, STWTP & KWRF
- 2011-12: replace 8 heat pumps and air conditioning units at JGMWTP, STWTP & KWRF

2008-09 Source of Funds
Water / Wastewater Bonds 175,000

Alum Tank Replacement at the STWTP

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will install two new bulk Alum storage tanks, related plumbing, and a new top fill system made of stainless steel for unloading safety, at the South Tempe Water Treatment Plant.

2008-09 Source of Funds
Water / Wastewater Bonds 270,000



Wastewater Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
91st Avenue WWTP	\$15,000,000	\$12,500,000	\$12,500,000	\$13,000,000	\$12,000,000	\$65,000,000
SAI Rehabilitation - All phases	2,240,000	2,240,000	2,240,000	2,240,000	2,240,000	11,200,000
Sewer Line Replacement and Repair	750,000	750,000	750,000	2,000,000	2,000,000	6,250,000
Sewer Replacement / Upsize Smith Rd. Apache to University	200,000	1,528,700				1,728,700
Sewer Replacement / Upsize 5th St. Price to Smith		172,250	1,544,250			1,716,500
Scottsdale Road Bio Filter Project	960,000					960,000
Sewer Replacement / Upsize Scottsdale Rd. Curry to Gilbert	915,000					915,000
KWRF Capital Equipment Replacement	50,000	100,000	150,000	200,000	250,000	750,000
KWRF - Scum Automation	250,000					250,000
KWRF Shade Screen	60,000					60,000
Wastewater Program Total	\$20,425,000	\$17,290,950	\$17,184,250	\$17,440,000	\$16,490,000	\$88,830,200

Wastewater Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Funding Source:						
<u>Water / Wastewater Bonds</u>						
91st Avenue WWTP	\$13,850,000	\$11,350,000	\$11,350,000	\$11,850,000	\$10,940,000	\$59,340,000
SAI Rehabilitation - All phases	2,240,000	2,240,000	2,240,000	2,240,000	2,240,000	11,200,000
Sewer Line Replacement and Repair	750,000	750,000	750,000	2,000,000	2,000,000	6,250,000
Sewer Replacement / Upsize Smith Rd. Apache to University	200,000	1,528,700				1,728,700
Sewer Replacement / Upsize -5th St. Price to Smith		172,250	1,544,250			1,716,500
Scottsdale Road Bio Filter Project	960,000					960,000
Sewer Replacement / Upsize Scottsdale Rd. Curry to Gilbert	915,000					915,000
KWRF Capital Equipment Replacement	50,000	100,000	150,000	200,000	250,000	750,000
KWRF - Scum Automation	250,000					250,000
KWRF Shade Screen	60,000					60,000
Subtotal	19,275,000	16,140,950	16,034,250	16,290,000	15,430,000	83,170,200
Funding Source:						
<u>Development Fees</u>						
91st Avenue WWTP	1,150,000	1,150,000	1,150,000	1,150,000	1,060,000	5,660,000
Subtotal	1,150,000	1,150,000	1,150,000	1,150,000	1,060,000	5,660,000
Wastewater Program Total	\$20,425,000	\$17,290,950	\$17,184,250	\$17,440,000	\$16,490,000	\$88,830,200



Wastewater Program Project Descriptions

91st Avenue WWTP

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project represents Tempe's share of all activities at the 91st Avenue Wastewater Treatment Plant (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 five metropolitan area cities and is operated by the City of Phoenix. The 91st Ave WWTP comprises the majority of Tempe's wastewater treatment program.

2008-09 Source of Funds

Water / Wastewater Bonds	13,850,000
Development Fees	1,150,000

Southern Avenue Interceptor (SAI) Rehabilitation-All phases

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project funds the phased rehabilitation or the replacement of the Southern Avenue Interceptor (SAI), a jointly owned regional sewer that runs through Tempe. An engineering condition assessment study revealed severe corrosion of this unlined concrete sewer line, and recommended a phased rehabilitation or replacement of the line to protect it from eventual collapse. This multi-year project addresses all phases of rehabilitation and replacement.

The project will be jointly funded by both Tempe and the City of Mesa. The estimated project costs shown here represent Tempe's portion of full line replacement.

2008-09 Source of Funds

Water / Wastewater Bonds	2,240,000
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Sewer Line Replacement and Repair

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

The Water Utility Department Integrated Master Plan (IMP) identifies most of the specific sewer lines that need to be replaced to meet increasing wastewater flows. This project provides a recurring funding source to replace sewer lines that break during normal operation.

2008-09 Source of Funds

Water / Wastewater Bonds	750,000
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Sewer Replacement / Upsize Smith Road - Apache to University

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace an estimated 2,670 feet of existing 12 to 15 inch sanitary sewer due to insufficient capacity. The new sewer diameter will be 18 inches. The project will alleviate high flow conditions and facilitate Apache Blvd. redevelopment.

2008-09 Source of Funds

Water / Wastewater Bonds	200,000
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Sewer Replacement / Upsize on 5th Street - Price to Smith

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace an estimated 2,650 feet of existing 15 inch sanitary sewer due to insufficient capacity. The new sewer diameter will be 18 inches. The project will alleviate high flow conditions and facilitate Apache Blvd. redevelopment.

2008-09 Source of Funds

N/A

Scottsdale Road Bio Filter Project

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will construct a Bio Filter for odor control related to sanitary sewer nuisance odors near the intersection of Scottsdale Road and Gilbert Drive. Public complaints of sanitary sewer odors in the vicinity have recently increased. The project includes site location, and the design and construction of the Bio Filter odor control system.

2008-09 Source of Funds

Water / Wastewater Bonds	960,000
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Sewer Replacement / Upsize on Scottsdale Road - Curry to Gilbert Metering Station

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace an estimated 1,500 feet of existing 12 inch sanitary sewer due to insufficient capacity. The new sewer diameter will be 15 to 18 inches depending on the location. The project will accommodate additional discharges from the Jonny G. Martinez Water Treatment Facility, and facilitate new condominium development between Weber and Curry.

2008-09 Source of Funds

Water / Wastewater Bonds	915,000
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Wastewater Program Project Descriptions (continued)

KWRF Capital Equipment Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides an annual funding mechanism to address equipment failures at the Kyrene Water Reclamation Facility which have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. Efforts are underway to develop comprehensive preventative maintenance programs and procedures to help minimize equipment failures.

2008-09 Source of Funds	
Water / Wastewater Bonds	50,000

KWRF Scum Automation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

The scope of this project is to automate the Kyrene Water Reclamation Facility scum gate / drain trough system located at and across all eight membrane basin inlets. The scum gates and piped channel allow cleaning and drainage of excess floatable solids (scum) that accrue at the membrane basin inlets. Potential hazardous gases such as Hydrogen Sulfide are reduced as well. The system now requires excessive operator hours accessing the area, opening difficult valves and hatches, and running water hose lines to allow physical access for spraying and hosing-out the scum troughs once the gate and drain valves are opened properly.

Automating the system at a minimum will require an electrically-controlled gate, a new drain, and sprayer valves with actuators that provide open / close position command and feedback features. Local control panels and conduit and wiring would be added for each valve and sprayer and would include valve status indicators and switches to provide manual or automatic operation of each valve.

2008-09 Source of Funds	
Water / Wastewater Bonds	250,000

KWRF Shade Screen

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

In order to protect critical equipment at the Kyrene Water Reclamation Facility, shade screening is recommended around the Chemical Storage and Odor Control Scrubber areas. This will protect the scrubber units, recirculation pumps, instrumentation, local control panels, chemical tanks, chemical pumps, piping and associated equipment. This project will include design and installation of the shade screen.

2008-09 Source of Funds	
Water / Wastewater Bonds	60,000



Golf Program Project Listings

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Golf Course Improvements	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Golf Program Total	\$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 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>Excise Tax Bonds</u>						
Golf Course Improvements	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Golf Program Total	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Golf Program Project Descriptions

Golf Course Improvements

Related Strategic Issue: Finance, Economy and Veterans' Affairs

This ongoing project provides funds for small annual renovation and improvement projects at both golf courses. Projects could involve concrete replacement and installation, fencing replacement and installation, sand replacement and additions, tee and green renovations and improvements, small landscaping and sprinkler projects, replacement of tables, benches and other amenities.

2008-09 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
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Bus Purchase - Fleet Replacement & Expansion	\$29,685,207	\$19,122,688				\$48,807,895
CP / EV LRT - Rail Planning, Design & Construction	10,578,000					10,578,000
Light Rail - Concurrent Non-Project Activities (CNPA)	4,805,499					4,805,499
I-10 Alameda Drive Bike and Pedestrian Crossing			403,200		3,774,000	4,177,200
Broadway Road Streetscape and Pedestrian Improvements	240,000	3,000,000				3,240,000
Bus Fleet Midlife Refurbishment	3,000,000					3,000,000
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
South Tempe Transit Center	2,025,800					2,025,800
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
Install CCTV Monitoring Stations - LRT Signal Intersections				409,343		409,343
ITS Transit Strategic Plan	70,000					70,000
Transit Program Total	\$52,304,506	\$22,672,688	\$4,028,200	\$2,504,343	\$3,774,000	\$85,283,737



Transit Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>Transit Tax</u>						
Bus Purchase - Fleet Replacement & Expansion	\$1,951,000					\$1,951,000
CP / EV LRT - Rail Planning, Design & Construction	10,578,000					10,578,000
I-10 Alameda Drive Bike and Pedestrian Crossing			403,200		2,574,000	2,977,200
Broadway Rd. Streetscape and Pedestrian Improvements		428,220				428,220
Bus Fleet Midlife Refurbishment	3,000,000					3,000,000
University Drive Street Improvement - Priest / Mill		250,000	1,175,000			1,425,000
Hardy Drive Pedestrian Street Improvement			250,000	895,000		1,145,000
South Tempe Transit Center	80,677					80,677
Crosscut Canal Multi-use Path Phase II	1,400,000					1,400,000
Rio Salado Multi-Use Path Tempe - Phoenix (Priest-143)		300,000	300,000			600,000
Install CCTV Monitoring Stations - LRT Signal Intersections				122,803		122,803
ITS Transit Strategic Plan	70,000					70,000
Subtotal	17,079,677	978,220	2,128,200	1,017,803	2,574,000	23,777,900

Funding Source:

Federal Grants

Bus Purchase - Fleet Replacement & Expansion	22,187,366	15,298,150				37,485,516
I-10 Alameda Drive Bike and Pedestrian Crossing					1,200,000	1,200,000
Broadway Road Streetscape and Pedestrian Improvements		2,571,780				2,571,780
University Drive Street Improvement - Priest / Mill			1,100,000			1,100,000
Hardy Drive Pedestrian Street Improvement				1,200,000		1,200,000
Crosscut Canal Multi-use Path Phase II	500,000					500,000
Rio Salado Multi-Use Path -Tempe - Phx (Priest-143)			800,000			800,000
Install CCTV Monitoring Stations - LRT Signal Intersections				286,540		286,540
Subtotal	22,687,366	17,869,930	1,900,000	1,486,540	1,200,000	45,143,836



Transit Program Projects by Funding Source (continued)

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>Capital Projects Fund Balance</u>						
Light Rail - Concurrent Non-Project Activities (CNPA)	4,805,499					4,805,499
Broadway Rd. Streetscape and Pedestrian Improvements	240,000					240,000
Subtotal	5,045,499					5,045,499
Funding Source:						
<u>Regional Transportation Fund</u>						
South Tempe Transit Center	1,945,123					1,945,123
Bus Purchase - Fleet Replacement & Expansion	5,546,841	3,824,538				9,371,379
Subtotal	7,491,964	3,824,538				11,316,502
Transit Program Total	\$52,304,506	\$22,672,688	\$4,028,200	\$2,504,343	\$3,774,000	\$85,283,737



Tempe Transit Center under construction



Transit Program Project Descriptions

Bus Purchase - Fleet Replacement and Expansion

Related Strategic Issue: Transportation, Housing and Environment

This project provides for 15 new expansion neighborhood circulator buses, 10 new fixed route buses for planned service to Rio Salado Parkway, and the replacement of 52 fixed route buses and 4 neighborhood circulator buses. The project also provides for all auxiliary equipment necessary to support new bus services and the replacement of vehicles nearing the end of useful life.

2008-09 Source of Funds

Federal Grants	22,187,366
Regional Transportation Fund	5,546,841
Transit Tax	1,951,000

CP / EV LRT - Rail Planning, Design and Construction

Related Strategic Issue: Transportation, Housing and Environment

This project provides funding for design, engineering and construction of 5 ½ miles of light rail transit that will 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. Together, the cities are funding approximately half of the capital costs 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 Section 5309 New Starts grant funds. The budget to the right reflects Tempe's anticipated contribution in fiscal year 2008-09.

2008-09 Source of Funds

Transit Tax	10,578,000
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Light Rail - Concurrent Non-Project Activities (CNPA)

Related Strategic Issue: Transportation, Housing and Environment

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.

2008-09 Source of Funds

Capital Projects Fund Balance	4,805,499
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I-10 and Alameda Drive Bicycle and Pedestrian Crossing

Related Strategic Issue: Transportation, Housing and Environment

This project will construct a non-motorized bridge over the Interstate 10 Freeway (I-10) at Alameda Drive. The bridge will provide bicycle and pedestrian access from west of the I-10 to Arizona State University and downtown Tempe, and provide Americans with Disabilities Act accessible routes to employment centers and major regional destinations. Work to be performed includes design, acquisition of ramp easements as needed, bridge construction, artwork, and installation of landscaping and street furniture.

2008-09 Source of Funds

N/A

Broadway Road Streetscape and Pedestrian Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project consists of pedestrian and bicycle facility improvements along an arterial street fronted by single family residential units.

2008-09 Source of Funds

Capital Projects Fund Balance	240,000
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Bus Fleet Midlife Refurbishment

Related Strategic Issue: Transportation, Housing and Environment

This project funds scheduled midlife maintenance for the City's existing bus fleet. The refurbishment program extends the useful life of the City's buses and includes body paint refurbishment, interior reconditioning, major mechanical component inspection and replacement, and miscellaneous equipment in support of bus maintenance.

2008-09 Source of Funds

Transit Tax	3,000,000
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University Drive Street Improvement - Priest / Mill

Related Strategic Issue: Transportation, Housing and Environment

This project provides funding for geometric changes to University Drive including the installation of on-street parking, striping for bike lanes, widening of sidewalks, construction of medians, pedestrian safety, fiber optic cable installation, providing mid-block crossings, and providing transit and pedestrian amenities.

2008-09 Source of Funds

N/A



Transit Program Project Descriptions (continued)

Hardy Drive Pedestrian Street Improvement

Related Strategic Issue: Transportation, Housing and Environment

This project consists of design and construction aimed at providing pedestrian, bicycle and transit improvements on Hardy Drive between Broadway Road and University Drive. The project may include geometric changes to the street including the possible addition of on-street parking, striping for bike lanes, widening of sidewalks, reduction of existing travel lane widths, construction of planted medians, protection from intrusion of commercial truck traffic, improved pedestrian safety, reduction of speed limits, and construction of mid-block crossings.

2008-09 Source of Funds

N/A

South Tempe Transit Center

Related Strategic Issue: Transportation, Housing and Environment

This project provides for the construction of a new South Tempe Transit Center that will consist of four to six bus bays. The Transit Center will provide passenger amenities including furniture to support passenger transfers. The facility will also include variable message signs that will display bus schedules and bus arrival times. A location analysis will be conducted prior to design and construction of the center.

2008-09 Source of Funds

Regional Transportation Fund	1,945,123
Transit Tax	80,677

Crosscut Canal Multi-Use Path Phase II

Related Strategic Issue: Transportation, Housing and Environment

This project provides for the construction of Phase II of the Tempe Crosscut Canal Multi-Use Path, 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 includes 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.

This project serves to consolidate trails in Papago Park and helps preserve a fragile piece of the Sonoran Desert, while also retaining and protecting a naturalized riparian system along a portion of the canal route.

2008-09 Source of Funds

Transit Tax	1,400,000
Federal Grants	500,000

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

Related Strategic Issue: Transportation, Housing and Environment

This project involves the continued design and construction of the Tempe Rio Salado multi-use path system. This segment will extend from Priest Drive to State Route 143 on the western City limit of Tempe. The project includes landscaping, lighting, public art and other public amenities, and will be completed in conjunction with a City of Phoenix Rio Salado project; linking the two cities.

2008-09 Source of Funds

N/A

Install CCTV Monitoring Stations - LRT Signal Intersections

Related Strategic Issue: Transportation, Housing and Environment

This project serves to expand the monitoring segments of the regional transportation Closed Circuit Television (CCTV) network by adding CCTV monitoring capabilities at 25 signalized intersections along the Light Rail Transit (LRT) alignment. Expanded CCTV coverage will take full advantage of the communications infrastructure built into the Phoenix East Valley LRT project, and will promote multi-jurisdictional congestion relief goals by providing a platform to better coordinate LRT traffic signals as well as to respond to accidents / incidents in a more cooperative and efficient process.

2008-09 Source of Funds

N/A

ITS Transit Strategic Plan

Related Strategic Issue: Transportation, Housing and Environment

This project provides for the development of an Intelligent Transportation Systems (ITS) strategic plan. The plan will provide the City with guidelines and priorities on ITS investments, including types of technology, locations, and partnering opportunities. The plan will provide the City a blueprint for ITS investments in the next 5-10 years.

2008-09 Source of Funds

Transit Tax	70,000
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Rio Salado Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Town Lake Rubber Dam Replacement		\$15,400,000	\$6,600,000			\$22,000,000
Rio East Park	4,116,561	1,684,030	170,672	182,080	194,476	6,347,819
Tempe Town Lake Pedestrian Bridge	1,754,800					1,754,800
Rio Salado Ancillary Projects	100,000	100,000	100,000	100,000	100,000	500,000
Rio Salado Program Total	\$5,971,361	\$17,184,030	\$6,870,672	\$282,080	\$294,476	\$30,602,619

Rio Salado Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
<i>Funding Source:</i>						
<u>Land Sale Proceeds-Rio East</u>						
Town Lake Rubber Dam Replacement		4,600,000	6,600,000			11,200,000
Rio East Park	2,616,561	1,684,030	170,672	182,080	194,476	4,847,819
Tempe Town Lake Pedestrian Bridge	1,004,800					1,004,800
Rio Salado Ancillary Projects	100,000	100,000	100,000	100,000	100,000	500,000
Subtotal	3,721,361	6,384,030	6,870,672	282,080	294,476	17,552,619
<i>Funding Source:</i>						
<u>Mondrian Agreement</u>						
Town Lake Rubber Dam Replacement		10,800,000				10,800,000
<i>Funding Source:</i>						
<u>Developer Funding</u>						
Rio East Park	1,500,000					1,500,000
<i>Funding Source:</i>						
<u>Grants</u>						
Tempe Town Lake Pedestrian Bridge	750,000					750,000
Rio Salado Program Total	\$5,971,361	\$17,184,030	\$6,870,672	\$282,080	\$294,476	\$30,602,619



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 dams at the western (downstream) end of Tempe Town Lake. Replacement of the larger downstream dams is the first priority, followed by the smaller upstream dams.

2008-09 Source of Funds

N/A

Rio East Park

Related Strategic Issue: Central City Development Committee of the Whole

This project will serve to complete the linear park system around Tempe Town Lake, and complete a connection from the United States Army Corps of Engineers (USACE) Path to McClintock Drive. The first public pier with on-water storage at Tempe Town Lake, and a public restroom in the park area are also included with this project.

2008-09 Source of Funds

Rio East Land Sale Proceeds	2,616,561
Developer Funding	1,500,000

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. The project will provide access across the lake for pedestrians, skaters, and bicyclists. Also included is the creation of a plaza at the north landing of the bridge, and modification of the south landing to provide a transition to the existing Tempe Center for the Arts and multi-use path. Construction will also include conduit placed for communications use in case the need arises.

2008-09 Source of Funds

Rio East Land Sale Proceeds	1,004,800
Grants	750,000

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.

2008-09 Source of Funds

Rio East Land Sale Proceeds	100,000
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Tempe Town Lake



Police Protection Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Police City Radio System Replacement	\$3,663,649	\$1,985,800	\$700,000	\$700,000	\$700,000	\$7,749,449
Laptop Replacement	1,860,000					1,860,000
TIPS (Technology Integrated Police Systems)	375,000	375,000	250,000	250,000	200,000	1,450,000
Cellular Phone Tracking System	362,600					362,600
Police Protection Total	\$6,261,249	\$2,360,800	\$950,000	\$950,000	\$900,000	\$11,422,049

Police Protection Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
Police/City Radio System Replacement	\$2,038,003	\$1,985,800	\$700,000	\$700,000	\$700,000	\$6,123,803
Laptop Replacement	1,860,000					1,860,000
TIPS (Technology Integrated Police Systems)	75,000	375,000	250,000	250,000	200,000	1,150,000
Subtotal	3,973,003	2,360,800	950,000	950,000	900,000	9,133,803
<i>Funding Source:</i>						
<u>Capital Projects Fund Balance</u>						
TIPS (Technology Integrated Police Systems)	300,000					300,000
<i>Funding Source:</i>						
<u>Rio East Land Sale Proceeds</u>						
Cellular Phone Tracking System	362,600					362,600
<i>Funding Source: COPS Grant</i>						
Police/City Radio System Replacement	1,625,646					1,625,646
Police Protection Total	\$6,261,249	\$2,360,800	\$950,000	\$950,000	\$900,000	\$11,422,049



Police Protection Program Project Descriptions

Police City Radio System Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This ongoing 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.

2008-09 Source of Funds	
General Obligation Bonds	2,038,003
COPS Grant	1,625,646

Laptop Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds	
General Obligation Bonds	1,860,000

TIPS (Technology Integrated Police Systems)

Related Strategic Issue: Education, Technology and Economic Development

The Technologically Integrated Police Systems (TIPS) project provides 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 project also provides for the initial setup costs of COPLINK, a regional web-based data sharing and crime trend analysis software that will link with the crime records databases from neighboring municipal agencies.

2008-09 Source of Funds	
General Obligation Bonds	75,000
Capital Projects Fund Balance	300,000

Cellular Phone Tracking System

Related Strategic Issue: Education, Technology and Economic Development

This project will provide a cellular phone tracking system for the Police Department. The tracking system will utilize state of the art technology capable of identifying the physical locations of cellular phones. This technology has been used by law enforcement agencies to investigate a variety of violent crimes including robberies, kidnappings, and homicides.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	362,600



Fire Protection Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
New Support Services Facility	\$665,136	\$8,215,639				\$8,880,775
Fire Station 2		503,424	7,731,821			8,235,245
Fire Station 7 for Southeast Quadrant	3,927,884					3,927,884
Radio Replacement for Conversion to 800 Megahertz	719,000	171,896				890,896
Replace Burn Room at the Fire Training Center				500,000		500,000
Fire Program Total	\$5,312,020	\$8,890,959	\$7,731,821	\$500,000	\$0	\$22,434,800

Fire Protection Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
New Support Services Facility	\$665,136	\$8,215,639				\$8,880,775
Fire Station 2		503,424	7,731,821			8,235,245
Fire Station 7 for Southeast Quadrant	3,927,884					3,927,884
Radio Replacement for Conversion to 800 Megahertz	719,000	171,896				890,896
Replace Burn Room at the Fire Training Center				500,000		500,000
Fire Program Total	\$5,312,020	\$8,890,959	\$7,731,821	\$500,000	\$0	\$22,434,800



Fire Protection Program Project Descriptions

New Support Services Facility

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will construct a new Support Services Facility for the Fire Department. The existing facility is inadequate in terms of size and capabilities. The project will include purchase of land for the facility, and the new facility will house the department's primary maintenance and warehouse areas. The facility will include expanded room for the department's vehicle maintenance and parts storage, welding area, work space, test space, and cleaning area. The facility will also house the department's primary reserve apparatus; a pumper truck and a ladder truck. These vehicles need to be kept in a fully ready state, including all equipment, and must be kept in a secure location. The warehouse area alone will be approximately 5,000 square feet.

2008-09 Source of Funds	
General Obligation Bonds	665,136

Fire Station 2

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will construct a new four bay fire station on south Hardy Rd. where the existing Fire Station 2 and the Support Services Facility are currently located. The project will entail the demolition of both the existing Fire Station 2 and the Support Services Facility; therefore the commencement of this project is dependent on prior completion of the New Support Services Facility project. Completion of the new Fire Station 2 will resolve the station's current lack of space and accommodate an additional fire vehicle.

2008-09 Source of Funds	
N/A	

Fire Station 7 for Southeast Quadrant

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will construct of a new three-bay fire station in the southeast quadrant of the City. Project funding includes everything necessary to put the facility in service, including purchase of the land, the facility, fire truck, personnel, and supplies and operating expenses.

Staffing this station with an engine company will require 21 additional personnel. Our plan will be to hire them during fiscal year 2008-09, so that they will be trained and ready to operate in conjunction with the completion of the station. This company will be located at an existing station until the new station is opened.

2008-09 Source of Funds	
General Obligation Bonds	3,927,884

Radio Replacement for Conversion to 800 Megahertz

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides additional funding for the fire department's federally mandated conversion to 800 MHz radios. Funding will allow the department to complete the conversion and remain on track in its partnership with the other metropolitan area cities in the Automatic Aide System.

2008-09 Source of Funds	
General Obligation Bonds	719,000

Replace Burn Room at the Fire Training Center

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will renovate and modernize the existing fire training burn room at the Fire Training Center which was built in 1993. The existing burn room is used on average 41 days per year for fire training and sustains damage with each live fire training which limits the life of the building. The burn room is a critical training area for firefighter safety.

2008-09 Source of Funds	
N/A	



Storm Drains Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
Storm Drain Improvements	\$250,000	\$275,000	\$275,000	\$300,000	\$300,000	\$1,400,000
Storm Drains Program Total	\$250,000	\$275,000	\$275,000	\$300,000	\$300,000	\$1,400,000

Storm Drains Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
<i>Funding Source:</i>						
<u>General Obligation Bonds</u>						
Storm Drain Improvements	\$250,000	\$275,000	\$275,000	\$300,000	\$300,000	1,400,000
Storm Drains Program Total	\$250,000	\$275,000	\$275,000	\$300,000	\$300,000	\$1,400,000

Storm Drains Program Project Descriptions

Storm Drain Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the construction of minor storm drain extensions and equipment replacement and upgrades, to relieve localized problems associated with various storm water retention facilities.

2008-09 Source of Funds

General Obligation Bonds 250,000



Park Improvements Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Park Renovation and Restoration	\$6,971,375	\$6,136,375	\$6,249,875	\$6,674,375	\$6,877,000	\$32,909,000
Kiwanis Park Sprinkler System Replacement	1,534,000	1,534,000				3,068,000
Athletic Field Lighting Improvements	352,500	352,500	402,500	402,500	455,000	1,965,000
Neighborhood Park Improvements	325,000	375,000	375,000	400,000	400,000	1,875,000
Park Landscaping Improvements	150,000	162,000	175,000	190,000	205,000	882,000
Street Landscaping	125,000	125,000	150,000	150,000	175,000	725,000
Diablo Stadium Scoreboard Replacement	621,000					621,000
Sports Facility Relamping	60,000	60,000	60,000	60,000	60,000	300,000
Park Improvements/Recreation						
Total Recommended	\$10,138,875	\$8,744,875	\$7,412,375	\$7,876,875	\$8,172,000	\$42,345,000



Kiwanis Park



Park Improvements Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>General Obligation Bonds</u>						
Park Renovation and Restoration	\$6,971,375	\$6,136,375	\$6,249,875	\$6,674,375	\$6,877,000	\$32,909,000
Kiwanis Park Sprinkler System Replacement	1,534,000	1,534,000				3,068,000
Athletic Field Lighting Improvements	352,500	352,500	402,500	402,500	455,000	1,965,000
Neighborhood Park Improvements	325,000	375,000	375,000	400,000	400,000	1,875,000
Park Landscaping Improvements		162,000	175,000	190,000	205,000	732,000
Street Landscaping	125,000	125,000	150,000	150,000	175,000	725,000
Diablo Stadium Scoreboard Replacement	621,000					621,000
Sports Facility Relamping		60,000	60,000	60,000	60,000	240,000
Subtotal	9,928,875	8,744,875	7,412,375	7,876,875	8,172,000	42,135,000
Funding Source:						
<u>Capital Projects Fund Balance</u>						
Park Landscaping Improvements	150,000					150,000
Sports Facility Relamping	60,000					60,000
Subtotal	210,000					210,000
Park Improvements/Recreation						
Program Total	\$10,138,875	\$8,744,875	\$7,412,375	\$7,876,875	\$8,172,000	\$42,345,000



Park Improvements Program Project Descriptions

Park Renovation and Restoration

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will fund the renovation of three neighborhood parks per year. The project incorporates a planning process involving extensive neighborhood input. Renovations will involve improvements to playgrounds, irrigation systems, electrical and lighting systems, picnic facilities, landscaping, and accessibility. The project also includes renovations and upgrades to various park restrooms, renovation of the Kiwanis Park Recreation Center wave making equipment, rehabilitation of the Kiwanis Recreation Center, restoration of Escalante Swimming Pool amenities, and replacement of the Kiwanis Park Batting Range netting.

2008-09 Source of Funds
General Obligation Bonds 6,971,375

Kiwanis Park Sprinkler System Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the replacement of the sprinkler system in Kiwanis Park. The project includes the installation of new 6 inch water mains, valves, lateral lines, and heads and controllers. The project will also include dedicated irrigation to park trees which is not present with the existing system. Construction will be done in two phases over a two year period.

2008-09 Source of Funds
General Obligation Bonds 1,534,000

Athletic Field Lighting Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds
General Obligation Bonds 352,500

Neighborhood Park Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds
General Obligation Bonds 325,000

Park Landscaping Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds
Capital Projects Fund Balance 150,000

Street Landscaping

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This ongoing project provides funding for tree maintenance and replacement, irrigation, and other landscaping in various street rights-of-way and public properties.

2008-09 Source of Funds
General Obligation Bonds 125,000

Diablo Stadium Scoreboard Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides funding for the replacement of the existing scoreboard at Diablo Stadium. This project will also replace the scoreboard's operating system. The existing scoreboard has been in service for more than thirty years.

2008-09 Source of Funds
General Obligation Bonds 621,000

Sports Facility Relamping

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds
Capital Projects Fund Balance 60,000



General Governmental Program Projects by Total Project Cost

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Community Relations						
Maryanne Corder Neighborhood Improvement Program	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Community Services						
Tempe Public Library Renovation	3,425,133	3,536,333	115,000			7,076,466
Municipal Arts Program	1,096,805	683,076	417,509	373,467	266,290	2,837,147
Tempe Historical Museum Renovation Project	690,000					690,000
Community Services Subtotal	5,211,938	4,219,409	532,509	373,467	266,290	10,603,613
Development Services						
Technology Modernization	225,000	75,000				300,000
Closeout of Building Plan Archive	110,000	40,000				150,000
Development Services Subtotal	335,000	115,000				450,000
Information Technology						
Enterprise Network File Storage and Archival	180,000	348,000				528,000
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
City Hall / Municipal Complex Rehabilitation	450,000					450,000
Facility Maintenance Management Plan	250,000	100,000				350,000
HVAC Equipment Replacement	60,000	60,000	60,000	60,000	60,000	300,000
Roof Maintenance Program	60,000	60,000	60,000	60,000	60,000	300,000
Westside Community Center Roof Repair	196,000					196,000
Energy Upgrade and Retrofit	32,000	32,000	32,000	32,000	32,000	160,000
Microbial Remediation (Mold, Asbestos Removal)	30,000	30,000	30,000	30,000	30,000	150,000
Public Works Subtotal	1,678,000	882,000	782,000	782,000	782,000	4,906,000
Water Utilities						
Irrigation - Capital Replacement	275,000	275,000	275,000	275,000	275,000	1,375,000
General Governmental Program						
Total	\$7,929,938	\$6,089,409	\$1,839,509	\$1,680,467	\$1,573,290	\$19,112,613



General Governmental Program Projects by Funding Source

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>General Obligation Bonds</u>						
Tempe Public Library Renovation	\$3,425,133	\$3,536,333	\$115,000			\$7,076,466
Tempe Historical Museum Renovation Project	690,000					690,000
Subtotal	4,115,133	3,536,333	115,000			7,766,466
Funding Source:						
<u>Capital Improvements Reserve</u>						
Maryanne Corder Neighborhood Improvement Program	250,000	250,000	250,000	250,000	250,000	1,250,000
Historic Properties Preservation	100,000	100,000	100,000	100,000	100,000	500,000
HVAC Equipment Replacement	60,000	60,000	60,000	60,000	60,000	300,000
Roof Maintenance Program	60,000	60,000	60,000	60,000	60,000	300,000
Energy Upgrade and Retrofit	32,000	32,000	32,000	32,000	32,000	160,000
Irrigation-Capital Replacement	275,000	275,000	275,000	275,000	275,000	1,375,000
Subtotal	777,000	777,000	777,000	777,000	777,000	3,885,000
Funding Source:						
<u>Rio East Land Sale Proceeds</u>						
Development Services Technology Modernization	225,000	75,000				300,000
Development Services - Closeout of Building Plan Archive	110,000	40,000				150,000
Enterprise Network File Storage and Archival	180,000	348,000				528,000
City Facilities Rehabilitation	500,000	500,000	500,000	500,000	500,000	2,500,000
City Hall / Municipal Complex Rehabilitation	450,000					450,000
Facility Maintenance Management Plan	125,000	100,000				225,000
Westside Community Center Roof Repair	196,000					196,000
Microbial Remediation (Mold, Asbestos Removal)	30,000	30,000	30,000	30,000	30,000	150,000
Subtotal	1,816,000	1,093,000	530,000	530,000	530,000	4,499,000
Funding Source:						
<u>Water/Wastewater Fund</u>						
Municipal Arts Program	679,540	456,350	377,227	348,424	228,550	2,090,090
Subtotal	679,540	456,350	377,227	348,424	228,550	2,090,090



General Governmental Program Projects by Funding Source (continued)

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>Transit Fund</u>						
Municipal Arts Program	417,265	226,727	40,282	25,043	37,740	747,057
Facility Maintenance Management Plan	125,000					125,000
Subtotal	542,265	226,727	40,282	25,043	37,740	872,057
General Governmental Program						
Total	\$7,929,938	\$6,089,409	\$1,839,509	\$1,680,467	\$1,573,290	\$19,112,613



Tempe Public Library



General Governmental Program Project Descriptions

Maryanne Corder Neighborhood Improvement Program

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds	
Capital Improvements Reserve	250,000

Tempe Public Library Renovation

Related Strategic Issue: Social Services and Culture

The purpose of this project is to renovate the Tempe Public Library which opened to the public in 1989. Since the Library was designed and opened prior to the arrival of the Internet and the development of other media formats, 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. The project will also include purchasing a wireless telephone system that would free librarians from public services desks and allow them to interact with both telephone and in-house customers in a more efficient and customer-friendly manner.

2008-09 Source of Funds	
General Obligation Bonds	3,425,133

Municipal Arts Program

Related Strategic Issue: Social Services and Culture

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

2008-09 Source of Funds	
Water / Wastewater Fund	679,540
Transit Fund	417,265

Tempe Historical Museum Renovation Project

Related Strategic Issue: Social Services and Culture

Funding for this project will complete the renovation of the 8,000 square foot exhibit hall and gallery, and related amenities in the Tempe Historical Museum. The project also provides approximately 4,000 additional square feet of storage space and provides necessary upgrades to the existing fabrication workshop. The project will also address significant necessary HVAC repairs.

2008-09 Source of Funds	
General Obligation Bonds	690,000

Development Services Technology Modernization

Related Strategic Issue: Education, Technology and Economic Development

This project will update the technology used to support plan processing in the Development Services Department. The updated technology will provide online plan review, eliminate the potential for misfiled documents, and reduce the volume of phone inquiries to Development Services. The new program will also provide a robust and comprehensive archive of plan documents that can be quickly accessed in the event of a structural fire or other building emergency. The large volume of paper plans currently processed will also be reduced, along with associated expenses to process those documents for archiving in accordance with state law. The technology update will ensure Development Services can provide a competitive level of customer service and realize operational and economic efficiencies.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	225,000

Development Services - Closeout of Building Plan Archive

Related Strategic Issue: Education, Technology and Economic Development

This program will eliminate existing backlog of over 3,500 sets of paper plan documents, and free up the over 200 square feet of workspace these plans occupy. The plan set backlog will be archived, and plan processing will be replaced with a document control program that is sized to effectively process documents produced by new construction activity.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	110,000

Enterprise Network File Storage and Archival

Related Strategic Issue: Education, Technology and Economic Development

Funding for this project will expand the City's information storage capacity by upgrading computer hardware that manages the City's Storage Area Network. The network upgrades will enhance the City's ability to ensure reliable business operations into the future.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	180,000



General Governmental Program Project Descriptions (continued)

City Facilities Rehabilitation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	500,000

Historic Properties Preservation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project funds the rehabilitation and repair of aging historic facilities owned by the City. The scope of the rehabilitation includes infrastructure systems, roofing repairs and replacements, floor covering, painting, repairs and upgrades of building automation, fire alarms and damaged equipment.

2008-09 Source of Funds	
Capital Improvements Reserve	100,000

City Hall / Municipal Complex Rehabilitation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will assess the condition of the Municipal Complex and immediate surroundings for refurbishing needs. The following will be evaluated and included in the refurbishment: lighting, signage, security, structural, mechanical, water penetration, deck surface and utilization, glazing and related mullions, landscaping, general aesthetics, and ADA and building code issues.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	450,000

Facility Maintenance Management Plan

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides funding for a building and infrastructure condition assessment of new and aging City of Tempe facilities. The assessment will aid in the development of a maintenance management master plan that will establish an inventory of public facility maintenance needs, and communicate and prioritize a list of identified building repairs to responsible departments. The plan will also track building functionality, safety and integrity.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	125,000
Transit Fund	125,000

HVAC Equipment Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds	
Capital Improvements Reserve	60,000

Roof Maintenance Program

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the repair and maintenance of City facility roofing.

2008-09 Source of Funds	
Capital Improvements Reserve	60,000

Westside Community Center Roof Repair

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will replace the roof at the City's Westside Community Center.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	196,000

Energy Upgrade and Retrofit

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds	
Capital Improvements Reserve	32,000



General Governmental Program Project Descriptions (continued)**Microbial Remediation (Mold, Asbestos Removal)**

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

The scope of this project entails the acquisition of adequate resources to fund and conduct microbial assessments and remediation, and mold and asbestos removal in City facilities as required by state and federal environmental regulations.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	30,000

Irrigation - Capital Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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.

2008-09 Source of Funds	
Capital Improvements Reserve	275,000



Transportation & R.O.W. Improvements 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	
Street Microsurfacing	\$1,190,650	\$1,500,000	\$1,650,000	\$1,815,000	\$1,633,500	\$7,789,150
Residential Street Surface Treatments	877,400	1,237,500	1,361,250	1,497,375	1,647,113	6,620,638
Asphalt Mill and Overlay	1,058,122	1,163,934	1,280,328	1,300,000	1,365,000	6,167,384
Neighborhood Street Rehabilitation	786,500	865,150	951,665	1,046,832	1,151,515	4,801,662
Intersection Reconstruction	726,000	798,600	878,460	966,306	1,062,937	4,432,303
Baseline Bridge Replacement Over Western Canal	4,000,000					4,000,000
Minor Concrete Improvements	475,829	523,415	575,757	633,333	696,666	2,905,000
Street Reconstruction and Improvements	459,729	477,628	525,391	625,000	718,750	2,806,498
Bridge Maintenance	200,000	250,000	250,000	300,000	300,000	1,300,000
Neighborhood Transportation Management	200,000	200,000	200,000	200,000	200,000	1,000,000
City Facilities Parking Lots	33,146	42,000	46,200	50,820	55,902	228,068
Graffiti Removal	200,000					200,000
Minor Alley Improvements and Dust Control	29,000	29,000	29,000	29,000	33,350	149,350
Transportation & R.O.W. Improvements						
Program Total	\$10,236,376	\$7,087,227	\$7,748,051	\$8,463,666	\$8,864,733	\$42,400,053



Alley improvements in progress



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

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
Funding Source:						
<u>General Obligation Bonds</u>						
Street Microsurfacing	\$1,190,650	\$1,500,000	\$1,650,000	\$1,815,000	\$1,633,500	\$7,789,150
Residential Street Surface Treatments	877,400	1,237,500	1,361,250	1,497,375	1,647,113	6,620,638
Asphalt Mill and Overlay	1,058,122	1,163,934	1,280,328	1,300,000	1,365,000	6,167,384
Neighborhood Street Rehabilitation	786,500	865,150	951,665	1,046,832	1,151,515	4,801,662
Intersection Reconstruction	726,000	798,600	878,460	966,306	1,062,937	4,432,303
Baseline Bridge Replacement Over Western Canal	3,000,000					3,000,000
Minor Concrete Improvements	475,829	523,415	575,757	633,333	696,666	2,905,000
Street Reconstruction and Improvements	459,729	477,628	525,391	625,000	718,750	2,806,498
Bridge Maintenance		250,000	250,000	300,000	300,000	1,100,000
Neighborhood Transportation Management	200,000	200,000	200,000	200,000	200,000	1,000,000
City Facilities Parking Lots	33,146	42,000	46,200	50,820	55,902	228,068
Minor Alley Improvements and Dust Control	29,000	29,000	29,000	29,000	33,350	149,350
Subtotal	8,836,376	7,087,227	7,748,051	8,463,666	8,864,733	41,000,053
Funding Source:						
<u>LTA Fund Balance</u>						
Baseline Bridge Replacement Over Western Canal	1,000,000					1,000,000
Funding Source:						
<u>Capital Projects Fund Balance</u>						
Bridge Maintenance	200,000					200,000
Funding Source:						
<u>Rio East Land Sale Proceeds</u>						
Graffiti Removal	115,000					115,000
Funding Source:						
<u>Racketeer Influenced and Corrupt Organizations Act (RICO) Funds</u>						
Graffiti Removal	85,000					85,000
Transportation & R.O.W. Improvements						
Program Total	\$10,236,376	\$7,087,227	\$7,748,051	\$8,463,666	\$8,864,733	\$42,400,053



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

Street Microsurfacing

Related Strategic Issue: Transportation, Housing and Environment

This project provides ongoing preventive 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.

2008-09 Source of Funds	
General Obligation Bonds	1,190,650

Residential Street Surface Treatments

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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.

2008-09 Source of Funds	
General Obligation Bonds	877,400

Asphalt Mill and Overlay

Related Strategic Issue: Transportation, Housing and Environment

This project provides for localized reconstruction and resurfacing of the arterial street system in the City. The majority of the arterial roadways in the City have undergone a number of preventative 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 rehabilitating 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.

2008-09 Source of Funds	
General Obligation Bonds	1,058,122

Neighborhood Street Rehabilitation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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 the 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.

2008-09 Source of Funds	
General Obligation Bonds	786,500

Intersection Reconstruction

Related Strategic Issue: Transportation, Housing and Environment

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. The 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.

2008-09 Source of Funds	
General Obligation Bonds	726,600

Baseline Bridge Replacement Over Western Canal

Related Strategic Issue: Transportation, Housing and Environment

This project will replace the existing Baseline Bridge over the Western Canal. This bridge was inspected and found to be at the limit of its capacity.

2008-09 Source of Funds	
General Obligation Bonds	3,000,000
LTA Fund Balance	1,000,000

Minor Concrete Improvements

Related Strategic Issue: Transportation, Housing and Environment

This project provides for emergency repair and replacement and new construction of curbs, gutters, and sidewalks throughout the City to improve the continuity of the infrastructure and to improve accessibility and mobility for pedestrians in various areas.

2008-09 Source of Funds	
General Obligation Bonds	475,829



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

Street Reconstruction and Improvements

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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 the annexation process throughout the years, and streets / rights-of-way that have never been constructed to City standards.

2008-09 Source of Funds	
General Obligation Bonds	459,729

Bridge Maintenance

Related Strategic Issue: Transportation, Housing and Environment

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) inspects Tempe's bridges and submits a report to the City for required repairs and maintenance. The report 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 guards, 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.

2008-09 Source of Funds	
Capital Projects Fund Balance	200,000

Neighborhood Transportation Management

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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, including speed humps.

2008-09 Source of Funds	
General Obligation Bonds	200,000

City Facilities Parking Lots

Related Strategic Issue: Transportation, Housing and Environment

This project will provide for the sealing, resurfacing and reconstruction of City parking lots in accordance with the City's pavement management program.

2008-09 Source of Funds	
General Obligation Bonds	33,146

Graffiti Removal

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project will upgrade the City's current graffiti removal equipment with the addition of a specialized graffiti truck and two pick up trucks equipped with sprayers, pressure washers and other equipment and materials. The new resources will allow city forces to improve response time and the quality of the removal process when addressing graffiti vandalism.

2008-09 Source of Funds	
Rio East Land Sale Proceeds	115,000
RICO Funds	85,000

Minor Alley Improvements and Dust Control

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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.

2008-09 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 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	Program
New Signals / Modular Upgrade	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$3,000,000
Utility Undergrounding	300,000	325,000	325,000	350,000	350,000	1,650,000
Street Light Upgrades / New Installation	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
Video Traffic Detection			424,319			424,319
Design & Install Fiber Optic Communications					346,469	346,469
Install Wireless Communications & CCTV Monitoring at 26 Locations			312,000			312,000
Purchase and Install MMU Units in all Traffic Cabinets		203,348				203,348
Installation of Pedestrian ITS Devices	25,000	25,000	25,000	25,000	25,000	125,000
First Street Relocation and Alignment Study	100,000					100,000
Traffic Signals/Street Lighting						
Program Total	\$1,625,000	\$1,753,348	\$2,286,319	\$1,575,000	\$1,921,469	\$9,161,136

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

Project Description	Funded		Additional Needs			5-Year Program
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	
<i>Funding Source:</i>						
<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	325,000	325,000	350,000	350,000	1,650,000
Street Light Upgrades / New Installation	130,000	300,000	300,000	300,000	300,000	1,330,000
Street Light Pole Structural Replacement	300,000	300,000	300,000	300,000	300,000	1,500,000
Video Traffic Detection			118,751			118,751
Design & Install Fiber Optic Communications					103,941	103,941
Install Wireless Communications & CCTV Monitoring at 26 Locations			93,600			93,600
Purchase and Install MMU Units in all Traffic Cabinets		67,398				67,398
Installation of Pedestrian ITS Devices	25,000	25,000	25,000	25,000	25,000	125,000
Subtotal	1,355,000	1,617,398	1,762,351	1,575,000	1,678,941	7,988,690
<u>Funding Source: Federal Grants</u>						
Video Traffic Detection			305,568			305,568
Design & Install Fiber Optic Communications					242,528	242,528
Install Wireless Communications & CCTV Monitoring at 26 Locations			218,400			218,400
Purchase and Install MMU Units in all Traffic Cabinets		135,950				135,950
Subtotal	0	135,950	523,968	0	242,528	902,446
<i>Funding Source:</i>						
<u>Capital Projects Fund Balance</u>						
Street Light Upgrades / New Installation	170,000					170,000
<i>Funding Source:</i>						
<u>Rio East Land Sale Proceeds</u>						
First Street Relocation and Alignment Feasibility Study	100,000					100,000
Traffic Signals/Street Lighting						
Program Total	\$1,625,000	\$1,753,348	\$2,286,319	\$1,575,000	\$1,921,469	\$9,161,136



Traffic Signals/Street Lighting Program Project Descriptions

New Signals / Modular Upgrade

Related Strategic Issue: Transportation, Housing and Environment

This project provides for the installation of new traffic signals and the replacement of existing outdated signals as warranted by traffic engineering studies.

2008-09 Source of Funds	
General Obligation Bonds	600,000

Utility Undergrounding

Related Strategic Issue: Transportation, Housing and Environment

This project will provide for the undergrounding of overhead utility lines. Tempe City Code 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 being done 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.

2008-09 Source of Funds	
General Obligation Bonds	300,000

Street Light Upgrades / New Installation

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

This project provides for the installation 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.

2008-09 Source of Funds	
General Obligation Bonds	130,000
Capital Projects Fund Balance	170,000

Street Light Pole Structural Replacement

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

2008-09 Source of Funds	
General Obligation Bonds	300,000

Video Traffic Detection

Related Strategic Issue: Transportation, Housing and Environment

This project will utilize video detection and Closed Circuit Television (CCTV) monitoring at arterial traffic signals to obtain real-time, 24 hours per day, 7 days per week turning movement count data. Utilizing the video detection equipment will also assist in better managing arterial operations due to the video that is provided by the video detection device. The City will be able to adjust traffic signal timing through centralized command and control strategies designed to help relieve or minimize congestion.

2008-09 Source of Funds	
N/A	

Design and Install Fiber Optic Communications

Related Strategic Issue: Transportation, Housing and Environment

This project provides for the development of a communications strategic plan and installation of fiber optic communications along various City roadway corridors. The fiber optic lines will tie into Arizona Department of Transportation (ADOT) fiber optic infrastructure as the communications media for command and control operations. The City will be able to monitor and adjust traffic signal timing through centralized command and control strategies designed to help both ADOT and other municipal agencies relieve or minimize congestion.

2008-09 Source of Funds	
N/A	

Install Wireless Communications and CCTV Monitoring at 26 Locations

Related Strategic Issue: Transportation, Housing and Environment

This project will install wireless communications media for command and control operations and closed circuit television monitoring (CCTV) at traffic signals. Utilizing this city infrastructure will increase communications bandwidth at traffic signals and eliminate the need for existing and new leased telephone service to the intersections.

2008-09 Source of Funds	
N/A	



Traffic Signals/Street Lighting Program Project Descriptions

Purchase and Install MMU Units in all Traffic Cabinets

Related Strategic Issue: Transportation, Housing and Environment

This project will allow Tempe to replace its aging malfunction management unit (MMU) inventory with upgraded MMUs. The upgraded MMUs will provide the City's signal technicians with enhanced diagnostic tools to troubleshoot intersection malfunctions. These enhanced capabilities will facilitate increased intersection reliability and ultimately provide for safer traffic control operations.

2008-09 Source of Funds

N/A

Installation of Pedestrian ITS Devices

Related Strategic Issue: Transportation, Housing and Environment

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 crosswalk push buttons, pedestrian countdown signal heads, audible pedestrian technologies and machine vision detections. These devices provide audible, vibrotactile and visual information for pedestrians with limited or no hearing or sight. It improves personal safety as pedestrians navigate Tempe streets.

2008-09 Source of Funds

General Obligation Bonds	25,000
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First Street Relocation and Alignment Feasibility Study

Related Strategic Issue: Transportation, Housing and Environment

This project will initiate a feasibility analysis and preliminary engineering study to review the realignment of First Street between Farmer Avenue and Ash Avenue. Realignment would provide an alternate route of travel and serve the increased development that is planned for the area.

2008-09 Source of Funds

Rio East Land Sale Proceeds	100,000
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Traffic signal under construction



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 2008-09	
	6%	20%
Bond Limit ⁽¹⁾	\$159,416,892	\$531,389,639
Outstanding Bonded Debt-Previously Issued	(1,395,000)	(406,200,000)
Proposed Bonds to be Sold in FY 2008-09		
Water/Wastewater		63,594,000
Storm Drains		250,000
Park Improvements		9,928,875
Public Safety/Law Enforcement		14,498,003
Fire and Emergency Services		5,312,020
Transportation		17,754,376
All Others	4,115,133	
Debt Margin Available	\$153,906,759	\$13,852,365

⁽¹⁾ The FY 2008-09 Bond Limit is based upon an estimated secondary assessed value of \$2,656,948,194, compared to the FY 2007-08 secondary assessed value of \$2,387,851,345.

Long Term Debt Summary



General Obligation Voter Authorization	Original Authorization	Prior Issues	2008-09 Issue	Remaining Authorization
2002 Program				
Water / Wastewater	\$77,000,000	\$77,000,000		\$0
Police Protection	31,500,000	31,000,000	500,000	0
Fire Protection	6,000,000	3,455,000	2,545,000	0
Park Improvements	12,000,000	12,000,000		0
Streets / Transportation	31,500,000	21,745,000	9,755,000	0
Sub Total	158,000,000	145,200,000	12,800,000	0
2006 Program				
Water/Wastewater	172,000,000	172,000,000		0
Police Protection	14,000,000		14,000,000	0
Fire Protection	2,500,000		2,500,000	0
Community Services / Park Improvements / Library	14,000,000	5,900,000	8,100,000	0
Streets / Transportation	8,000,000		8,000,000	0
Sub Total	210,500,000	177,900,000	32,600,000	0
TOTAL	\$368,500,000	\$323,100,000	\$45,400,000	\$0

Long-Term Debt Outstanding	July 1			
	2005	2006	2007	2008
General Obligation Bonds				
Water / Wastewater	\$137,390,000	\$180,935,000	\$243,265,000	\$282,520,000
Police Protection	7,205,000	27,625,000	29,255,000	32,085,000
Fire Protection	10,515,000	9,685,000	8,855,000	8,695,000
Storm Drains	4,110,000	4,180,000	3,970,000	3,775,000
Park Improvements	25,940,000	25,535,000	25,665,000	27,575,000
Library/Museum	130,000	115,000	1,455,000	1,395,000
Streets / Transportation	51,980,000	50,470,000	47,300,000	51,550,000
Total G.O. Debt Outstanding	237,270,000	298,545,000	359,765,000	407,595,000
Tempe Municipal Property Corp. Bonds				
Golf Course Improvements	275,000	140,000		0
Total Tempe Municipal Property Debt	275,000	140,000	0	0
Tempe Sports Authority Corp. Bonds / COP				
Certificates of Participation (COP)	2,320,000	1,780,000	1,220,000	625,000
Total Tempe Sports Authority Corp. Bonds/COP	2,320,000	1,780,000	1,220,000	625,000
Total Performing Arts Excise Tax Bonds	36,095,000	56,665,000	53,235,000	49,680,000
Total Transit Excise Tax Bonds	0	60,675,000	109,785,000	138,065,000
Total Rio Salado Excise Tax Bonds	36,570,000	35,175,000	33,810,000	32,320,000
Total Governmental Excise Tax Bonds	25,125,000	24,535,000	23,975,000	23,390,000
Total Cemetery Enterprise Bonds	2,305,000	2,210,000	2,130,000	2,050,000
Total Long-Term Outstanding Debt	\$339,960,000	\$479,725,000	\$583,920,000	\$653,725,000

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
1999-00	\$85,587,326	\$197,735,000	\$31,836,932	\$1,240,471,800	12.9%	\$0.55	\$0.85	\$1.40
2000-01	67,408,152	200,805,000	29,772,986	1,356,429,397	9.3	0.54	0.81	1.35
2001-02	85,541,430	205,950,000	26,675,235	1,456,361,617	7.4	0.53	0.82	1.35
2002-03	95,318,794	252,480,000	23,996,164	1,556,492,294	6.9	0.52	0.83	1.35
2003-04	117,968,707	280,525,000	27,243,978	1,688,452,415	8.5	0.55	0.80	1.35
2004-05	177,118,222	339,960,000	27,696,707	1,768,877,385	4.8	0.53	0.82	1.35
2005-06	189,971,703	479,725,000	33,130,557	1,904,426,188	7.7	0.52	0.88	1.40
2006-07	196,728,491	583,920,000	44,109,610	2,006,703,332	5.4	0.52	0.88	1.40
2007-08	212,706,469	653,725,000	53,003,693	2,387,851,345	19.7	0.51	0.89	1.40
2008-09	168,033,325	765,142,984	72,100,332	2,656,948,194	11.3	0.51	0.89	1.40

Summary:

- (1) Outstanding Principal Debt includes all forms of City debt, including general obligation, excise, and enterprise supported debt.
- (2) The increase in the budgeted CIP 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. The decrease from FY 2007-08 to 2008-09 is largely attributable to a marked reduction in spending in the Transit Program due to the December 2008 completion of the light rail project. In general, an expanded Water / Wastewater capital program and renovations to the neighborhood parks system are contributing to year over year program growth. The increase in outstanding principal is due to an increasing utilization of bonded debt in the Capital Budget.

Debt Service Appropriations by Fund

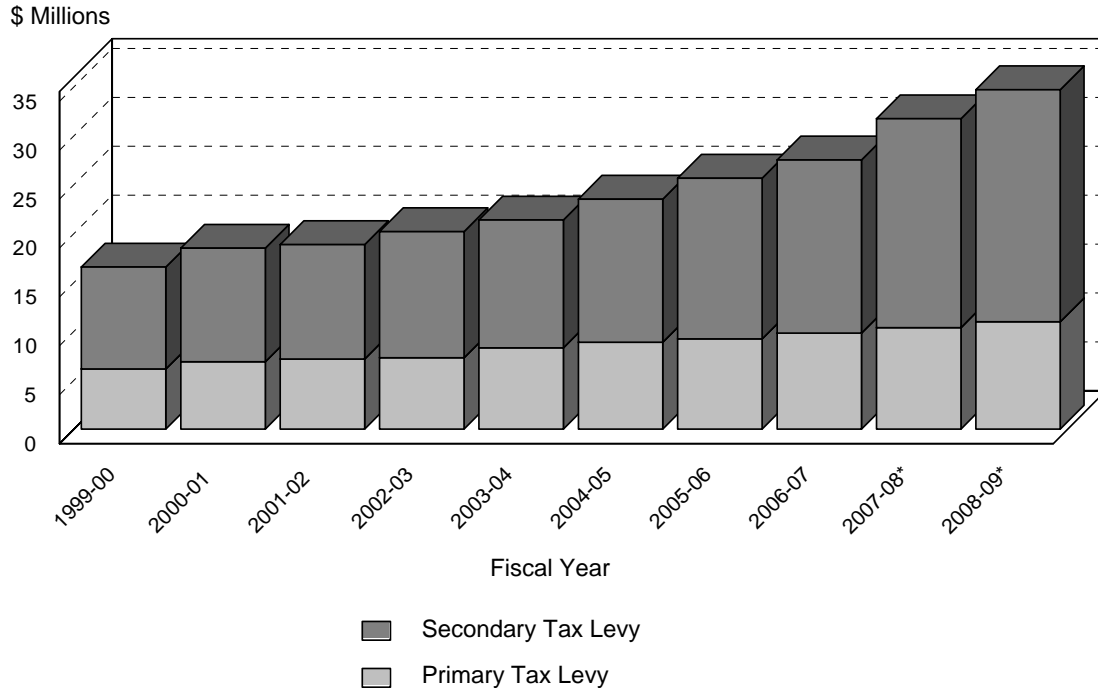
	FY 2008-09			
	Principal	Interest	Fiscal Agent Fees	Total
Debt Service Fund	\$13,788,580	\$9,061,989	\$330,000	\$23,180,569
Transit Fund	2,764,231	6,270,863	600,000	9,635,094
Water/Wastewater Fund	17,881,377	14,607,116	550,000	33,038,493
Golf Fund	6,176	6,136	2,000	14,312
Performing Arts Fund	3,700,000	2,312,726	40,000	6,052,726
Cemetery Fund	85,000	94,138		179,138
Total	\$38,225,364	\$32,352,968	\$1,522,000	\$72,100,332

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 per \$100 of assessed valuation to increase debt capacity for capital improvement projects. The rate is unchanged in the FY 2008-09 budget.



Fiscal Year	Primary Tax Levy	Secondary Tax Levy	Total	Tax Rate/ \$100 Assessed Value
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
2008-09*	10,976,100	23,726,547	34,702,647	1.40

* Amounts reflect estimated receipts



Total Operating Budget and Debt Service

Budget Data	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Operating Budget	\$289,832,989	\$355,286,702	\$330,940,558	\$373,258,914
Cost Per Capita	\$1,739	\$2,122	\$1,976	\$2,213
% Change (cost per capita)		22%	(6.9%)	12%
Property Tax-Supported Debt Service	\$29,674,024	\$17,513,497	\$15,556,608	\$23,180,569
Cost Per Capita	\$178	\$105	\$93	\$137
% Change (cost per capita)		(41%)	(11.4%)	47.3%

Total Operating Revenue by Source

Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
General Fund	\$171,722,073	\$179,417,531	\$172,556,746	\$184,199,860
Debt Service Fund	17,412,445	22,252,163	22,127,214	24,613,823
Transportation/Transit Funds	59,096,623	57,678,474	56,019,850	67,122,473
CDBG/Section 8 Funds	12,659,330	11,016,572	11,041,465	11,026,195
Rio Salado Fund	1,471,797	1,358,770	1,533,254	1,550,804
Performing Arts Fund	7,700,289	8,077,567	7,698,665	7,596,956
Enterprise Funds	65,734,848	67,359,772	67,653,668	70,555,646
Total	\$335,783,788	\$347,160,849	\$338,630,862	\$366,665,757

Staffing Summaries Citywide: Full-Time Authorized Positions

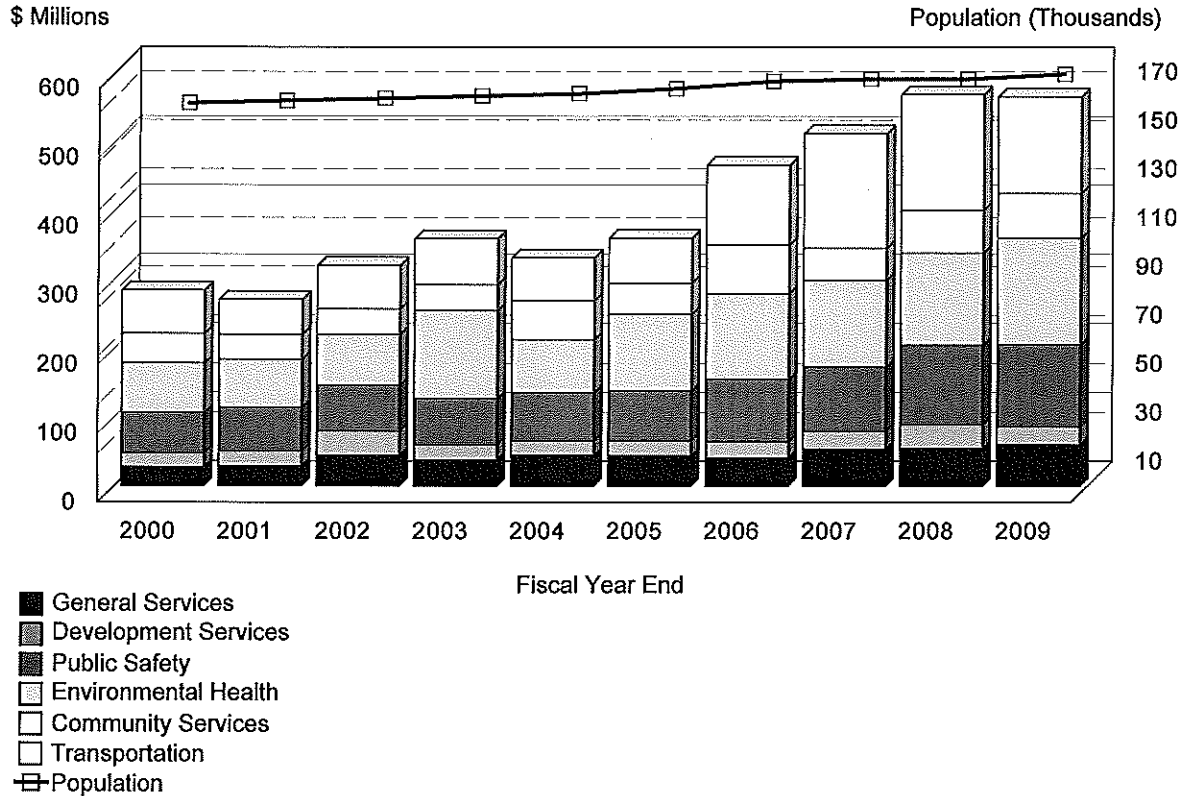
Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Total Personnel	1,734	1,782	1,831	1,849
Employees/1,000 Population	10.4	10.6	10.9	11.0
% Change (Employees/1,000 Population)		1.9%	2.8%	0.9%

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.

For FY 2008-09, Environmental Health constitutes the largest share with 27% of total program expenditures. This reflects funding for plant capacity expansions and water and wastewater facilities. The fastest growing part of the City's Financial Program is Transportation which represents 25% of the budget. This trend furthers the commitment to complete the transit light rail project and continued funding for new fixed route and neighborhood circulator buses.



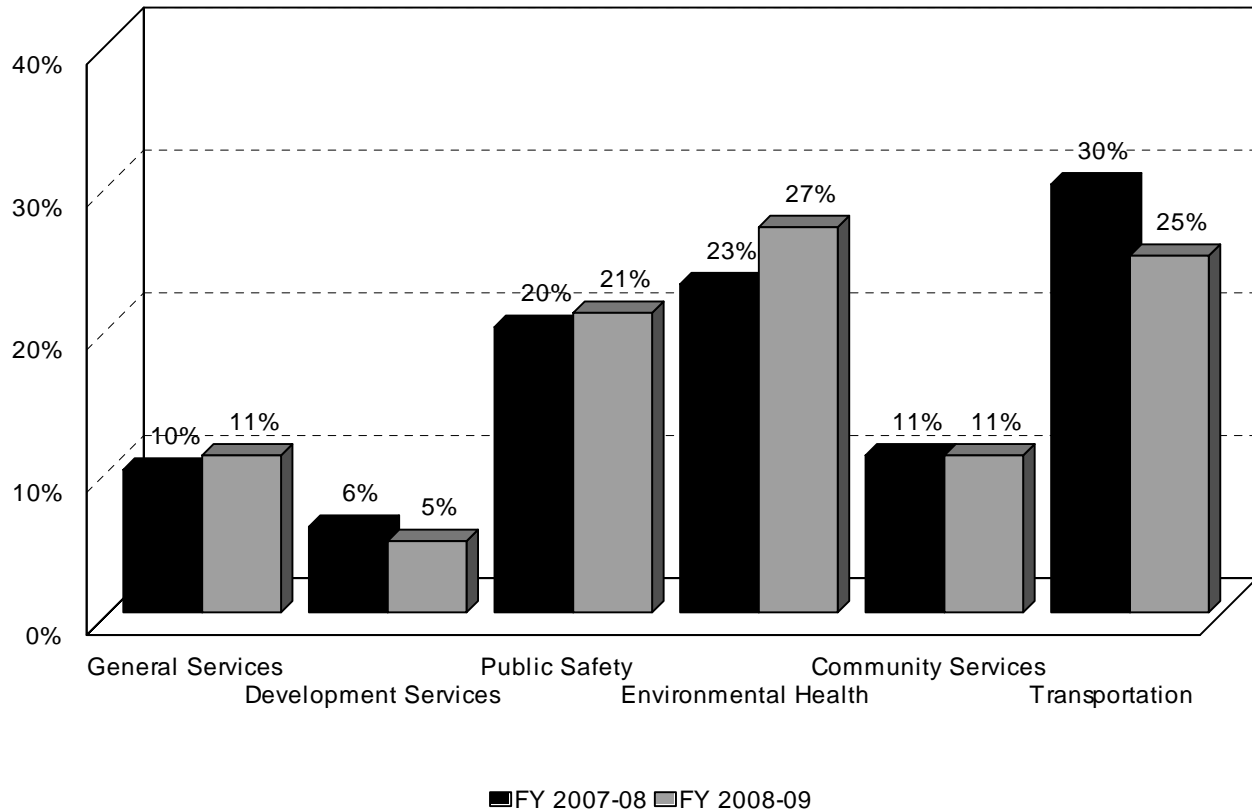
Program (Thousands)	FYE 00	FYE 01	FYE 02	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08	FYE 09
General Services	\$27,024	\$28,427	\$44,517	\$37,819	\$44,547	\$43,779	\$40,785	\$53,773	\$54,462	\$59,380
Development Services	20,483	21,842	35,036	21,958	20,287	21,659	23,454	25,767	34,719	26,254
Public Safety	58,040	63,479	66,277	66,618	70,515	72,421	89,998	92,868	115,092	119,006
Environmental Health	72,022	69,586	73,406	127,686	76,678	110,865	124,395	125,421	133,574	154,684
Community Services	43,320	36,232	37,070	37,544	56,500	45,126	70,547	46,713	61,942	64,572
Transportation	62,624	50,508	63,251	67,055	62,389	65,461	116,090	166,302	168,204	140,576
Total	\$283,513	\$270,074	\$319,557	\$358,680	\$330,916	\$359,311	\$465,269	\$510,844	\$567,993	\$564,472

Per Capita Expenditures by Program



In FY 2008-09, the total financial program per capita cost is \$3,347, representing a 1% decrease from FY 2007-08. In this fiscal year, for every \$1 of expenditure, 27¢ is earmarked for Environmental Health, 25¢ for Transportation, 21¢ for Public Safety and the remainder for General Services, Community Services, and Development Services. In relation to the prior year, there is a visible shift in relative spending between Environmental Health and Transportation. This is primarily due to one-time influences of non-routine capital spending.

Per Capita Spending by Program as a Percent of Total Spending



Per Capita Expenditures				
Program	FY 2007-08	Percentage of Total	FY 2008-09	Percentage of Total
General Services	\$325	10%	\$368	11%
Development Services	207	6%	167	5%
Public Safety	688	20%	703	21%
Environmental Health	798	23%	904	27%
Community Services	370	11%	368	11%
Transportation	1,004	30%	837	25%
Total Per Capita Expenditures	\$3,392	100%	\$3,347	100%

Program By Fund Summary



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

FY 2008-09							
Fund	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
General	\$33,693,824	\$12,913,693	\$107,432,947		\$31,252,481	\$1,035,000	\$186,327,945
Rio Salado		1,979,515			488,313		2,467,828
HURF	<i>Public Safety represents the largest program in the General Fund.</i>			114,649		11,004,805	11,119,454
Transit						64,370,597	64,370,597
Debt Service	23,180,569						23,180,569
Performing Arts					8,965,354		8,965,354
Golf					2,108,511		2,108,511
Solid Waste				15,245,709			15,245,709
Water/Wastewater	397,478			70,844,540			71,242,018
CDBG/Section 8 Housing		11,026,195					11,026,195
Cemetery					385,303		385,303
Total Operating	57,271,871	25,919,403	107,432,947	86,204,898	43,199,962	76,410,402	396,439,483
Capital Improvements	2,108,000	335,000	11,573,269	68,479,000	21,372,174	64,165,882	168,033,325
TOTAL PROGRAM	\$59,379,871	\$26,254,403	\$119,006,216	\$154,683,898	\$64,572,136	\$140,576,284	\$564,472,808

Program By Department Summary



FY 2008-09							
Department	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
Mayor and Council	\$392,876						\$392,896
City Manager	336,240						336,240
Community Relations	2,987,173						2,987,173
City Clerk	824,487						824,487
City Court			4,516,196				4,516,196
Human Resources	3,296,547						3,296,547
City Attorney	3,637,971						3,637,971
Financial Services	4,643,787			2,168,067			6,811,854
Diversity Program	646,967						646,967
Internal Audit	510,867						510,867
Development Services		6,562,339					6,562,339
Community Development		16,606,158					16,606,158
Police			75,199,722				75,199,722
Fire			27,717,029				27,717,029
Community Services					16,967,362		16,967,362
Parks and Recreation		397,552			19,609,988		20,007,540
Water Utilities				34,637,980			34,637,980
Public Works	8,957,528	2,353,354		15,360,358		65,567,308	92,238,548
TOTAL DEPT	26,234,443	25,919,403	107,432,947	52,166,405	36,577,350	65,567,308	313,897,856
Non-Departmental	6,570,859					1,035,000	7,605,859
Debt Service	23,180,569			33,038,493	6,246,176	9,635,094	72,100,332
Contingency	1,286,000			1,000,000	376,436	173,000	2,835,436
TOTAL OPERATING	57,271,871	25,919,403	107,432,947	86,204,898	43,199,962	76,410,402	396,439,483
Capital Improvements	2,108,000	335,000	11,573,269	68,479,000	21,372,174	64,165,882	168,033,325
TOTAL PROGRAM	\$59,379,871	\$26,254,403	\$119,006,216	\$154,683,898	\$64,572,136	\$140,576,284	\$564,472,808

Public Works represents 100% of the total departmental Transportation program, while Police comprises 70% 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 2008-09, the City Council has approved increases in water and sewer rates to be effective November 1, 2008. Solid waste rate increases have been approved for November 1 of two consecutive fiscal years, spanning FY 2008-09 and FY 2009-10. 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 2008-09 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 pay for 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, 2008, water rates will increase by 5.5%, and sewer rates will increase by 20.5%. Water and sewer rate adjustments are necessary to attain full cost recovery, as customer charges are based upon operating costs and financing of capital programs.

Solid Waste

Effective November 1, 2008, solid waste rates will change. The rate for residential services will increase by 5.0%, while the commercial services rate will increase by 3.0%. Per Council approval, in the fall of 2009, again the residential service rate will increase by 5.0%, while the commercial service charge will increase by 3.0%.

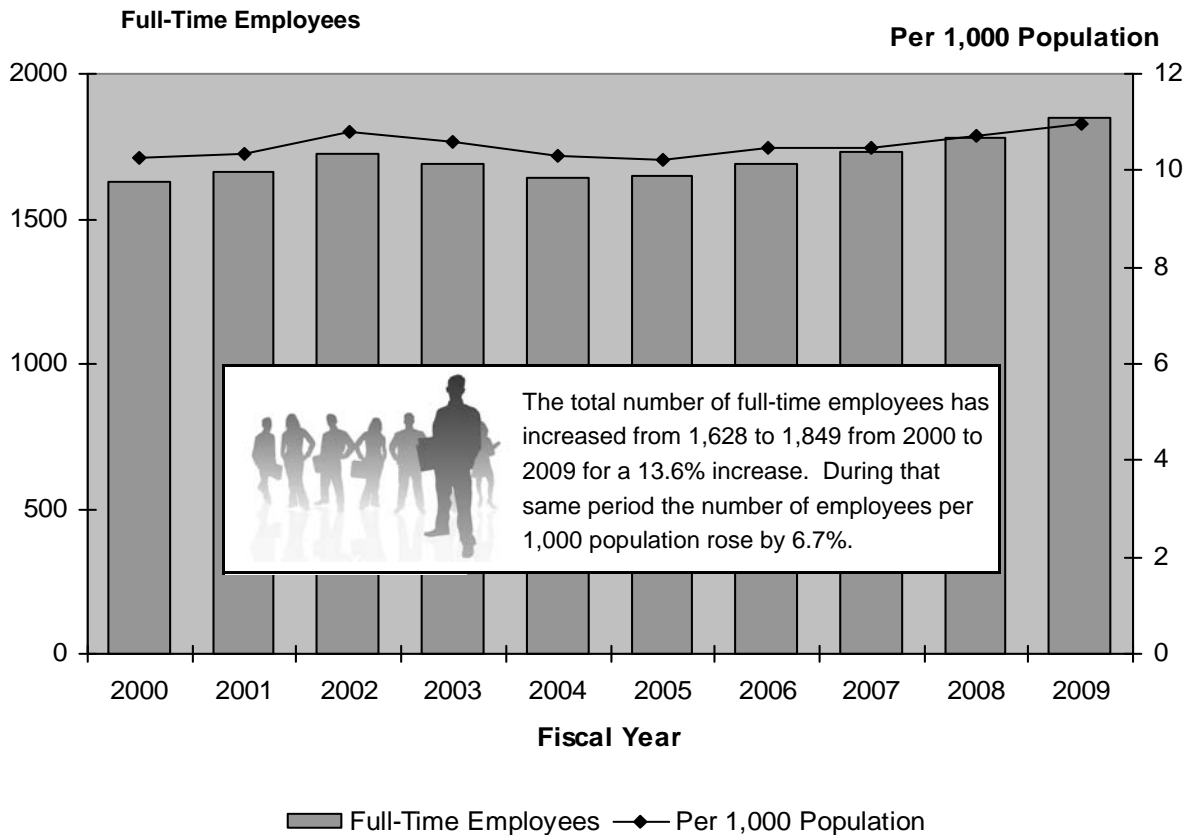
Fiscal Year	Local Taxes		Average Utility Charges for Services (monthly) ¹		
	Sales Tax	Property Tax	Water	Sewer	Solid Waste
2007-08	1.8%	\$1.40	\$23.99	\$15.44	\$17.41
2008-09	1.8%	\$1.40	\$25.09	\$16.47	\$18.11

¹ Charges reflect rates effective July 1

Personnel Summary: Ten Year History



The number of full-time employees for FY 2008-09, excluding full-time equivalents or temporary full-time equivalents, totals 1,849, a 0.9% increase from FY 2007-08. Total employees per 1,000 population for FY 2008-09 is estimated at 10.96, a 0.3% 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
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	1,734	10.40
2008	1,831	10.93
2009	1,849	10.96

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 2008-09 through FY 2011-12.

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 starting fund balances and reserves. This is best depicted by the following:

- Unrestricted fund balance in the General Fund is at \$43.3 million as of June 30, 2007. This balance represents 25% of FY 2006-07 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 \$17.6 million, above the policy level of 8% of outstanding bonded debt.
- Water/Wastewater fund balance of \$55.6 million,

as of June 30, 2007, 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
- The City provides health care benefits for its retired employees, their spouses and survivors, and employees on long-term disability. The current practice funds the cost of other post employment benefits (OPEB) liabilities on an annual "pay-as-you-go" basis. In FY 2007-08, the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 45 reporting the actuarially accrued cost of its OPEB was implemented. Recently, the City received its initial actuarial valuation estimating the annual required contribution (ARC) at \$39 million and the actuarial accrued liability (AAL) at \$398 million. The ARC and AAL assume no changes have been implemented to reduce the costs. To address the issue, changes were made such that employees hired after June 2007, will only have available a defined contribution plan. The City has convened an ad hoc committee to further examine changes for employees hired prior to July 2007. The City anticipates changes to the program to be effective July 2009. To date, \$10 million has been deposited in a separate reserve account to offset its OPEB liability.

In terms of baseline financial health, the **General Fund** is projected to go into deficit beginning in FY 2008-09, and the shortfall expected to continue through the forecast period. The causes of the deficit stem from near term economic difficulties in the housing market impacting local sales tax collections, large increases in public safety pension contribution rates, and health insurance cost growth.

The **Transit Fund** is projected to maintain a slim operating surplus in the forecast period. Similar to the General Fund, a major component of Transit Fund revenue is the local sales tax, a percent of which is dedicated to transit. As such, this fund is also expected to experience slow revenue collections from local taxes in the near term. Coupled with a rapid increase in expenditures associated with the opening of the Regional Light Rail Transit System in mid-FY 2008-09 the historically large gap between revenues and expenditures is expected to become narrower.

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, will produce a deficit condition in the



Transportation Funds beginning in FY 2011-12.

The **Performing Arts Fund** is in an operating deficit condition, as costs associated with opening the Tempe Center for the Arts and associated debt service costs exceed annual revenue from the Performing Arts Tax. As with the General Fund and Transit Fund's sales taxes, the Performing Arts Tax is based on local sales activity and therefore is subject to sluggishness in the near term.

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. The primary reason for the deficit is slowing revenue growth in the enterprise fund.

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

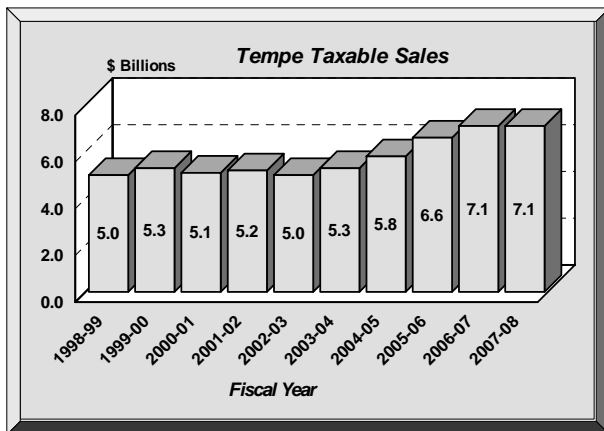


Our general approach to forecasting is to apply a conservative philosophy that does not overstate revenue nor understate expenditures. We recognize that economic forecasting is not an exact science and at times relies upon the professional judgment to optimize the accuracy of revenues or expenditures, 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 rebounded rapidly in the time period following 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.

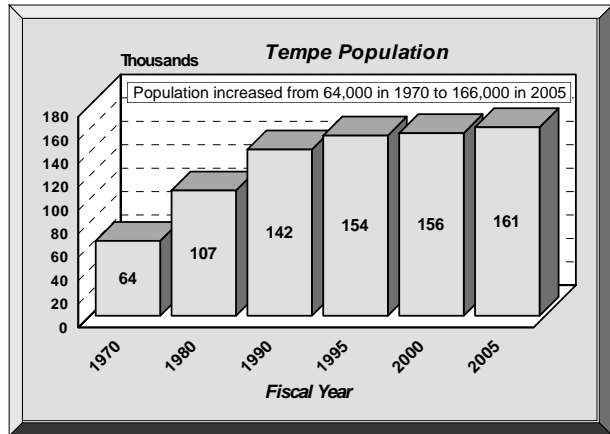
In the current year it became evident that the rapid economic pace would not continue. Recent taxable sales activity has faltered, largely due to problems related to the credit crunch and the troubles in the regional housing market. As shown in the graph below, taxable sales for FY 2007-08 are essentially unchanged over the prior year.



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 2007-08 annual estimates) are retail (48%), commercial and residential rent (17%), utility sales (6%), 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. Consistent with statewide models, the forecast assumes a slowing from the brisk growth levels seen in recent years.

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 0.7% per year over the forecast period. It is assumed that a large portion of this growth will be associated with condominium development in the central city.



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.

Statewide population growth is assumed to average 2.7% 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 rate inevitably 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 had been brisk, but has slowed over the current year. The slowing revenue has a direct impact on Tempe's share. The forecast is for revenue growth to remain slow in the near term and to rebound beginning in FY 2009-10 as demand that was suppressed during the slow housing market rebounds. Also of importance are 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

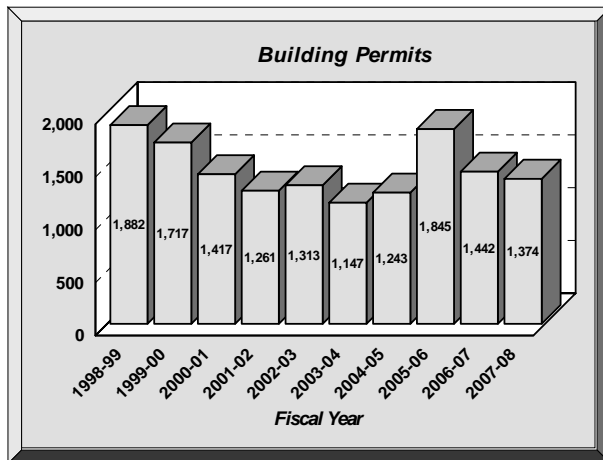


Tax Year 2007. To hold cities and towns harmless for the potential impact of this change on state shared revenues, the shared income tax pool was set at a fixed amount of \$717 million in FY 2009 (shared income tax distributions are based on tax collections from years prior). This change has been reflected in the forecasted amount for FY 2008-09.

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. While the regional single family housing market has been poor, construction in Tempe has been focused on condominium, commercial, and hotel activities. These activities have helped maintain a high level of permitting over the last year, though construction is expected to slow from the aggressive level of activity seen in recent years.



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 1996-97 through FY 2006-07, Tempe secondary assessed value growth was 8% on average. For FY 2008-09, the Maricopa County Assessor estimates growth of 11.3% over the prior year, as a result of large growth in the regional housing market.

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.

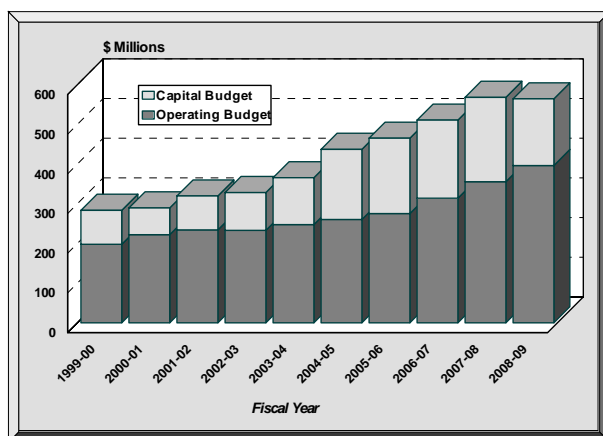
Financial Overview



The following financial overview provides a summary of revenue, expenditure, and historical budget trends. The FY 2008-09 budget of \$564 million provides for a \$396.4 million operating budget and a \$168 million capital budget. The operating budget includes \$209.5 million of general governmental operations, \$89 million of enterprise operations (Water/Wastewater, Solid Waste, Cemetery, and Golf) and \$97.9 million of special revenue operations (Transportation, Transit, Performing Arts, Rio Salado, Redevelopment, and Housing).

Fiscal Year	Operating Budget	Capital Budget	Total Budget
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
2008-09	396,439,483	168,033,325	564,472,808

Total budgeted revenue for FY 2008-09 is \$534.7 million, with operating revenue of \$366.7 million and the remainder from other capital funding sources. General Governmental revenue accounts for \$208.8 million of the total operating revenue. Major funding sources include \$122.2 million in local taxes (sales, property, and bed taxes), \$60.3 million of intergovernmental revenue, \$70.6 million of enterprise revenue, and \$87.1 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 2008-09 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.

■ **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 1.80% to 1.9% 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 Finance Economy and Veterans' Affairs Committee for review and recommendations. The pay-as-you-go impact is included as part of Personal Services cost in the forecast, however, the forecast does not include the unfunded, actuarially accrued liability.

Economic Outlook

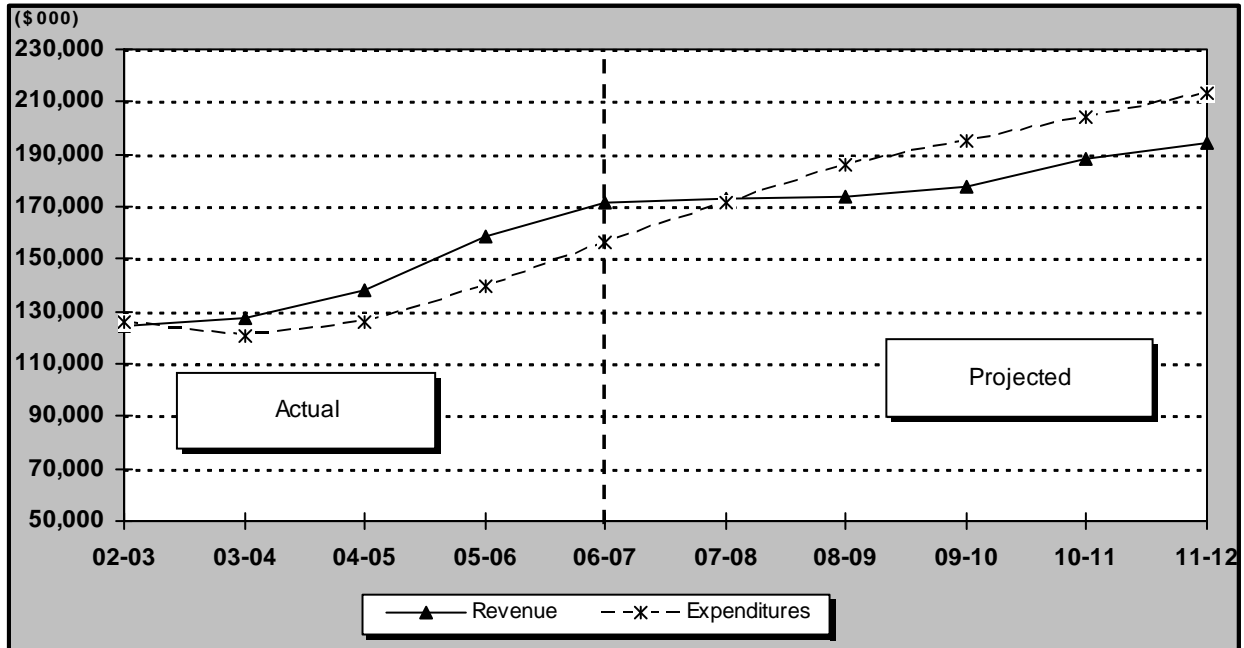
Following the mild recession in 2001 to 2002, both the local and state economies enjoyed a prolonged robust period. The metropolitan Phoenix area was a national leader in population and job growth, factors that undoubtedly benefited Tempe. That trend has turned around in the current year, as the housing recession drags on regional economic performance. And while Tempe's downtown area in particular has experienced solid growth in terms of residential construction, this strong trend will undoubtedly slow over the 5 year forecast.

The outlook for the next five years is for little to no growth in the near term, followed by a rebound in FY 2009-10. Broader regional issues, including the slow housing market and sub-prime mortgage defaults, are expected to be a drag on economic growth, though the forecast is not based on a general recession scenario. As the housing market recovers it is anticipated that sale activity, particularly in the retail category, will



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General Fund: Projected Revenue and Expenditures



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Local Taxes	66,841	71,455	77,772	86,570	95,863	93,905	94,363	98,743	106,803	115,461
Intergovernmental	35,536	34,076	36,068	40,946	41,453	46,004	47,959	47,701	49,673	46,078
Building & Trades/ Planning & Zoning	2,585	2,643	3,459	5,506	5,969	6,083	4,764	4,464	4,900	6,205
Cultural and Recreation	4,699	5,114	5,010	4,961	5,294	5,975	6,017	6,059	6,102	6,139
Fines, Fees and Forfeitures	5,510	5,831	6,652	7,288	7,219	6,718	6,930	7,153	7,385	7,629
Business Licenses	1,263	1,079	1,185	1,202	1,331	1,345	1,354	1,364	1,373	1,383
Interest Income	3,452	2,764	2,969	4,794	7,437	7,500	6,639	6,462	5,940	5,472
Franchise Fees	1,532	1,505	1,678	1,867	2,693	2,656	2,705	2,757	2,809	2,859
Other Revenue Sources	2,780	2,731	3,633	5,418	4,462	3,181	3,208	3,236	3,266	3,298
Total Revenue	124,199	127,198	138,425	158,553	171,722	173,367	173,940	177,938	188,250	194,523
Expenditures (\$000)										
Personal Services	100,518	98,286	100,868	109,416	120,972	137,579	148,666	156,870	165,144	173,662
Materials and Supplies	6,275	6,417	6,811	7,866	8,783	8,284	8,197	8,327	8,465	8,580
Fees and Services	16,341	15,996	18,521	21,576	21,721	21,949	22,180	22,684	23,202	23,717
Travel and Training	606	647	649	720	824	869	885	902	919	935
Non-Departmental/Loan Repayment	4,082	3,405	4,310	3,652	4,431	7,222	7,075	7,260	7,448	7,632
Capital Outlay	3,779	3,287	2,002	3,116	4,670	2,234	1,944	1,981	2,018	2,055
Contingency	0	0	0	0	0	0	3,479	3,559	3,765	3,891
Transportation Maintenance of Effort	0	0	0	0	1,035	1,035	1,035	1,035	1,035	1,035
Internal Services/ Adjustments	(5,369)	(7,656)	(6,896)	(6,511)	(6,224)	(7,423)	(7,560)	(7,704)	(7,850)	(7,991)
Total Expenditures	126,232	120,381	126,265	139,836	156,211	171,749	185,901	194,913	204,146	213,515
Net Operating Surplus/ (Deficit)	(2,033)	6,817	12,160	18,718	15,511	1,617	(11,962)	(16,975)	(15,895)	(18,992)



Trend/Forecast

At the beginning of the 2000's, 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 and up until the current year, both the state and local economies experienced robust growth, resulting in operating surpluses in the General Fund as revenue growth outpaced that of expenditures.

Due to several factors we are experiencing 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 slow to no growth in retail sales in FY 2008-09 following a decrease in the current year. This translates to a marked change in revenue growth as compared to recent years. Over the long-term we do expect a recovery, and have reflected this impact beginning in FY 2009-10

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 3.2% 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.

Also with regards to compensation, the public safety pension rates are increasing beginning in FY 2008-09. The Police and Fire Retirement system rates are expected to increase by 41% and 34%, respectively. These large increases have a significant impact since public safety salaries represent approximately 37% of the total payroll in the General Fund.

After allowing for the aforementioned factors, our initial forecast saw an accelerating operating deficit. As the deficit begins with the FY 2008-09 Operating Budget, steps will need to be taken to achieve balance.

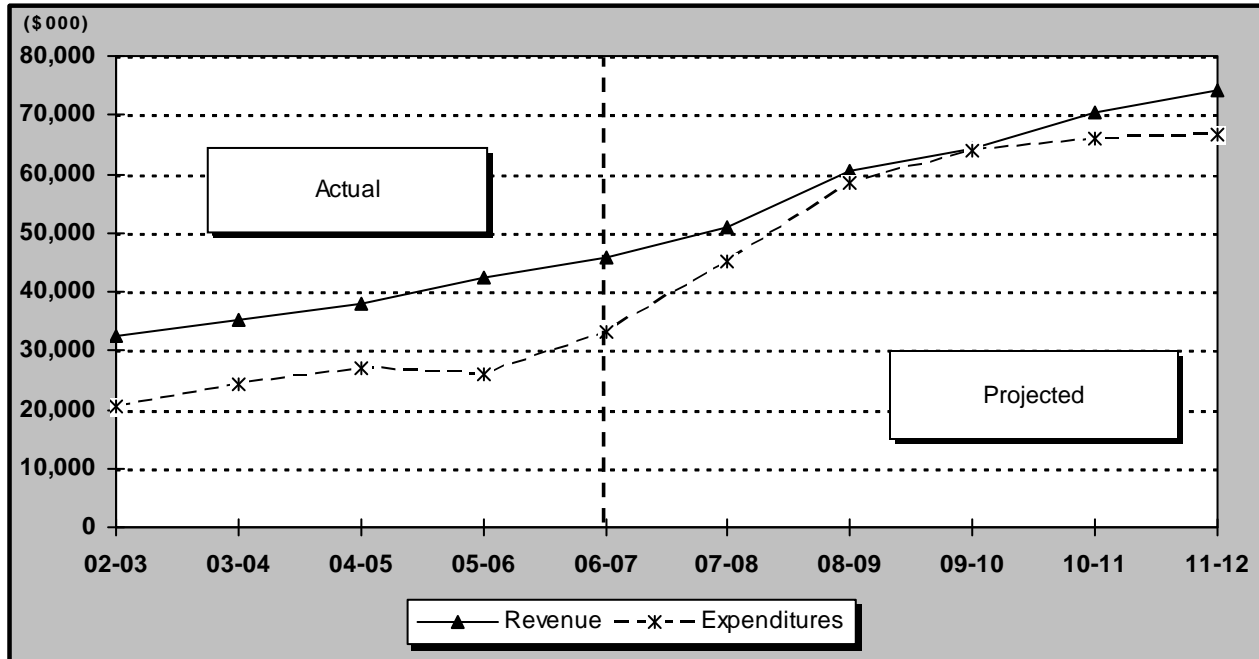
Unreserved Fund Balance

The General Fund's unreserved fund balance has grown from \$28.6 million just eleven years ago to \$43.3 million for FYE 2007. At this point the balance is

strong, and meets the policy level of 25% of annual revenue.

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
07	43,265,309

Transit Fund: Projected Revenue and Expenditures



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Transit Tax	25,141	26,741	28,848	32,440	34,971	33,922	33,888	35,515	38,676	42,118
Lottery Transfer In	290	282	274	266	257	253	248	243	238	234
ASU-Flash Transit	352	481	478	496	529	550	600	612	624	637
Interest Income	919	778	1,410	1,320	1,142	959	617	1,848	2,870	2,711
Light Rail Fares	0	0	0	0	0	0	951	1,968	2,101	2,168
Out of Jurisdiction Service Revenue	5,057	5,671	5,936	6,536	7,897	7,464	8,842	8,840	9,676	9,966
FTA Light Rail Reimbursements	0	0	0	0	0	6,420	10,133	10,129	10,132	10,131
PTF Funding	0	0	0	0	0	349	3,318	3,334	4,157	4,282
Miscellaneous Revenue	739	1,090	922	1,462	888	933	1,809	1,864	1,922	1,978
Total Revenue	32,498	35,043	37,868	42,521	45,684	50,851	60,407	64,353	70,395	74,224
Expenditures (\$000)										
Personal Services	1,477	1,785	1,930	2,294	2,543	4,296	4,448	4,519	4,728	4,953
Materials and Supplies	9	1,550	1,781	1,870	2,082	2,158	2,197	2,239	2,282	2,323
Fees and Services	18,534	20,177	22,467	19,986	23,231	30,999	40,310	45,431	47,396	47,886
Travel and Training	8	19	17	36	43	63	65	66	67	68
Capital Outlay	12	24	182	190	140	52	53	54	55	56
Debt Service	1	0	0	594	4,045	6,420	10,133	10,129	10,132	10,131
Internal Service Charges	207	237	243	314	310	323	329	336	342	348
Indirect Cost Allocations	244	428	437	696	847	976	995	1,013	1,033	1,051
Total Expenditures	20,492	24,222	27,057	25,979	33,241	45,287	58,530	63,786	66,034	66,815
Net Operating Surplus/ (Deficit)	12,006	10,821	10,811	16,542	12,444	5,564	1,877	567	4,361	7,409



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 for debt issued in the Capital Improvements Program.

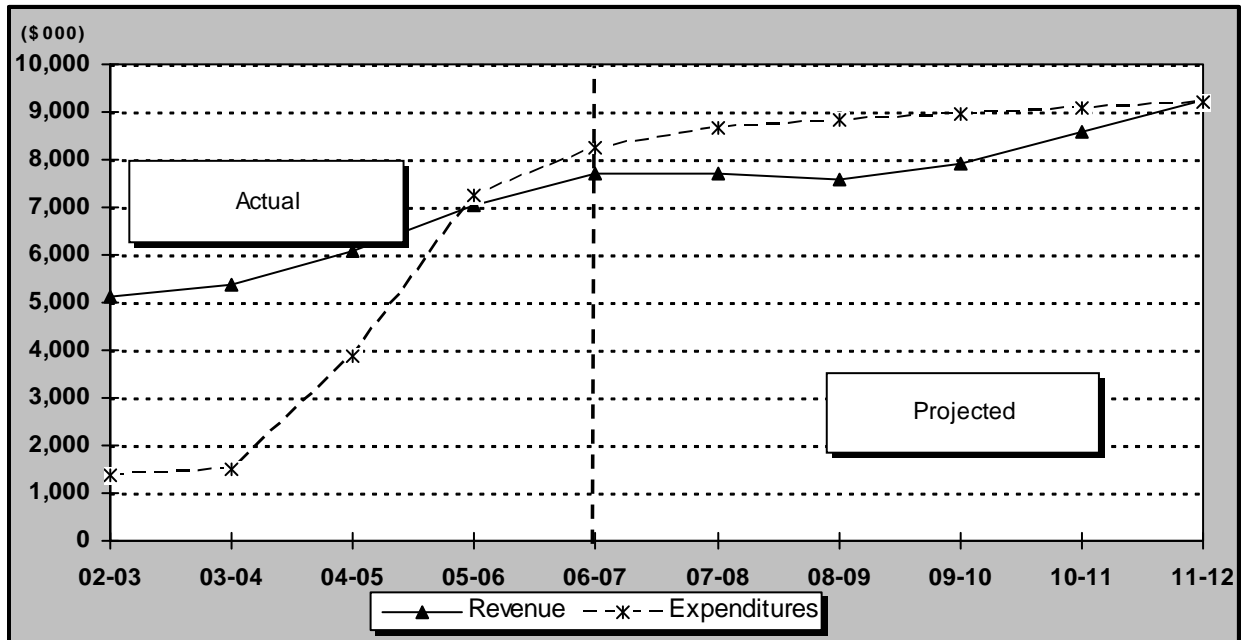
In FY 1997-98, the first full year of the transit tax, operating expenses were \$5.2 million. By the end of the forecast period, expenses are estimated to climb to \$66.8 million. Given projected revenue growth and operating profile, the forecast is for planned fund surpluses from FY 2007-08 through FY 2011-12, though the gap between revenues and expenditures is expected to become narrower.

Unreserved Fund Balance

The Transit Fund's unreserved fund balance has grown from \$18.4 million in FY 1997-98 to \$38.2 million at the end of FY 2006-07. 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
07	38,184,626

Performing Arts Fund: Projected Revenue and Expenditures



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Performing Arts Tax	5,010	5,280	5,768	6,480	7,008	6,934	6,934	7,266	7,913	8,609
Facility Revenue	0	0	0	0	0	350	422	438	456	474
Interest Income	112	98	335	574	692	415	242	229	204	183
Total Revenue	5,123	5,378	6,103	7,054	7,700	7,699	7,597	7,933	8,573	9,266
Expenses (\$000)										
Personal Services	145	203	194	337	545	1,891	2,017	2,119	2,218	2,316
Materials and Supplies	1	1	16	65	853	187	191	194	198	202
Fees and Services	11	43	54	84	538	415	432	450	468	487
Travel and Other	4	2	5	9	9	9	9	9	10	10
Capital Outlay	0	0	0	158	108	10	0	0	0	0
Debt Service	1,204	1,234	3,572	6,295	6,059	6,050	6,053	6,046	6,056	6,058
Internal Service Charges	8	22	20	287	123	123	127	129	131	134
Total Expenses	1,373	1,504	3,861	7,235	8,235	8,686	8,828	8,947	9,081	9,207
Net Operating Surplus/ (Deficit)	3,750	3,874	2,243	(180)	(535)	(987)	(1,231)	(1,014)	(508)	59

Performing Arts Fund



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.

FYE	Unreserved Fund Balance
02	\$7,116,094
03	10,865,891
04	14,339,689
05	14,255,302
06	15,064,184
07	14,865,175

Since the performing arts tax is a component of the overall City sales tax, the 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.

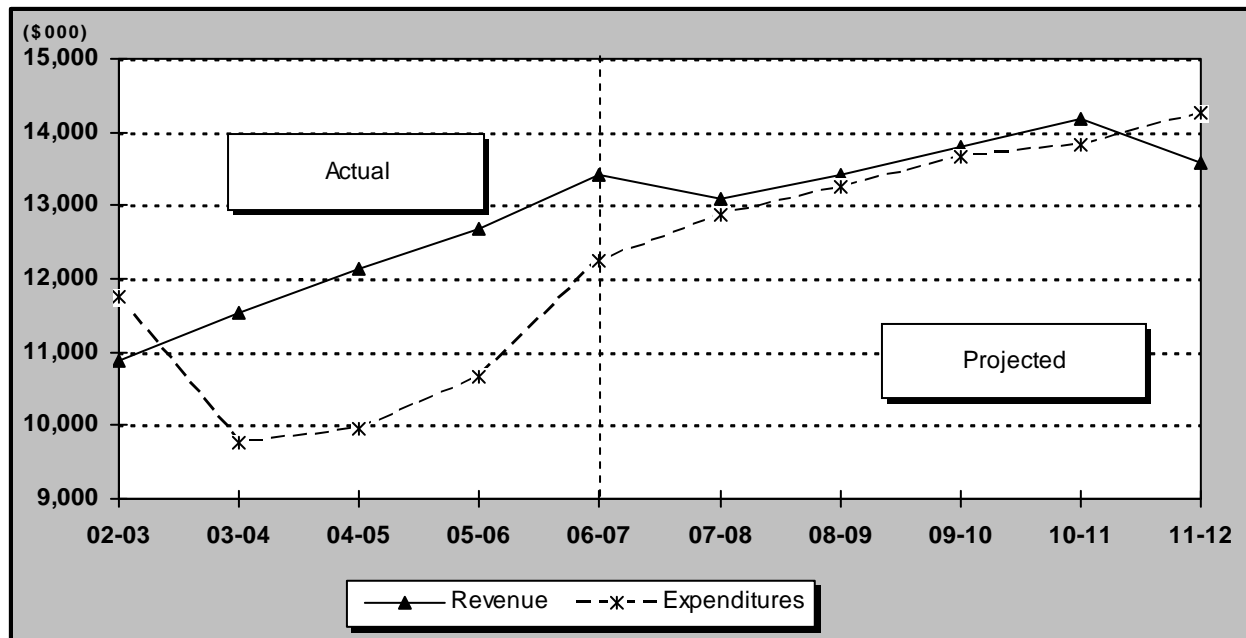
The expenditure growth pattern reflects the opening of the Tempe Center for the Arts (TCA) in September of 2007. In FY 2005-06, 19 new full-time positions, and related capital equipment were added to prepare for the full-time operation of the TCA. These costs represent the operating impacts of this capital project as identified in prior years' Capital Improvement Programs.

Though the forecast is for an operating deficit, the fund is expected to recover to an operating surplus as revenue collections exceed expenditures in FY 2011-12, largely due to a recovery in sales tax collections.

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.

Transportation Funds: Projected Revenue and Expenditures



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Highway User Revenue Tax	10,286	10,985	11,533	11,224	11,854	11,484	11,818	12,206	12,593	12,000
State Lottery Proceeds	870	846	821	799	771	767	752	737	722	708
Miscellaneous	0	0	43	68	10	67	67	67	67	67
Maintenance of Effort Transfer	0	0	0	870	1,035	1,035	1,035	1,035	1,035	1,035
Lottery Transfer to Transit	(287)	(282)	(274)	(266)	(257)	(253)	(248)	(243)	(238)	(234)
Total Revenue	10,869	11,549	12,123	12,694	13,413	13,100	13,424	13,801	14,179	13,576
Expenditures (\$000)										
Personal Services	3,540	3,470	3,700	4,107	4,112	5,021	5,325	5,645	5,975	6,328
Materials and Supplies	448	433	467	533	513	508	517	527	537	547
Fees and Services	1,465	1,460	1,682	1,736	1,897	1,856	1,890	1,926	1,963	1,998
Travel and Training	2	15	0	0	24	23	24	24	25	25
Capital Outlay	204	503	189	330	361	379	386	394	401	408
Debt Service	4,000	2,000	2,000	2,000	2,770	2,770	2,770	2,770	2,500	2,500
Loan Repayment	356	310	310	310	310	310	310	310	310	310
Internal Service Charges	640	883	853	1,036	1,226	1,189	1,211	1,234	1,257	1,280
Indirect Cost Allocations	1,109	682	746	619	1,025	813	828	843	859	875
Total Expenditures	11,765	9,756	9,946	10,670	12,237	12,869	13,261	13,673	13,828	14,271
Net Operating Surplus/ (Deficit)										
	(896)	1,792	2,177	2,024	1,176	231	163	128	351	(695)

Transportation Funds



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 worsened 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 has not outpaced the impact of population shifts.

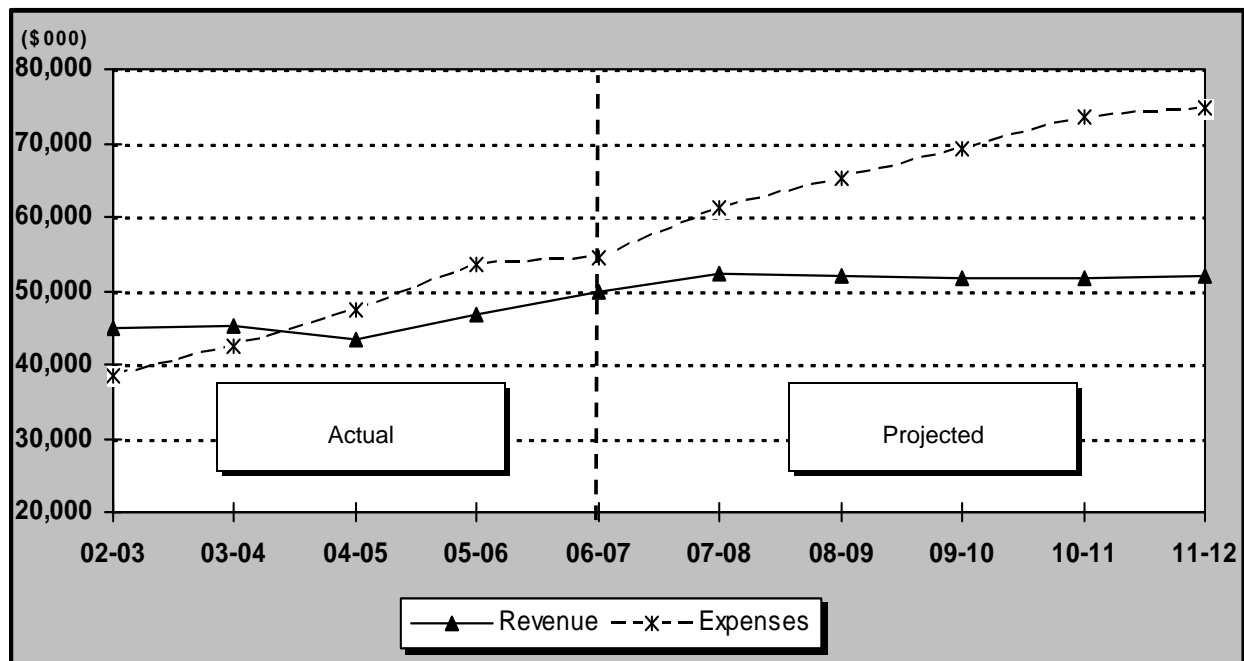
One approach now in place to minimize operating deficits is to cap debt service at payments of \$2.7 million for the remainder of the forecast period. Any excess General Obligation debt service requirements beyond this cap will be absorbed by the Debt Service Fund during the five year period. Over the 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
07	11,338,081

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, and debt service requirements throughout the forecast period.

Water/Wastewater Fund: Projected Revenues and Expenses



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Charges for Service-Water	25,669	26,183	24,446	26,367	26,714	27,932	28,258	28,398	28,539	28,681
Charges for Service-Wastewater	16,958	16,857	16,248	18,025	19,462	20,737	21,113	21,219	21,326	21,433
Interest Income	886	942	1,506	1,609	2,485	2,575	1,600	1,026	892	796
Land and Facility Rental	520	520	520	519	520	520	536	542	548	554
Loan Repayment	299	146	130	114	97	79	60	41	21	21
Other Miscellaneous Rev.	477	492	550	241	666	485	485	485	485	485
Total Revenue	44,808	45,140	43,400	46,875	49,943	52,328	52,052	51,712	51,811	51,970
Expenses (\$000)										
Personal Services	9,552	11,234	11,611	12,451	13,265	14,279	15,070	15,887	16,683	17,499
Materials and Supplies	1,378	1,650	2,872	2,811	3,565	3,329	3,391	3,455	3,521	3,584
Fees and Services	8,777	10,850	10,426	14,334	12,441	12,919	13,130	13,352	13,583	13,817
Travel and Training	80	109	109	124	215	101	103	105	107	108
Depreciation Expense	9,009	9,240	9,960	11,950	12,291	13,236	13,393	13,867	16,131	16,079
Share of 91 st Avenue Depreciation	1,764	1,482	3,786	2,011	330	1,875	1,875	1,875	1,875	1,875
Debt Svc Intrst/Fiscal Agent Fees	3,915	4,750	4,826	6,191	8,313	11,116	13,905	16,398	16,988	17,312
Internal Service Charges	1,354	1,388	1,609	1,892	2,526	2,434	2,479	2,526	2,574	2,620
Indirect Cost Allocations	2,588	1,876	2,176	1,825	1,516	1,847	1,881	1,917	1,953	1,988
Total Expenses	38,417	42,579	47,375	53,588	54,462	61,136	65,226	69,381	73,414	74,882
Net Operating Surplus/ (Deficit)	6,391	2,560	(3,975)	(6,713)	(4,518)	(8,808)	(13,174)	(17,670)	(21,603)	(22,912)

Water/Wastewater Fund



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, and debt service associated with expansion of the Capital Improvements Program, 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, 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.

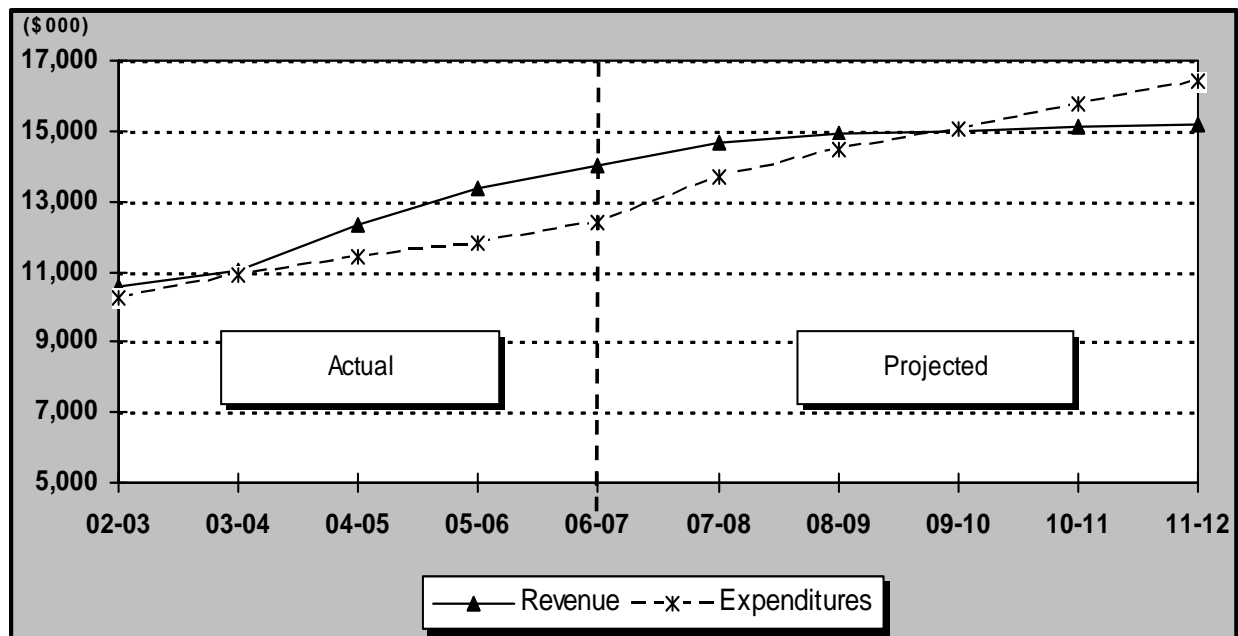
As the long-range forecast initially predicted, the Water/Wastewater Fund entered into a deficit condition in FY 2005-06. This fund could continue to operate under a deficit condition through FY 2011-12 as the growth in treatment cost outpaces revenue growth. Should this occur, a drawdown of fund balances will be applied to cover the deficit. For the purpose of this forecast, we have assumed no further rate adjustments.

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 \$55.6 million at FYE 07.

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
07	55,628,214

Solid Waste Fund: Projected Revenue and Expenses



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Charges for Services	10,460	10,870	11,839	12,749	13,626	14,319	14,654	14,761	14,866	14,972
Sludge Disposal	37	145	119	151	62	85	85	85	85	85
Interest Income	3	9	39	83	175	171	75	69	61	55
Other Revenue Sources	49	0	328	399	172	100	100	100	100	100
Total Revenue	10,548	11,024	12,325	13,382	14,035	14,675	14,914	15,015	15,112	15,212
Expenses (\$000)										
Personal Services	3,516	3,899	3,914	4,302	4,611	4,848	5,120	5,413	5,706	6,011
Materials and Supplies	246	227	268	146	206	188	192	196	199	203
Fees and Services	3,159	3,266	3,258	3,414	3,548	3,694	4,138	4,258	4,382	4,509
Depreciation	919	903	972	988	898	1,157	1,188	1,259	1,440	1,611
Loan Repayment-Interest Only	137	0	0	0	0	0	0	0	0	0
Internal Service	1,641	1,699	2,383	2,370	2,505	2,959	3,014	3,071	3,130	3,186
Indirect Cost Allocations	610	918	618	617	646	832	848	864	880	896
Total Expenses	10,230	10,912	11,413	11,837	12,413	13,678	14,500	15,060	15,737	16,416
Net Operating Surplus/ (Deficit)	319	112	912	1,545	1,622	996	414	(45)	(625)	(1,204)



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. Despite these recent rate increases, we forecast a deficit in the fund beginning with the 2010-11 fiscal year.

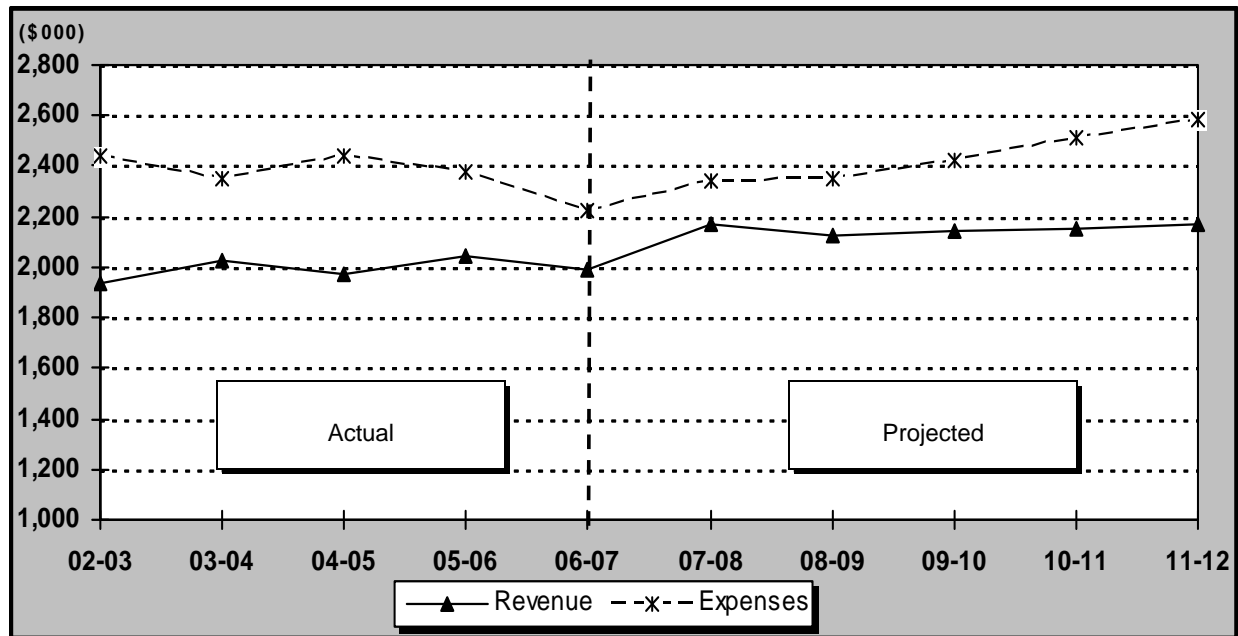
Solid waste rates are subject to annual rate reviews to ensure that the fund remains fully self-sufficient and to smooth the effect of potential rate adjustments on the City's residential and commercial customers.

Unreserved Fund Balance

There is a \$4.9 million fund balance in the Solid Waste Fund, providing 39.5% coverage to estimated FY 2006-07 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
07	4,895,596

Golf Fund: Projected Revenue and Expenses



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Greens Fees	1,850	1,801	1,746	1,750	1,689	1,722	1,742	1,755	1,767	1,779
Pro Shop/Restaurant	76	219	208	221	223	389	326	328	331	333
Interest Income	12	8	14	16	19	11	8	8	7	6
Other Revenue Sources	0	0	0	55	51	51	51	51	51	51
Total Revenue	1,938	2,028	1,969	2,041	1,983	2,173	2,127	2,142	2,155	2,169
Expenses (\$000)										
Personal Services	1,006	1,057	1,050	988	1,005	1,134	1,196	1,264	1,333	1,405
Materials and Supplies	283	271	286	256	249	211	215	219	223	227
Fees and Services	321	314	372	456	307	352	361	370	379	388
Depreciation	370	364	347	330	309	292	197	198	195	175
Debt Service Interest	38	32	23	18	10	6	8	11	13	15
Contingency	0	0	0	0	0	0	20	0	0	0
Internal Service Charges	140	109	153	141	150	175	178	182	185	188
Indirect Cost Allocations	278	206	210	188	195	170	173	177	180	183
Total Expenses	2,436	2,354	2,441	2,376	2,225	2,340	2,348	2,420	2,508	2,582
Net Operating Surplus/ (Deficit)	(498)	(326)	(472)	(335)	(242)	(167)	(220)	(278)	(353)	(412)



Trend/Forecast

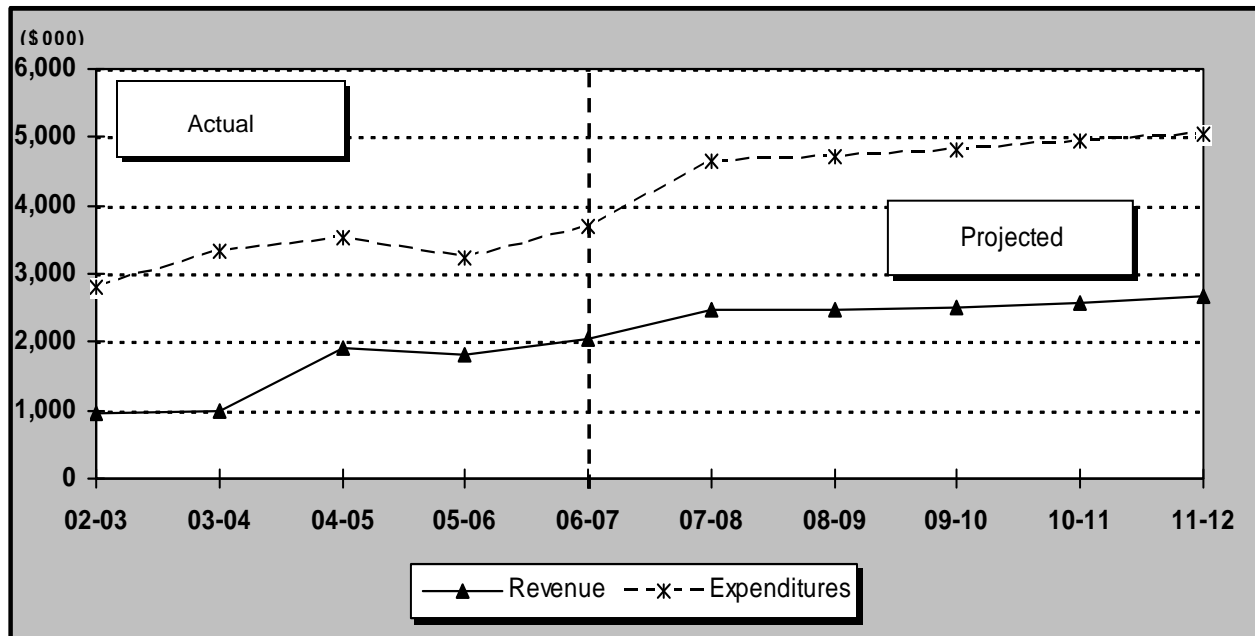
Over the forecast period, we expect revenue growth to generally follow the historical patterns, although other unpredictable factors such as weather conditions and competition from other courses in the valley, may improve or worsen usage of the municipal golf courses. The Golf Fund has been experiencing 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
07	263,853

Rio Salado and Community Facilities District (CFD) Funds



	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	10/12
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenue (\$000)										
Sales Tax	390	341	309	580	797	769	769	806	878	955
Property Tax	40	62	68	66	74	150	156	163	170	177
Transient Lodging Tax	123	136	182	219	240	225	234	237	242	248
Interest Revenue	133	135	149	171	200	162	127	122	109	98
Sale of Real Estate	0	0	789	0	0	0	0	0	0	0
Other Revenue	36	74	111	128	160	153	153	153	153	153
CFD Revenue	230	226	315	639	579	1,013	1,020	1,027	1,034	1,041
Total Revenue	953	975	1,923	1,804	2,051	2,472	2,459	2,508	2,586	2,672
Expenditures (\$000)										
Personal Services	530	577	589	614	793	1,838	1,871	1,960	2,056	2,159
Materials and Supplies	21	15	17	27	17	118	124	130	136	143
Fees and Services	557	481	546	687	828	681	714	749	786	824
Travel and Training	4	3	5	2	5	7	7	7	8	8
Capital Outlay	19	10	96	0	0	0	0	0	0	0
Internal Service Charges	94	260	245	215	414	352	369	387	406	426
CFD Administrative Credit	(411)	(365)	(396)	(419)	(414)	(1,321)	(1,385)	(1,453)	(1,524)	(1,599)
CFD Operating and Maintenance	1,999	2,335	2,431	2,118	2,042	2,972	3,002	3,032	3,062	3,093
Total Expenditures	2,812	3,316	3,533	3,244	3,686	4,647	4,701	4,812	4,929	5,054
Net Operating Surplus/ (Deficit)	(1,859)	(2,342)	(1,610)	(1,441)	(1,635)	(2,175)	(2,243)	(2,304)	(2,343)	(2,382)



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 draw downs 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
07	287,458



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**

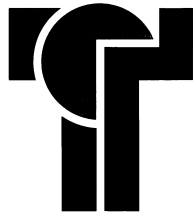
The Strategic Issues Program provides a link between the City's budget process (resource allocation) and the long-term goals of the City. The strategic issues are periodically updated and refined, while departmental budget requests are associated with strategic issues. This gives direction to the budget 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.

- **Ad Hoc Long-Range and Finance Planning Committee**

Continued commitment to the recommendations generated by the committee to review City expenditures, sources of revenue, and long-range projections, and propose revisions to the City Council.



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The following section summarizes assumptions, trends, major influences, restrictions and composition of the City's revenue sources.

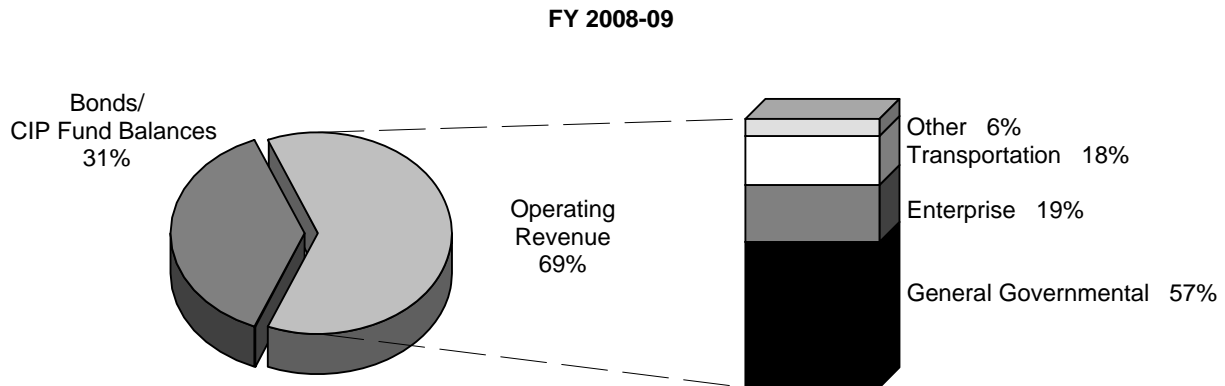


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Total Revenue



Total revenue for FY 2008-09 is \$534.7 million reflecting \$366.7 million in operating revenue and \$168 million from bond proceeds, fund balances and other funding sources. The FY 2008-09 operating revenue total represents 4.5% growth over FY 2007-08. The growth in operating revenue sources is primarily in the Transportation/Transit area and consists largely of federal grants. Another significant growth area is the Miscellaneous category of General Governmental, which serves as a holding account for new revenue sources identified as part of the budget balancing plan. The decrease in bonding and other funding sources is directly related to the contraction in the Capital Improvement Program (CIP) budget.

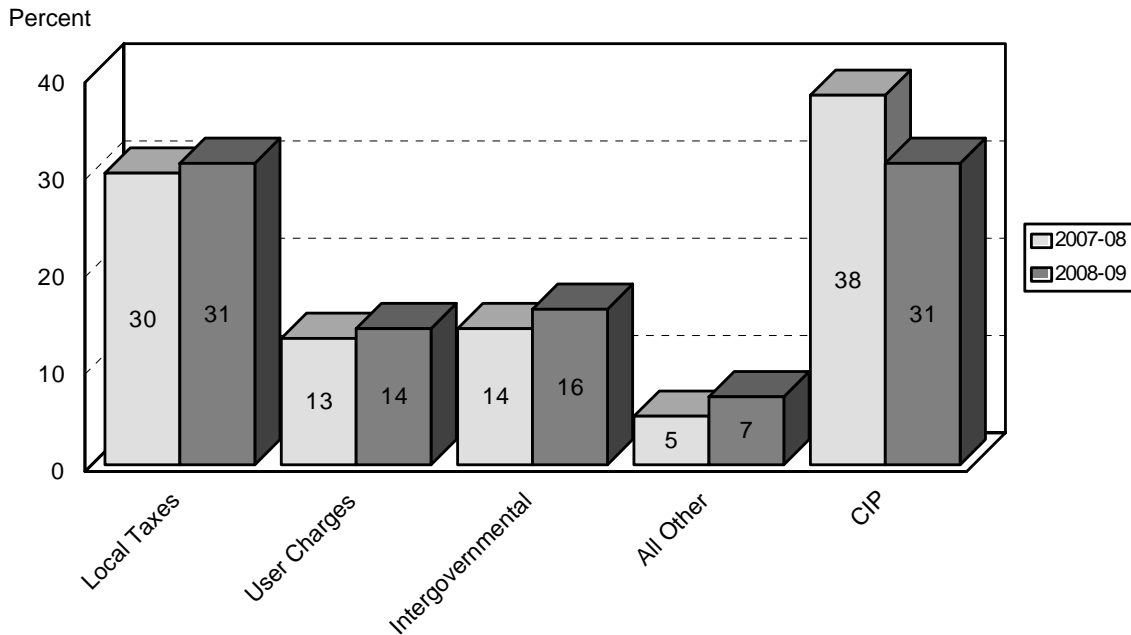


TOTAL REVENUE		
	FY 2007-08 Budget	FY 2008-09 Budget
OPERATING REVENUE		
General Governmental		
Local Taxes, Licenses and Permits, and Debt	\$126,343,034	\$124,812,733
Intergovernmental	48,496,600	47,959,311
Charges for Services	11,463,351	11,212,246
Miscellaneous	15,366,709	24,829,393
Transportation/Transit	57,678,474	67,122,473
Performing Arts	8,077,567	7,596,956
CDBG/Section 8 Housing	11,016,572	11,026,195
Rio Salado Special Revenue	1,358,770	1,550,804
Enterprise	67,359,772	70,555,646
TOTAL OPERATING REVENUE	\$347,160,849	\$366,665,757
Operating Revenue Per Capita	\$2,073	\$2,174
Bond/Note Proceeds		
	148,535,953	97,414,407
CIP Other Funding		
	32,154,815	43,754,937
Fund Balances		
	32,015,701	26,863,981
TOTAL REVENUE	\$559,867,318	\$534,699,082
Total Revenue Per Capita	\$3,343	\$3,171

Total Revenue by Source



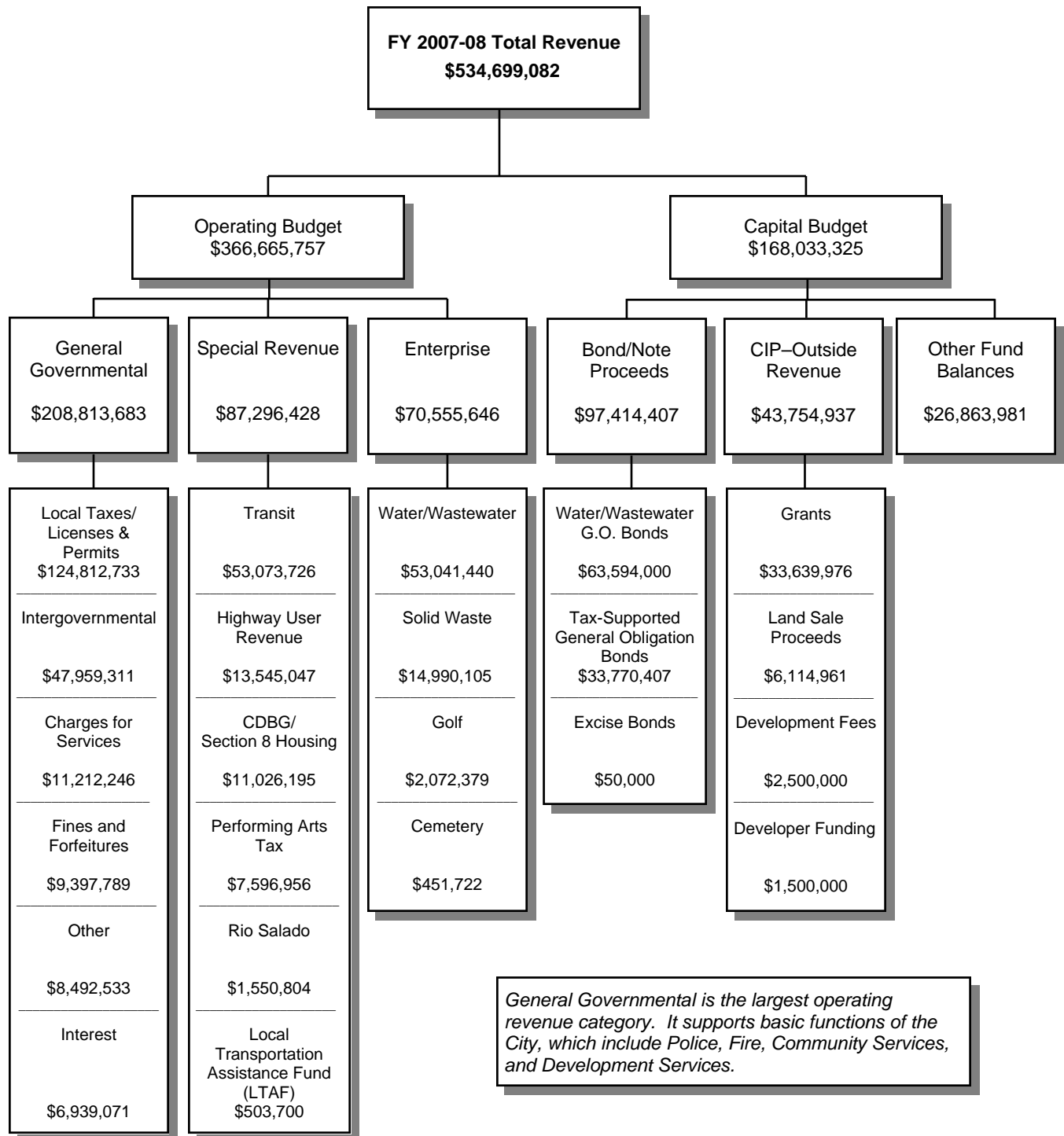
**Comparative Revenue by Source
FY 2007-08 Budget to FY 2008-09 Budget**



Where the Money Comes From

Revenue Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Local Taxes				
Local Sales Taxes	\$84,230,110	\$86,881,100	\$81,488,000	\$81,755,760
Transit Tax	35,199,038	36,250,700	33,922,155	33,888,200
Other Local Taxes	33,132,986	39,328,884	38,982,298	42,935,723
Performing Arts	7,007,790	7,270,400	6,933,500	6,933,500
User Charges				
Water/Wastewater	46,176,228	47,405,102	47,405,102	49,735,878
Solid Waste	11,894,983	12,823,128	12,508,049	12,746,096
Community Services	6,954,381	8,206,619	8,339,934	8,568,376
Building/Trades & Planning/Zoning	5,996,136	5,458,132	6,166,068	5,432,944
Intergovernmental				
State Shared Revenue	41,452,989	48,496,600	46,004,360	47,959,311
HURF/LTAF	12,368,114	11,998,090	11,998,090	12,321,777
CDBG/Section 8 Housing	12,659,330	11,016,572	11,041,465	11,026,195
Transit State & Federal	8,911,662	6,812,889	6,753,100	15,796,053
All Other				
Interest Revenue	12,210,400	8,635,367	11,218,447	10,342,309
Miscellaneous Revenue	9,039,047	8,108,063	7,666,736	16,497,596
Fines and Forfeitures	7,219,330	7,268,553	7,001,308	9,397,789
Licenses and Permits	1,331,264	1,200,650	1,202,360	1,328,250
Bonds/Note Proceeds	122,103,743	148,535,953	148,535,953	97,414,407
CIP - Outside Revenue	47,623,748	32,154,815	32,154,815	43,754,937
Other - Fund Balance	23,389,885	32,015,701	32,015,701	26,863,981
Total Revenue	\$528,901,164	\$559,867,318	\$551,337,441	\$534,699,082

Components of Total Revenue



Comparative Operating Revenue by Major Source and Fund



Revenue Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
General Fund				
Local Taxes				
City Sales Tax	\$83,660,885	\$86,188,300	\$80,688,000	\$80,946,760
Primary Property Tax	9,002,646	10,221,221	9,856,746	10,811,100
Transient Lodging Tax	3,199,002	3,267,200	3,359,838	3,405,200
Franchise Fees	2,693,254	2,671,000	2,706,000	3,129,000
<i>Total Local Taxes</i>	<i>98,555,787</i>	<i>102,347,721</i>	<i>96,610,584</i>	<i>98,292,060</i>
Intergovernmental Revenue				
State Sales Tax	15,758,491	17,948,400	15,821,814	15,853,500
State Income Tax	18,823,759	23,354,600	23,334,280	24,827,700
Vehicle License Tax	6,870,739	7,193,600	6,848,266	7,278,111
<i>Total Intergovernmental</i>	<i>41,452,989</i>	<i>48,496,600</i>	<i>46,004,360</i>	<i>47,959,311</i>
Building & Trades/Planning & Zoning	5,969,413	5,458,132	6,166,068	4,950,944
Cultural and Recreational				
Registration Fees	3,917,503	4,847,119	4,843,919	4,959,119
Recreation Admission Charges	346,379	348,500	339,488	384,656
Library Fines and Fees	441,570	351,200	441,748	441,748
Other Cultural and Recreation Fees	587,784	458,400	462,403	475,779
<i>Total Cultural and Recreational</i>	<i>5,293,236</i>	<i>6,005,219</i>	<i>6,087,558</i>	<i>6,261,302</i>
Fines, Fees and Forfeitures				
Traffic Fines	1,641,315	1,683,000	1,683,000	3,766,000
Criminal Fines	1,210,189	1,213,100	1,213,100	1,213,100
Parking Fines	377,935	448,600	300,000	400,000
Other Fines, Fees and Forfeitures	3,992,421	3,923,853	3,805,208	4,018,689
<i>Total Fines, Fees and Forfeitures</i>	<i>7,219,330</i>	<i>7,268,553</i>	<i>7,001,308</i>	<i>9,397,789</i>
Business/Non-Business Licenses	1,331,264	1,200,650	1,202,250	1,337,250
Other Revenue Sources				
SRP Payment in Lieu of Taxes	540,000	542,500	542,500	569,600
Interest Income	7,437,463	5,424,874	7,500,000	6,939,071
Other Miscellaneous Revenue and Loan	3,906,445	2,673,282	1,442,118	8,492,533
<i>Total Other Revenue</i>	<i>11,886,438</i>	<i>8,640,656</i>	<i>9,484,728</i>	<i>16,001,204</i>
Total General Fund	\$171,708,457	\$179,417,531	\$172,556,856	\$184,199,860
Debt Service Fund				
Secondary Property Tax	\$16,465,111	\$21,364,887	\$21,239,938	\$23,726,547
SRP Payment in Lieu of Taxes	918,614	887,276	887,276	887,276
Interest Income	28,720			
Total Debt Service Fund	\$17,412,445	\$22,252,163	\$22,127,214	\$24,613,823



Revenue Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Transit Fund				
Transit Tax	\$34,971,294	\$36,250,700	\$33,922,155	\$33,888,200
Lottery Transfer In	257,013	253,100	253,100	248,100
ASU-Flash Transit	529,273	521,000	521,000	610,370
Interest Income	1,141,839	261,290	759,000	617,000
Federal and State Funding	8,125,376	6,038,789	5,979,000	14,937,583
Miscellaneous Revenue	659,381	1,342,535	1,342,535	2,772,473
Total Transit Fund	\$45,684,176	\$44,667,414	\$42,776,790	\$53,073,726
Transportation Funds				
Highway User Revenue Tax	\$11,854,088	\$11,484,090	\$11,484,090	\$11,818,077
Maintenance of Effort	1,034,480	870,000	1,035,000	1,035,000
State Lottery Proceeds	514,026		514,000	503,700
Other Revenue	9,854		209,970	691,970
Total Transportation Funds	\$13,412,448	\$13,011,060	\$13,243,060	\$14,048,747
Rio Salado Fund				
City Sales Tax	\$796,969	\$692,800	\$800,000	\$800,000
Transient Lodging Tax	240,068	224,800	240,000	242,000
Primary Property Tax	74,291	150,000	150,000	165,000
Interest Income	200,474	137,754	190,000	190,000
Miscellaneous Revenue	159,994	153,416	153,254	153,804
Total Rio Salado Fund	\$1,471,796	\$1,358,770	\$1,533,254	\$1,550,804
Performing Arts				
Performing Arts Tax	\$7,007,790	\$7,270,400	\$6,933,500	\$6,933,500
Interest Income	692,499	457,167	415,165	241,956
Fees and Admission		350,000	350,000	421,500
Total Performing Arts	\$7,700,289	\$8,077,567	\$7,698,665	\$7,596,956
Total CDBG/Section 8 Housing Funds	\$12,659,330	\$11,016,572	\$11,041,465	\$11,026,195
Solid Waste Fund				
Residential Service	\$7,267,215	\$7,585,714	\$7,562,051	\$7,699,066
Commercial Service	4,627,664	5,237,414	4,945,998	5,047,030
Roll-Off Service	1,554,770	1,205,927	1,609,011	1,650,261
Recycling	301,940	210,000	261,000	375,000
Sludge Disposal	61,875	85,000	85,000	88,400
Interest Income	175,153	126,348	126,348	126,348
Other Miscellaneous Revenue	60,741		6,740	4,000
Total Solid Waste Fund	\$14,049,358	\$14,450,403	\$14,596,148	\$14,990,105



Revenue Source	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Water/Wastewater Fund				
Charges for Service-Water				
Water Consumption	\$18,212,218	\$19,418,054	\$19,418,054	\$19,752,617
Water Service	7,461,068	7,696,027	7,696,027	7,936,238
Irrigation	323,827	332,212	332,212	332,212
Other Water Charges	905,266	586,000	586,000	576,500
<i>Total Charges for Service-Water</i>	<i>26,902,379</i>	<i>28,032,293</i>	<i>28,032,293</i>	<i>28,597,567</i>
Charges for Service-Wastewater				
Sewer Usage	12,330,870	12,484,476	12,484,476	13,582,260
Sewer Service	6,845,102	6,778,333	6,778,333	7,446,051
Other Wastewater Charges	123,592	110,000	110,000	110,000
<i>Total Charges for Service-Wastewater</i>	<i>19,299,564</i>	<i>19,372,809</i>	<i>19,372,809</i>	<i>21,138,311</i>
Interest Income	2,484,914	2,222,229	2,222,229	2,222,229
Land and Facility Rental	520,000	520,000	520,000	536,000
Loan Repayment from General Fund	542,833	542,833	542,833	542,833
Other Miscellaneous Revenue	(45,016)	61,000	61,000	4,500
Total Water/Wastewater Fund	\$49,704,674	\$50,751,164	\$50,751,164	\$53,041,440
Golf Fund				
Greens Fees	\$1,689,063	\$1,731,400	\$1,760,331	\$1,742,472
Pro Shop and Restaurant Revenue	223,222	301,100	323,145	324,202
Interest Income	19,410	5,705	5,705	5,705
Other Revenue Sources	853			
Total Golf Fund	\$1,932,548	\$2,038,205	\$2,089,181	\$2,072,379
Cemetery Fund				
Lot & Burial Sales	\$18,339	\$120,000	\$217,175	\$451,722
Interest Income	29,928			
Total Cemetery Fund	\$48,267	\$120,000	\$217,175	\$451,722
Total Revenue - All Funds	\$335,783,788	\$347,160,849	\$338,630,972	\$366,665,757

City Sales Tax



Restrictions	Fiscal Year	Amount	Percent Change
Current rate of 1.2% can be increased only by electorate.	1998-99	60,100,000	4.9
	1999-00	59,967,700	(0.2)
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.	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	83,660,885	12.5
	2007-08 est.	80,688,300	(3.6)
	2008-09 est.	80,946,760	0.3

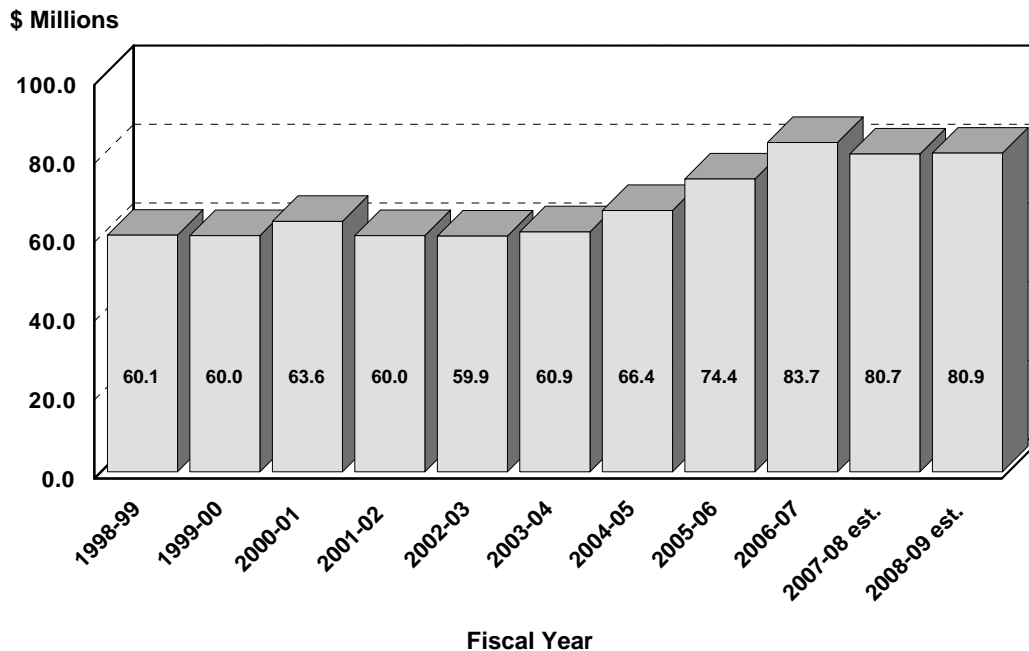
Assumptions

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. A strong recovery in the period immediately following the recession accounts for the double-digit growth in FY 2005-06 through FY 2006-07. Recent years have seen weaker collections, due largely to the effects of the regional housing market downturn. This is expected to continue in FY 2008-09.

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.	1998-99	15,172,288	9.7
	1999-00	16,561,936	9.2
	2000-01	18,414,400	11.2
	2001-02	18,864,580	2.4
Secondary Levy: Restricted for debt service purposes only. No limit on rate.	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	25,707,825	0.2
	2007-08 est.	31,336,684	21.9
	2008-09 est.	34,702,647	10.7

Assumptions

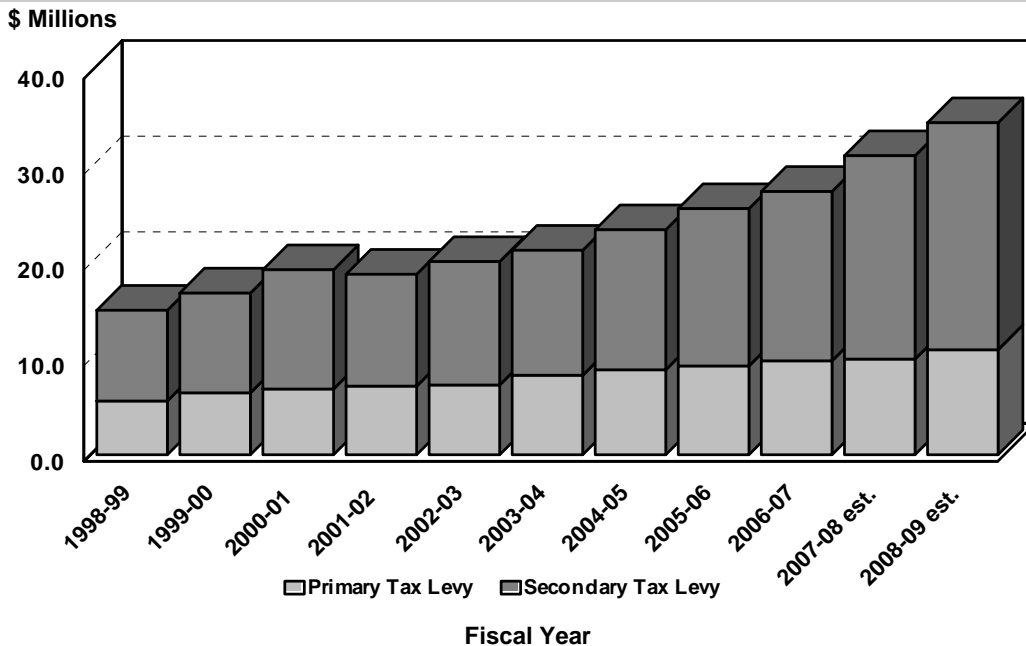
The City's property tax is levied based on the assessed value of the property from the previous February 10th as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Changes in total revenue collected during these years have been the result of state policy affecting assessed valuations, assessed valuation growth, and new development.

The combined primary and secondary property tax rate for FY 2008-09 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, \$10.8 million goes to the General Fund and \$165,000 goes to the Rio Salado Fund, and the entire secondary levy of \$23.7 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



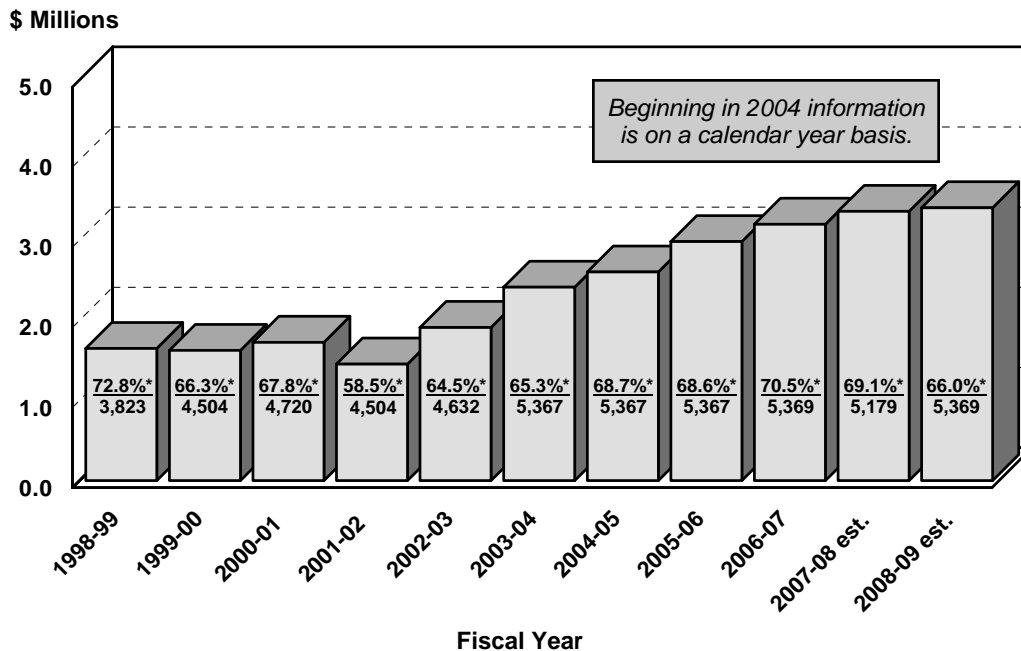
Restrictions	Fiscal Year	Amount	Percent Change
Current rate of 3% can be increased only by electorate.	1998-99	1,649,000	4.1
	1999-00	1,625,300	(1.4)
Of the total amount collected, 2/3 is pledged to the Tempe Convention and Visitors Bureau (TCVB). Excess unrestricted proceeds are deposited into the General 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.	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
	2005-06	2,983,156	14.6
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%.	2006-07	3,199,002	7.2
	2007-08 est.	3,359,838	5.0
	2008-09 est.	3,405,200	1.4

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



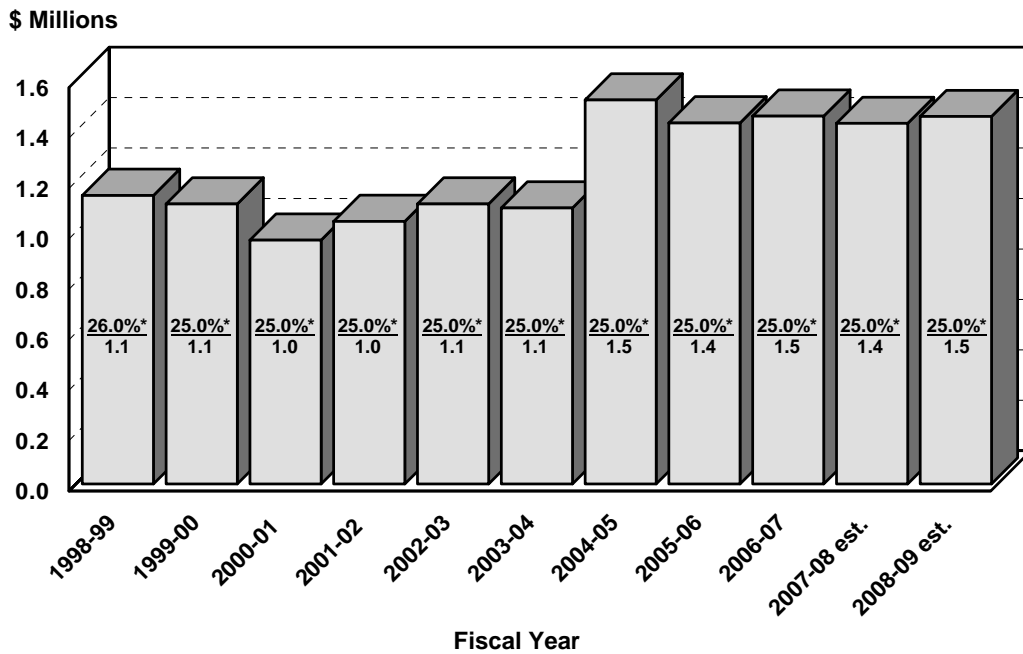
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1998-99	1,144,363	(4.6)
	1999-00	1,110,420	(3.0)
	2000-01	967,193	(12.9)
	2001-02	1,041,291	7.7
	2002-03	1,110,403	6.6
	2003-04	1,094,665	(1.5)
	2004-05	1,522,519	39.1
	2005-06	1,431,678	(6.0)
	2006-07	1,458,614	1.9
	2007-08 est.	1,429,776	(2.0)
	2008-09 est.	1,456,976	1.9

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 2008-09 it is estimated that \$569,600 will go to the General Fund and \$887,276 to the Debt Service Fund.

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.	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	15,758,491	(6.3)
	2007-08 est.	15,821,814	0.4
	2008-09 est.	15,853,500	0.2

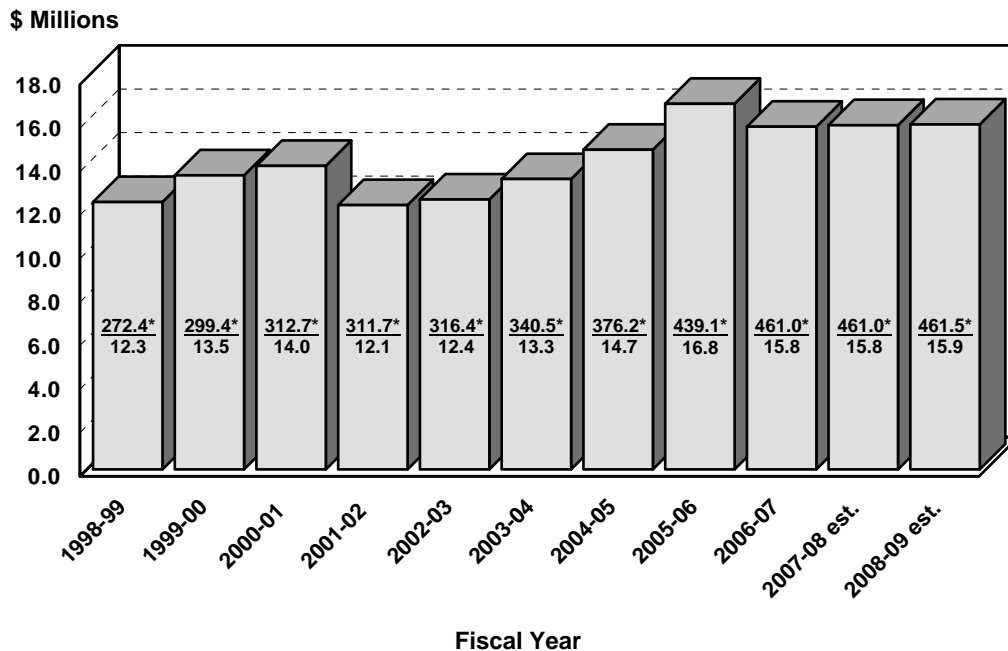
Assumptions

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 \$462 million for FY 2008-09) 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 decreased revenue in FY 2006-07 and leveling thereafter 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



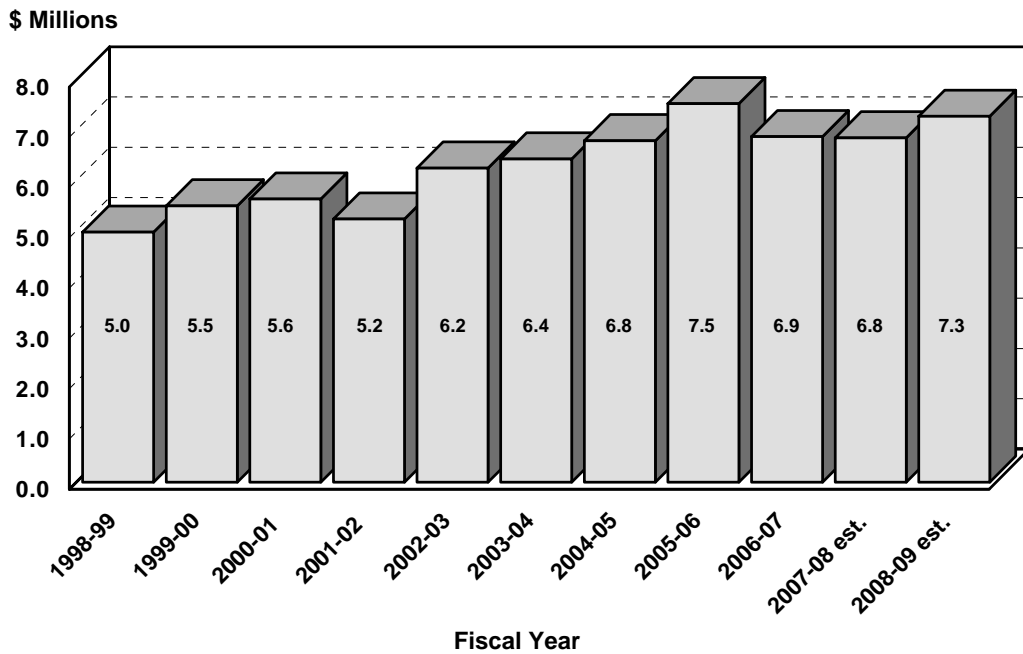
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for a public purpose.	1998-99	4,971,529	24.4
	1999-00	5,497,492	10.6
	2000-01	5,632,181	2.5
	2001-02	5,233,512	(7.1)
	2002-03	6,247,543	19.4
	2003-04	6,428,101	2.9
	2004-05	6,791,043	5.6
	2005-06	7,527,675	10.8
	2006-07	6,870,739	(8.7)
	2007-08 est.	6,848,266	(0.3)
	2008-09 est.	7,278,111	6.3

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%. The FY 2008-09 growth is largely due to the low base set in FY 2007-08, as this revenue amount is at FY 2005-06 levels.

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.	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	18,823,759	13.3
	2007-08 est.	23,334,280	24.0
2008-09 est.	24,827,700	6.4	

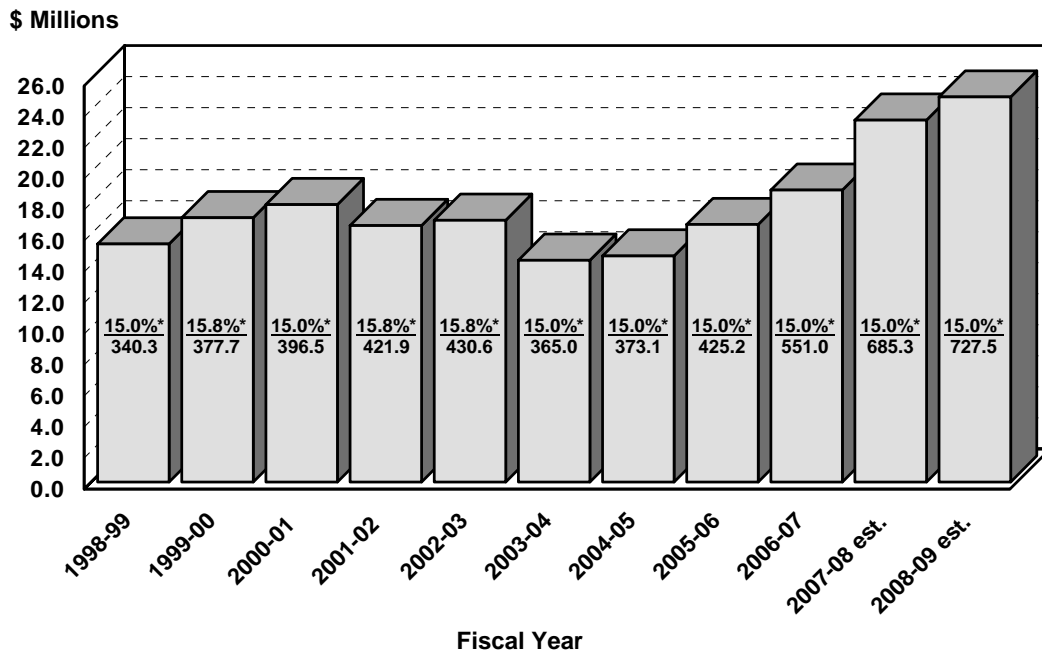
Assumptions

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 FY 2008-09 estimate is based on an amount appropriated in state law, and as such is not reflective of the recent weakness in the state economy.

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



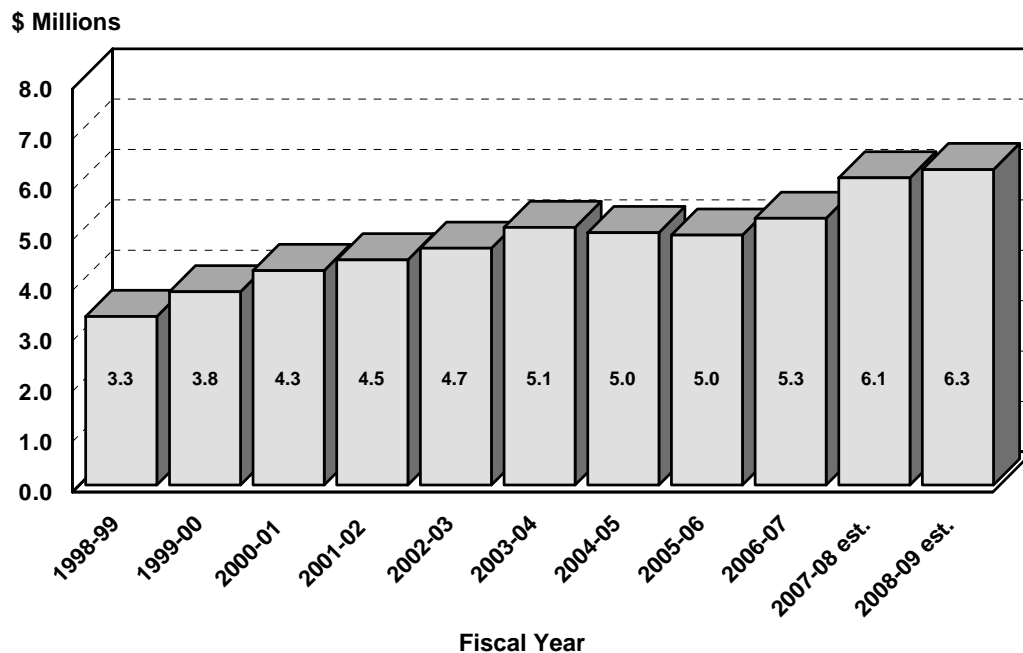
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage, but intended to defray costs of recreation and social service programs.	1998-99	3,345,728	(0.7)
	1999-00	3,836,700	14.7
	2000-01	4,258,777	11.0
	2001-02	4,471,110	5.0
	2002-03	4,699,196	(5.1)
	2003-04	5,113,578	8.8
	2004-05	5,009,690	(2.0)
	2005-06	4,961,260	(1.0)
	2006-07	5,293,236	6.7
	2007-08 est.	6,096,570	15.2
	2008-09 est.	6,261,302	2.7

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, and this revenue is expected to continue into FY 2008-09.

Major Influences: Population, Cost Recovery Policy and New Program Development

Charges for Services/Recreation and Social Services



Charges for Services/Development Related



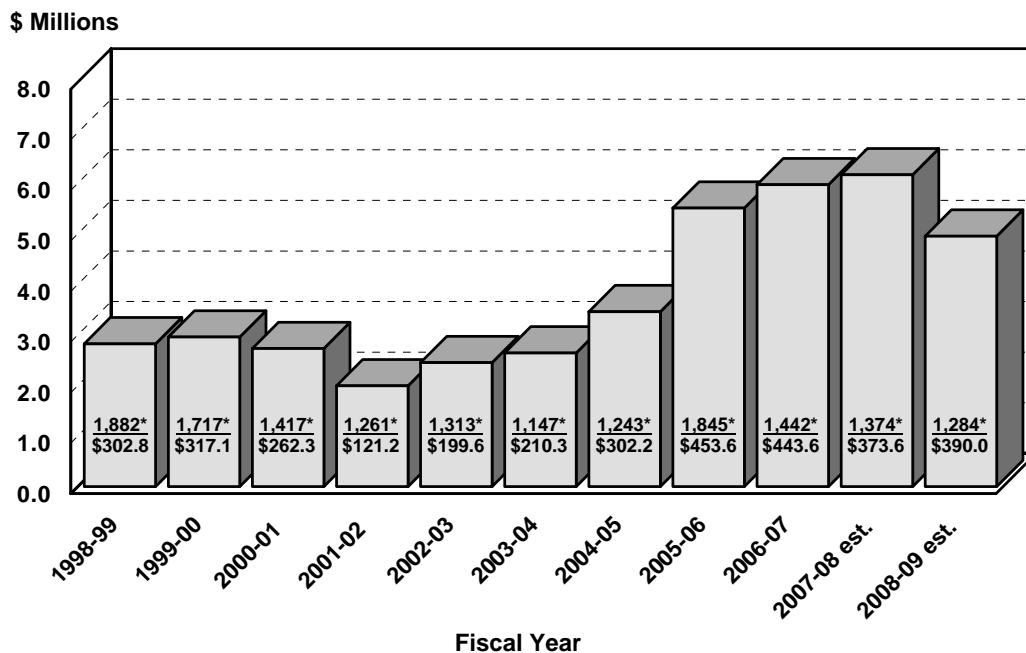
Restrictions	Fiscal Year	Amount	Percent Change
Intended to offset costs related to permitting and planning for residential and commercial development in the City, though there are no restrictions on usage.	1998-99	2,822,892	29.0
	1999-00	2,957,600	4.8
	2000-01	2,730,681	(7.7)
	2001-02	1,993,308	(27.0)
	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	5,969,413	8.4
	2007-08 est.	6,166,068	3.3
	2008-09 est.	4,950,944	(19.7)

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 reversed itself sharply, as the attractiveness of the Tempe downtown for development, as well as the construction of Tempe Marketplace mall increased permitting activity. The FY 2008-09 budgeted decrease is largely the result of large projects working their way out of the construction queue.

Major Influences: Population, Tax Laws, Economy and Development

Charges for Services/Development Related



* Number of building permits/Valuation (\$ in millions)

Fines and Forfeitures



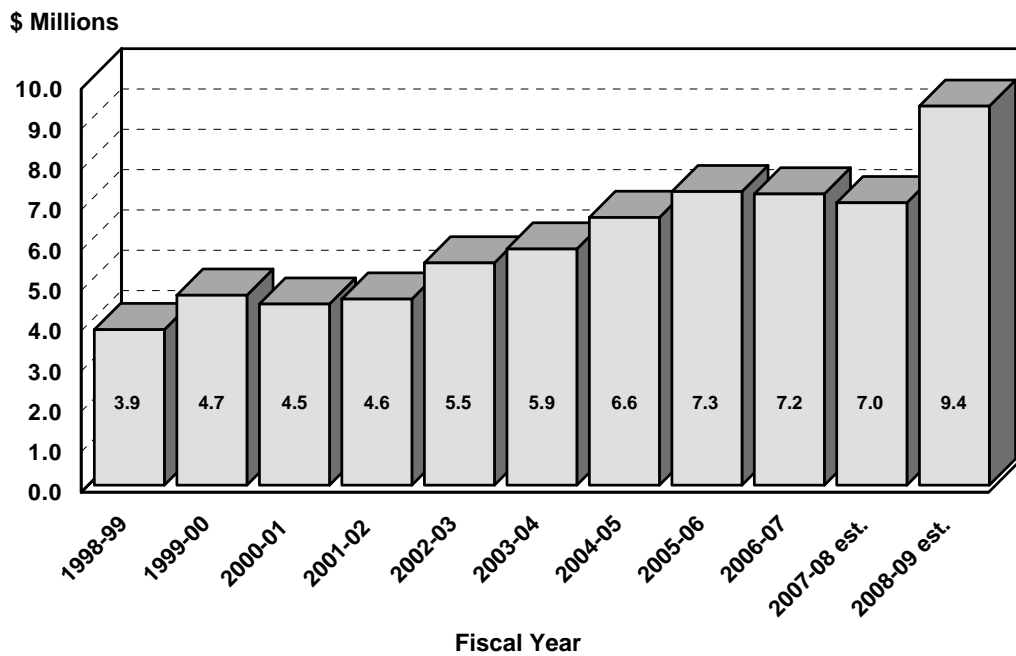
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	1998-99	3,856,034	6.1
	1999-00	4,709,700	22.1
	2000-01	4,489,939	(4.7)
	2001-02	4,615,379	2.8
	2002-03	5,510,475	19.4
	2003-04	5,858,482	6.3
	2004-05	6,639,189	13.3
	2005-06	7,278,191	9.6
	2006-07	7,219,330	(0.8)
	2007-08 est.	7,001,308	(3.0)
	2008-09 est.	9,397,789	34.2

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. The FY 2008-09 increase is due to full implementation of photo radar traffic enforcement.

Major Influences: Population, Crime Rate and Internal Policy (Enforcement, Number of Police Officers)

Fines and Forfeitures



Transit Tax



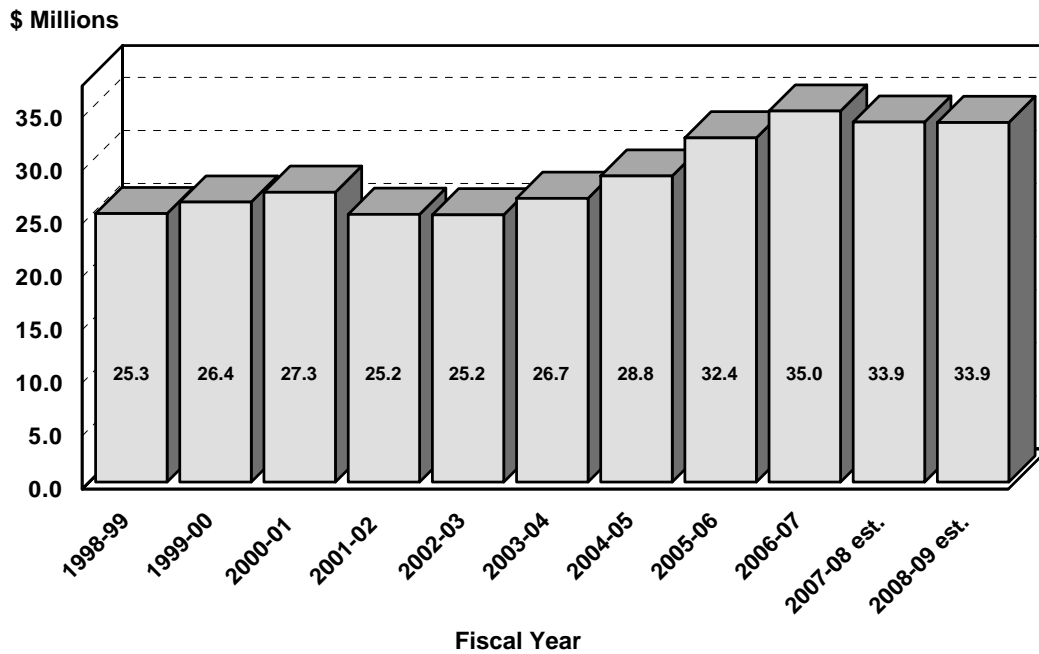
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote to transit-related purposes, such as bus acquisition and maintenance, connecting bus routes to neighboring cities, bus stop construction, transit planning, and light rail construction.	1998-99	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	34,971,294	7.8
	2007-08 est.	33,922,155	(3.0)
	2008-09 est.	33,888,200	(0.1)

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 2008-09 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



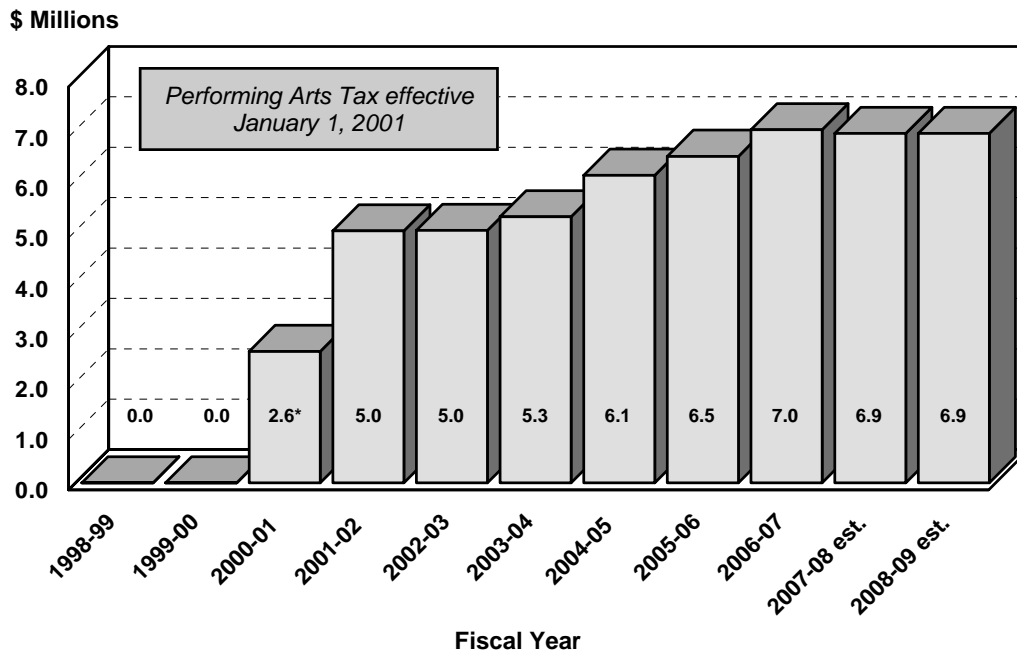
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote for construction and operation of the Performing Arts Center. *Collections over a six month period	2000-01*	2,607,541	-
	2001-02	4,999,984	91.2
	2002-03	5,010,392	(0.2)
	2003-04	5,279,580	5.4
	2004-05	6,103,402	15.6
	2005-06	6,480,218	6.2
	2006-07	7,007,790	8.1
	2007-08 est.	6,933,500	(1.1)
	2008-09 est.	6,933,500	0.0

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 2008-09 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



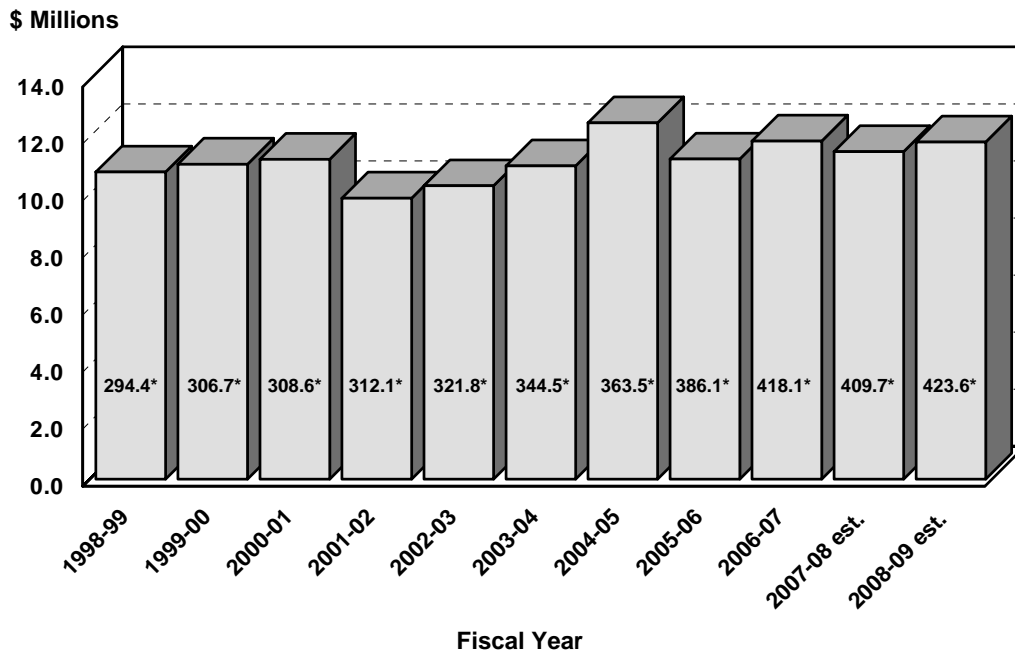
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway purposes including right-of-way acquisition, construction, reconstruction, maintenance, and payment of debt service on highway and street bonds.	1998-99	10,767,285	21.4
	1999-00	11,041,067	2.5
	2000-01	11,213,830	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	11,854,088	5.6
	2007-08 est.	11,484,090	(3.1)
	2008-09 est.	11,818,077	2.9

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 reduced Tempe's share to 3.4% resulting in a year over year decrease in revenue. For FY 2006-07 through FY 2008-09, 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.	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	771,039	(3.5)
	2007-08 est.	767,100	(0.5)
2008-09 est.	751,800	(2.0)	

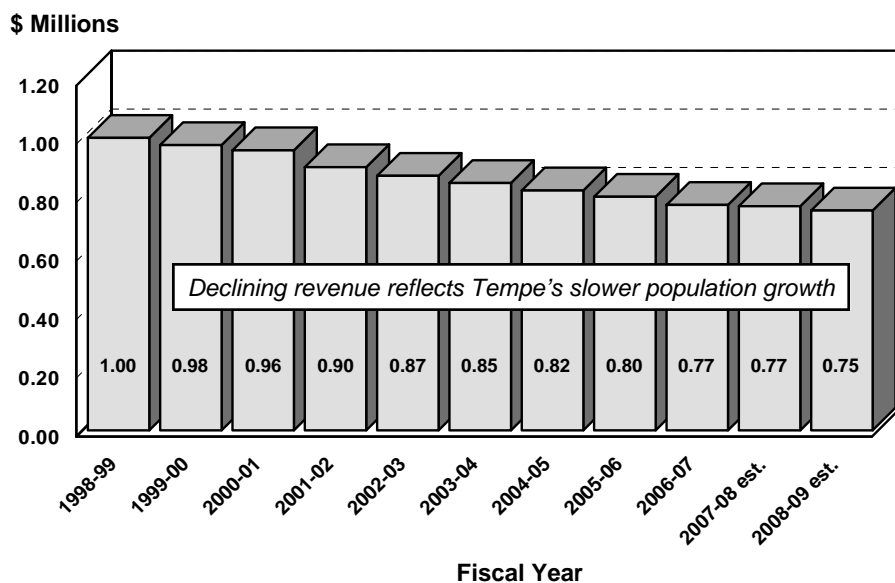
Assumptions

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.

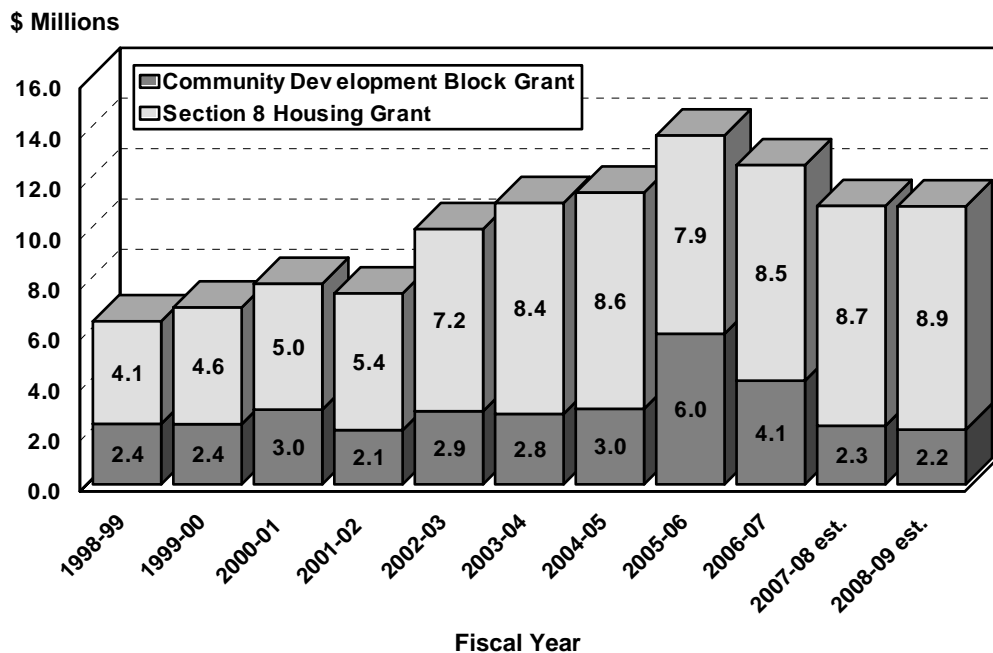
Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
1998-99	2,399,237	(17.7)	4,068,842	5.9
1999-00	2,390,100	(0.4)	4,624,100	13.6
2000-01	2,967,700	24.2	4,985,700	7.8
2001-02	2,148,750	(27.6)	5,427,291	8.9
2002-03	2,896,728	34.8	7,227,924	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	4,115,572	(31.1)	8,543,758	8.6
2007-08 est.	2,324,057	(43.5)	8,717,408	2.0
2008-09 est.	2,169,428	(6.7)	8,856,767	1.6

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.	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	46,201,943	4.1
	2007-08 est.	47,405,102	2.6
	2008-09 est.	49,735,878	4.9

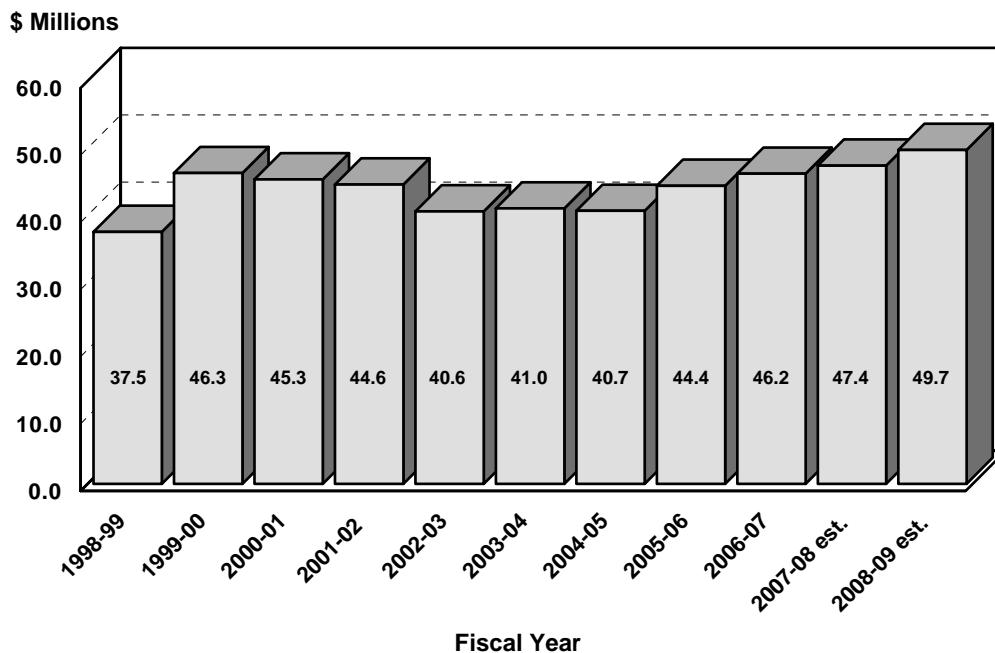
Assumptions

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.

In light of the most recent Comprehensive Financial Plan, findings, effective November 1, 2008, water rates will increase by 5.5%, and sewer rates will increase by 20.5%.

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.	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	14,049,254	6.2
	2007-08 est.	14,596,148	3.9
	2008-09 est.	14,990,105	2.7

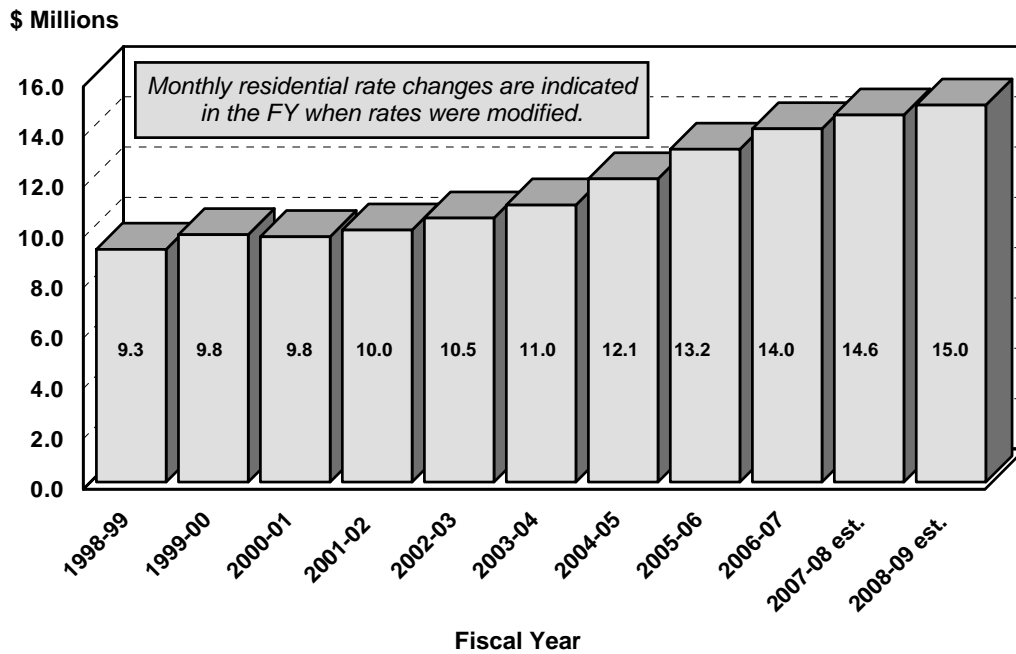
Assumptions

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.

Effective November 1, 2008, solid waste rates will change. The rate for residential services will increase by 5.0%, while the commercial services rate will increase by 3.0%. Per Council approval, in the fall of 2009, again the residential service rate will increase by 5.0%, while the commercial service charge will increase by 3.0%.

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.

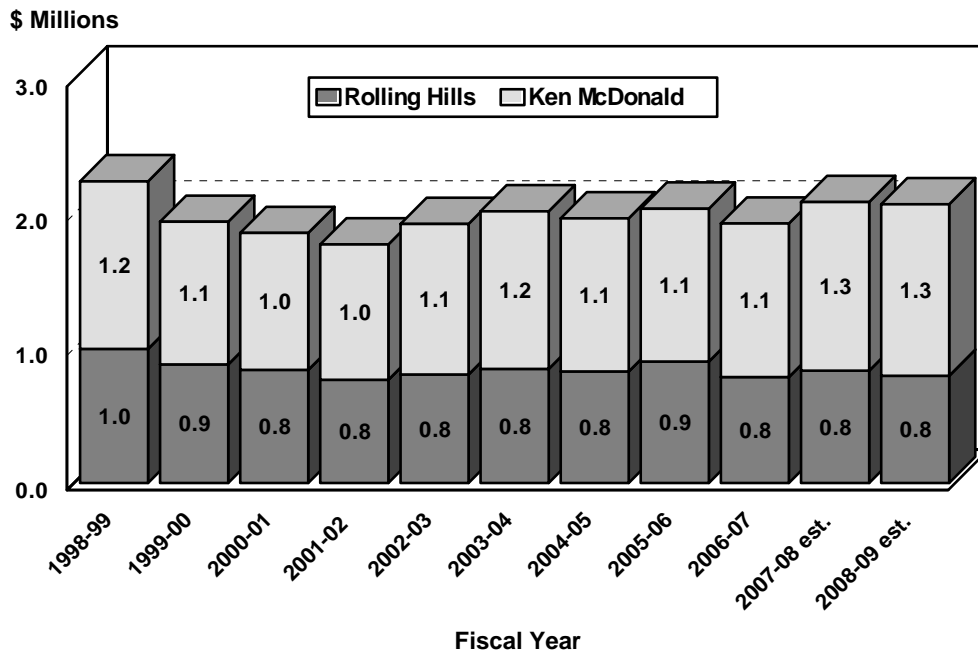
Fiscal Year	Rolling Hills		Ken McDonald	
	Amount	Percent Change	Amount	Percent Change
1998-99	997,000	0.2	1,246,000	0.7
1999-00	882,082	(11.5)	1,060,418	(14.9)
2000-01	840,000	(4.8)	1,018,500	(4.0)
2001-02	767,285	(8.7)	1,006,532	(1.2)
2002-03	806,588	5.1	1,119,184	11.2
2003-04	847,844	5.1	1,172,288	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	787,787	(12.8)	1,141,497	0.4
2007-08 est.	834,872	6.0	1,254,309	9.9
2008-09 est.	796,968	(4.5)	1,275,411	1.7

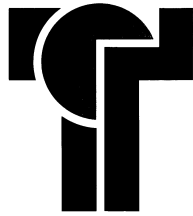
Assumptions

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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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.

Performance Budget Contents



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Performance Budget Summary



Department	Personal Services	Supplies/Services/Contributions	Capital Outlay	Internal Services	Total FY 2008-09 Budget
Mayor & Council	\$430,921	\$23,331		(\$61,376)	\$392,876
City Manager	588,777	16,750		(269,287)	336,240
Internal Audit	475,229	14,120		21,518	510,867
Diversity Program	476,779	132,703		37,485	646,967
Community Relations	1,937,380	860,032		189,761	2,987,173
City Clerk	393,063	394,272		37,152	824,487
City Court	3,404,634	664,129		447,433	4,516,196
Human Resources	2,790,746	1,045,951		(540,150)	3,296,547
City Attorney	3,330,431	194,212		113,328	3,637,971
Financial Services	6,666,614	5,426,914	21,000	(5,302,674)	6,811,854
Information Technology	8,373,007	5,746,036		(14,119,043)	
Development Services	5,590,884	312,996		658,459	6,562,339
Community Development	5,020,538	11,102,323	13,000	470,297	16,606,158
Police	58,564,455	7,049,685	90,390	9,495,192	75,199,722
Fire	23,313,490	2,416,898	267,400	1,719,241	27,717,029
Community Services	12,614,661	2,150,052	29,400	2,173,249	16,967,362
Parks and Recreation	11,984,490	5,861,043		2,162,007	20,007,540
Public Works	26,859,552	62,999,421	4,513,144	(2,133,569)	92,238,548
Water Utilities	13,888,468	15,998,838	307,001	4,443,673	34,637,980
Total Departmental	186,704,119	122,409,706	5,241,335	(457,304)	313,897,856
Debt Service		72,100,332			72,100,332
Non-Departmental	730,317	5,441,528		1,434,014	7,605,859
Contingencies		2,835,436			2,835,436
Total Operating Budget	187,434,436	202,787,002	5,241,335	976,710	396,439,483
Capital Improvements			168,033,325		168,033,325
Total Financial Program	\$187,434,436	\$202,787,002	\$173,274,660	\$976,710	\$564,472,808

Per Capita Performance Budget



The citywide operating budget for FY 2008-09 totals \$396.4 million. This represents a per capita decline of 1.3% compared to the FY 2007-08 citywide operating budget.

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 over 62% of the total departmental budgets.

Department	FY 2006-07 Actual	FY 2007-08 Budget	FY 2007-08 Revised	FY 2008-09 Budget
Mayor & Council	\$2.17	\$2.57	\$2.21	\$2.33
City Manager	2.58	2.17	1.63	1.99
Internal Audit	2.78	2.99	2.93	3.03
Diversity Programs	3.26	3.61	3.49	3.84
Community Relations	16.64	17.78	17.28	17.71
City Clerk	2.91	4.39	4.38	4.89
City Court	23.23	24.72	25.18	26.78
Human Resources	17.05	19.48	21.00	19.55
City Attorney	18.28	21.27	20.92	21.57
Financial Services	37.04	39.02	38.40	40.40
Development Services	97.83	40.81	39.35	38.92
Community Development	110.66	95.41	94.21	98.48
Police	353.37	395.66	404.38	445.95
Fire	121.14	133.77	141.99	164.37
Community Services	86.83	101.93	96.27	100.62
Parks and Recreation	102.23	111.61	109.15	118.65
Public Works	360.60	438.04	437.44	546.99
Water Utilities	174.24	196.79	195.26	205.41
Total Departmental Per Capita	\$1,532.84	\$1,652.01	\$1,655.47	\$1,861.46
Debt Service	341.61	383.62	364.91	427.57
Non-Departmental	43.08	55.38	48.70	45.10
Contingencies		30.63		16.81
Capital Improvement Projects	1,180.67	1,270.21	1,270.21	996.46
Total Per Capita	\$3,098.19	\$3,391.86	\$3,339.30	\$3,347.40



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.

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.

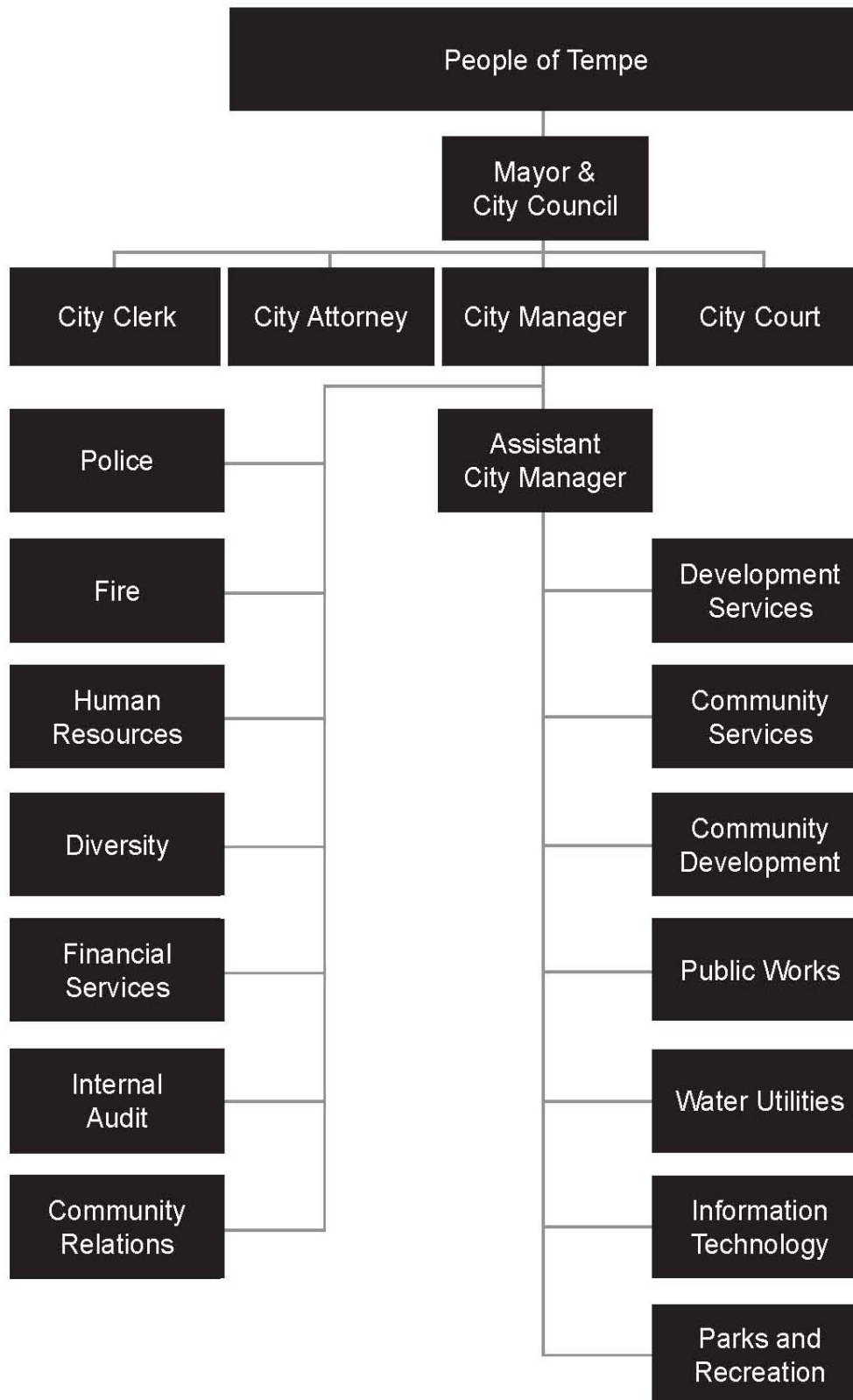
In 2007, a special effort and annual commitment was initiated to enhance the value of performance measurement. To support a renewed emphasis on tracking service outcomes, a consultant was retained to design and administer a citizen satisfaction survey. This survey allows management to gauge outcomes by identifying citizen preferences and satisfaction with city services. The survey also provides an opportunity to

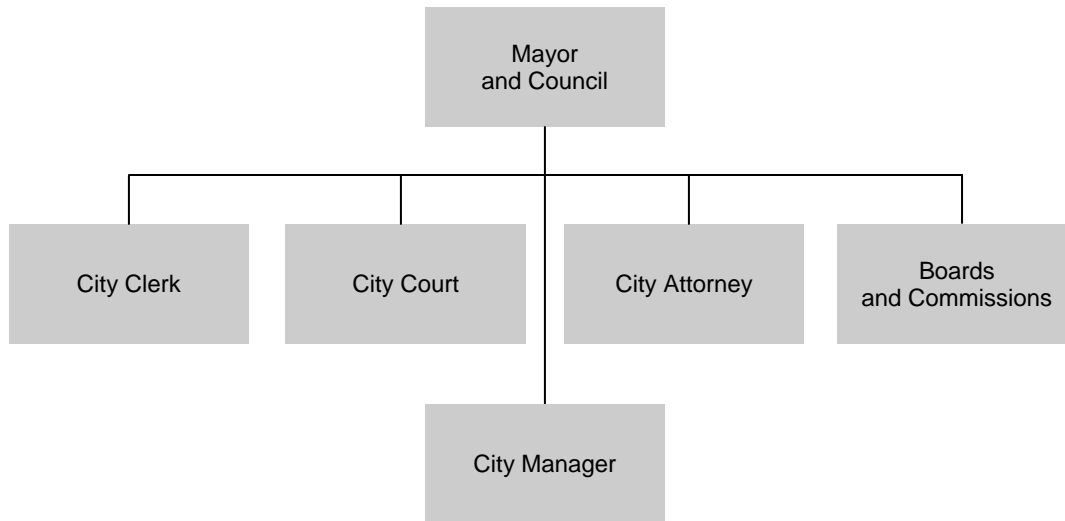
benchmark our performance with that of regional and national peers. The results of this survey are reflected in the Performance Budget section of this book.

The survey questions were designed to assess the respondents' ratings regarding their level of satisfaction for each particular service and their rating of relative importance. Improvements will be emphasized in those areas where levels of satisfaction were relatively low and the perceived importance of the service were relatively high. Also, to better understand how well services were delivered, home addresses of respondents were geocoded onto a map.

These elements provided additional insight to enable departments to allocate limited resources to those areas residents deemed important.

This renewed focus on 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 2008-09 Budget Highlights:

No change in staffing levels.

	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Expenditure by Type				
Personal Services	\$386,676	\$459,334	\$398,625	\$430,921
Supplies and Services	19,219	27,631	27,631	23,331
Capital Outlay				
Internal Services	(44,043)	(57,022)	(56,451)	(61,376)
Expenditure Total	\$361,852	\$429,943	\$369,805	\$392,876
Per Capita	\$2.17	\$2.57	\$2.21	\$2.33

	2006-07 Actual			2007-08 Revised			2008-09 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 enact policy decisions that maximize overall resident satisfaction with life in the City.

Objective: To align community investment priorities with the needs of residents by emphasizing improvements in service categories that are of the most benefit to residents, and by targeting limited resources toward services of the highest importance to residents, and to services where residents are least satisfied.

Measures*	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with the appearance of the City	N/A	N/A	80%	85%
Resident satisfaction with the image of the City	N/A	N/A	82%	85%
Resident satisfaction with how well the City is planning growth	N/A	N/A	58%	65%
Resident satisfaction with quality of life in the City	N/A	N/A	83%	85%
Resident satisfaction with the feeling of safety in the City	N/A	N/A	62%	65%
Resident satisfaction with the City as a place to live	N/A	N/A	93%	95%
Resident satisfaction with the City as a place to raise children	N/A	N/A	81%	85%
Resident satisfaction with the City as a place to work	N/A	N/A	82%	85%
Resident satisfaction with the City as a place to retire	N/A	N/A	68%	70%
Resident satisfaction with the leadership of elected officials	N/A	N/A	65%	70%
Resident satisfaction with the direction the City is heading	N/A	N/A	67%	70%

*Measured by the percent of residents that responded with “Very Satisfied” or “Satisfied” in the annual Community Attitude Survey.

Related Strategic Issue: All Council Committees

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

Objective: 1) To respond to 95% of phone calls within 24 hours of receipt; 2) respond to 95% of email inquiries within 72 hours of receipt; 3) respond to 95% of 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Calls responded to within 24 hours	95%	95%	95%	95%
Email inquiries responded to within 72 hours	95%	95%	95%	95%
Mail/letter inquiries responded to within five working days	95%	95%	95%	95%
Council Communicator email responded to within 24 hours of receipt	95%	95%	95%	95%
Council Communicator voicemail responded to within 24 hours of receipt	95%	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 2008-09 Budget Highlights:

Funding for wages was reduced by \$6,279 as part of the budget reduction plan.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$522,116	\$592,490	\$501,385	\$588,777
Supplies and Services	13,854	15,250	15,250	16,750
Internal Services	(106,614)	(243,856)	(243,588)	(269,287)
Expenditure Total	\$429,355	\$363,884	\$273,047	\$336,240
Per Capita	\$2.58	\$2.17	\$1.63	\$1.99

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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% or greater in resident overall satisfaction with citywide services

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Satisfaction with overall quality of City services*	N/A	90%+	88%	90%+

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



Internal Audit

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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$428,957	\$461,210	\$451,759	\$475,229
Supplies and Services	8,062	14,120	14,120	14,120
Internal Services	26,233	25,290	25,510	21,518
Expenditure Total	\$463,252	\$500,620	\$491,389	\$510,867
Per Capita	\$2.78	\$2.99	\$2.93	\$3.03

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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; 2) respond to 100% of management's requests for analytical and investigative assistance, and; 3) record all non-procurement contracts in the City's centralized database within 15 working days from City Council Approval of the contract, 95% of the time

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Support of recommendations	100%	95%	100%	95%
Response to management's requests	100%	100%	100%	100%
Maintenance of the contract database	N/A	N/A	N/A	95%



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 2008-09 Budget Highlights:

Addition of a permanent full time position to serve as Diversity Liaison to the Police Department. Funding was reduced by \$38,350 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$349,057	\$378,415	\$398,020	\$476,779
Supplies and Services	173,646	201,465	161,366	132,703
Internal Services	19,827	24,821	24,850	37,485
Expenditure Total	\$542,530	\$604,701	\$584,236	\$646,967
Per Capita	\$3.26	\$3.61	\$3.49	\$3.84

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Diversity	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 create a fair and equitable work and community environment for City of Tempe employees and residents through the promotion of diversity

Objective: 1) To attain 70% resident satisfaction with overall efforts to promote diversity; 2) minimize the number of EEOC complaints to less than 3 per year; 3) successfully serve as a safe haven for City employees; and 4) serve as a resource and resolution office for diversity related community issues

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Residents' satisfaction with overall efforts to promote diversity*	N/A	N/A	67%	70%
Number of EEOC complaints	1	<3	1	<3
Successfully remediate employee safe havens/consultations	N/A	80%	80%	80%
Successfully remediate community concerns/consultations	N/A	80%	100%	80%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Related Strategic Issue: Finance, Economy and Veterans' Affairs

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

Objective: To attain 80% attendant satisfaction (a rating of above average or higher) with community diversity celebrations

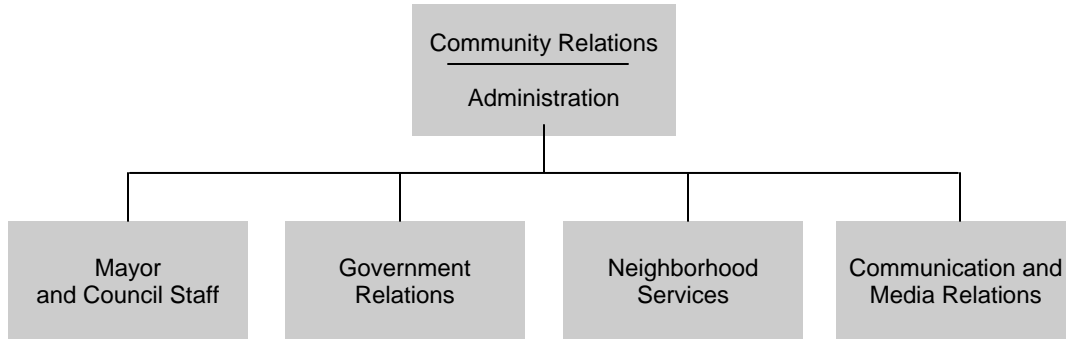
Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Attendants rating events above average or higher	95%	80%	90%	80%

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Successfully remediate ADA grievances	100%	90%	90%	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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,686,845	\$1,826,829	\$1,816,009	\$1,937,380
Supplies and Services	595,720	723,379	732,572	690,179
Internal Services	241,333	233,990	235,320	189,761
Contributions	249,300	193,259	109,500	169,853
Expenditure Total	\$2,773,198	\$2,977,457	\$2,893,401	\$2,987,173
Per Capita	\$16.64	\$17.78	\$17.28	\$17.71

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Community Relations - Administration; Mayor and Council Staff	\$1,112,707	\$1,187,540	\$1,185,729	\$1,215,202
Government Relations	428,893	392,824	323,580	389,158
Neighborhood Services	229,942	241,139	234,158	247,304
Communication and Media Relations	1,001,656	1,155,954	1,149,934	1,135,509
Expenditure Total	\$2,773,198	\$2,977,457	\$2,893,401	\$2,987,173

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	9		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	18		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 2008-09 Budget Highlights:

Funding was reduced by \$48,000 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$784,905	\$864,924	\$862,440	\$918,141
Supplies and Services	211,863	213,308	213,308	203,608
Internal Services	73,081	76,808	77,481	66,453
Contributions	42,858	32,500	32,500	27,000
Expenditure Total	\$1,112,707	\$1,187,540	\$1,185,729	\$1,215,202
Per Capita	\$6.68	\$7.09	\$7.08	\$7.21

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	9		0.98	9		0.98	9		0.98
Total	9		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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$131,077	\$139,389	\$138,288	\$147,226
Supplies and Services	113,621	115,955	124,455	112,455
Internal Services	7,439	18,721	18,837	16,624
Contributions	176,756	118,759	42,000	112,853
Expenditure Total	\$428,893	\$392,824	\$323,580	\$389,158
Per Capita	\$2.57	\$2.35	\$1.93	\$2.31

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$200,654	\$220,646	\$214,037	\$227,059
Supplies and Services	15,974	13,350	12,910	13,350
Internal Services	13,313	7,143	7,211	6,895
Expenditure Total	\$229,941	\$241,139	\$234,158	\$247,304
Per Capita	\$1.38	\$1.44	\$1.40	\$1.47

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Neighborhood Services	2			2			2		
Total	2			2			2		

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

Objective: 1) To increase participating households by 1%; 2) strengthen a sense of community by establishing partnerships between neighborhoods and schools, businesses and civic organizations through neighborhood association mailings and 95% attendance at neighborhood association meetings; and 3) return resident contacts within 24 hours, 95% of the time

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Participating households	38,500	39,000	39,524	39,750
Percent change		1.3%	1.3%	0.4%
Grant applications received	33	35	37	35
Neighborhood association mailings	59,021	46,000	54,705	45,000
Neighborhood association meetings attended (percent of total)	97%	95%	97%	95%
Resident contact returned in 24 hours	98%	95%	99%	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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$570,208	\$601,870	\$601,244	\$644,954
Supplies and Services	254,260	380,766	381,899	360,766
Internal Services	147,501	131,318	131,791	99,789
Contributions	29,686	42,000	35,000	30,000
Expenditure Total	\$1,001,655	\$1,155,954	\$1,149,934	\$1,135,509
Per Capita	\$6.01	\$6.90	\$6.87	\$6.73

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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: Public Safety and Neighborhood Quality of Life

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 attain 70% resident satisfaction with the availability of information about City programs and services; 2) attain 65% resident satisfaction with City efforts to inform residents about local issues; 3) provide information to the community through newsletters, brochures, press releases and advertising; 4) design and produce high quality informational publications, promotional items and visual graphics for all City departments that reflect the image of Tempe; and 5) provide the City with high quality audio/visual, media production and *Tempe 11* television programming services

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with the availability of information about City programs and services*	N/A	N/A	67%	70%
Resident satisfaction with City efforts to inform residents about local issues*	N/A	N/A	61%	65%
Number of informational pieces provided	140	100	117	100
Press releases issued by Communications and Media Relations that result in news stories	84%	85%	85%	85%
Tempe 11 electronic program guide accuracy and playback reliability	97%	95%	96%	95%
Video-on-Demand access of public meetings within one working day	N/A	N/A	N/A	95%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



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 2008-09 Budget Highlights:

Funding was reduced by \$12,328 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$309,583	\$388,610	\$373,917	\$393,063
Supplies and Services	128,499	306,600	320,750	394,272
Internal Services	46,522	39,108	39,456	37,152
Expenditure Total	\$484,604	\$734,318	\$734,123	\$824,487
Per Capita	\$2.91	\$4.39	\$4.38	\$4.89

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Clerk	4		0.58	4		0.58	4		0.58
Total	4		0.58	4		0.58	4		0.58

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To keep City personnel and board and commission members informed and up-to-date on open meeting laws requirements, council packet submission requirements, and County regulations regarding recording of documents.

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

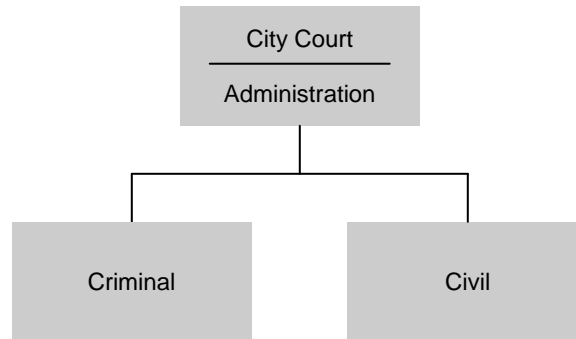
Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Percent of Departments that were provided training within the year	N/A	25%	69%	25%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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

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

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Percent of public records requests responded within 2 days	N/A	95%	99%	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 2008-09 Budget Highlights:

Funding for five Court Services Specialist positions was added as a midyear adjustment in FY 2007-08 to address workload associated with the Photo Radar program.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,725,840	\$2,961,427	\$3,037,004	\$3,404,634
Supplies and Services	610,641	664,129	660,379	664,129
Internal Services	534,703	514,645	518,926	447,433
Expenditure Total	\$3,871,184	\$4,140,201	\$4,216,309	\$4,516,196
Per Capita	\$23.23	\$24.72	\$25.18	\$26.78

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
City Court - Administration	\$1,956,667	\$2,128,819	\$2,114,472	\$2,163,489
Criminal Division	811,658	878,585	858,251	906,056
Civil Division	1,102,859	1,132,797	1,243,586	1,446,651
Expenditure Total	\$3,871,184	\$4,140,201	\$4,216,309	\$4,516,196



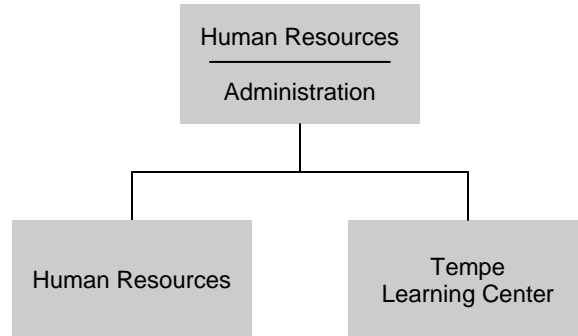
Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Court - Administration	11	.65		11	.65		11	.65	
Civil Division	16		2.10	19		2.10	19		2.10
Criminal Division	9		2.10	11		2.10	11		2.10
Total	36	.65	4.20	41	.65	4.20	41	.65	4.20

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Total number of filings	107,518	123,057	134,270	134,270
Total number of dispositions	106,274	120,595	131,584	131,584
Clearance ratio	99%	98%	98%	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 2008-09 Budget Highlights:

Funding was provided for two Human Resources Technician positions as part of a FY 2007-08 Police Department reorganization. Funding reduced by \$100,150 as part of the budget reduction plan, representing miscellaneous line item reductions as well as a reduction to the Employee Award Program Budget.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,364,301	\$2,796,611	\$2,902,874	\$2,805,146
Supplies and Services	893,820	976,829	1,123,204	1,031,551
Capital Outlay	6,011		3,000	
Internal Services	(423,143)	(512,072)	(511,654)	(540,150)
Expenditure Total	\$2,840,989	\$3,261,368	\$3,517,424	\$3,296,547
Per Capita	\$17.05	\$19.48	\$21.00	\$19.55

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Human Resources	\$2,162,185	\$2,325,463	\$2,598,738	\$2,508,085
Tempe Learning Center	678,806	935,905	918,686	788,462
Total	\$2,840,991	\$3,261,368	\$3,517,424	\$3,296,547



Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Human Resources	16	0.50		18	0.50	2	19	0.50	
Tempe Learning Center	4			4		2	4		
Total	20	0.50		22	0.50		23	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>	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Employee turnover rate	8.41%	7.5%	8.2%	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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Equal Employment Opportunity Commission (EEOC) complaints	7	7	2	2
EEOC complaints found in favor of the City	100%	100%	100%	100%
Formal grievances	3	3	2	3
Employee unsubstantiated allegations	85%	85%	90%	90%



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 2008-09 Budget Highlights:

Funding for the employee Tuition Reimbursement Program was reduced by \$190,000 as part of the budget reduction plan. The budget for TLC Training was also reduced by \$12,228 as part of the plan.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$807,557	\$1,053,296	\$1,035,773	\$909,102
Supplies and Services	47,809	99,021	99,021	86,793
Internal Services	(176,560)	(216,412)	(216,108)	(207,433)
Expenditure Total	\$678,806	\$935,905	\$918,686	\$788,462
Per Capita	\$4.09	\$5.62	\$5.49	\$4.68

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Tempe Learning Center	4			4			4		
Total	4			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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Participants who rated improved knowledge, skills and competence as a result of TLC training and development programming	93%	93%	89%	90%
Education partnership participants successfully completing assigned classes	90%	92%	92%	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 2008-09 Budget Highlights:

Funding for Rule 11 State Mental Hearings was reduced by \$15,600 as part of the budget reduction plan.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,817,365	\$3,247,217	\$3,297,567	\$3,330,431
Materials and Supplies	146,821	235,484	124,657	194,212
Internal Services	81,168	78,619	80,701	113,328
Expenditure Total	\$3,045,354	\$3,561,320	\$3,502,925	\$3,637,971
Per Capita	\$18.28	\$21.27	\$20.92	\$21.57

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Attorney	27	1.75	0.62	27	1.75	0.62	27	1.75	0.62
Total	27	1.75	0.62	27	1.75	0.62	27	1.75	0.62



Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide prompt legal services

Objective: To achieve a 98% satisfaction rating from departments responding to the Civil Client Satisfaction Survey

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Departments indicating a positive response to promptness	98%	98%	100%	98%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide excellent customer service

Objective: To maintain 100% satisfaction rating from departments responding to the Civil Client Satisfaction Survey

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Departments indicating a positive response to courteous and approachable services	100%	100%	100%	100%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide prompt disposal of DUI cases

Objective: To dispose of 100% of DUI cases within 180 days

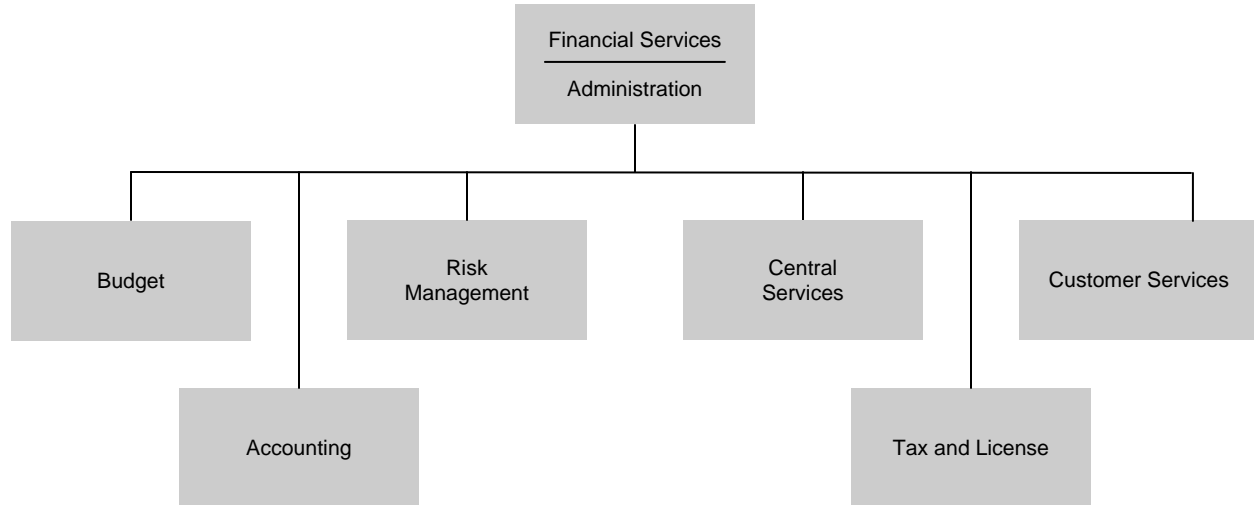
Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
DUI cases disposed of within 180 days	100%	100%	100%	100%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To increase victim's rights satisfaction rating

Objective: To achieve a 75% victim's rights satisfaction rating

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$5,413,383	\$6,329,902	\$5,966,877	\$6,666,614
Supplies and Services	15,953,365	5,404,814	5,459,450	5,426,914
Capital Outlay	25,566	18,000		21,000
Internal Services	(15,220,806)	(5,217,847)	(4,996,191)	(5,302,674)
Expenditure Total	\$6,171,508	\$6,534,869	\$6,430,136	\$6,811,854
Per Capita	\$37.04	\$39.02	\$38.40	\$40.40

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Financial Services Administration	\$223,009	\$209,587	\$181,797	\$204,280
Budget	294,129	287,827	244,907	289,651
Accounting	1,074,904	1,086,562	1,128,213	1,039,048
Risk Management	68,572			
Central Services	1,226,450	1,377,083	1,345,129	1,333,912
Tax and License	1,548,964	1,678,522	1,635,292	1,776,896
Customer Services*	1,735,480	1,895,288	1,894,798	2,168,067
Total	\$6,171,508	\$6,534,869	\$6,430,136	\$6,811,854

*Funded by the Water/Wastewater Fund



Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	4	0.50		4	0.50		4	0.50	
Central Services	12		0.62	12		0.62	12		0.62
Tax and License	17			17			18		
Customer Services	21			21			21		
Total	70	0.50	1.25	70	0.50	1.25	71	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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$658,145	\$799,741	\$728,566	\$792,168
Supplies and Services	44,743	38,386	38,386	38,386
Capital Outlay	3,185			
Internal Services	(188,935)	(340,713)	(340,248)	(336,623)
Expenditure Total	\$517,138	\$497,414	\$426,704	\$493,931
Per Capita	\$3.10	\$2.97	\$2.55	2.93

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration				
Fund balance coverage - General Fund	26%	>25%	25.8%	>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 90% or higher satisfaction with overall service provided by the Budget Office

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Budget				
Overall satisfaction with service	94%	95%	87%	90%



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

FY 2008-09 Budget Highlights:

Funding reduced by \$70,083 for a change in the allocation of bank service charges among city funds as well as the suppression of printed paychecks.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$784,862	\$872,482	\$843,519	\$900,558
Supplies and Services	434,581	476,700	546,700	379,200
Internal Services	(144,539)	(262,620)	(262,006)	(240,710)
Expenditure Total	\$1,074,904	\$1,086,562	\$1,128,213	\$1,039,048
Per Capita	\$6.45	\$6.49	\$6.74	\$6.16

	2006-07 Actual			2007-08 Revised			2008-09 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Compare the purchase order dispatch date/invoice date	N/A	90%	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 Management Fund.

FY 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$439,108	\$696,066	\$477,766	\$733,106
Supplies and Services	14,613,008	3,953,697	3,953,697	3,953,697
Internal Services	(14,983,544)	(4,649,763)	(4,431,463)	(4,686,803)
Expenditure Total	\$68,572	\$0	\$0	\$0
Per Capita	\$0.41	\$0	\$0	\$0

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Risk Management	4	0.50		4	0.50		4	0.50	
Total	4	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 investigate all claims within 7 days; and 2) to maximize annual subrogation recovery

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Claims investigated within 7 days	100%	100%	100%	100%
Workers' Compensation claims	\$666,519	\$800,000	\$771,150	\$771,150
Percent change		20%	(4%)	0%
Subrogation recovery totals	\$257,278	\$200,000	\$207,758	\$207,758
Percent change		(22)%	4%	0%

Central Services



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

FY 2008-09 Budget Highlights:

Funding for wages reduced by \$21,530 as part of the budget reduction plan.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$815,571	\$980,229	\$942,256	\$1,008,915
Supplies and Services	488,742	521,554	527,300	475,754
Internal Services	(77,863)	(124,700)	(124,427)	(150,757)
Expenditure Total	\$1,226,450	\$1,377,083	\$1,345,129	\$1,333,912
Per Capita	\$7.36	\$8.22	\$8.03	\$7.91

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Central Services	12		0.62	12		0.62	12		0.62
Total	12		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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Lower cost purchases made through annual contracts	40%	45%	47%	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 2008-09 Budget Highlights:

Funding provided for a full-time Rental Property Specialist position. Funding for cell phone expenses reduced by \$1,000 as part of the budget reduction plan.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,315,716	\$1,455,436	\$1,410,748	\$1,566,888
Supplies and Services	44,048	51,980	50,980	56,380
Capital Outlay	360	500	1,500	1,500
Internal Services	188,840	170,606	172,064	152,128
Expenditure Total	\$1,548,964	\$1,678,522	\$1,635,292	\$1,776,896
Per Capita	\$9.30	\$10.02	\$9.77	\$10.54

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Tax and License	17			17			18		
Total	17			17			18		

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Audits completed within six months	94%	80%	80%	80%
Completed audits protested	3%	10%	10%	10%
Protested audits upheld as valid	100%	80%	80%	80%

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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,399,981	\$1,525,948	\$1,564,022	\$1,664,979
Supplies and Services	337,332	361,997	340,887	521,997
Capital Outlay	12,932	18,000		21,000
Internal Services	(14,765)	(10,657)	(10,111)	(39,909)
Expenditure Total	\$1,735,480	\$1,895,288	\$1,894,798	\$2,168,067
Per Capita	\$10.42	\$11.32	\$11.32	\$12.86

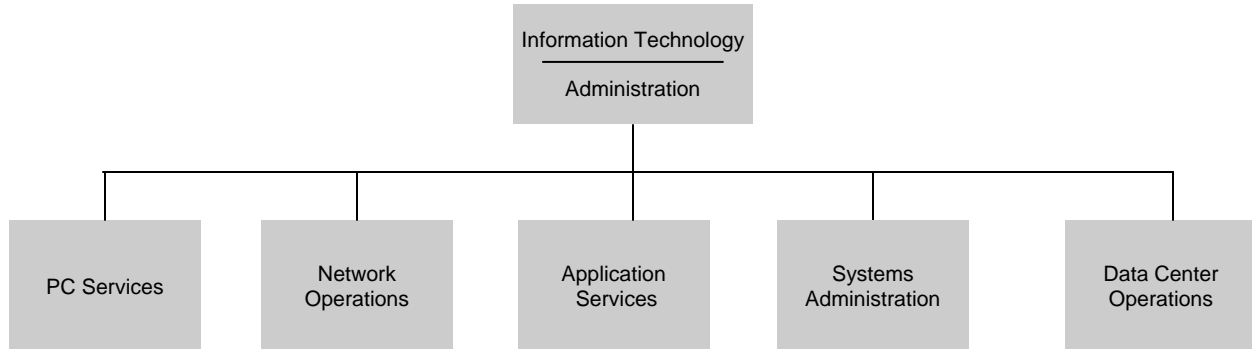
Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Customer Services	21			21			21		
Total	21			21			21		

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Monthly call center reports (average speed answered)	36 sec.	58 sec.	33 sec.	<58 sec.
Monthly call center reports (abandoned call rate)	5%	<5.8%	4.2%	<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 2008-09 Budget Highlights:

Reorganized from five divisions into six divisions to better align the various functions of the ITD with the needs of both internal and external customers. Funding was provided for three additional positions as part of a FY 07/08 midyear Police department reorganization. Funding was reduced by \$532,000 as part of the budget reduction plan. These reductions related to the personal computer (PC) and radio refresh programs.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$7,128,042	\$7,597,784	\$7,720,883	\$8,373,007
Supplies and Services	5,770,305	5,899,396	5,899,396	5,746,036
Capital Outlay	160,306	115,235	115,235	
Internal Services	(13,058,653)	(13,612,415)	(13,735,514)	(14,119,043)
Expenditure Total	\$0	\$0	\$0	\$0
Per Capita*	\$78.37	\$81.28	\$82.02	\$83.73

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



Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration	\$2,215,551	\$2,200,753	\$2,171,758	\$1,586,444
PC Services	1,745,543	2,087,271	2,045,689	1,965,355
Customer Support/Application Services/ Data Management/Public Access Systems/ Project Mgt	4,207,346	4,258,534	4,353,181	
Systems & Network Administration/Data Center Operations	3,245,050	3,166,734	3,236,141	
Telecommunications	1,645,163	1,899,123	1,928,745	
Network Operations				2,853,118
Application Services				5,808,942
Systems Administration				1,057,889
Data Center Operations				847,295
Internal Services	(13,058,653)	(13,612,415)	(13,735,514)	(14,119,043)
Total	\$0	\$0	\$0	\$0

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	4			4			5		
PC Services	8			8			8		
Customer Support/Application Svcs/ Data Management/Public Access Systems/Project Management	37			38					
Systems & Network Administration/ Data Center Operations	19			20					
Telecommunications	5			6					
Network Operations							12		
Application Services							38		
Systems Administration							7		
Data Center Operations							6		
Total	73			76			76		

Related Strategic Issue: Education, Technology and Economic Advancement

Goal: To provide prompt response to computer system problems

Objective: 1) To resolve 87% of incoming calls to the Helpdesk within 30 minutes; 2) settle 10% 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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Calls resolved within 30 minutes	81%	86%	86%	87%
Second level calls resolved within 4 hours	16%	11%	11%	10%
Calls requiring longer than 4 hours to resolve	3%	3%	3%	3%



Related Strategic Issue: Education, Technology and Economic Advancement

Goal: To minimize system downtime

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

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
PC to server response time during peak traffic load (milliseconds)	70	30	30	28

Related Strategic Issue: Education, Technology and Economic Advancement

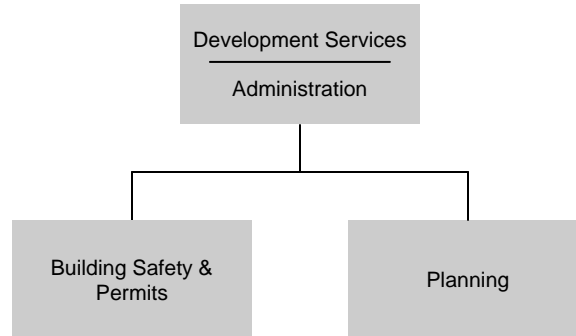
Goal: To provide prompt computer response time

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

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Network access availability for voice and data	99.99%	99.93%	99.93%	99.93%



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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 2008-09 Budget Highlights:

Funding reduced by \$82,764 for elimination of a full-time Management Assistant position. Funding was reduced by \$38,000 for miscellaneous line item reductions. Both items were part of the budget reduction plan.



Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$4,667,565	\$5,628,014	\$5,380,317	\$5,590,884
Supplies and Services	588,594	482,116	482,116	312,996
Capital Outlay	56,060			
Internal Services	10,988,239	723,564	726,933	658,459
Expenditure Total	\$16,300,458	\$6,833,694	\$6,589,366	\$6,562,339
Per Capita	\$97.83	\$40.81	\$39.35	\$38.92

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Development Services - Administration	\$10,743,949	\$523,936	\$520,743	\$685,424
Building Safety and Permits	3,627,758	4,186,889	4,006,296	3,631,612
Planning	1,928,751	2,122,869	2,062,327	2,245,303
Total	\$16,300,458	\$6,833,694	\$6,589,366	\$6,562,339

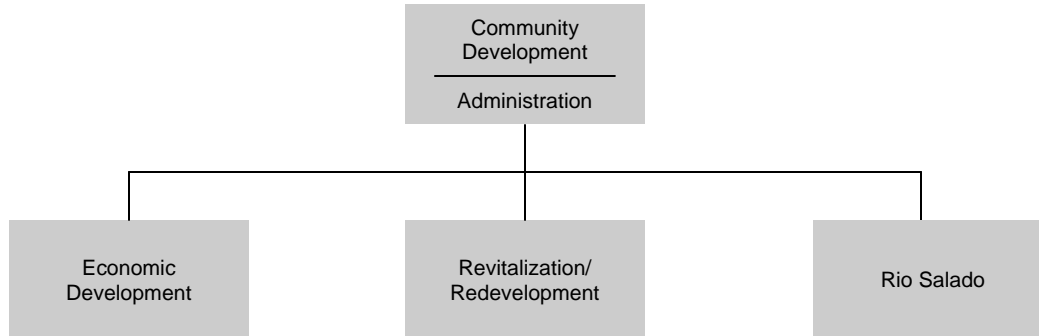
	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Development Services - Administration	3			3			3		
Building Safety and Permits	34		2.00	34		2.00	33		2.00
Planning	22		1.86	22		1.86	22		1.86
Total	59		3.86	59		3.86	58		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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 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%
Complete all preliminary site plan reviews by due date	N/A	N/A	95%	95%
Complete and submit all reports to City Clerk on time	N/A	N/A	N/A	100%
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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$4,213,144	\$4,546,369	\$4,426,153	\$5,020,538
Supplies and Services	13,076,592	10,584,585	10,514,128	10,508,361
Capital Outlay	51,108	4,000	4,987	13,000
Internal Services	370,577	267,934	245,304	470,297
Contributions	727,148	572,546	574,200	583,705
Contingencies		2,496	10,975	10,257
Expenditure Total	\$18,438,569	\$15,977,930	\$15,775,747	\$16,606,158
Per Capita	\$110.66	\$95.41	\$94.21	\$98.48

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration/Economic Development	\$1,163,661	\$1,247,678	\$1,222,846	\$1,224,121
Revitalization/Redevelopment	15,697,254	13,733,143	13,583,367	14,112,140
Rio Salado	1,577,654	997,109	969,534	1,269,897
Total	\$18,438,569	\$15,977,930	\$15,775,747	\$16,606,158

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration/Economic Development	8		1.00	8		1.00	8		1.00
Revitalization/Redevelopment	37		5.00	37		6.60	37		6.60
Rio Salado	9		0.49	9		0.49	9		0.49
Total	54		6.49	54		8.09	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 2008-09 Budget Highlights:

Funding was reduced by \$15,500 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$757,092	\$850,292	\$822,347	\$885,985
Supplies and Services	143,163	165,630	166,205	115,630
Capital Outlay	22,605		325	
Internal Services	78,131	68,756	69,315	57,087
Contributions	162,670	163,000	164,654	165,419
Expenditure Total	\$1,163,661	\$1,247,678	\$1,222,846	\$1,224,121
Per Capita	\$6.98	\$7.45	\$7.30	\$7.26

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Economic Development	8		1.00	8		1.00	8		1.00
Total	8		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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Opportunities to retain Tempe businesses	20	22	22	60
Jobs generated by new companies	2,600	2,800	2,800	1,600
New businesses brought to Tempe	15	18	18	14
Successful business retention and expansions	8	10	10	12

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 2008-09 Budget Highlights:

Funding provided for five part-time FTE positions to identify neighborhood code violations as well as continued funding for the Homeless Outreach Program Effort (HOPE).

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,728,962	\$2,872,132	\$2,782,597	\$3,240,760
Supplies and Services	12,086,808	10,127,498	10,056,724	10,100,874
Capital Outlay	25,150	4,000	4,000	13,000
Internal Services	291,856	317,471	319,525	328,963
Contributions	564,478	409,546	409,546	418,286
Contingencies		2,496	10,975	10,257
Expenditure Total	\$15,697,254	\$13,733,143	\$13,583,367	\$14,112,140
Per Capita	\$94.21	\$82.01	\$81.12	\$83.69

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Revitalization/Redevelopment	37		5.00	37		6.60	37		6.60
Total	37		5.00	37		6.60	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: 1) To resolve code issues within 40 days or less; 2) to close 100% of code enforcement cases received, and; 3) to achieve a 90% voluntary compliance rate for property owners cited with a code violation

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Number of days to resolve code violations	37	40	35	40
Code enforcement cases received	7,179	7,000	7,000	7,000
Code enforcement cases closed	7,035	7,000	7,000	7,000
Percent Closed	98%	100%	100%	100%
Cases per inspector per month	63	60	60	60
Code violation voluntary compliance rate	N/A	N/A	93%	90%



Related Strategic Issue: Central City Development Committee of the Whole

Goal: To maintain a desirable residential environment through proactive and reactive enforcement of residential property maintenance codes

Objective: 1) To maintain a minimum 50/50 ratio between proactive and reactive code responses; 2) minimize the resident level of dissatisfaction with the maintenance of residential property in their neighborhood to less than 19%; and 3) minimize the resident level of dissatisfaction with the responsiveness of code enforcement complaints to less than 15%

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Ratio between proactive and reactive code responses	N/A	N/A	54/46	50/50
Resident dissatisfaction with the maintenance of private property in their neighborhood*	N/A	N/A	19.2%	<19%
Resident dissatisfaction with the responsiveness to code enforcement complaints*	N/A	N/A	15.9%	<15%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Related Strategic Issue: Transportation, Housing and Environment

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Decent and affordable rental housing units made available	5	5	0	5
Decent and affordable owner occupied housing units made available	5	5	2	5
Percent increase in community partnerships	20%	20%	33%	20%

Related Strategic Issue: Transportation, Housing and Environment

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Households provided with rental assistance Housing Choice Vouchers	1,089	1,082	1,164	1,082
Housing quality inspections	1,746	1,782	1,779	1,800
Section 8 Family Self-Sufficiency program participation	65	65	63	65

Related Strategic Issue: Transportation, Housing and Environment

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Households becoming homeowners with HOME funding	37	8	8	12
Families graduated from Family Self-Sufficiency program	10	10	2	5
Section 8 families becoming homeowners through HOME or American Dream Down payment Initiative (ADDI) funds	3	3	0	1
Families receiving U.S. Department of Housing and Urban Development (HUD) housing counseling	168	25	140	75



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 2008-09 Budget Highlights:
No changes in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$727,090	\$823,945	\$821,209	\$893,793
Supplies and Services	846,621	291,457	291,199	291,857
Capital Outlay	3,353		662	
Internal Services	590	(118,293)	(143,536)	84,247
Expenditure Total	\$1,577,654	\$997,109	\$969,534	\$1,269,897
Per Capita	\$9.47	\$5.95	\$5.79	\$7.53

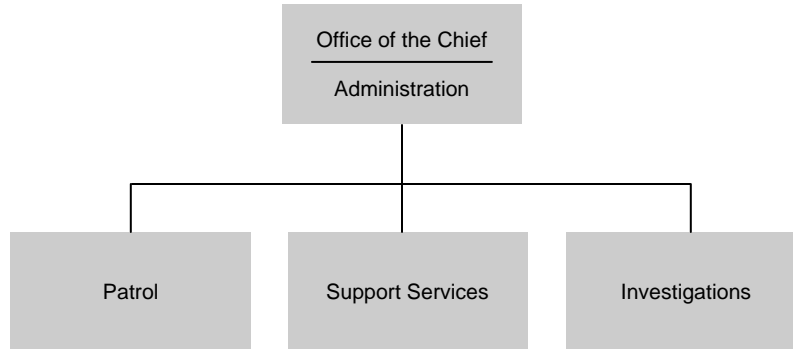
Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Rio Salado	9		0.49	9		0.49	9		0.49
Total	9		0.49	9		0.49	9		0.49

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: 1) To increase revenue from lake and activities in the surrounding parks; and 2) increase development in the Rio Salado region

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Boat permit revenue	\$21,315	\$21,040	\$22,465	\$25,180
Boat storage marina revenue	\$43,800	\$29,000	\$50,130	\$50,000
Boating class revenue	\$18,095	\$18,100	\$19,474	\$21,700
Boat storage operations center revenue	\$26,500	\$22,660	\$22,934	\$23,000
Property valuation changed in the Rio Salado Enterprise Fund area	1.13%	8.93%	8.93%	38.52%
Percentage of CFD capital assessment repaid by private development	0.83%	1.20%	1.20%	2.07%
Percentage of CFD operating and maintenance expenses covered by private development	8.77%	11.69%	16.19%	24.33%
<i>Percentage of Total Development</i>				
City development (facilities)	N/A	N/A	7%	7%
City parks	N/A	N/A	15%	16%
City open space	N/A	N/A	21%	21%
Private development	N/A	N/A	9%	11%
Currently undeveloped	N/A	N/A	47%	45%



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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$46,327,793	\$52,722,566	\$54,019,411	\$58,564,455
Supplies and Services	4,017,341	4,978,839	4,804,696	7,049,685
Capital Outlay	60,191	99,525	95,850	90,390
Internal Services	8,475,111	8,455,927	8,797,545	9,495,192
Expenditure Total	\$58,880,436	\$66,256,563	\$67,717,502	\$75,199,722
<i>Per Capita (Comparative Benchmark)</i>	\$353.37	\$395.66	\$404.38	\$445.95

Expenditures by Division	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Office of the Chief	\$5,215,076	\$4,727,425	\$4,712,201	\$6,937,660
Patrol	26,067,338	29,985,076	30,815,902	31,999,704
Support Services	12,549,777	13,243,582	13,900,273	14,692,146
Investigations	15,048,245	18,300,480	18,289,126	21,570,212
Total	\$58,880,436	\$66,256,563	\$67,717,502	\$75,199,722

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	13			20			20		
Patrol	256		3.29	262		3.29	265		3.29
Support Services	139		1.70	157		4.70	157		1.70
Investigations	116		1.26	128	0.50	1.26	131	0.50	1.26
Total	524		6.25	567		9.25	573	0.50	6.25



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 2008-09 Budget Highlights:

Funding was provided for additional positions as part of a midyear reorganization, including an Assistant Police Chief, a Tactical Crime Analysis Supervisor, and a Sergeant. Funding was reduced by \$10,000 as part of a budget reduction plan, representing a reduction in outside printing.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,276,525	\$1,571,299	\$1,718,026	\$2,178,871
Supplies and Services	2,457,617	2,897,179	2,697,179	3,338,870
Capital Outlay	19,500	7,000	7,000	
Internal Services	1,461,434	251,947	289,996	1,419,919
Expenditure Total	\$5,215,076	\$4,727,425	\$4,712,201	\$6,937,660
Per Capita	\$31.45	\$28.37	\$28.14	\$41.14

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	13			20			20		
Total	13			20			20		

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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 80% the level of citizens' satisfaction with the quality of local police services as measured by the Community Attitude 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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Quality of local police services*	N/A	N/A	76%	80%
Operating and Maintenance Cost per Capita	\$355.14	\$397.64	\$404.38	\$445.95
Sworn FTE's per Capita (1,000)	1.96	2.04	1.96	2.04
Percent change		(0.51%)	(0.51%)	4.08%
Non-Sworn FTE's per Capita (1,000)	1.15	1.22	1.15	1.22

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



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 2008-09 Budget Highlights:

Funding provided for additional Lieutenant positions as part of a midyear reorganization. Half-year funding provided for six Lieutenant positions as part of the FY 2008-09 budget. Funding reduced by \$44,117 for reduced cable TV programming and elimination of weekend overtime motor enforcement.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$21,664,478	\$24,338,303	\$25,222,060	\$26,939,803
Supplies and Services	410,742	535,446	479,729	462,664
Capital Outlay	1,570	50,100	50,100	60,260
Internal Services	3,990,548	5,061,227	5,064,013	4,536,977
Expenditure Total	\$26,067,338	\$29,985,076	\$30,815,902	\$31,999,704
Per Capita	\$157.23	\$179.96	\$184.02	\$189.76

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Patrol	256		3.29	262		3.29	265		3.29
Total	256		3.29	262		3.29	265		3.29

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Average response time to emergency calls (minutes)	5:01	4:55	5:11	5:00

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 2008-09 Budget Highlights:

Funding provided for additional positions as part of a midyear reorganization, including a Detention Deputy Administrator, a Records Administrator, and a Communications Deputy Administrator.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$10,487,914	\$11,386,478	\$11,921,758	\$12,839,668
Supplies and Services	546,956	678,592	764,307	620,106
Capital Outlay	37,565	42,425	38,750	
Internal Services	1,477,342	1,136,087	1,175,458	1,232,372
Expenditure Total	\$12,549,777	\$13,243,582	\$13,900,273	\$14,692,146
Per Capita	\$75.69	\$79.48	\$83.01	\$87.13

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	139		1.70	157		4.70	157		1.70
Total	139		1.70	157		1.70	157		1.70

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Priority Zero calls answered*	4,294	4,500	4,562	4,500
Percent change		(2.1%)	(6.2%)	(1.4%)
Citizen calls for police service	123,847	129,944	118,150	121,246
Percent change		3.2%	(4.6%)	2.6%
Neighborhoods with Crime Watch program	362	362	362	362
Percent change		0%	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 2008-09 Budget Highlights:

Funding provided for a Homeland Security Commander and a Homeland Security Sergeant as part of a departmental reorganization.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$12,898,876	\$15,426,486	\$15,157,567	\$16,606,113
Supplies and Services	602,026	867,328	863,481	2,628,045
Capital Outlay	1,556			30,130
Internal Services	1,545,787	2,006,666	2,268,078	2,305,924
Expenditure Total	\$15,048,245	\$18,300,480	\$18,289,126	\$21,570,212
Per Capita	\$90.76	\$109.83	\$109.22	\$127.91

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Investigations	116		1.26	128	0.50	1.26	131	0.50	1.26
Total	156		1.26	128	0.50	1.26	131	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 176 property cases per investigator; and 2) effectively manage 121 persons cases per investigator

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Property cases assigned	2,319	2,032	2,321	2,561
Cases per investigator	166	156	166	176
Percent change		(6%)	6%	6%
Persons cases assigned	2,166	2,086	2,042	2,186
Cases per investigator	120	149	113	121
Percent change		24%	(24)%	7%

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

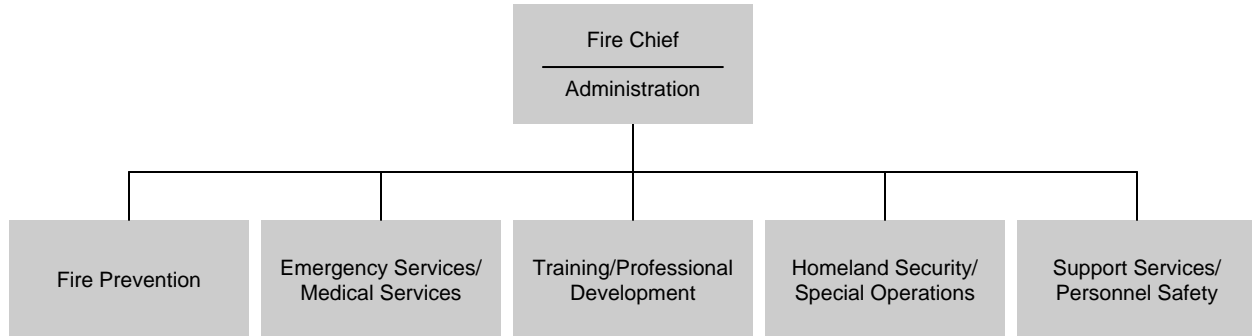
Goal: 1) To uphold and enforce the laws through professional law enforcement; and 2) maintain the Department's awareness of how the public perceives the department

Objective: To maintain or improve clearance rate of Part 1 crimes

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Part 1 Crimes-Property	12,367	12,854	12,181	13,055
Clearance rate	6.7%	16%	14%	14%
Part 1 Crimes-Persons	1,005	1,074	937	1,004
Clearance rate	31.6%	43.7%	32.2%	32.2%
Part 1 Crimes per 1,000 capita	80	83	78	84



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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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$17,217,648	\$18,765,587	\$19,898,623	\$23,313,490
Supplies and Services	1,511,941	1,605,157	1,890,477	2,403,998
Contributions	12,961	13,000	12,858	12,900
Capital Outlay	74,932	623,400	623,223	267,400
Internal Services	1,368,226	1,393,751	1,352,330	1,719,241
Expenditure Total	\$20,185,708	\$22,400,895	\$23,777,511	\$27,717,029
<i>Per Capita (Comparative Benchmark)</i>	\$121.14	\$133.77	\$141.99	\$164.37



Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration/Fire Prevention	\$3,069,084	\$3,171,455	\$3,117,175	\$3,523,884
Emergency/Medical Services	14,681,379	15,972,300	17,183,300	20,764,662
Training/Professional Development	431,608	412,038	491,034	481,537
Homeland Security/Special Operations	414,344	453,366	461,283	495,937
Support Services/Personnel Safety	1,589,293	2,391,736	2,524,719	2,451,009
Total	\$20,185,708	\$22,400,895	\$23,777,511	\$27,717,029

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration/Fire Prevention	19			20			20		
Emergency/Medical Services	129			155			155		
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	159	1.00		186	1.00		186	1.00	

Administration and Fire Prevention



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 2008-09 Budget Highlights:

Funding was provided for one additional Fire Deputy Chief as part of a new Fire company. Also, funding was reduced by \$25,643 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,929,844	\$2,128,194	\$2,085,661	\$2,426,521
Supplies and Services	224,337	199,262	228,522	214,551
Capital Outlay				
Internal Services	914,903	843,999	802,992	882,812
Expenditure Total	\$3,069,084	\$3,171,455	\$3,117,175	\$3,523,884
Per Capita	\$18.43	\$18.94	\$18.61	\$20.90

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	19			20			20		
Total	19			20			20		

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide high quality cost efficient fire services

Objective: 1) To efficiently manage resources to meet the needs of residents with 9.37 sworn full-time equivalents (FTE) per capita and .15 fire stations per square mile; and 2) to attain 89% resident satisfaction with the quality of local fire services

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Firefighters per capita (10,000)	8.24	8.18	9.44	9.37
Non-Firefighters per capita (10,000)	1.32	1.37	1.67	1.66
Fire Stations per square mile	0.15	0.15	0.15	0.15
Resident satisfaction with the quality of local fire service*	N/A	N/A	88.7%	89%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

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 2008-09 Budget Highlights:

Funding was provided for five Fire Captains, three Fire Engineers, and twelve Firefighter positions as part of a new Fire company. Also, six civilian Paramedic positions were added with funding being provided for the positions through a contracted ambulance provider.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$14,132,256	\$15,364,598	\$16,536,452	\$19,528,167
Supplies and Services	477,926	524,302	563,625	1,113,095
Capital Outlay	70,905	83,400	83,223	123,400
Internal Service	292			
Expenditure Total	\$14,681,379	\$15,972,300	\$17,183,300	\$20,764,662
Per Capita	\$88.11	\$95.38	\$102.61	\$123.14

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Emergency/Medical Services	129			155			155		
Total	129			155			155		

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide efficient response to fire, medical, hazardous materials, and rescue emergencies

Objective: 1) To respond to safe emergency responses under 4:30 minutes; and 2) to maintain 87% resident satisfaction with the quality of local paramedic service

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Average emergency response time in minutes (from call receipt to arrival)*	4:17	4:28	4:22	4:27
Percent of emergency responses taking 5.0 minutes or less	72%	83%	70%	70%
Calls per capita (1,000)	108	115	109	111
Percent change		6.4%	(5.2%)	1.8%
Resident satisfaction with the quality of local paramedic service**	N/A	N/A	86.7%	87%

*Calls do not include alarm processing time

**Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$341,368	\$350,675	\$358,101	\$377,357
Supplies and Services	90,240	61,363	132,933	104,180
Expenditure Total	\$431,608	\$412,038	\$491,034	\$481,537
Per Capita	\$2.59	\$2.46	\$2.93	\$2.86

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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: Public Safety and Neighborhood Quality of Life

Goal: To provide training and evaluation standards for all phases of emergency services

Objective: To evaluate all Emergency Services Division personnel quarterly for compliance with Tempe Fire Department standards relating to fireground, EMS and special operations procedures while maintaining 100% of completion

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Companies completing minimum company standards evaluations	100%	100%	100%	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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$345,676	\$401,062	\$403,505	\$431,627
Supplies and Services	46,610	39,304	44,920	51,410
Contributions	12,961	13,000	12,858	12,900
Capital Outlay	64			
Internal Service	9,033			
Expenditure Total	\$414,344	\$453,366	\$461,283	\$495,937
Per Capita	\$2.49	\$2.71	\$2.75	\$2.94

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
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 2008-09 Budget Highlights:

No change in staffing levels.

	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Expenditures by Type				
Personal Services	\$468,504	\$521,058	\$514,904	\$549,818
Supplies and Services	672,828	780,926	920,477	920,762
Capital Outlay	3,963	540,000	540,000	144,000
Internal Services	443,998	549,752	549,338	836,429
Expenditure Total	\$1,589,293	\$2,391,736	\$2,524,719	\$2,451,009
Per Capita	\$9.54	\$14.28	\$15.08	\$14.53

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
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: Public Safety and Neighborhood Quality of Life

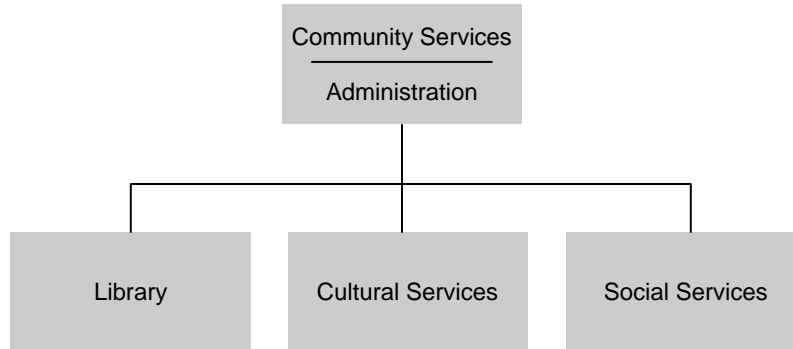
Goal: To conduct progressive maintenance, inspections, service work, and major and minor repairs of all fire apparatus

Objective: 1) To increase preventive maintenance inspections by 59.5%; and 2) target 100% maintenance completion within the preventive maintenance (PM) schedule

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Preventive maintenance inspections	228	250	158	252
Percent Change		9.6%	(36.8%)	59.5%
Completed within PM schedule	92%	100%	58%	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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$9,995,316	\$12,877,213	\$11,515,513	\$12,614,661
Supplies and Services	2,161,420	2,054,149	2,450,073	2,150,052
Capital Outlay	105,892		5,212	29,400
Internal Services	2,205,064	2,137,430	2,149,974	2,173,249
Expenditure Total	\$14,467,692	\$17,068,792	\$16,120,772	\$16,967,362
Per Capita	\$86.83	\$101.93	\$96.27	\$100.62

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration	\$544,602	\$531,400	\$508,216	\$661,961
Library	4,676,238	5,032,586	4,963,771	4,867,220
Cultural Services	2,688,038	3,892,015	3,524,069	3,541,751
Social Services	6,558,814	7,612,791	7,124,716	7,896,430
Total	\$14,467,692	\$17,068,792	\$16,120,772	\$16,967,362

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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
Library	34	4.00	9.84	34	4.00	9.84	34	4.00	9.84
Cultural Services	31	0.50	21.29	23	0.50	21.29	24	0.50	21.29
Social Services	45	3.15	81.49	46	6.15	81.49	46	6.15	82.89
Total	113	7.65	113.14	106	10.65	113.14	107	10.65	114.54

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 2008-09 Budget Highlights:

Funding was reduced by \$43,000 as part of the budget reduction plan. This amount represents miscellaneous line item reductions. Also, 100% of funding for the Public Arts Coordinator and 20% of funding for the Cultural Services Administrative Assistant will now be provided by the Percent for Art program budget. In addition, 15% of the Community Services Manager's salary will now be funded by the Performing Arts Fund.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$361,890	\$410,048	\$410,048	\$379,555
Supplies and Services	87,736	100,003	100,003	92,003
Internal Services	94,976	21,349	21,349	190,403
Expenditure Total	\$544,602	\$531,400	\$531,400	\$661,961
Per Capita	\$3.27	\$3.17	\$3.17	\$3.93

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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
Total	3		0.52	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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,926,709	\$3,234,554	\$3,162,438	\$3,298,558
Supplies and Services	730,371	771,230	766,185	771,230
Internal Services	1,019,158	1,026,802	1,035,148	797,432
Expenditure Total	\$4,676,238	\$5,032,586	\$4,963,771	\$4,867,220
Per Capita	\$28.06	\$30.05	\$29.64	\$28.86

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Library	34	4.00	9.84	34	4.00	9.84	34	4.00	9.84
Total	34	4.00	9.84	34	4.00	9.84	34	4.00	9.84

Related Strategic Issue: Social Services and Culture

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 a 90% or greater 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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Satisfaction with quality of library services*	N/A	95%+	89%+	90%+
Library visitors (door count)	975,267	976,500	987,000	990,000
Registered borrowers	142,323	151,000	142,500	142,500
Percent change		6%	(.5%)	0%
Circulation	1,246,650	1,300,000	1,246,700	1,250,000
Percent change		4.3%	(4%)	0%
Public Computer Usage	151,980	155,000	160,000	160,000
Percent Change		2.0%	3%	0%
Library FTE per 1,000 population	0.29	0.29	0.27	0.27
Circulation per capita	7.52	7.76	7.51	7.53

*Measured by the percent of residents that responded with “Very Satisfied” or “Satisfied” in the annual Community Attitude Survey.

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 2008-09 Budget Highlights:

Funding provided for an additional Arts Specialist position to market and coordinate events at the Tempe Center for the Arts.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,547,059	\$3,087,243	\$2,183,186	\$2,490,002
Supplies and Services	756,747	651,013	1,027,982	656,013
Capital Outlay	105,892		5,212	
Internal Services	278,340	306,112	307,689	395,736
Expenditure Total	\$2,688,038	\$4,044,368	\$3,524,069	\$3,541,751
Per Capita	\$16.13	\$24.15	\$21.04	\$21.00

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	11		13.27	12		13.27
Total	31	0.50	21.29	23	0.50	21.29	24	0.50	21.29

Related Strategic Issue: Social Services and Culture

Goal: To provide visitors and volunteers with a quality experience that meets the mission of the Tempe Historical Museum

Objective: To attain 90% or greater level of satisfaction by visitors and volunteers with their museum experience

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Quantified levels of satisfaction reported by visitors and volunteers on evaluation forms	N/A	90%+	90+	N/A*
Objects catalogued	2,000	2,000	2,000	1,000*
Visitors to Historical Museum and Peterson House	19,437	20,000	20,000	2,200*

*Reduction in amounts due to museum renovation occurring between 2008 and 2010

Related Strategic Issue: Social Services and Culture

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% or greater level of satisfaction by attendees; 2) maintain current program enrollment levels; and 3) support arts programming through grants funding of arts organizations and schools

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Satisfaction reported by attendees and participants on evaluation form	N/A	90%+	90%+	90%+
Program enrollment	6,126	6,000	6,000	6,000
Percent change		(2%)	0%	0%
Grants provided to art organizations and schools	\$132,635	\$132,000	\$149,959	\$149,959



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 2008-09 Budget Highlights:

Funding was approved for two Crisis Intervention Specialists in the CARE 7 program and computers and related equipment for the Kid Zone program. Funding also provided for a web server in the diversion program and additional wages for diversion counselors, home detention monitor, and an administrative assistant.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$5,159,655	\$6,273,721	\$5,782,852	\$6,446,546
Supplies and Services	586,567	555,903	555,903	630,806
Capital Outlay				29,400
Internal Services	812,592	783,167	785,961	789,678
Expenditure Total	\$6,558,814	\$7,612,791	\$7,124,716	\$7,896,430
Per Capita	\$39.36	\$45.46	\$42.54	\$46.83

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Social Services/Administration	26	3.15	15.56	26	3.15	15.56	26	3.15	15.56
Social Services/Kid Zone	19		65.93	20	3.00	65.93	20	3.00	65.93
Total	45	3.15	81.49	46	6.15	81.49	46	6.15	81.49



Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide quality programs that enhance the quality of life of Tempe residents

Objective: 1) To achieve a 95% approval rating from customers participating in the Early Education Program; and 2) achieve a 90% approval rating from customers participating in the Summer Camp Program

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Overall customer approval rating for the Escalante Early Education Program	95%	80%	94%	95%
Overall customer approval rating for the Escalante Summer Camp Program	91%	80%	90%	90%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Victims satisfied with services	95%	85%	95%	85%
Care 7 clients reporting satisfaction with services	95%	85%	95%	85%

Related Strategic Issue: Education, Technology and Economic Development

Goal: To continue to provide the highest quality of out of school time, enrichment program to the residents of Tempe through the Kid Zone Enrichment Program

Objective: 1) To maintain at least an 85% approval rating from customers and the school community who utilize Kid Zone services; and 2) maintain at least an 80% approval rating on the national accreditation evaluation

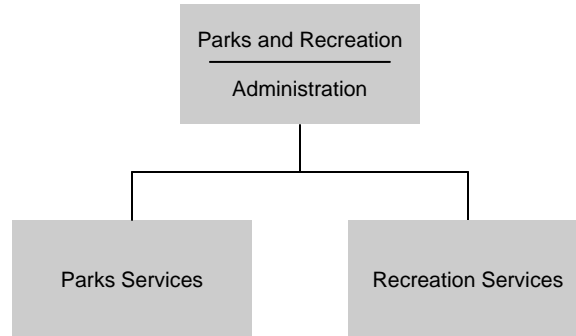
Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Parent evaluation survey results measures indicate "very satisfied" with the Kid Zone Enrichment Program	85%	85%	87%	85%
National accreditation evaluation survey results of "very satisfied with the Kid Zone Enrichment Program"	80%	80%	90%	80%

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
New program participants	3,468	3,600	3,600	3,600
Successful program completion	80%	80%	80%	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	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$9,954,815	\$11,455,066	\$10,916,894	\$11,984,490
Supplies and Services	5,506,863	5,141,691	5,376,711	5,777,719
Capital Outlay	83,061		10,516	
Internal Services	1,409,239	2,009,668	1,890,566	2,162,007
Contributions	80,400	83,324	83,324	83,324
Expenditure Total	\$17,034,378	\$18,689,749	\$18,278,011	\$20,007,540
Per Capita	\$102.23	\$111.61	\$109.14	\$118.65

Expenditures by Division	2006-07 Actual	2008-09 Budget	2007-08 Revised	2008-09 Budget
Administration	\$1,377,868	\$1,236,759	\$1,188,513	\$1,316,877
Parks Services	9,483,605	10,723,626	10,327,847	11,667,308
Recreation Services	6,172,905	6,729,364	6,761,651	7,023,355
Total	\$17,034,378	\$18,689,749	\$18,278,011	\$20,007,540

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	10		0.22	10		0.22
Parks Services	86	0.50	9.64	86	0.50	9.64	86	0.50	9.64
Recreation Services	32	0.75	68.17	33	0.75	68.17	33	0.75	69.96
Total	128	2.00	78.03	129	1.25	78.03	129	1.25	79.82

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, rights-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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$999,002	\$1,069,592	\$1,002,894	\$1,057,269
Supplies and Services	102,372	35,402	42,337	86,096
Capital Outlay	6,571		10,516	
Internal Services	244,923	101,765	102,766	143,512
Contributions	25,000	30,000	30,000	30,000
Expenditure Total	\$1,377,868	\$1,236,759	\$1,188,513	\$1,316,877
Per Capita	\$8.26	\$7.39	\$7.10	\$7.81

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	10		0.22	10		0.22
Total	10	0.75	0.22	10		0.22	10		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 2008-09 Budget Highlights:

Additional funding was provided for increased landscape maintenance contract costs (\$200,000).

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$4,815,163	\$5,812,881	\$ 5,430,665	\$ 6,018,897
Supplies and Services	3,986,452	4,173,184	4,257,574	4,633,649
Capital Outlay	19,817			
Internal Services	662,173	737,561	639,608	1,014,762
Expenditure Total	\$9,483,605	\$10,723,626	\$10,327,847	\$11,667,308
Per Capita	\$56.92	\$64.04	\$61.68	\$69.19

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	86	0.50	9.64
Total	86	0.50	9.64	86	0.50	9.64	86	0.50	9.64

Related Strategic Issue: Tourism and Recreation

Goal: To maintain the City rights-of-way, medians and facility grounds in an attractive and pleasing manner

Objective: 1) To achieve 68% overall resident satisfaction with the landscape maintenance along City streets and sidewalks; 2) to achieve 60% overall satisfaction with the quality of walking and biking paths; 3) maintain and operate parks and open space at a cost and staffing level, based on acres maintained per full-time employee, that meets the needs of residents, and; 4) manage the landscape contract for the care and maintenance of the City's rights-of-way, medians and facility grounds

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with the landscape along City streets and sidewalks*	N/A	N/A	67.6%	68%
Resident satisfaction with the quality of walking and biking paths in the City*	N/A	N/A	60%	60%
Total landscaped areas maintained (sq ft)	N/A	N/A	13,383,613	13,383,613
Annual cost per sq ft of maintained landscape	N/A	N/A	.0459	.0459
Number of full-time employees managing landscape maintenance contract	N/A	N/A	N/A	1
Total park acres maintained per full-time Parks employee	N/A	N/A	22.3	22.3

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



Related Strategic Issue: Tourism and Recreation

Goal: To provide recreational facilities for leisure opportunities that are accessible, clean, safe and friendly

Objective: 1) To achieve 80% overall resident satisfaction with the quality of City parks; 2) to achieve 75% overall resident satisfaction with the quality of neighborhood parks; 3) to achieve 60% overall resident satisfaction with the City golf courses while maintaining rounds of play at each golf course; 4) to achieve 74% overall resident satisfaction with the City's outdoor fields; 5) to achieve 76% overall resident satisfaction with the availability of City recreation centers; and 6) to achieve a 75% park visitation rate, by residents, on an annual basis.

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with the quality of City parks*	N/A	N/A	84%	80%
Resident satisfaction with the quality of neighborhood parks*	N/A	N/A	76.9%	75%
Resident satisfaction with City's golf courses*	N/A	N/A	64.2%	60%
Resident satisfaction with the City's outdoor athletic fields*	N/A	N/A	74%	74%
Resident satisfaction with the availability of City recreation centers*	N/A	N/A	76.2%	76%
Visitation by resident to a City park within the last year**	N/A	N/A	75.8%	75%
Total park and golf course acres	1,874	1,877	1,877	1,877
Park and golf course acres per capita (10,000)	111.2	111.4	111.4	110.6
<i>Operating & Maintenance Cost per capita</i>	<i>\$61.05</i>	<i>\$67.73</i>	<i>\$65.22</i>	<i>\$73.09</i>
Golf course rounds of play:				
Ken McDonald (18 hole rounds)	74,052	75,000	69,995	75,000
Percent change		1.3%	(6.7%)	7.2%
Rolling Hills (18 hole rounds)	59,289	63,028	56,513	65,000
Percent change		6.3%	(10.3%)	14.8%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

**Measured by participants in the annual Community Attitude Survey.

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 2008-09 Budget Highlights:

Funding provided for 1.79 FTE in temporary employees for the Kiwanis Recreation Center.

Expenditures by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$4,140,650	\$4,710,561	\$4,642,482	\$5,047,452
Supplies and Services	1,418,030	1,182,974	1,281,969	1,307,843
Capital Outlay	56,673			
Internal Services	502,152	782,505	783,876	614,736
Contributions	55,400	53,324	53,324	53,324
Expenditure Total	\$6,172,905	\$6,729,364	\$6,761,651	\$7,023,355
Per Capita	\$37.05	\$40.19	\$40.38	\$41.65

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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	33	0.75	69.96
Total	32	0.75	68.17	33	0.75	68.17	33	0.75	69.96

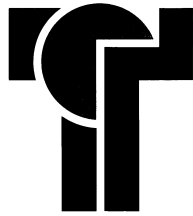
Related Strategic Issue: Tourism and Recreation

Goal: To provide quality recreation services to coordinate the effective use of community parks and recreation resources

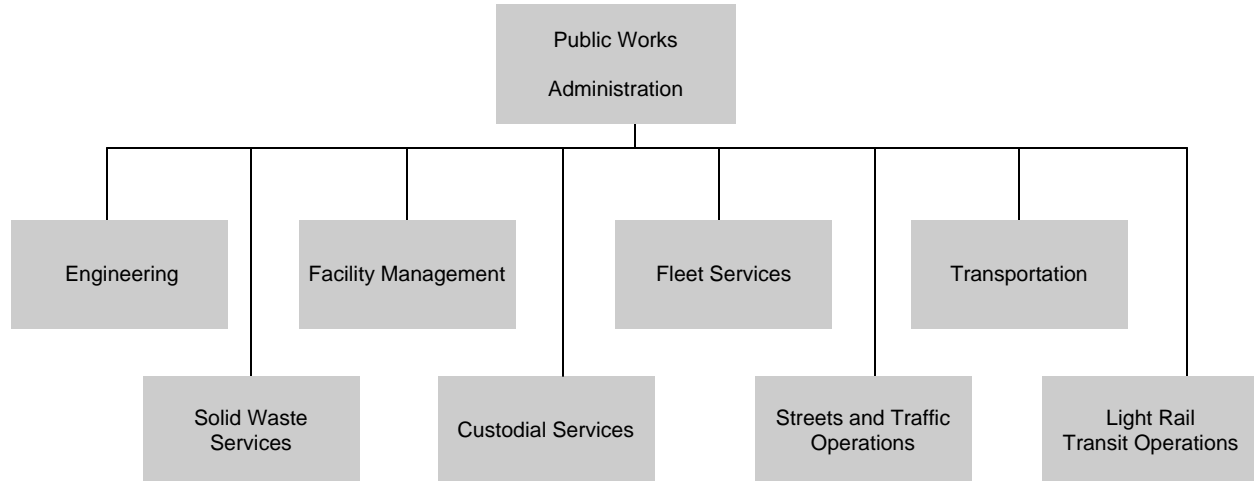
Objective: 1) To achieve a minimum 74% overall resident satisfaction with the quality of City recreation programs; 2) to achieve a minimum 67% overall resident satisfaction with City swimming pools and programs; 3) collect fees for programs and services at a level based on a percentage of the total budgeted expenditure for parks and recreation; and 4) maintain and operate recreation programs and facilities at a cost and staffing level, on a per capita basis, that meets the needs of residents

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with the quality of recreations programs*	N/A	N/A	73.7%	74%
Resident satisfaction with City swimming pools and programs*	N/A	N/A	66.9%	67%
<i>Operating & Maintenance Cost per capita</i>	\$41.18	\$43.88	\$43.93	\$45.56
Recreation Services full-time staff per capita (10,000)	1.98	2.03	2.03	2.02
Parks and Recreation revenue	\$2,111,461	\$2,363,673	\$2,511,824	\$2,729,569
Revenue vs. expenditures (Recreation)	34%	35%	37%	39%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



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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, Engineering, Solid Waste Services, Facility Management, Custodial Services, Fleet Services, Streets and Traffic Operations, Transportation and Light Rail Transit Operations.

The Engineering division provides CIP project implementation, utility management, property addressing, right-of-way permitting, project design, and construction management.

The Solid Waste Services is responsible for residential and commercial trash collection and disposal.

Facility Management provides maintenance and repair service to all City owned buildings as well as area lighting for City parks and parking lots.

Custodial Services provides interior cleaning of all City owned buildings and park restrooms.

Fleet Services is responsible for the City's vehicle and equipment acquisition, repair, preventative maintenance, accident damage, fleet road service, utilization and disposal.

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.

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, and long-range transportation planning.

Light Rail Transit Operations is responsible for oversight of the planning, construction, operations, maintenance, safety and security of the light rail transit system.



Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$20,363,835	\$25,261,238	\$24,480,715	\$26,859,552
Supplies and Services	37,935,874	45,954,272	46,850,401	62,876,855
Capital Outlay	3,115,654	2,783,262	3,275,390	4,513,144
Internal Services	(1,336,626)	(663,011)	(1,363,036)	(2,133,569)
Contributions	5,650	16,866	10,000	122,566
Expenditure Total	\$60,084,388	\$73,352,627	\$73,253,470	\$92,238,548
Per Capita	\$360.60	\$438.04	\$437.44	\$546.99

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Administration	\$1,042,130	\$310,661	\$283,161	\$716,917
Engineering	1,777,062	2,615,074	2,606,693	2,353,354
Solid Waste Services	12,265,694	14,618,706	14,435,727	15,245,709
Facility Management	4,484,609	4,379,721	4,833,511	5,234,707
Custodial Services	2,031,219	2,263,828	2,716,572	3,005,904
Fleet Services*				
Streets and Traffic Operations	8,383,368	9,090,279	9,070,678	9,867,931
Transportation	29,348,214	38,838,572	38,215,847	49,964,880
Light Rail Transit Operations	752,092	1,235,786	1,091,281	5,849,146
Total	\$60,084,388	\$73,352,627	\$73,253,470	\$92,238,548

* The entire budget for this division is allocated to other departments throughout the City via interactivities

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Administration	3		0.49	3		0.49	3		0.49
Engineering	38			38			38		
Solid Waste Services	67	0.50		67	0.50		69	0.50	
Facility Management	22	0.50		24	0.50		24	0.50	
Custodial Services	43		0.49	50		0.49	50		0.49
Fleet Services	33		0.50	33		0.50	33		0.50
Streets and Traffic Operations	52		3.00	52			53		2.00
Transportation	33	1.00	2.00	45	1.00	1.00	46	1.00	1.00
Light Rail Transit Operations	8			7			8		
Total	299	2.00	6.48	319	2.00	2.48	324	2.00	4.48

Administration



The Public Works Manager has overall responsibility for providing the leadership, management, and administrative support for the Public Works Department. The department is responsible for providing high quality community services necessary to build and maintain the infrastructure of the City of Tempe. These services include engineering, refuse collection, facilities maintenance, custodial, fleet, streets maintenance, transportation and light rail transit.

FY 2008-09 Budget Highlights:

Funding was reduced by \$15,000 as part of the budget reduction plan. This amount represents miscellaneous line item reductions.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$346,974	\$459,260	\$420,517	\$422,348
Supplies and Services	169,926	145,001	156,000	42,131
Capital Outlay	2,782			
Contributions	1,014			105,700
Internal Services	521,434	(293,600)	(293,356)	146,738
Expenditure Total	\$1,042,130	\$310,661	\$283,161	\$716,917
Per Capita	\$6.25	\$1.86	\$1.69	\$4.25

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 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
Total	3		0.49	3		0.49	3		0.49



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 2008-09 Budget Highlights:

Standard engineering fees were increased and new engineering fees for materials testing, plan review and digital formatting were implemented.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,702,889	\$3,331,758	\$3,237,669	\$3,468,820
Supplies and Services	388,846	249,757	329,398	249,727
Capital Outlay	1,195		200	
Internal Services	(1,315,868)	(966,441)	(960,574)	(1,365,193)
Expenditure Total	\$1,777,062	\$2,615,074	\$2,606,693	\$2,353,354
Per Capita	\$10.67	\$15.62	\$15.57	\$13.96

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Engineering	38			38			38		
Total	38			38			38		

Related Strategic Issue: Central City Development Committee of the Whole

Goal: To efficiently implement the Capital Improvement Program by strategic planning, budgeting, design and construction of capital improvement projects which address recreational, City facilities, public utilities, transportation, and public safety needs.

Objective: To execute 100% of the construction and/or professional service contracts for budgeted projects within 12 months of the approved funding for the Capital Improvement Program.

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Number of active CIP construction contracts	N/A	N/A	65	70
Percent of CIP construction contracts executed within 12 months of funding	N/A	N/A	N/A	100%
Number of active CIP professional service contracts	N/A	N/A	250	260
Percent of CIP professional service contracts executed within 12 months of funding	N/A	N/A	N/A	100%



Related Strategic Issue: Central City Development Committee of the Whole

Goal: 1) To ensure that the construction of private developments and related utility work is coordinated with the City's infrastructure, transportation plan, and quality standards; and 2) ensure compliance with applicable codes and ordinances

Objective: 1) To complete civil plan reviews within the schedule time allotment 90% of the time; and 2) complete utility plan reviews within the scheduled time allotment 90% of the time

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Number of civil plan reviews per engineer	N/A	N/A	N/A	300
Percent of civil plan reviews performed within the schedule time allotment	N/A	N/A	N/A	90%
Number of utility plan reviews per plan reviewer	N/A	N/A	N/A	750
Percent of utility plan reviews performed within the schedule time allotment	N/A	N/A	N/A	90%
Off-site Private Development Permits issued	718	600	630	600
Utility Permits issued	1,775	1,800	1,900	1,500
Total dollar amount of construction projects by private developers	\$443M	\$300M	\$410M	\$390M

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 2008-09 Budget Highlights:

Two employees in Field Services Administration were transferred from a General Fund cost center to a Solid Waste cost center as part of the budget reduction plan. Funding was provided for a Solid Waste Equipment Operator and a Sanitation Inspector. Funding was also provided for the purchase of an \$82,000 container vehicle.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$4,777,601	\$5,200,338	\$5,208,751	\$5,410,473
Supplies and Services	3,701,983	3,895,587	3,772,093	4,336,969
Capital Outlay	724,599	1,756,480	1,756,480	1,664,560
Internal Services	3,061,511	3,766,301	3,698,403	3,833,707
Expenditure Total	\$12,265,694	\$14,618,706	\$14,435,727	\$15,245,709
Per Capita	\$73.61	\$87.29	\$86.21	\$90.41

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	2			2					
Solid Waste	65	0.50		65	0.50		69	0.50	
Total	67	0.50		67	0.50		69	0.50	

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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 \$57.95

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Commercial service accounts (per month)	1,868	1,875	1,870	1,880
Commercial collection cost per ton	\$51.73	\$60.94	\$58.97	\$57.95



Related Strategic Issue: Public Safety and Neighborhood Quality of Life

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; 2) divert 32% of residential recycling waste stream; 3) attain resident satisfaction rates of 93% for residential trash collection services, 90% for bulk item pick up/removal services, and 85% for recycling services; and 3) attain a resident satisfaction rate of 50% for the condition of alleys

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
<i>Residential contained/recycling cost per ton</i>	\$69.80	\$88.14	\$101.86	\$103.81
Residential recycling diversion rate	29%	29%	31%	32%
<i>Residential Contained Solid Waste tons per capita (1,000)</i>	362	360	329	336
Resident satisfaction with residential trash collection services*	N/A	N/A	92.5%	93%
Resident satisfaction with bulk item pick up/removal services*	N/A	N/A	86.6%	90%
Resident satisfaction with recycling services*	N/A	N/A	82.2%	85%
Resident satisfaction with condition of alleys*	N/A	N/A	45.7%	50%

* Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Facility Management



The Facility Management division 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.

FY 2008-09 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,579,845	\$1,873,766	\$1,861,607	\$1,985,346
Supplies and Services	2,831,910	2,705,522	3,171,494	3,298,308
Capital Outlay	545			
Internal Services	72,309	(199,567)	(199,590)	(48,947)
Expenditure Total	\$4,484,609	\$4,379,721	\$4,833,511	\$5,234,707
Per Capita	\$26.91	\$26.15	\$28.86	\$31.03

	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Facility Services	22	0.50		24	0.50		24	0.50	
Total	22	0.50		24	0.50		24	0.50	

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 achieve square footage maintained per technician per 10 hour shift at a minimum of 58,000 square feet; and 2) hold facility maintenance costs per square foot maintained under \$4.00

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Total square feet maintained per FTE ¹	66,535	63,578	58,323	58,000
Operating and Maintenance Cost per square foot maintained ¹	\$2.43	\$3.06	\$3.68	\$3.99

¹ Excludes personnel and facilities budgeted in the Performing Arts and Transit

Custodial Services



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 2008-09 Budget Highlights:

No change in staffing levels.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$1,905,723	\$2,194,526	\$2,597,898	\$2,931,144
Supplies and Services	230,464	206,660	278,135	269,213
Capital Outlay	353			
Internal Services	(105,321)	(144,224)	(159,461)	(201,319)
Contributions		6,866		6,866
Expenditure Total	\$2,031,219	\$2,263,828	\$2,716,572	\$3,005,904
Per Capita	\$12.19	\$13.52	\$16.22	\$17.83

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Custodial Services	43		0.49	50		0.49	50		0.49
Total	43		0.49	50		0.49	50		0.49

Related Strategic Issue: Finance, Economy and Veterans' Affairs

Goal: To maintain a high level of cleanliness and maintain a sanitary environment for City facilities in an efficient and cost effective manner

Objective: 1) To hold custodial costs per square foot cleaned under \$2.55; and 2) achieve square footage maintained per custodian per 8 hour shift at a minimum of 21,000 square feet

Measures - Custodial Services	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Operating and Maintenance Cost per square foot cleaned ¹	\$1.78	\$1.98	\$2.35	\$2.55
Total square feet cleaned per FTE ¹	26,263	26,263	21,421	21,000

¹ Excludes personnel and facilities budgeted in the Performing Arts and Transit

Fleet Services



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 2008-09 Budget Highlights:

Funding was approved for \$65,000 in additional contracted services. No change in staffing levels.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,396,330	\$2,685,719	\$2,575,170	\$2,720,923
Supplies and Services	2,846,739	3,154,856	3,160,577	3,216,969
Capital Outlay	2,040,151	596,066	996,505	1,792,346
Internal Services	(7,283,220)	(6,436,641)	(6,732,252)	(7,730,238)
Expenditure Total	\$0	\$0	\$0	\$0

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Fleet Services	33		0.50	33		0.50	33		0.50
Total	33		0.50	33		0.50	33		0.50

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To maintain the City's fleet at the lowest cost and highest quality of service and vehicle condition

Objective: To contain the growth in maintenance and repair, fuel, and capital costs as measured by cost per mile

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Cost per mile (maintenance and repair, fuel and capital cost):				
Police patrol sedans	\$0.63	\$0.68	\$0.63	\$0.66
Light duty trucks	\$0.60	\$0.66	\$0.64	\$0.68
Solid Waste trucks	\$3.46	\$3.73	\$3.84	\$4.22

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To utilize personnel resources in an efficient and effective manner

Objective: 1) To maximize utilization of fleet mechanic time at a target of 72% productivity; and 2) maintain an optimum vehicle to mechanic ratio

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Mechanic utilization rate	70%	70%	73%	72%
Vehicles per mechanic	68	71	74	75

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 2008-09 Budget Highlights:

Funding provided for an Engineering Associate position to provide Capital Improvement Project (CIP) management and for two unclassified temporary traffic operations employees. Also, funding was provided for the concrete repair program, a vehicle for traffic engineering and for street and alley repair materials.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$3,307,395	\$4,149,354	\$4,002,268	\$4,189,915
Supplies and Services	2,355,886	2,329,933	2,332,631	2,470,022
Capital Outlay	221,933	379,200	518,705	971,904
Internal Services	2,498,154	2,231,792	2,217,074	2,236,090
Expenditure Total	\$8,383,368	\$9,090,279	\$9,070,678	\$9,867,931
Per Capita	\$50.31	\$54.28	\$54.17	\$58.52

	2006-07 Actual			2007-08 Revised			2008-09 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			28		
Traffic Operations	25	1.00	3.00	25			25		2.00
Total	52	1.00	3.00	52			53		2.00

Related Strategic Issue: Transportation, Housing and Environment

Goal: To provide adequate illumination of City streets

Objective: 1) To respond to a street light outage within three working days 96% of the time, and 2) to attain 70% resident satisfaction regarding the adequacy of City street lighting

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Street light outage calls repaired within three working days	96%	96%	96%	96%
Resident satisfaction with the adequacy of City street lighting*	N/A	N/A	66.5%	70%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



Related Strategic Issue: Transportation, Housing and Environment

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, 98% of the time

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 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%	98%	98%

Related Strategic Issue: Transportation, Housing and Environment

Goal: To meet environmental, storm water, and air quality requirements

Objective: 1) To keep a minimum of 15,652 streets clean and free of dust and debris; and 2) attain a 75% resident satisfaction rate regarding the cleanliness of City streets

Measures (Comparative Benchmark)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Curb miles swept	15,652	15,652	14,646	15,652
Resident satisfaction with cleanliness of City streets*	N/A	N/A	69.4%	75%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Related Strategic Issue: Transportation, Housing and Environment

Goal: To perform preventive roadway maintenance to extend the life of city streets

Objective: 1) To maintain and repair a minimum of 1,479,713 street surface which includes crack routing, crack sealing, and edge milling; 2) attain an 80% resident satisfaction rate regarding the condition of neighborhood streets; and 3) attain an 80% resident satisfaction rate regarding the overall condition of City streets

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Square yards repaired	1,828,834	1,828,834	1,628,834	1,479,713
Resident satisfaction with the condition of neighborhood streets*	N/A	N/A	76.4%	80%
Resident satisfaction with overall condition of City streets*	N/A	N/A	73.7%	80%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Related Strategic Issue: Transportation, Housing and Environment

Goal: To provide well-maintained and visible street signs

Objective: To attain an 80% resident satisfaction rate regarding the condition and clarity of street signs

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Resident satisfaction with overall condition and clarity of street signs*	N/A	N/A	78.2%	80%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



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 2008-09 Budget Highlights:

Funding provided for a base budget increase. Funding also provided for one full-time custodial position for maintenance and cleaning at the East Valley Bus Operations and Maintenance facility.

FY 2008-09 Capital Budget Operating Impacts:

As part of the Capital Improvements Program Budget, funding was approved for Phase II of the Crosscut Canal Multi-Use path.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$2,730,639	\$4,475,523	\$3,830,630	\$4,856,192
Supplies and Services	25,382,129	32,988,911	33,062,166	43,868,402
Capital Outlay	99,136	51,516		
Internal Services	1,131,674	1,312,622	1,313,051	1,230,286
Contributions	4,636	10,000	10,000	10,000
Expenditure Total	\$29,348,214	\$38,838,572	\$38,215,847	\$49,964,880
Per Capita	\$176.13	\$231.93	\$228.21	\$296.30

Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Studies and Design	8		1.00	11			11		
Transit	25	1.00	1.00	34	1.00	1.00	35	1.00	1.00
Total	33	1.00	2.00	45	1.00	1.00	46	1.00	1.00

Related Strategic Issue: Transportation, Housing and Environment

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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Vehicle revenue miles (bus)	4,547,313	5,502,000	5,626,791	6,938,556
Operating and Maintenance Cost per vehicle revenue mile (bus)	\$5.33	\$5.76	\$5.56	\$6.02
Boardings per vehicle revenue mile (bus)	1.5	1.5	1.3	1.8



Related Strategic Issue: Transportation, Housing and Environment

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 69%; 2) meet the Dial-A-Ride industry standard of 95% of trips on time (minimum); and 3) meet the industry standard of 90% of bus trips on time (minimum)

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Annual boardings (bus)	6,919,751	8,005,158	7,387,024	12,489,400
Percent Change		15.7%	(7.7%)	69.1%
On-time performance (Dial-A-Ride)	92%	95%	95%	95%
On-time performance (bus)	89%	90%	89%	90%

Related Strategic Issue: Transportation, Housing and Environment

Goal: To provide outstanding customer service to bus and Dial-A-Ride customers

Objective: 1) 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); 2) obtain a 70% resident satisfaction rate for quality of local bus service; and 3) obtain a 70% resident satisfaction rate on the quality of walking and biking paths

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Complaints per 100,000 boardings (bus)	21.6	15	22	15
Complaints per 1,000 boardings (Dial-A-Ride)	2	3	3	3
Resident satisfaction with the quality of local bus service*	N/A	N/A	58%	70%
Resident satisfaction with the quality of walking and biking paths*	N/A	N/A	60%	70%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.

Light Rail Transit Operations



Light Rail Transit Operations is responsible for oversight of the planning, construction, operations, maintenance, safety and security of the light rail transit system.

FY 2008-09 Budget Highlights:

Funding was provided for a Traffic Signal Technician position. Also funding was provided to cover basic traffic signal system costs associated with the light rail system.

FY 2008-09 Capital Budget Operating Impacts:

As part of the Capital Improvements Program Budget, funding was approved for \$3,805,000 in operational costs associated with the light rail system.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$616,430	\$890,994	\$746,205	\$874,391
Supplies and Services	27,994	278,045	278,045	4,815,252
Capital Outlay	24,962			84,334
Internal Services	82,706	66,747	67,031	75,169
Expenditure Total	\$752,092	\$1,235,786	\$1,091,281	\$5,849,146
Per Capita	\$4.51	\$7.38	\$6.52	\$34.68

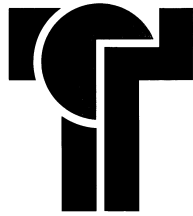
	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Light Rail Transit Administration and Operations	8			7			8		
Total	8			7			8		

Related Strategic Issue: Transportation, Housing and Environment

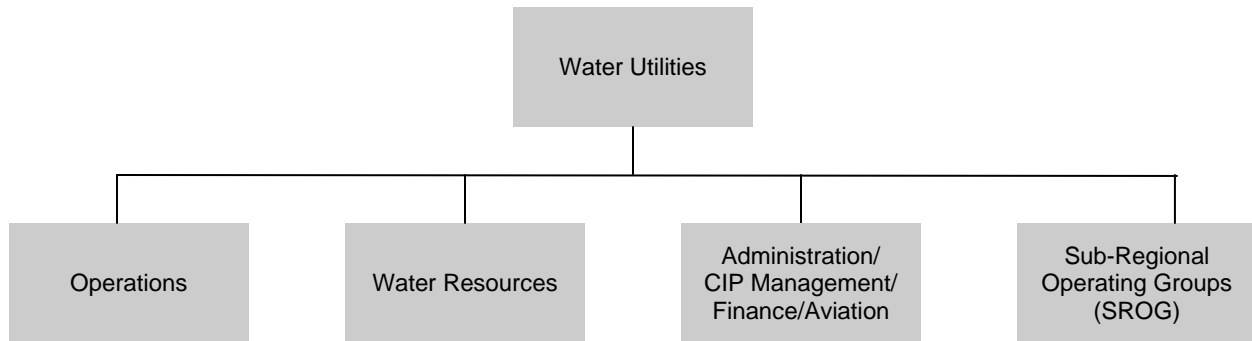
Goal: To attract riders to the Metro light rail system by delivering reliable and effective service

Objective: 1) To achieve average weekday boardings of 2,600; 2) to achieve 95% on-time performance as defined by arrival within 5 minutes of scheduled time; and 3) to maintain service reliability as defined by less than 25,000 miles between system failures

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Average weekday boardings	N/A	N/A	N/A	2,600
On-time performance	N/A	N/A	N/A	95%
Miles between system failure	N/A	N/A	N/A	25,000



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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 2008-09 Budget Highlights:

New permanent funding for five (5) new full time positions as follows:

- Chemist II
- Environmental Compliance Inspector I+
- GIS Coordinator
- GIS Technician / GIS Analyst
- WUD Security Guard

The department also received permanent base budget increases for additional overtime, a new vehicle, and maintenance and cleaning supplies.

Expenditure by Type	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Personal Services	\$11,420,881	\$12,736,316	\$12,521,583	\$13,888,468
Supplies and Services	13,462,859	15,458,692	15,160,632	15,998,838
Capital Outlay	637,352	478,500	744,733	307,001
Internal Services	3,512,132	4,279,896	4,270,210	4,443,673
Expenditure Total	\$29,033,244	\$32,953,404	\$32,697,158	\$34,637,980
Per Capita	\$174.24	\$196.79	\$195.26	\$205.41

Expenditures by Division	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Operations	\$19,305,117	\$21,170,834	\$21,133,434	\$22,117,799
Water Resources	1,029,450	1,082,585	1,105,581	1,108,448
Administration/CIP Management/Finance/Aviation	4,022,475	4,790,267	4,549,335	5,496,865
SROG	4,676,182	5,909,718	5,908,808	5,914,868
Total	\$29,033,244	\$32,953,404	\$32,697,158	\$34,637,980



Authorized Personnel	2006-07 Actual			2007-08 Revised			2008-09 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Operations	116	1.00	0.98	118	1.00	0.98	123	1.00	0.98
Water Resources	4			4			4		
Admin./CIP Mgt./Finance/Aviation	12	0.50	0.49	12	0.50	0.49	12	0.50	0.49
SROG	1			1			1		
Total	133	1.50	1.47	135	1.50	1.47	140	1.50	1.47

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide a safe and adequate domestic water supply to all residents 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)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Total Water Treatment Operating and Maintenance Cost	\$9,003,162	\$10,289,782	\$10,539,561	\$10,899,513
Number of customer accounts	42,100	42,129	42,454	42,800
Total gallons treated (Million Gallons)	17,340	17,900	17,638	17,900
Operating and Maintenance Cost per 1,000 gallons treated	\$0.50	\$0.57	\$0.59	\$0.61
Operating and Maintenance Cost per customer account	\$214.38	\$244.99	\$250.94	\$259.51

Related Strategic Issue: Public Safety and Neighborhood Quality of Life

Goal: To provide water of the highest quality to all residents

Objective: 1) To maintain 90% overall resident satisfaction with water service; (2) minimize the number of resident complaints related to water quality to 1% of total customer base in Tempe (1%/420 complaints); and 3) respond to those complaints within 24 hours 100% of the time

Measures	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Overall resident satisfaction with water service*	N/A	N/A	88%	90%
Taste and odor complaints	15	<420 (1%)	11	<420 (1%)
Hardness complaints	6	<420 (1%)	0	<420 (1%)
Other complaints	27	<2100 (5%)	22	<2100 (5%)
Response within 24 hours of the complaint	100%	100%	100%	100%

*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey.



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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 2008.45

A RESOLUTION DETERMINING AND ADOPTING
FINAL ESTIMATES OF PROPOSED EXPENDITURES
BY THE CITY OF TEMPE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2008, AND ENDING JUNE 30, 2009.
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 22, 2008, 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 22, 2008, at which meeting any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures, and


WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council set a property tax public hearing for June 5, 2008, and set an adoption date of June 19, 2008, to adopt the property tax rate, and

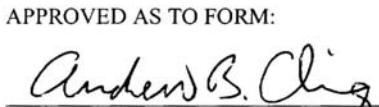
WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

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 2008-2009.

PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 5th day of June, 2008.


MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY


FINANCIAL SERVICES MANAGER



ORDINANCE NO. 2008.25

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, 2009.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2008-2009 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 of \$10,976,100, resulting in a tax rate of \$0.5070 per \$100 of assessed value. The primary tax levy amount is equal to the maximum 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.

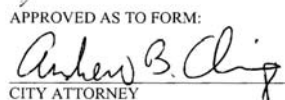
Section 7: The Clerk of the City is directed to transmit a certified copy of this ordinance to the County Assessor and Board of Supervisors of Maricopa County.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 19th day of June, 2008.


MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY


FINANCIAL SERVICES MANAGER



Summary Schedule of Estimated Revenue and Expenditures/Expenses

Fund	Adopted Budgeted Expenditures/ Expenses FY 2007-08	Unaudited Actual Expenditures/ Expenses FY 2007-08	Fund Balance/ Retained Earnings 7-1-2008	Direct Property Tax Revenue FY 2008-09
General	\$173,148,855	\$170,296,557	\$45,525,498	\$10,811,100
Special Revenue	83,885,434	81,988,985	62,032,893	165,000
Debt Service	17,513,497	15,556,608	27,073,322	23,726,547
Capital Projects	212,706,469	212,706,469	12,562,258	0
Enterprise	80,738,916	78,655,016	47,136,497	0
Total	\$567,993,171	\$559,203,635	\$194,330,468	\$34,702,647

Fund	Estimated Revenue Other than Property Taxes 2008-09	Proceeds From Other Financing Sources 2008-09	Interfund Transfers 2008-09		Total Financial Resources Available 2008-09	Budgeted Expenditures/ Expenses 2008-09
			In	(Out)		
General	\$173,388,760	\$2,128,085			\$231,853,443	\$186,327,945
Special Revenue	87,131,428			(20,391,942)	128,937,379	97,949,428
Debt Service	887,276		2,770,000		54,457,145	23,180,569
Capital Projects		141,169,344	18,301,482		172,033,084	168,033,325
Enterprise	70,555,646			(679,540)	117,012,603	88,981,541
Total	\$331,963,110	\$143,297,429	\$21,071,482	(\$21,071,482)	\$704,293,654	\$564,472,808

Expenditure Limitation Comparison

	2007-08	2008-09
1. Budgeted Expenditures/Expenses	<u>\$567,993,171</u>	<u>\$564,472,808</u>
2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items		
3. Less: Estimated Exclusions	(297,507,043)	(282,170,713)
4. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation	<u>270,486,128</u>	<u>282,302,095</u>
5. Expenditure Limitation*	\$270,486,128	\$282,302,095

* FY 2008-09 Estimate from the League of Arizona Cities and Towns.



Summary of Tax Levy and Tax Rate Information

	FY 2007-08*	Estimated FY 2008-09
1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		\$10,976,100
2. Amount Received from Primary Property Taxation in the 2007-08 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	10,371,221	10,976,100
B. Secondary Property Taxes	21,364,887	23,726,547
C. Total Property Tax Levy Amounts	\$31,736,108	\$34,702,647
4. Property Taxes Collected		
A. Primary Property Taxes		
1. 2007-08 Levy	\$10,371,221	
2. Prior Years' Levies		
3. Total Primary Property Taxes	10,371,221	
B. Secondary Property Taxes		
1. 2007-08 Levy	21,364,887	
2. Prior Years' Levies		
3. Total Secondary Property Taxes	21,364,887	
C. Total Property Taxes Collected	\$31,736,108	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	0.5105	0.5070
2. Secondary Property Tax Rate	0.8895	0.8930
3. Total City Tax Rate	\$1.4000	\$1.4000

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



Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2007-08	Estimated Revenue FY 2007-08*	Budgeted Revenue FY 2008-09
General Fund			
Local Taxes			
City Sales Tax	\$86,188,300	\$80,688,000	\$80,946,760
Hotel Bed Tax	3,267,200	3,359,838	3,405,200
Franchise Taxes	2,671,000	2,706,000	3,129,000
Licenses and Permits			
Business Licenses	1,200,650	1,202,250	1,337,250
Intergovernmental Revenue			
State Shared	41,303,000	39,156,094	40,681,200
Vehicle License Tax	7,193,600	6,848,266	7,278,111
Charges for Services	11,463,351	12,253,626	11,212,246
Fines and Forfeitures	7,271,553	7,004,308	9,397,789
Interest on Investments	5,424,874	7,500,000	6,939,071
Voluntary Contributions			
SRP In-Lieu Tax	542,500	542,500	569,600
Miscellaneous Revenue	2,670,282	2,594,025	2,670,282
Total General Fund	169,196,310	158,091,611	169,196,310
Special Revenue Funds			
Highway Users Revenue Fund			
Intergovernmental	12,497,060	11,484,090	11,818,077
Maintenance of Effort/Other		1,035,000	1,035,000
Barricading Fees			482,000
Miscellaneous Revenue		209,970	209,970
Total Highway Users Revenue Fund	12,497,060	12,729,060	13,545,047
Local Transportation Assistance Fund (LTAF)			
Intergovernmental	514,000	514,000	503,700
Total LTAF	514,000	514,000	503,700
Transit Fund			
Transit Tax	36,250,700	33,922,155	33,888,200
State Lottery Proceeds	253,100	253,100	248,100
ASU-Flash Transit	521,000	521,000	610,370
Interest Earned-Trust Investments	261,290	759,000	617,000
Federal and State Funding		5,979,000	14,937,583
Miscellaneous Revenue	7,381,324	1,342,535	2,772,473
Total Transit Fund	44,667,414	42,776,790	53,073,726



Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2007-08	Estimated Revenue FY 2007-08*	Budgeted Revenue FY 2008-09
Special Revenue Funds			
Rio Salado Fund			
City Sales Tax	692,800	800,000	800,000
Hotel Bed Tax		240,000	242,000
Interest on Investments		190,000	190,000
Miscellaneous Revenue	515,970	153,254	153,804
Total Rio Salado Fund	1,208,770	1,383,254	1,385,804
Performing Arts			
Performing Arts Tax	8,077,567	6,933,500	6,933,500
Fees and Admissions		350,000	421,500
Interest on Investments		415,165	241,956
Total Performing Arts Fund	8,077,567	7,698,665	7,596,956
Community Development Block Grant (CDBG)	2,314,184	2,324,057	2,169,428
Section 8 Housing	8,702,388	8,717,408	8,856,767
Total CDBG / Section 8 Funds	11,016,572	11,041,465	11,026,195
Total Special Revenue Funds	77,981,383	76,143,234	87,131,428
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	120,000	217,175	451,722
Golf	2,038,205	2,089,181	2,072,379
Water/Wastewater	50,751,164	50,751,164	53,041,440
Solid Waste	14,450,403	14,596,148	14,990,105
Total Enterprise Funds	67,359,772	67,653,668	70,555,646
TOTAL ALL FUNDS	\$315,424,741	\$307,384,178	\$331,963,110

* 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 2008-09	Interfund Transfers FY 2008-09	
		In	Out
General Fund	\$2,128,085		
Special Revenue Funds			
HURF/LTAF			(\$2,770,000)
Transit			(17,621,942)
Debt Service Fund		2,770,000	
Capital Projects Funds		18,307,482	
Bond/Note Proceeds	97,414,407		
CIP-Other Funding	43,754,937		
Total Capital Projects Funds	141,169,344	18,301,482	
Enterprise Funds			
Water/Wastewater			(679,540)
Total Enterprise Funds			(679,540)
TOTAL ALL FUNDS	\$143,297,429	\$21,071,482	(\$21,071,482)



Summary by Department of Expenditures/Expenses Within Each Fund

	Adopted Budgeted Expenditures/ Expenses FY 2007-08	Expenditure/ Expense Adjustments Approved FY 2007-08	Revised Expenditures/ Expenses FY 2007-08*	Budgeted Expenditures/ Expenses FY 2008-09
General Fund				
Mayor and Council	\$429,943		\$369,805	\$392,876
City Manager	363,884		273,047	336,240
Community Relations	2,977,457	\$(5,000)	2,893,401	2,987,173
Diversity Program	604,701	(16,159)	584,236	646,967
Internal Audit	500,620		491,389	510,867
City Clerk	734,318		734,123	824,487
City Court	4,140,201	111,888	4,216,309	4,516,196
Human Resources	3,261,368	279,527	3,517,424	3,296,547
City Attorney	3,163,681	19,674	3,163,587	3,240,493
Financial Services	4,639,581	(800)	4,535,338	4,643,787
Community Development	3,964,249	206,897	3,846,251	4,310,066
Development Services	6,833,694	18,480	6,589,366	6,562,339
Police	66,043,829	1,476,784	67,490,327	74,967,930
Fire	22,400,895	1,556,866	23,777,511	27,717,029
Community Services	14,639,346	58,000	14,049,287	14,860,592
Parks and Recreation	15,789,440	150,000	15,541,651	16,943,216
Public Works-General	9,807,148	458,126	10,067,483	10,679,281
Non-Departmental	9,274,500	(1,277,842)	8,156,022	7,605,859
Contingencies	3,580,000	(3,019,361)		1,286,000
Total General Fund	173,148,855	17,080	170,296,557	186,327,945
Special Revenue Funds				
Highway Users Revenue Fund	10,297,962	(7,830)	10,131,058	11,119,454
Transit	51,893,704	(630)	50,520,913	64,370,597
CDBG	2,314,184	(35,060)	2,242,554	2,169,428
Section 8 Housing	8,702,388		8,804,798	8,856,767
Rio Salado	2,078,346		1,698,845	2,467,828
Performing Arts	8,598,850	(4,800)	8,590,817	8,965,354
Total Special Revenue Funds	83,885,434	(48,320)	81,988,985	97,949,428
Debt Service Fund				
Debt Service	17,513,497		15,556,608	23,180,569
Total Debt Service Fund	17,513,497		15,556,608	23,180,569
Capital Project Funds				
All Capital Projects	212,706,469		212,706,469	168,033,325
Total Capital Project Funds	212,706,469		212,706,469	168,033,325
Enterprise Funds				
Water/Wastewater	63,890,154	(384,849)	62,010,472	71,242,018
Golf	2,078,836		2,027,004	2,108,511
Cemetery	389,084		332,877	385,303
Solid Waste	14,380,842		14,284,663	15,245,709
Total Enterprise Funds	80,738,916	(384,849)	78,655,016	88,981,541
Total All Funds	\$567,993,171	\$(416,089)	\$559,203,635	\$564,472,808

* 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.



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.

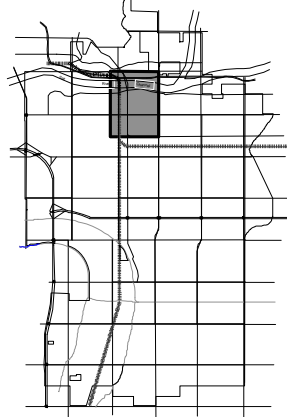
- **Proprietary Funds**

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.

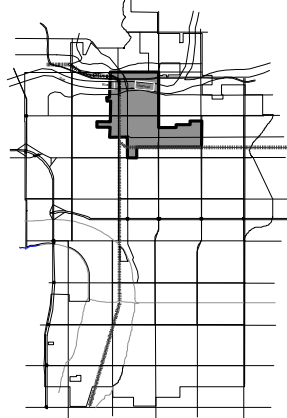


2007 City Limits

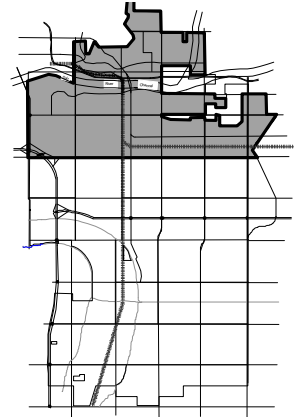
1893 - 1940



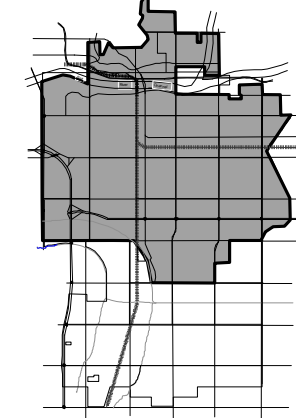
1950



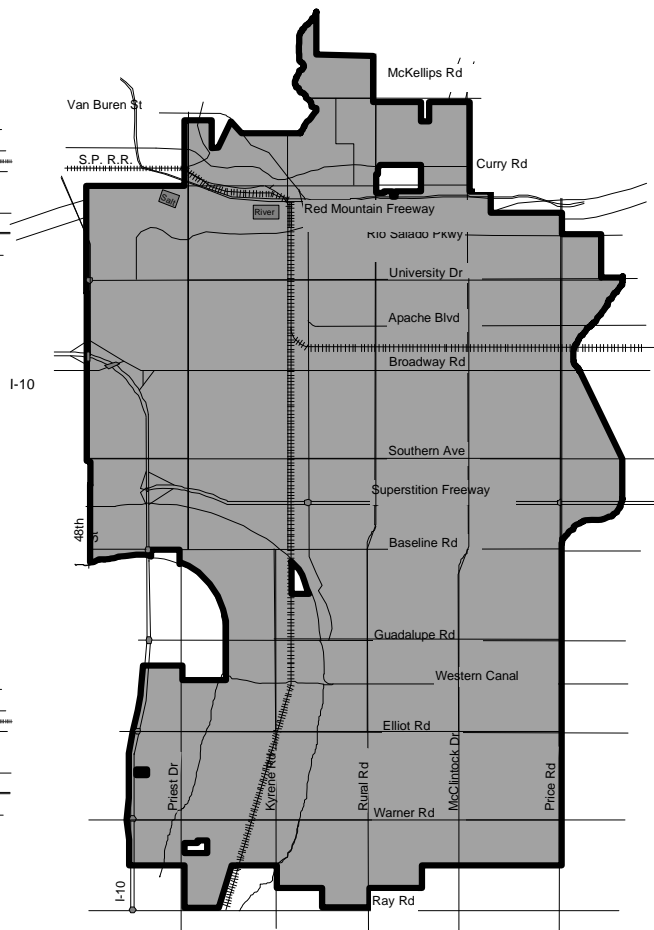
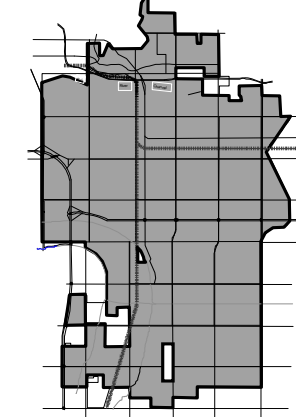
1960



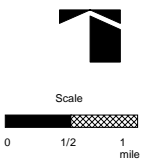
1970



1980



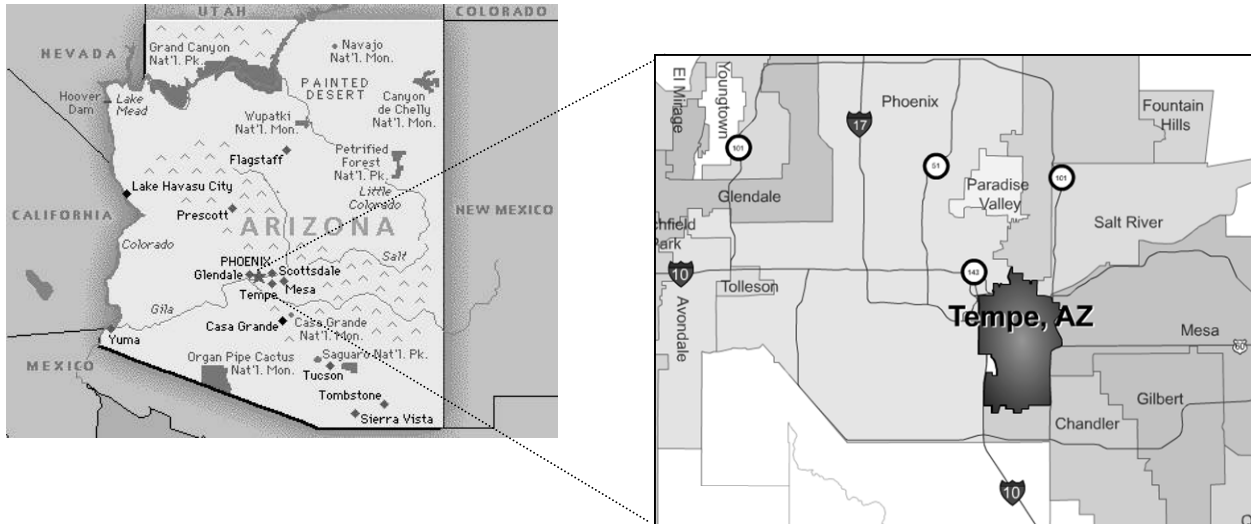
Year	Area	Year	Area	Year	Area
1893	1.0	1940	1.8	1975	36
1894	1.8	1950	2.6	1980	36
1900	1.8	1955	4.5	1985	38.5
1910	1.8	1960	17.5	1990	39.3
1920	1.8	1965	21.7	1995	39.8
1930	1.8	1970	25.3	2006	40.1





Map - Where is Tempe, Arizona?

Tempe is located in the Greater Phoenix area in Maricopa County, Arizona.



A Brief History of Tempe

Following the establishment of Fort McDowell on the eastern edge of central Arizona's Salt River Valley in 1865, enterprising farmers moved into the area. They dug out the irrigation canals left by the prehistoric Hohokam people and built new ones to carry Salt River water to their fields. Valley farms soon supplied food to Arizona's military posts and mining towns.

Date of Incorporation - November 26, 1894
Date Charter Adopted - October 19, 1964
Form of Government - Council - Manager

The first settlers to move to the Tempe area, south of the Salt River and east of Phoenix, were Hispanic families from southern Arizona. They helped construct the first two irrigation canals, the Kirkland-McKinney Ditch and the San Francisco Canal, and started small farms to the east and west of a large butte (Tempe Butte). In 1872, some of these Mexican settlers founded a town called San Pablo east of Tempe Butte.

Another settlement, known as Hayden's Ferry, developed west of Tempe Butte. Charles Trumbull Hayden, owner of a mercantile and freighting business in Tucson, homesteaded this location in 1870.

Within a few years, he had built a store and flourmill, warehouses and blacksmith shops, and a ferry. This community became the trade center for the south side of the Salt River Valley.



c. 1900 A horse-drawn carriage fording the Salt River near the butte

Both settlements grew quickly and soon formed one community. The town was named Tempe in 1879. "Lord" Darrell Duppa, an Englishman who helped establish Phoenix, is credited with suggesting the name. The sight of the butte and the wide river, and the nearby expanse of green fields, reminded him of the Vale of Tempe in ancient Greece.

As more farmers came to settle in the Valley and started raising alfalfa and grains for feeding livestock, the Tempe Irrigating Canal Company provided all of necessary water. With a network of canals that extended several miles south of the river, irrigation water was carried to more than 20,000 acres of prime farmland. Crops of wheat, barley, and oats ensured a steady business for the Hayden Mill. The milled flour was hauled to forts and other settlements throughout the territory. By the 1890s, some farmers started growing new cash crops such as dates and citrus fruits.



*1898 Territorial Normal School
Class of 1898 on steps of Old Main*

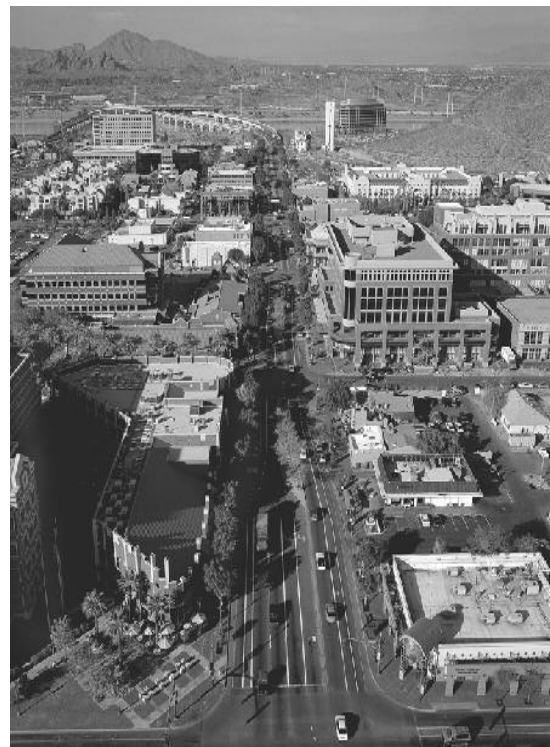
applauded the accomplishments of the people of central Arizona and predicted that their towns would grow to become prosperous cities. Less than a year later, Arizona became the 48th state, and the Salt River Valley was well on its way to becoming the new population center of the Southwest.

Tempe was a small agricultural community through most of its history. After World War II, Tempe began growing at a rapid rate as veterans and others began moving to the city. The last of the local farms quickly disappeared. Through annexation, the city reached its current boundaries by 1974. Tempe had grown into a modern city. The town's small teachers college had also grown, and in 1958, the institution became Arizona State University.

Tempe's commercial center along Mill Avenue declined during these years. Prompted by Tempe's centennial in 1971, Mill Avenue was revitalized into an entertainment and shopping district that attracts people from throughout the Valley. Currently, Tempe is the eighth largest city of the State, with a strong modern economy based on commerce, tourism, and electronics manufacturing.

In 1885, the Arizona legislature selected Tempe as the site for the Territorial Normal School, which trained teachers for Arizona's schools. Soon, other changes in Tempe promoted the development of the small farming community. The Maricopa and Phoenix Railroad, built in 1887, crossed the Salt River at Tempe, linking the town to the nation's growing transportation system. The Tempe Land and Improvement Company was formed to sell lots in the booming town. Tempe became one of the most important business and shipping centers for the surrounding agricultural area.

The completion of Roosevelt Dam in 1911 guaranteed enough water to meet the growing needs of Valley farmers. On his way to dedicate the dam, former President Theodore Roosevelt



Downtown Tempe today



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.



Job Growth

- Workforce age 16+: 91,300 Tempe residents
- Workforce in Tempe: 175,000
- Tempe Management/Executive positions: 36%
- Tempe mean travel time to work: 21 minutes

<i>Industry</i>	<i># Tempe Residents Employed</i>
Professional, Scientific, and Information Services	11,000
Construction	6,254
Manufacturing	7,536
Retail Trade	11,100
Transportation, Warehousing, Utilities and Wholesale	6,600
Finance and Insurance, and Real Estate and Rental and Leasing	9,000
Education and Health Care	19,665
Arts, Tourism and Hospitality	17,750
Public Administration	15,750
Business Owners	4,129

Quality of Life

Special Events

- More than 150 special events throughout the City annually
- Tempe Music Festival brings a weekend of world-renowned acts to Tempe Town Lake
- Spring and Fall Festival of the Arts -- Juried outdoor art shows with more than 300 artists and 300,000 art lovers
- Insight Bowl and Block Party -- 150,000 people come for football and New Year's Eve revelry
- New Times 10K -- the state's largest 10K with 12,000 running along Tempe Town Lake and Mill Avenue
- Fourth of July -- Largest celebration in state; fireworks over Tempe Town Lake draw 100,000 plus





Sports

- Tempe Diablo Stadium -- Spring Training Baseball home for Anaheim Angels
- Sun Devil Football and other Arizona State University sports
- Minutes away from Phoenix Suns Basketball, Diamondbacks Baseball, Phoenix Coyotes Hockey and Cardinals Football
- Ironman Arizona, PF Chang Rock-N-Roll Marathon and many other pro-am sporting events



Parks and Golf Courses

- 50 parks and sports complexes in 40 square miles
- 1,550 acres of park and open space
- Papago Park is one of the nation's largest natural parks
- Town Lake offers five miles of water recreation and park land in Tempe's downtown
- Four golf courses, including ASU Karsten, a Pete Dye championship course

Two municipal golf courses

Rounds of Play:

Ken McDonald	69,996
Rolling Hills	56,513

Entertainment and Culture

- Tempe Center for the Arts -- concerts, plays, gallery shows and special events
- Edna Vihel Cultural Center for community art classes
- Tempe Improv for nationally known comedians
- Tempe Historical Museum, Arizona Historical Museum, Pederson House Museum offer examples of life in Tempe and around the state
- Nelson Fine Arts Center, Ceramics Research Center, Mars Space Flight Facility and Center for Meteorite Studies are among the 30 galleries and museums at ASU
- Marquee Theatre for popular concerts and new music
- ASU Gammage offers Broadway shows and famous speakers

Shopping

- Tempe Marketplace -- 175 shops and restaurants with free live music on weekends
- Mill Avenue District -- Historic Mill Avenue offers authentic urban experiences with shops and restaurants
- Arizona Mills Mall -- Indoor outlet mall with 175 stores and restaurants, including IMAX and Gameworks
- Emerald Center Shops and IKEA -- Home furnishings-based retail corridor



Transportation Network

Freeways

- Six freeways connect Tempe including Loop 202, Loop 101, Interstate 10, I-143, I-153 and US 60
- More than 1.1 million cars use Tempe's freeways daily according to the Maricopa Association of Governments

Bus Service

- Lines run every day, with 15-minute, peak-period service
- Most routes run until 1 a.m. Monday through Saturday, and until 10 p.m. Sunday bus service connects with routes in Mesa, Chandler, Scottsdale and Phoenix
- Free Orbit system uses mini buses to serve residential areas and connect them to shopping centers, major bus routes, schools and businesses



Light Rail

- 20-mile line connects Tempe to downtown Phoenix and west Mesa
- Light rail bridge over Town Lake displays a colorful LCD light show when trains cross
- Nine Tempe stops include ASU, business districts, Mill Avenue District, Tempe Town Lake, Apache Boulevard and Papago Park Center
- Bus service connects to light rail stations and creates a seamless valley-wide transit system

Bicycling

- Named a Bicycle Friendly Community by the League of American Bicyclists
- More than 150 miles of bike paths in Tempe

Education

Primary and Secondary Education

- 7 public high schools
- 4 public middle schools
- 18 public elementary schools
- Tempe schools have among the state's best test scores
- Private school opportunities exist with Tempe Preparatory Academy and a variety of parochial and charter schools

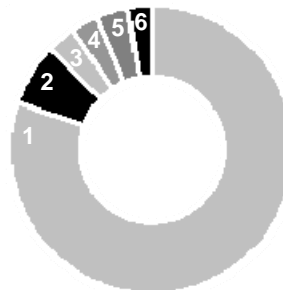


Arizona State University

- Tempe is home to the main campus of Arizona State University
- 51,000 students and 12,000 employees
- Bachelors, Masters and Ph.D. programs available
- Areas of specialty include: Barrett Honors College, College of Design, College of Education, Ira A. Fulton School of Engineering, College of Law, College of Liberal Arts and Sciences, College of Nursing, College of Public Programs, Division of Undergraduate Academic Services (DUAS), Herberger College of Fine Arts, and the W.P. Carey School of Business

Demographics of Tempe

Population 166,000
 With Bachelor's Degree or higher 38.4%
 With Master's Degree 17%
 Median Age 28.1
 Median Income (age 25+) \$60,800
 Average Home Value \$270,000



Tempe By Race

1 White	80.2%
2 Asian	6.9%
3 African American	3.5%
4 American Indian	3.0%
5 Other	3.6%
6 2 or more races	2.8%



OTHER DEMOGRAPHICS

Area – Square Miles

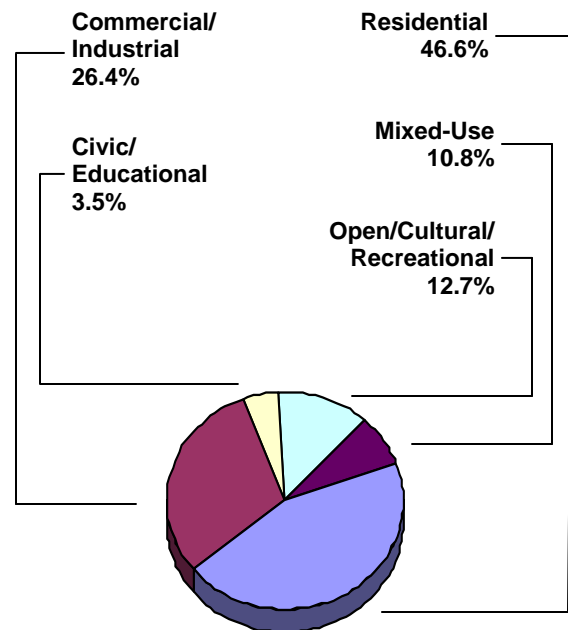
2008	40.1	1990	39.3
2005	40.0	1980	38.1
1999	39.8	1970	25.3
1993	39.6	1960	17.5
1992	39.3	1950	2.7
1991	39.3		

Land Use (2007)(%)

Residential	46.6%
Commercial/Industrial	26.4%
Open/Cultural/Recreational	12.7%
Mixed-Use	10.8%
Civic/Educational	3.5%

Population

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)

	Number	Value (\$000)
2007	1,563	471,370
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
2000	1,497	304,881
1999	1,940	273,774
1998	1,891	377,958
1997	2,624	463,336

Elections (2008)

Registered voters	Primary	69,405
	General	69,698
Voter Turnout	Primary	15,763
	General	15,710
% Voting	Primary	23%
	General	23%

**OTHER DEMOGRAPHICS (Continued)****School Registration**

Tempe Elementary District	13,800
Tempe Union High School District	13,406
ASU (Fall 2007) Tempe Campus	51,481

Major Employers

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 Corporation	1,000
Financial & Credit Services Group	914
Wilson Electric	850

Employment Trends Employment Trends

	Employment	Unemployment Rate
2007	118,984	2.8%
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%

Occupational Composition (%)

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 (%)

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

Primary	0.5070
Secondary	0.8930
Total	\$1.4000

% 2007-08 Secondary Assessed Value

Largest Property Taxpayers

Arizona Mills LLC	1.39%
Quest Corporation	1.34%
Arizona Public Service Company	1.06%
Wells Fargo Bank N A	1.02%
Tempe Fountainhead Corporate LLC	0.70%
Freescale Semiconductor, Inc.	0.66%
State Farm Mutual Automobile Insurance Company	0.59%
Target Corporation T-9420	0.46%
Safeway, Inc.	0.46%
Tempe Commerce Park	0.42%

City Sales Tax 1.8%

Bond Rating

Fitch	AAA
Standard and Poor's	AAA
Moody's	Aa1

Police

Sworn Personnel	354
Non-Sworn Personnel	219
Total	573

Avg. Emergency Response Time (min.)	5:00
Crime Index (CY 2007)	12,407
Part I Crime Per 1,000 Capita (CY 2007)	74

Fire

Sworn Personnel	158
Non-Sworn Personnel	22
Total	180

Fire Stations	6
Avg. Emergency Response Time (min.)	4:22
Response to emergency medical incidents	13,255
Total number of calls	17,927

Solid Waste

Residential Accounts Serviced	32,964
Commercial Accounts Serviced	1,870
Solid Waste Collected (tons)	166,992

Water/Wastewater

Active Accounts Serviced	42,800
Water Treated and Distributed (billions of gallons)	17.9
Sanitary Sewers (miles)	549



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 2008-09)		Million \$
Phoenix	1,475,834	Phoenix		3,151.4
Mesa	448,096	Chandler		1,202.3
Glendale	242,369	Mesa		985.6
Scottsdale	234,752	Scottsdale		569.5
Chandler	230,845	Glendale		533.1
Gilbert	173,072	Gilbert		518.0
Tempe	165,796	Tempe		396.4
Peoria	138,143	Peoria		339.5

Property Tax (as of July 1, 2008)		(per \$100 assessed Value)	Incorporated City Limits		sq. miles
Phoenix		\$1.82	Phoenix		515.0
Glendale		1.60	Scottsdale		185.0
Peoria		1.44	Peoria		170.5
Tempe		1.40	Mesa		132.7
Chandler		1.18	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, 2008)	
Glendale	2.20%
Phoenix	2.00%
Peoria	1.80%
Tempe	1.80%
Mesa	1.75%
Scottsdale	1.65%
Chandler	1.50%
Gilbert	1.50%

Personnel Summary



Department	2006-07 Actual			2007-08 Budget			2007-08 Revised			2008-09 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		4	0.50		4	0.50	
Internal Audit	4			4			4			4		
Community Relations	18		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	36	0.65	4.20	36	0.65	4.20	41	0.65	4.20	41	0.65	4.20
City Attorney	27	1.75	0.62	27	1.75	0.62	27	1.75	0.62	27	1.75	0.62
Financial Services	70	0.50	1.25	70	0.50	1.25	70	0.50	1.25	71	0.50	1.25
Human Resources	20	0.50		20	0.50		22	0.50	2.00	23	0.50	
Information Technology	73			73			76			76		
Development Services	59		3.86	59		3.86	59		3.86	58		3.86
Police	524		6.25	557	0.50	9.25	567	0.50	9.25	573	0.50	6.25
Fire	159	1.00		159	1.00		186	1.00		186	1.00	
Community Services	113	7.65	113.14	106	10.65	113.14	106	10.65	113.14	107	10.65	114.54
Parks and Recreation	128	2.00	78.03	128	2.00	78.03	129	1.25	78.03	129	1.25	79.82
Community Development	54		6.49	54		8.09	54		8.09	54		8.09
Public Works	299	2.00	6.48	319	2.00	2.48	319	2.00	2.48	324	2.00	4.48
Water Utilities	133	1.50	1.47	135	1.50	1.47	135	1.50	1.47	140	1.50	1.47
Sub Total	1,734	18.05	224.70	1,782	21.55	225.30	1,831	20.80	227.30	1,849	20.80	227.49
Total Personnel		1,976.75			2,028.85			2,079.10			2,097.29	

The number of full-time employees for FY 2008-09 totals 2,097.29 full-time equivalents (FTE), including 1,849 full-time, 20.88 permanent full-time equivalents, and 227.49 temporary full-time equivalent employees. This total translates to a 3.4% increase over the 2,028.85 full-time equivalents budgeted in FY 2007-08.

Public Works and Police personnel account for over 43% of the total work force, representing a total of 910.23 full-time equivalents in FY 2008-09.

Personnel Schedules



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1110	MAYOR & COUNCIL					
	Mayor	99	1	1	1	1
	Vice Mayor	98	1	1	1	1
	Council Member	98	5	5	5	5
	Mayor & Council Department Total Full-Time		7	7	7	7
1210	CITY MANAGER					
	City Manager	103	1	1	1	1
	Asst City Mgr	180	1	1	1	1
	Sr Exec Asst City Admin+	38	1	1	1	1
	Administrative Intern*		0.50	0.50	0.50	0.5
	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 Mgr	164	1	1	1	1
	Diversity Specialist	45	1	1	1	1
	Diversity Dept Liaison	41	0	0	1	1
	Administrative Assistant II+	22	1	1	1	1
	ADA Compliance Specialist**		0.50	0.50	0.50	0.50
	Diversity Department Total Full-Time		3	3	4	4
	Diversity Department Total Perm FTE**		0.50	0.50	0.50	0.50
1213	INTERNAL AUDIT					
	Internal Audit Mgr	164	1	1	1	1
	Internal Auditor	46	2	2	2	2
	Contract Administrator	39	1	1	1	1
	Internal Audit Department Total Full-Time		4	4	4	4
1219	COMMUNITY RELATIONS					
	Administration					
	Community Relations Mgr	169	1	1	1	1
	Mayor's Chief of Staff	162	1	1	1	1
	Sr Exec Asst City Admin+	38	2	2	2	2
	Sr Mayoral/City Council Aide+	38	4	4	4	4
	Administrative Assistant I+	15	1	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		9	9	9	9
	Total Temp FTE*		0.98	0.98	0.98	0.98



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1214	Communication & Media Relations					
	Comm and Media Relations Dir	160	1	1	1	1
	Media Svcs Admin	50	1	1	1	1
	Community Relations Coord	41	2	2	2	2
	Media Svcs Producer II+	38	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					
	Neighbor Program Dir	157	1	1	1	1
	Neighborhood Svcs Spec	44	1	1	1	1
	Total Full-Time		2	2	2	2
1216	Government Relations					
	Government Relations Dir	163	1	1	1	1
	Total Full-Time		1	1	1	1
	Community Relations Department Total Full-Time		18	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
	Dep City Clerk	44	0	0	1	1
	Executive Assistant	32	3	3	2	2
	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 Mgr	159	1	1	1	1
	City Judge	104	2	2	2	2
	Court Commissioner	56	0	1	1	1
	Dep Court Manager	52	2	2	2	2
	Hearing Officer	45	2	1	1	1
	Court Svcs Supvr	36	1	1	1	1
	Court Training Coord	35	1	1	1	1
	Court Interpreter	30	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		11	11	11	11
	Total Perm FTE**		0.65	0.65	0.65	0.65



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1411	Criminal Division					
	Court Svcs Supvr	36	1	2	2	2
	Court Svcs Spec II+	24	8	8	9	9
	COE*		2.10	2.10	2.10	2.10
	Total Full-Time		9	10	11	11
	Total Temp FTE*		2.10	2.10	2.10	2.10
1412	Civil Division					
	Court Svcs Supvr	36	3	2	2	2
	Lead Court Svcs Spec	28	0	0	1	1
	Court Svcs Spec II+	24	13	13	16	16
	COE*		2.10	2.10	2.10	2.10
	Total Full-Time		16	15	19	19
	Total Temp FTE*		2.10	2.10	2.10	2.10
	City Court Department Total Full-Time		36	36	41	41
	City Court Department Total Perm FTE**		0.65	0.65	0.65	0.65
	City Court Department Total Temp FTE*		4.20	4.20	4.20	4.20

CITY ATTORNEY

1710	Legal Services					
	City Attorney	102	1	1	1	1
	Dep City Attorney	169	2	2	2	2
	Sr Asst City Attorney	63	1	1	1	1
	Police Legal Advisor	63	1	1	1	1
	Asst City Attorney	305	9	9	9	9
	Paralegal II+	35	1	1	1	1
	Sr Exec Asst City Admin+	38	1	1	1	1
	Administrative Support Supvr	34	1	1	1	1
	Paralegal I+	31	1	1	1	1
	<i>(1 position 60% funded by General Fund / 40% by Victim's Rights Grants)</i>					
	Legal Specialist II+	26	1	1	1	1
	Legal Assistant	25	5	5	5	5
	Paralegal**	31	0.75	0.75	0.75	0.75
	Assistant City Attorney**		1.00	1.00	1.00	1.00
	Law Intern*		0.62	0.62	0.62	0.62
	Total Full-Time		24	24	24	24
	Total Perm FTE**		1.75	1.75	1.75	1.75
	Total Temp FTE*		0.62	0.62	0.62	0.62



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3115	City Attorney/Water					
	Sr Asst City Attorney	63	1	1	1	1
	Asst City Attorney	305	1	1	1	1
	Legal Specialist II+	26	1	1	1	1
	Total Full-Time		3	3	3	3
	City Attorney Department Total Full-Time		27	27	27	27
	City Attorney Department Total Perm FTE**		1.75	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 Svcs Mgr	172	1	1	1	1
	Executive Assistant	32	1	1	1	1
	Total Full-Time		2	2	2	2
1812	Budget					
	Dep Financial Svcs Mgr	163	1	1	1	1
	Lead Budget & Finance Analyst	50	1	1	1	1
	Sr Budget & Finance Analyst+	47	2	2	2	2
	Total Full-Time		4	4	4	4
2621	Risk Management					
	Risk Mgr	54	1	1	1	1
	Safety & Risk Coord	46	1	1	1	1
	Risk Mgmt Claims Adjuster	40	1	1	1	1
	Risk Mgmt Spec	26	1	1	1	1
	Administrative Assistant II**	22	0.50	0.50	0.50	0.50
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.50	0.50	0.50	0.50
1831	Accounting					
	Controller	58	1	1	1	1
	Accounting Supvr	48	1	1	1	1
	Cash Mgmt Analyst	44	1	1	1	1
	Payroll Supervisor	41	1	1	1	1
	Accountant	37	1	1	1	1
	Payroll Specialist	31	1	1	1	1
	Financial Svcs Tech II+	24	4	4	4	4
	Accounting Assistant*		0.63	0.63	0.63	0.63
	Total Full-Time		10	10	10	10
	Total Temp FTE*		0.63	0.63	0.63	0.63



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1832	Tax and Licensing					
	Tax & License Admin	54	1	1	1	1
	License & Collections Supvr	46	1	1	1	1
	Tax Audit Supvr	46	1	1	1	1
	Tax Auditor II+	38	5	5	5	5
	Rental Property Specialist	34	0	0	0	1
	Specialty Licenses Coord	36	1	1	1	1
	Tax Analyst	31	1	1	1	1
	Revenue Compliance Officer II+	31	3	3	3	3
	Financial Svcs Tech II+	24	4	4	4	4
	Total Full-Time		17	17	17	18
1841	Customer Services					
	Dep Financial Svcs Mgr	163	1	1	1	1
	Customer Svcs Administrator	54	1	1	1	1
	Customer Svcs Office Supvr	40	1	1	1	1
	Customer Svcs Field Supvr	38	1	1	1	1
	Sr Financial Svcs Tech	27	0	1	1	1
	Financial Svcs Tech II+	24	9	8	8	8
	Water Meter Reader II+	21	7	7	7	7
	Water Meter Reader I+	17	1	1	1	1
	Total Full-Time		21	21	21	21
1851	Central Services/Purchasing					
	Central Svcs Administrator	56	1	1	1	1
	Procurement Officer	42	3	3	3	3
	Financial Svcs Tech II+	24	3	3	3	3
	Administrative Assistant II+	22	1	1	1	1
	Unclassified Temporary-Office*		0.62	0.62	0.62	0.62
	Total Full-Time		8	8	8	8
	Total Temp FTE*		0.62	0.62	0.62	0.62
1852	Central Services/Duplicating & Supplies					
	Reprographics Supvr	26	2	2	2	2
	Reprographics Operator	19	1	1	1	1
	Distribution Clerk	13	1	1	1	1
	Total Full-Time		4	4	4	4
Financial Services Department Total Full-Time			70	70	70	71
Financial Services Department Total Perm FTE**			0.50	0.50	0.50	0.50
Financial Services Department Total Temp FTE*			1.25	1.25	1.25	1.25



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
HUMAN RESOURCES						
1911	Human Resources -Administration					
	HR Mgr	170	1	1	1	1
	Dep HR Mgr	163	1	1	1	1
	HR Administrator	58	1	1	1	1
	Employee Benefits Admin	57	1	1	1	1
	Sr HR Analyst+	46	4	4	4	5
	Benefits Prog Coord	41	1	1	1	1
	HR Spec	35	1	1	2	2
	Executive Assistant	32	1	1	1	1
	Benefits Specialist	30	1	1	1	1
	HR Tech II+	30	4	4	5	5
	Human Resources Technician I/II+**	30	0.50	0.50	0.50	0.50
	Sr HR Analyst+*	46	0	0	1	0
	Administrative Assistant II+*	22	0	0	1	0
	Total Full-Time		16	16	18	19
	Total Perm FTE**		0.50	0.50	0.50	0.50
	Total Temp FTE*		0	0	2	0
1920	Tempe Learning Center					
	Org Development Administrator	57	1	1	1	1
	Performance Mgmt Designer	43	1	1	1	1
	Sr Learning & Org Dev Assoc	41	2	2	2	2
	Total Full-Time		4	4	4	4
	Human Resources Department Total Full-Time		20	20	22	23
	Human Resources Department Total Perm FTE**		0.50	0.50	0.50	0.50
	Human Resources Department Total Temp FTE*		0.00	0.00	2.00	0.00
INFORMATION TECHNOLOGY						
1981	Information Technology/Administration					
	Information Technology Manager	169	1	1	1	0
	Deputy Information Tech Manager	161	2	2	2	0
	Executive Assistant	30	1	1	1	0
	Total Full-Time		4	4	4	0
1982	Information Technology/Customer Support					
	PC Services Supervisor	51	1	1	1	0
	Sr. PC Services Consultant	45	2	2	2	0
	PC Services Consultant I/II+	39	5	5	5	0
	Total Full-Time		8	8	8	0



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1983	Information Technology/Technical Services					
	Systems and Network Supervisor	54	1	1	1	0
	Data Center & Network Operations Supervisor	52	1	1	1	0
	Sr. Enterprise Network Engineer	51	1	1	2	0
	Sr. Tech Support Analyst	51	2	2	2	0
	Enterprise Network Engineer I/II+	49	5	5	5	0
	Technical Support Analyst	45	4	4	4	0
	Production Control Coordinator	37	1	1	1	0
	Sr. Data Center Support Specialist	30	1	1	1	0
	Data Center Support Specialist	26	3	3	3	0
	Total Full-Time		19	19	20	0
1984	Information Technology/Application Services					
	Applications Supervisor	55	1	1	1	0
	IT Project Coordinator	53	1	1	1	0
	Business Analyst	52	8	8	8	0
	<i>(1 position funded by Water/Wastewater)</i>					
	Database Administrator	51	3	3	3	0
	Webmaster	51	2	2	2	0
	IT Support Analyst Supervisor	51	1	1	1	0
	Sr. Programmer Analyst	50	10	10	11	0
	<i>(1 position funded by Water/Wastewater)</i>					
	Programmer Analyst I/II+	46	5	5	5	0
	<i>(1 position funded by Water/Wastewater)</i>					
	IT Training Coordinator	44	1	1	1	0
	IT Support Analyst I/II+	35	5	5	5	0
	Total Full-Time		37	37	38	0
1985	Information Technology/Telecommunications					
	Telecommunications Operations Supervisor	43	1	1	1	0
	Sr. Management Assistant	38	1	1	1	0
	Sr. Communication Network Technician	34	1	1	1	0
	Lead Enterprise Network Engineer	45	0	0	1	0
	Communication Network Technician	31	2	2	2	0
	Total Full-Time		5	5	6	0
1991	Administration					
	IT Mgr	171	0	0	0	1
	Dep IT Mgr	163	0	0	0	2
	Sr Mgmt Asst	45	0	0	0	1
	Executive Assistant	32	0	0	0	1
	Total Full-Time		0	0	0	5



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
1992	PC Services					
	PC Svcs Supvr	52	0	0	0	1
	Sr PC Svcs Conslt	48	0	0	0	2
	PC Svcs Consultant II+	42	0	0	0	5
	Total Full-Time		0	0	0	8
1993	Network Operations					
	Network Ops Supvr	56	0	0	0	1
	Sr Enterprise Network Eng	54	0	0	0	2
	Enterprise Network Eng II+	49	0	0	0	5
	Lead Enterprise Network Tech	45	0	0	0	1
	Enterprise Network Tech II+	36	0	0	0	3
	Total Full-Time		0	0	0	12
1994	Application Services					
	Applications Dir	57	0	0	0	1
	IT Support Analyst Supvr	56	0	0	0	1
	Business Analyst	55	0	0	0	8
	<i>(1 position funded by Water/Wastewater)</i>					
	IT Project Mgr	54	0	0	0	2
	Database Administrator	53	0	0	0	3
	Webmaster	53	0	0	0	2
	Sr Programmer Analyst	52	0	0	0	11
	<i>(1 position funded by Water/Wastewater)</i>					
	Programmer Analyst II+	48	0	0	0	5
	<i>(1 position funded by Water/Wastewater)</i>					
	IT Trng Coord	44	0	0	0	1
	IT Support Analyst II+	37	0	0	0	4
	Total Full-Time		0	0	0	38
1995	System Administration					
	Systems Admin Supvr	55	0	0	0	1
	Sr Technical Support Analyst	51	0	0	0	2
	Technical Support Analyst II+	48	0	0	0	4
	Total Full-Time		0	0	0	7
1996	Data Center & Network Operations					
	Sr Data Center Support Spec	32	0	0	0	1
	Data Center Support Spec	28	0	0	0	3
	Production Control Coord	39	0	0	0	1
	Data Center & Net Ops Supvr	54	0	0	0	1
	Total Full-Time		0	0	0	6
Information Technology Department Total Full-Time			73	73	76	76



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
DEVELOPMENT SERVICES						
2710	Development Services - Administration					
	Development Svcs Mgr	172	1	1	1	1
	Management Assistant II+	41	1	1	1	1
	Executive Assistant	32	1	1	1	1
	Total Full-Time		<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
2721	Building Safety and Permits					
	Dep Dev Svcs Mgr-Bldg Safe Per	164	1	1	1	1
	Plan Review Administrator	54	1	1	1	1
	Bldg Inspection Admin	51	1	1	1	1
	Development Project Coord	49	1	1	1	1
	Sr Plan Check Engineer+	45	6	6	6	6
	Sr Bldg Inspector	45	1	1	1	1
	Management Assistant II+	41	0	0	1	0
	Bldg Code Complaint Invest	42	1	1	1	1
	Plans Examiner	40	1	1	1	1
	Permit Center Supervisor	41	1	1	1	1
	Bldg Inspector II+	40	8	8	8	8
	Code Inspector II+	33	1	1	1	1
	Development Svcs Spec II+	28	6	6	6	6
	Administrative Assistant II+	22	5	5	4	4
	Building Inspector I/II+ *		2.00	2.00	2.00	2.00
	Total Full-Time		<u>34</u>	<u>34</u>	<u>34</u>	<u>33</u>
	Total Temp FTE*		<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
2731	Planning					
	Dep Dev Svcs Mgr-Planning	165	1	1	1	1
	Code Enforcement Administrator	54	0	0	1	1
	Principal Planner	53	2	2	2	2
	Sr Planner	45	7	7	6	6
	Planner II+	42	5	5	5	5
	Sr Code Inspector Spec	38	1	1	1	1
	Code Inspector II+	33	3	3	3	3
	Administrative Assistant II+	22	3	3	3	3
	COE*		1.86	1.86	1.86	1.86
	Total Full-Time		<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>
	Total Temp FTE*		<u>1.86</u>	<u>1.86</u>	<u>1.86</u>	<u>1.86</u>
Development Services Department Total Full-Time			59	59	59	58
Development Services Department Total Temp FTE*			3.86	3.86	3.86	3.86



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
POLICE						
2210	Office of the Chief					
	Police Chief	176	1	1	1	1
	Assistant Police Chief	166	0	0	1	1
	Fiscal/Research Administrator	54	1	1	1	1
	Police Plan & Research Supvr	46	0	1	1	1
	Tactical Intel Crime Anlys Supvr	46	0	0	1	1
	Sergeant	44	0	0	1	1
	Management Assistant II+	41	2	2	2	2
	Community Affairs Spec	41	0	0	1	1
	Police Officer	36	0	0	1	1
	Crime Analyst II	40	3	4	4	4
	Executive Assistant	32	1	1	1	1
	Alarm Coordinator	31	1	1	1	1
	Administrative Assistant II+	22	3	3	3	3
	Crime AnalysisTech	24	1	1	1	1
	Total Full-Time		13	15	20	20
2222	RICO					
	Police Officer - CIB Detective	36	1	1	1	1
	Total Full-Time		1	1	1	1
2231	Detention Facility					
	Detention Deputy Administrator		0	0	1	1
	Detention Admin	45	1	1	1	1
	Detention Supervisor	36	6	6	6	6
	Police Property Supervisor	33	1	0	0	0
	Detention Officer+	25	20	24	24	24
	Police Property Technician	21	6	0	0	0
	<i>(1 position funded through December 2006)</i>					
	Detention Officer Trainee	18	4	0	0	0
	<i>(Positions funded through December 2006)</i>					
	Total Full-Time		38	31	32	32
2232	Communications Bureau					
	Communications Deputy Administrator		0	0	1	1
	Communications Administrator	49	1	1	1	1
	Communications Supervisor	39	6	6	6	6
	Communications Dispatcher II	29	36	37	37	37
	Administrative Assistant II+	22	0	1	1	1
	Police Communications Dispatcher I/II+*		0	3	3	0
	<i>(3.0 FTE positions funded for FY07/08)</i>					
	Total Full-Time		43	45	46	46
	Total Tempe FTE*		0	3	3	0



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2233	Records Bureau					
	Technical Svcs Bureau Admin	56	1	1	1	1
	Police Records Section Admin	44	0	0	1	1
	Police Records Supvr	34	3	3	3	3
	Administrative Assistant II+	22	1	1	1	1
	Records Clerk II	21	15	17	17	17
	Records Clerk I	17	8	8	8	8
	COE*		1.00	1.00	1.00	1.00
	Total Full-Time		28	30	31	31
	Total Temp FTE*		1.00	1.00	1.00	1.00
2235	Identification Unit					
	Identification Supervisor	48	1	1	1	1
	Identification Technician	37	5	5	5	5
	Fingerprint Technician	26	2	2	2	2
	Total Full-Time		8	8	8	8
2236	Crime Prevention					
	Sergeant	44	1	1	1	1
	Police Officer	36	4	4	4	4
	Crime Prevention Spec	31	0	0	0	2
	Crime Free Multi-Housing Coordinator	30	1	1	1	0
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		7	7	7	8
2239	Homeland Security					
	Commander	60	0	0	1	1
	Sergeant	44	0	0	1	1
	Police Officer	36	0	0	3	3
	Total Full-Time		0	0	5	5
2241	Investigations/Criminal Investigations					
	Assistant Police Chief	166	1	1	1	1
	Commander	60	1	1	1	1
	Sergeant	44	6	7	7	9
	Police Officer	36	38	40	41	41
	Administrative Support Supvr	34	1	1	1	1
	Community Service Officer	25	3	3	3	3
	Investigative Assistant	25	3	3	3	3
	Administrative Assistant II+	22	1	1	1	1
	COE*		1.26	1.26	1.26	1.26
	Total Full-Time		54	57	58	60
	Total Temp FTE*		1.26	1.26	1.26	1.26



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2242	Investigations/Traffic Investigations					
	Commander	60	1	1	0	0
	Lieutenant	54	0	0	1	1
	Sergeant	44	5	5	5	5
	Police Officer	36	24	24	23	23
	Community Service Officer	25	1	2	0	0
	Administrative Assistant II+	22	2	2	2	2
	Traffic Enforcement Aide	16	7	7	7	7
	Administrative Assistant I/II+**	20	0.00	0.50	0.00	0.00
	Total Full-Time		40	41	38	38
	Total Perm FTE**		0.00	0.50	0.00	0.00
2243	SEU					
	Commander	60	1	1	1	1
	Sergeant	44	5	5	5	5
	Police Officer	36	23	23	21	21
	<i>(1 position is a Senior Intelligence Officer)</i>					
	Criminal Intelligence Analyst	38	1	1	1	1
	Community Service Officer	25	1	1	1	1
	Community Service Officer	25	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		33	33	31	31
2248	Downtown Unit					
	Commander	60	1	1	1	1
	Sergeant	44	3	3	3	3
	Police Officer	36	13	13	13	13
	Licensing Spec	34	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		19	19	19	19
2251	Administration					
	Assistant Police Chief	166	1	1	1	1
	Commander	60	1	1	1	1
	Lieutenant	54	0	0	2	2
	Sergeant	44	8	8	8	8
	Polygraph Examiner II+	44	2	3	3	3
	<i>(1 position sworn, 2 non-sworn)</i>					
	Management Assistant II+	41	1	1	1	1
	Police Officer	36	5	7	7	7
	Policy Procedures Officer	36	1	1	1	1
	Volunteer Coordinator	36	1	1	1	1
	Police Support Svcs Spec	26	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	COE*		0.70	0.70	0.70	0.70
	Total Full-Time		22	25	27	27
	Total Temp FTE*		0.70	0.70	0.70	0.70



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2257	Property Unit					
	Police Officer (Property Detective)	36	0	1	0	0
	Property Supervisor	37	0	1	1	1
	Property Technician	22	0	5	5	5
	Total Full-Time		<u>0</u>	<u>7</u>	<u>6</u>	<u>6</u>
2258	Rio Salado - Park Rangers					
	Park Ranger	21	6	0	0	0
	Total Full-Time		<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>
2259	Rio Salado - Sworn					
	Police officer	36	5	0	0	0
	Total Full-Time		<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>
2271	Patrol-Administration					
	Assistant Police Chief	166	1	1	1	1
	Sergeant	44	2	2	2	2
	Lieutenant	54	0	0	1	2
	Police Officer	36	1	1	1	1
	Administrative Assistant II+	22	4	4	4	4
	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		<u>8</u>	<u>8</u>	<u>9</u>	<u>10</u>
	Total Temp FTE*		<u>3.29</u>	<u>3.29</u>	<u>3.29</u>	<u>3.29</u>
2272	Patrol					
	Commander	60	6	6	3	3
	Sergeant	44	24	24	24	24
	Lieutenant	54	0	0	2	5
	Police Officer	36	141	150	148	148
	Community Service Officer	25	10	11	11	10
	Total Full-Time		<u>181</u>	<u>191</u>	<u>188</u>	<u>190</u>
2273	City Security Team					
	Sergeant <i>(Funded by Rio Salado Fund)</i>	44	1	1	1	1
	Park Ranger	22	9	9	9	9
	Total Full-Time		<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
2274	Recruits					
	Police Officer	36	8	8	8	8
	Total Full-Time		<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2209	Vehicle Impound					
	Community Service Officer	25	0	0	2	2
	Administrative Assistant I/II+**	22	0	0	0.50	0.50
	<i>(All positions funded by Vehicle Impound Revenue)</i>					
	Total Full-Time		0	0	2	2
	Total Perm FTE**		0.00	0.00	0.50	0.50
3912	PD - EVBO & Maintenance Facility					
	Security Officer	22	0	2	2	2
	<i>(All positions funded by Transit Fund)</i>					
	Total Full-Time		0	2	2	2
3913	PD - Security Transportation Center					
	Sergeant	44	0	1	1	1
	Security Officer	22	0	5	5	5
	<i>(All positions funded by Transit Fund)</i>					
	Total Full-Time		0	6	6	6
4416	Rio Salado - Sworn					
	Police Officer	36	0	5	5	5
	<i>(All positions funded by Rio Salado Fund)</i>					
	Total Full-Time		0	5	5	5
4417	Rio Salado - Park Rangers					
	Park Ranger	22	0	8	8	8
	<i>(All positions funded by Rio/CFD Fund)</i>					
	Total Full-Time		0	8	8	8
Police Department Total Full-Time			524	557	567	573
Police Department Total Perm FTE**			0.00	0.50	0.50	0.50
Police Department Total Temp FTE*			6.25	9.25	9.25	6.25
FIRE						
2310	Administration					
	Fire Chief	175	1	1	1	1
	Asst Fire Chief	165	1	1	1	1
	Fire Deputy Chief	51	3	3	4	4
	Fire Budget / Finance Supvr	49	1	1	1	1
	Executive Assistant	32	1	1	1	1
	Total Full-Time		7	7	8	8
2330	Fire Prevention					
	Asst Fire Chief	165	1	1	1	1
	Fire Inspector II+	42	8	8	8	8
	Fire Education Spec	26	2	2	2	2
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		12	12	12	12



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2340	Fire Emergency Services					
	Fire Captain	37	30	30	35	35
	Fire Eng	33	33	33	36	36
	Firefighter+	28	62	62	74	74
	<i>(66 Firefighter, Engineer or Captain positions are paramedic assignment)</i>					
	Total Full-Time		125	125	145	145
2350	Training/Professional Development					
	Fire Deputy Chief	51	1	1	1	1
	Fire Captain Paramedic-Assign	40	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		3	3	3	3
2363	Fire Apparatus Maintenance					
	Sr Fire Mechanic	39	1	1	1	1
	Fire Mechanic	32	1	1	1	1
	Fire Svcs Inventory Tech	27	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 (2364)	Support Services - Administration					
	Fire Deputy Chief	51	1	1	1	1
	Fire Svcs Inventory Tech	27	1	2	2	2
	Fire Service Aide	04	1	0	0	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 Deputy Chief	51	1	1	1	1
	Fire Captain Paramedic-Assign	40	1	1	1	1
	EMS Coord	42	1	1	1	1
	Medical Transp Contract Coord	37	1	1	0	0
	Total Full-Time		4	4	3	3
2374	Ambulance Operations					
	Medical Transp Contract Coord	37	0	0	1	1
	Paramedic		0	0	6	6
	<i>(Positions funded by ambulance provider)</i>					
	Total Full-Time		0	0	7	7



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2380	Special Operations					
	Fire Deputy Chief	51	1	1	1	1
	Hazardous Material Prog Spec	43	1	1	1	1
	Fire Captain Paramedic-Assign	40	1	1	1	1
	Total Full-Time		3	3	3	3
	Fire Department Total Full-Time		159	159	186	186
	Fire Department Total Perm FTE**		1.00	1.00	1.00	1.00
	Fire Department Total Temp FTE*		0.00	0.00	0.00	0.00
COMMUNITY SERVICES						
2410	Administration					
	Community Svcs Mgr	172	1	1	1	1
	<i>(FY08/09 - position 15% funded by Performing Arts Fund)</i>					
	Sr Social Svcs Coord+	39	1	1	1	1
	Management Assistant II+	41	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
2440	Library					
	Dep Comm Svcs Mgr-Library	163	1	1	1	1
	Library Supvr	44	4	4	4	4
	Sr Social Svcs Coord+	39	1	1	1	1
	Librarian I/II+	38	11	11	11	11
	Library Ops Supvr	44	1	1	1	1
	Circulation Svcs Coord	33	1	1	1	1
	Library Spec II+	23	9	9	9	9
	Administrative Assistant II+	22	1	1	1	1
	Library Asst	15	5	5	5	5
	Librarian I/II+**	38	0.50	0.50	0.50	0.50
	Library Spec II+**	23	1.00	1.00	1.00	1.00
	Library Assistant**		2.50	2.50	2.50	2.50
	Unclassified Temp - Office*		9.84	9.84	9.84	9.84
	Total Full-Time		34	34	34	34
	Total Perm FTE**		4.00	4.00	4.00	4.00
	Total Temp FTE*		9.84	9.84	9.84	9.84



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2486	Social Services/Administration					
	Dep Comm Svcs Mgr-Soc Svcs	163	1	1	1	1
	Community Svcs Supvr	44	1	1	1	1
	Administrative Assistant II+	22	3	3	3	3
	Administrative Assistant II+**	22	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 Svcs Supvr	46	1	1	1	1
	Social Svcs Counselor II+	39	3	3	3	3
	Social Services Counselor**		0.65	0.65	0.65	0.65
	Diversion Counselor**		0	0	0	0.40
	Home Detention Monitor**		0	0	0	0.20
	Administrative Assistant+**		0	0	0	0.80
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.65	0.65	0.65	0.65
	Total Temp FTE*		0.00	0.00	0.00	1.40
2457	Social Services/KID ZONE					
	Kid Zone Prog Admin	56	1	1	1	1
	Community Svcs Supvr	44				
	Sr Social Svcs Coord+	39	5	5	5	5
	Social Services Specialist	32	4	5	5	5
	Asst Recreation Coord	28	9	9	9	9
	Asst Recreation Coord (Program Manager)**	20	0	3	3	3
	Unclassified Temporary*		65.93	65.93	65.93	65.93
	Total Full-Time		19	20	20	20
	Total Perm FTE**		0.00	3.00	3.00	3.00
	Total Temp FTE*		65.93	65.93	65.93	65.93
2485	Social Services/Partnerships					
	Social Svcs Supvr	46	2	2	2	2
	Sr Social Svcs Coord+	39	2	2	2	2
	Social Svcs Counselor II+	39	1	1	1	1
	Crisis Intervention Spec	35	3	3	3	3
	Unclassified Temporary *		7.43	7.43	7.43	7.43
	Total Full-Time		8	8	8	8
	Total Temp FTE*		7.43	7.43	7.43	7.43



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2487	Social Services/Escalante					
	Social Svcs Administrator	56	1	1	1	1
	Sr Social Svcs Coord+	39	2	2	4	4
	Social Svcs Coord+	34	2	2	0	0
	Administrative Assistant II+	22	1	1	1	1
	Social Services Coordinator**	39	0.75	0.75	0.75	0.75
	Administrative Assistant II+**	22	0.75	0.75	0.75	0.75
	Unclassified Temporary*		7.28	7.28	7.28	7.28
	Total Full-Time		6	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 Svcs Coord+	39	2	2	2	2
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		3	3	3	3
2481	Cultural Services - Administration					
	Dep Comm Svcs Mgr-Cultural Svc	163	1	1	1	1
	<i>(50% funded by General Fund, 50% by Performing Arts Fund)</i>					
	Arts Administrator	54	1	1	1	1
	Arts Coord	39	2	2	2	2
	<i>(FY08/09 - funded by Percent for the Arts Program)</i>					
	Administrative Assistant II+	22	1	1	1	1
	<i>(FY08/09 -20% funded by Percent for the Arts Program)</i>					
	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	56	1	1	1	1
	Sr Museum Curator+	43	4	4	4	4
	Museum Registrar	33	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Museum Aide**	24	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



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3610	Performing Arts - Administration					
	Cultural Facilities Admin	59	1	1	1	1
	Management Assistant II+	41	1	1	1	1
	Arts Coordinator (Community Outreach)	39	0	1	1	1
	Arts Coordinator (Production)	39	1	1	1	1
	Arts Coordinator (Gallery)	39	1	1	1	1
	Arts Coordinator (Patron & Client Services)	39	1	1	1	1
	Facility Automation Tech	34	1	0	0	0
	Arts Specialist (Production)	34	1	2	2	2
	Production Specialist	31	1	0	0	0
	Arts Specialist (Box Office)	34	1	1	1	1
	Arts Spec	34	0	0	0	1
	TCA Maintenance Supervisor	32	1	0	0	0
	Building Equipment Technician II	23	1	0	0	0
	Administrative Assistant II+	22	1	1	1	1
	TCA Maintenance Worker	19	3	0	0	0
	Box Office Assistant	23	1	1	1	1
	Custodian	9	3	0	0	0
	Unclassified Temp*		13.27	13.27	13.27	13.27
	Total Full-Time		19	11	11	12
	Total Temp FTE*		13.27	13.27	13.27	13.27
Community Services Department Total Full-Time			113	106	106	107
Community Services Department Total Perm FTE**			7.65	10.65	10.65	10.65
Community Services Department Total Temp FTE*			113.14	113.14	113.14	114.54

PARKS AND RECREATION

2511	Rolling Hills Golf Course					
	P&G Course Maint Coord	32	1	1	1	1
	P&G Mechanic	27	1	1	1	1
	Sprinkler Sys Maint Wkr II+	26	1	1	1	1
	Equip Operator II	26	1	1	1	1
	Groundskeeper I/II+	21	4	4	4	4
	Equip Operator I	22	1	1	1	1
	Groundskeeper I/II+*		1.07	1.07	1.07	1.07
	Total Full-Time		9	9	9	9
	Total Temp FTE*		1.07	1.07	1.07	1.07



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2512	Ken McDonald Golf Course					
	P&G Course Supvr	44	1	1	1	1
	P&G Course Maint Coord	32	1	1	1	1
	P&G Mechanic	27	1	1	1	1
	Sprinkler Sys Maint Wkr II+	26	1	1	1	1
	Equip Operator II	26	1	1	1	1
	Groundskeeper I/II+	21	6	6	6	6
	Equip Operator I	22	1	1	1	1
	Groundskeeper I/II+*		1.35	1.35	1.35	1.35
	Total Full-Time		12	12	12	12
	Total Temp FTE*		1.35	1.35	1.35	1.35
2521	Parks & Recreation - Administration					
	Parks & Rec Mgr	172	1	1	1	1
	Dep Parks Rec Mgr - Rec Svcs	163	2	2	2	2
	P&G Course Supvr	44	1	1	1	1
	Sr Recreation Coord+	39	1	1	1	1
	Sr Mgmt Asst	45	2	1	1	1
	Executive Assistant	32	1	1	1	1
	Asst Recreation Coord	28	0	0	1	1
	Administrative Assistant II+	22	2	2	2	2
	Administrative Assistant II**		0.75	0.75	0	0
	Unclassified Temporary*		0.22	0.22	0.22	0.22
	Total Full-Time		10	9	10	10
	Total Perm FTE**		0.75	0.75	0.00	0.00
	Total Temp FTE*		0.22	0.22	0.22	0.22
2522	Special Events					
	Parks & Rec Admin	53	1	1	1	1
	Sr Recreation Coord+	39	2	2	2	2
	Recreation Leader*		1.00	1.00	1.00	1.00
	Unclassified Temporary*		1.18	1.18	1.18	1.18
	Total Full-Time		3	3	3	3
	Total Temp FTE*		2.18	2.18	2.18	2.18
2523	Senior Adults					
	Sr Recreation Coord+	39	1	1	2	2
	Asst Recreation Coord	28	2	2	1	1
	Administrative Assistant II	20	1	1	1	1
	Unclassified Temporary*		2.87	2.87	2.87	2.87
	Total Full-Time		4	4	4	4
	Total Temp FTE*		2.87	2.87	2.87	2.87



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2524	Special Interest and Boating					
	Parks & Rec Admin	53	1	1	1	1
	Sr Recreation Coord+	39	2	2	2	2
	Assistant Recreation Coordinator	26	1	0	0	0
	Recreation Leader III*		1.93	1.93	1.93	1.93
	Unclassified Temporary*		4.72	4.72	4.72	4.72
	Total Full-Time		4	3	3	3
	Total Temp FTE*		6.65	6.65	6.65	6.65
2525	Adult Sports					
	Sr Recreation Coord+	39	2	1	1	1
	Unclassified Temporary*		3.84	3.84	3.84	3.84
	Total Full-Time		2	1	1	1
	Total Temp FTE*		3.84	3.84	3.84	3.84
2526	Youth Sports					
	Parks & Rec Admin	53	1	1	1	1
	Sr Recreation Coord+	39	2	2	2	2
	Unclassified Temporary*		3.89	3.89	3.89	3.89
	Total Full-Time		3	3	3	3
	Total Temp FTE*		3.89	3.89	3.89	3.89
2527	Facility Resources					
	Sr Recreation Coord+	39	1	1	1	1
	Unclassified Temporary*		4.10	4.10	4.10	4.10
	Total Full-Time		1	1	1	1
	Total Temp FTE*		4.10	4.10	4.10	4.10
2529	Diablo Stadium					
	Sr Recreation Coord+	39	1	1	1	1
	Unclassified Temporary*		2.41	2.41	2.41	2.41
	Total Full-Time		1	1	1	1
	Total Temp FTE*		2.41	2.41	2.41	2.41
2531	Kiwanis Recreation Center					
	Parks & Rec Admin	53	1	1	1	1
	Sr Recreation Coord+	39	1	1	3	3
	Recreation Coordinator	34	1	1	0	0
	Asst. Recreation Coordinator	26	1	1	0	0
	Administrative Assistant II+	22	2	2	2	2
	Administrative Assistant II+**	22	0.75	0.75	0.75	0.75
	Recreation Leader I*		0.75	0.75	0.75	0.75
	Recreation Worker*		0.50	0.50	0.50	0.50
	Unclassified Temporary*		18.50	18.50	18.50	20.29
	Total Full-Time		6	6	6	6
	Total Perm FTE**		0.75	0.75	0.75	0.75
	Total Temp FTE*		19.75	19.75	19.75	21.54



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2532	Kiwanis Concessions					
	Unclassified Temporary*		1.99	1.99	1.99	1.99
	Total Temp FTE*		1.99	1.99	1.99	1.99
2533	Aquatics					
	Community Services Supervisor	46	1	0	0	0
	Sr Recreation Coord+	39	1	1	1	1
	Swimming Pool Maint Mechanic	31	1	1	1	1
	Swimming Pool Maint Tech	28	1	1	1	1
	Unclassified Temporary*		18.08	18.08	18.08	18.08
	Total Full-Time		4	3	3	3
	Total Temp FTE*		18.08	18.08	18.08	18.08
2534	Adapted Recreation					
	Sr Recreation Coord+	39	1	1	1	1
	Total Full-Time		1	1	1	1
2535	Kiwanis Batting Cage					
	Sr Recreation Coord+	39	1	1	1	1
	Unclassified Temp*		2.41	2.41	2.41	2.41
	Total Full-Time		1	1	1	1
	Total Temp FTE*		2.41	2.41	2.41	2.41
2536	Boating Programs					
	Sr Recreation Coord+	39	0	1	1	1
	Asst Recreation Coord	28	0	1	1	1
	Total Full-Time		0	2	2	2
2537	Community Outreach/Marketing					
	Parks & Rec Admin	53	0	1	1	1
	Comm Outreach/Mktg Coord II+	41	0	1	1	1
	Total Full-Time		0	2	2	2
4411	Rio Salado Special Events					
	Asst Recreation Coord	28	1	1	1	1
	(Position funded by Rio Salado Fund)					
	Total Full-Time		1	1	1	1
4412	Rio Salado Events Marketing					
	Asst Recreation Coord	28	1	1	1	1
	(Position funded by Rio Salado Fund)					
	Total Full-Time		1	1	1	1



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2551	Sports Complex Maintenance					
	Sr Groundskeeper	28	1	1	1	1
	Groundskeeper I/II+	21	2	2	2	2
	Total Full-Time		<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
2553	Diablo Stadium Maintenance					
	P&G Course Supvr	44	1	1	1	1
	P&G Course Maint Coord	32	1	1	1	1
	Sr Groundskeeper	28	1	1	1	1
	Sprinkler Sys Maint Wkr II+	26	1	1	1	1
	Groundskeeper I/II+	21	5	5	5	5
	Groundskeeper*		0.56	0.56	0.56	0.56
	Total Full-Time		<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
	Total Temp FTE*		<u>0.56</u>	<u>0.56</u>	<u>0.56</u>	<u>0.56</u>
2554	Rio Salado Maintenance					
	Parks & Golf Course Maintenance Coordinator (1 Position funded by Performing Arts Fund)	30	1	0	0	0
	Groundskeeper I/II+ (1 Position funded by Performing Arts Fund)	19	1	0	0	0
	Groundskeeper*		0.10	0.00	0.00	0.00
	Total Full-Time		<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total Temp FTE*		<u>0.10</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
4414	Rio Salado Maintenance					
	P&G Course Maint Coord	32	0	1	1	1
	Groundskeeper II+	21	0	1	1	1
	Groundskeeper*		0.00	0.10	0.10	0.10
	(All positions funded by Rio Salado Fund)					
	Total Full-Time		<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>
	Total Temp FTE*		<u>0.00</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>
3611	Tempe Arts Park					
	Sr Groundskeeper	28	1	1	1	1
	Groundskeeper II+	21	1	1	1	1
	Unclassified Temporary*		1.44	1.44	1.44	1.44
	(All positions funded by Performing Arts Fund)					
	Total Full-Time		<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	Total Temp FTE*		<u>1.44</u>	<u>1.44</u>	<u>1.44</u>	<u>1.44</u>
2555	Landscape Maintenance					
	P&G Course Supvr	44	1	1	1	1
	Total Full-Time		<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2556	North Parks					
	P&G Course Supvr	44	1	1	1	1
	P&G Course Maint Coord	32	3	3	3	3
	Parks Fac Maint Wkr II+	32	1	1	1	1
	P&G Mechanic	27	1	1	1	1
	Sprinkler Sys Maint Wkr II+	26	3	3	3	3
	Equip Operator II	26	2	2	2	2
	Sr Groundskeeper	28	1	1	1	1
	Pest Control Technician	23	2	2	2	2
	Groundskeeper I/II+	21	5	7	7	7
	Equip Operator I	22	1	1	1	1
	Groundskeeper*		1.75	1.75	1.75	1.75
	Unclassified Temporary*		1.67	1.67	1.67	1.67
	Total Full-Time		20	22	22	22
	Total Temp FTE*		3.42	3.42	3.42	3.42
2557	Rio Salado - Ent. Zone					
	Groundskeeper I/II+	19	2	0	0	0
	Total Full-Time		2	0	0	0
2558	Cemetery Maintenance					
	Groundskeeper II+	21	1	1	1	1
	Total Full-Time		1	1	1	1
2559	South Parks					
	P&G Course Supvr	44	1	1	1	1
	Parks Fac Maint Wkr II+	32	1	1	1	1
	P&G Course Maint Coord	32	4	4	4	4
	Sr Groundskeeper	28	1	1	1	1
	Equip Operator II	26	4	4	4	4
	Sprinkler Sys Maint Wkr II+	26	3	3	3	3
	Pest Control Technician	23	2	2	2	2
	Groundskeeper I/II+	21	7	5	5	5
	Groundskeeper*		0.87	0.87	0.87	0.87
	Unclassified Temporary*		0.83	0.83	0.83	0.83
	Total Full-Time		23	21	21	21
	Total Temp FTE*		1.70	1.70	1.70	1.70
4415	Rio Salado - Ent. Zone					
	Groundskeeper I/II+	21	0	2	2	2
	(Positions funded by Rio/CFD fund)					
	Total Full-Time		0	2	2	2



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3310	Cemetery Administration					
	Executive Assistant	32	1	1	1	1
	Groundskeeper I+	17	1	1	1	1
	Executive Assistant**		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
Parks & Recreation Department Total Full-Time			128	128	129	129
Parks & Recreation Department Total Perm FTE**			2.00	2.00	1.25	1.25
Parks & Recreation Department Total Temp FTE*			78.03	78.03	78.03	79.82
COMMUNITY DEVELOPMENT						
2810	Community Development - Admin					
	Community Development Mgr	172	1	1	1	1
	Principal Architect	55	1	1	1	1
	Sr Architect+	51	1	1	1	1
	Technology Development Spec	51	1	1	1	1
	Economic Development Spec	49	1	1	1	1
	Neighbor Enhance Prog Coord	36	1	1	1	1
	Executive Assistant	32	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	COE*		1.00	1.00	1.00	1.00
	Total Full-Time		8	8	8	8
	Total Temp FTE*		1.00	1.00	1.00	1.00
2811	Neighborhood Enhancement					
	Code Enforcement Administrator	54	1	1	1	1
	Sr Code Inspector Spec	38	1	1	1	1
	Code Inspector II+	33	8	8	8	8
	Administrative Assistant II+	22	1	1	1	1
	Unclassified Temporary*		5.00	5.00	5.00	5.00
	Total Full-Time		11	11	11	11
	Total Temp FTE*		5.00	5.00	5.00	5.00
2812	Redevelopment/Special Projects					
	Dep Comm Dev Mgr - Redev & Rev <i>(50% funded by Federal Grants)</i>	163	1	1	1	1
	Principal Planner <i>(1 position funded by Federal Grant through FY07/08)</i>	53	2	2	2	2
	Sr Planner <i>(1 position funded by Federal Grant through FY07/08)</i>	45	3	3	3	3
	Planner II+	42	3	3	3	3
	Total Full-Time		9	9	9	9



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
2814	Neighborhood Enhancement					
	Unclassified Temporary*		0.00	1.60	1.60	1.60
	Total Full-Time		0	0	0	0
	Total Temp FTE*		0.00	1.60	1.60	1.60
2859-	Housing Services Division					
2869	Housing Svcs Administrator	54	1	1	1	1
2770-	Housing Services Supvr	41	2	2	1	1
	Affordable Housing Services Supvr	41	0	0	1	1
2779	Accountant	37	1	1	1	1
	Homeless Coordinator	36	1	1	1	1
	Affordable Housing Rehabilitation Specialist	35	2	2	2	2
	Family Self Sufficiency Spec	32	2	2	2	2
	Housing Services Spec II+	30	6	6	6	6
	Administrative Assistant II+	22	2	2	2	2
	Total Full-Time		17	17	17	17
4410	Community Development - Rio Salado Administration					
	Dep Comm Dev Mgr - Econ Dev	165	1	1	1	1
	Rio Salado Mgr	53	1	1	1	1
	Rio Salado Financial Analyst	45	1	1	1	1
	Sr Planner	45	1	1	1	1
	Administrative Project Coord	44	1	1	1	1
	Community Relations Coord	41	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		7	7	7	7
	Total Temp FTE *		0.49	0.49	0.49	0.49
4413	Community Development - Rio Salado Operations					
	Administrative Assistant II+	22	2	2	2	2
	Total Full-Time		2	2	2	2
	Rio Salado Division Total Full-Time		9	9	9	9
	Rio Salado Division Total Temp FTE*		0.49	0.49	0.49	0.49
	Community Development Department Total Full-Time		54	54	54	54
	Community Development Department Total Temp FTE*		6.49	8.09	8.09	8.09



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
PUBLIC WORKS						
3210	Administration					
	PW Mgr	172	1	1	1	1
	Sr Mgmt Asst	45	1	1	1	1
	Executive Assistant	32	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.					
	Dep PW Mgr-Engineering	169	1	1	1	1
	Eng Contract Compl Auditor (1 position funded by Transit)	43	1	1	1	1
	Eng Services Administrator	54	1	1	1	1
	Contract Administrator	39	1	1	1	1
	Eng Contract Svcs Spec II+	26	2	2	2	2
	Total Full-Time		6	6	6	6
3222	Engineering/Private Development and Utility					
	Asst City Engineer	60	1	1	1	1
	Sr Civil Engineer+	51	1	1	2	2
	Eng Permit Inspection Supvr	45	1	1	1	1
	Util Infrastructure Supvr	45	1	1	1	1
	Sr Eng Associate+	41	6	6	5	5
	Eng Tech II+	32	1	1	1	1
	Total Full-Time		11	11	11	11
3223	Engineering/Capital Improvements					
	Principal Civil Engineer	55	2	2	2	2
	Sr Civil Engineer+ (1 Position funded by Water/Wastewater, 1 position funded by Transit)	51	3	3	3	3
	Sr Construction Project Mgr (1 Position funded by Water/Wastewater)	49	1	1	1	1
	Sr Eng Associate+	41	4	4	4	4
	Total Full-Time		10	10	10	10



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3225	Engineering/Information & Technical Services					
	Eng Services Administrator	54	1	1	1	1
	Eng GIS Supvr	46	1	1	1	1
	Real Estate Prog Coord	42	2	2	2	2
	GIS Coord	41	1	1	1	1
	Sr Eng Associate+	41	1	1	1	1
	GIS Analyst+	36	2	2	2	2
	Eng Tech II+	32	2	2	2	2
	Survey Tech II+	26	1	1	1	1
	Total Full-Time		11	11	11	11
	Admin & Engineering Division Total Full-Time		41	41	41	41
	Admin & Engineering Division Total Temp FTE*		0.49	0.49	0.49	0.49
3231	Field Operations/Administration					
	Sr Mgmt Asst	45	1	1	1	0
	Administrative Assistant II+	22	2	1	1	0
	Total Full-Time		3	2	2	0
3241	Field Operations/Facility Maintenance Administration					
	Facility Maintenance Dir	158	1	1	1	1
	Sr Mgmt Asst	45	1	1	1	1
	Fac Maint Supvr	42	1	1	2	2
	Fac Automation Technician	35	2	2	1	1
	Bldg Tech Spec	37	0	0	0	1
	Bldg Equip Tech II+	32	15	15	15	14
	Fac Electrician	30	1	1	1	1
	Administrative Assistant II+	22	0	1	1	1
	Building Equipment Technician I/II+ **		0.50	0.50	0.50	0.50
	Total Full-Time		21	22	22	22
	Total Perm FTE**		0.50	0.50	0.50	0.50
3271	Field Services/Custodial 1					
	Custodial Svcs Supt	40	1	1	1	1
	Custodial Supvr	29	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Custodial Team Leader	17	0	0	1	1
	Custodian	11	10	10	8	8
	Total Full-Time		13	13	12	12
3272	Field Services/Custodial 2					
	Custodial Supvr	29	1	1	1	1
	Custodial Team Leader	17	0	0	1	1
	Custodian	11	9	9	7	7
	Total Full-Time		10	10	9	9



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3273	Field Services/Custodial 3					
	Custodial Supvr	29	1	1	1	1
	Custodial Team Leader	17	0	0	1	1
	Custodian	11	9	9	9	9
	Total Full-Time		10	10	11	11
3274	Field Services/Custodial 4					
	Custodial Supvr	29	1	1	1	1
	Custodial Team Leader	17	0	0	1	1
	Custodian	11	9	9	9	9
	Custodian*		0.49	0.49	0.49	0.49
	Total Full-Time		10	10	11	11
	Total Temp FTE*		0.49	0.49	0.49	0.49
3612	TCA Facility Management					
	Fac Automation Technician	35	0	1	1	1
	Bldg Equip Tech II+	32	0	1	1	1
	TCA Maint Supvr	33	0	1	1	1
	TCA Maint Worker	21	0	6	6	6
	<i>(All positions funded by Performing Arts Fund)</i>					
	Total Full-Time		0	9	9	9
3712	Field Services/Solid Waste Support Services					
	Solid Waste Svcs Supt	52	1	1	1	1
	Sr Mgmt Asst	45	0	0	0	1
	Solid Waste/Recycling Supvr	40	1	1	1	1
	Solid Waste Inspector	30	2	2	2	3
	Administrative Assistant II+	22	1	1	1	2
	Total Full-Time		5	5	5	8
3713	Field Services/Solid Waste Residential Refuse					
	Solid Waste/Recycling Supvr	40	1	1	1	1
	Solid Waste Equip Oper II+	26	19	19	19	19
	Total Full-Time		20	20	20	20
3714	Field Services/Solid Waste Commercial Refuse					
	Solid Waste/Recycling Supvr	40	1	1	1	1
	Sr Equip Operator	32	3	3	3	3
	Solid Waste Equip Oper II+	26	13	13	13	14
	Total Full-Time		17	17	17	18
3715	Field Services/Roll Off Tilt Frame					
	Solid Waste Equip Oper II+	26	3	3	3	3
	Total Full-Time		3	3	3	3



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3716	Field Services/Solid Waste Support Services					
	Lead Solid Waste Technician	23	1	0	0	0
	Solid Waste Equip Spec	29	3	4	4	4
	Wash Bay Attendant**	11	0.50	0.50	0.50	0.50
	Total Full-Time		4	4	4	4
	Total Perm FTE**		0.50	0.50	0.50	0.50
3718	Field Services/Solid Waste Uncontained Refuse					
	Solid Waste/Recycling Supvr	40	1	1	1	1
	Solid Waste Equip Oper II+	26	15	15	15	15
	Total Full-Time		16	16	16	16
	Field Services Division Total Full-Time		132	141	141	143
	Field Services Division Total Perm FTE**		1.00	1.00	1.00	1.00
	Field Services Division Total Temp FTE*		0.49	0.49	0.49	0.49
3261	Fleet Services/Fleet Management					
	Fleet Director	158	1	1	1	1
	Fleet Analyst	44	1	1	1	1
	Auto Parts Supvr	39	1	1	1	1
	Equip Control Coord	35	1	1	1	1
	Fleet Parts Spec	27	3	3	3	3
	Administrative Assistant II+	22	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 Supvr	42	3	3	3	3
	Sr Fleet Equip Mechanic	36	3	3	3	3
	Equip Mechanic	33	14	14	14	14
	Fleet Paint & Body Tech	30	1	1	1	1
	Equip Svcs Wkr II	17	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



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3813	Streets & Traffic Operations/Street Maintenance					
	Street Maintenance Supt	50	1	1	1	1
	Sr Civil Engineer+	51	1	1	1	1
	Sr Eng Associate+	41	0	0	0	1
	Streets Supervisor	39	1	1	1	1
	Streets Maint Team Leader	32	3	3	3	3
	Street Maint Equip Operator II	27	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+	22	1	1	1	1
	Total Full-Time		26	26	26	27
3814	Street & Traffic Operations/Right-of-Way					
	Streets Maint Team Leader	32	1	1	1	1
			1	1	1	1
3821	Streets & Traffic Operations/Administration					
	Dep PW Mgr-Field Ops	164	1	1	1	1
	Dep PW Mgr - Admin & Cust Svcs	163	1	1	1	1
	Total Full-Time		2	2	2	2
3822	Transportation/Studies & Design					
	Traffic Eng	55	1	2	1	1
	Intelligent Trans System Coord	53	1	1	1	1
	Sr Civil Engineer+	51	3	3	4	4
	Traffic Engineering Analyst	41	2	2	2	2
	Sr Traffic Eng Tech+	35	0	2	2	2
	Administrative Assistant II+	22	1	1	1	1
	Traffic Engineering Technician+ *		1.00	0.00	0.00	0.00
	<i>(Position funded through December 2006)</i>					
	Total Full-Time		8	11	11	11
	Total Temp FTE*		1.00	0.00	0.00	0.00
3823	Streets & Traffic Operations/Operations					
	Traffic Operations Supt	50	1	1	1	1
	Sr Sign Tech	36	1	1	1	1
	Traffic Operations Crew Leader	29	2	2	2	2
	Traffic Operations Crew Leader	29	1	1	1	1
	Sign Tech	26	1	1	1	1
	Transportation Wkr II+	22	4	4	4	4
	Total Full-Time		10	10	10	10
3824	Streets & Traffic Operations/Street Lighting					
	Management Assistant II+	41	1	1	1	1
	Lighting Systems Coord	41	1	1	1	1
	Total Full-Time		2	2	2	2



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3825	Streets and Traffic Operations/Signal System					
	Traffic Signal Supervisor	44	1	1	1	1
	Traffic Signal Svcs Crew Lead	33	1	1	1	1
	Traffic Signal Tech II+	34	3	3	3	3
	Traffic Signal Tech Crew Lead	39	1	1	1	1
	Traffic Signal Svcs Wkr II+	28	4	4	4	4
	Underground Util Coord	26	1	1	1	1
	Unclassified Temporary*		3	0	0	2
	Total Full-Time		11	11	11	11
	Total Temp FTE*		3.00	0.00	0.00	2.00
3911	Transportation/Transit					
	Dep PW Mgr-Transit & Transport	163	1	1	1	1
	Transportation Financial Anlst	45	1	1	1	1
	Management Assistant II+	41	1	1	1	1
	Transportation Support Spec	26	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Administrative Assistant I/II+ *		1.00	1.00	1.00	1.00
	Total Full-Time		5	5	5	5
	Total Temp FTE*		1.00	1.00	1.00	1.00
3914	Transit Operations					
	Transit Administrator	55	1	1	1	1
	Transportation Fac Supvr	44	1	1	1	1
	Sr Transit Operations Coord	42	1	1	1	1
	Transit Operations Coord II+	38	2	2	2	2
	Bldg Equip Tech II+	32	0	1	1	1
	Custodian	11	0	2	2	3
	Total Full-Time		5	8	8	9
3915	Transportation/Transit Store					
	Bldg Equip Tech II+	32	0	2	2	2
	Lead Transit Store Tech	28	1	1	1	1
	Financial Svcs Tech II+	24	1	1	1	1
	Custodian	11	0	3	3	3
	Financial Svcs Tech I/II+**		1	1	1	1
	Total Full-Time		2	7	7	7
	Total Perm FTE**		1	1	1	1
3916	Marketing and Public Information					
	Community Outreach Mktg Supvr	48	1	1	1	1
	Comm Outreach/Mktg Coord II+	41	1	1	2	2
	Transit Information Specialist	36	1	1	0	0
	Total Full-Time		3	3	3	3



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3917	Transportation/Bus Stop Maintenance					
	Transportation Wkr II+	22	5	5	5	5
	Total Full-Time		5	5	5	5
3921	CP/EV Light Rail Project					
	Dep PW Mgr - LRT	163	1	1	1	1
	Principal Civil Engineer	55	1	1	1	1
	Sr Mgmt Asst	45	1	1	1	1
	Sr Transportation Planner+	47	1	1	1	1
	LRT Transportation Planner	38	1	1	1	1
	Management Assistant II+	41	1	1	1	1
	Sr Traffic Eng Tech+	35	2	1	1	1
	Traffic Signal Tech II+	34	0	0	0	1
	Total Full-Time		8	7	7	8
3922	Transportation Systems					
	Sr Civil Engineer+	51	1	1	1	1
	ITS Network Engineer	51	0	1	1	1
	Total Full-Time		1	2	2	2
3923	Operations/Transportation					
	Principal Planner	53	2	2	2	2
	Sr Transportation Planner+	47	2	2	2	2
	Total Full-Time		4	4	4	4
	Transportation Division Total Full-Time		93	104	104	107
	Transportation Division Total Perm FTE**		1.00	1.00	1.00	1.00
	Transportation Division Total Temp FTE**		5.00	1.00	1.00	3.00
	Public Works Department Total Full-Time		299	319	319	324
	Public Works Department Total Perm FTE**		2.00	2.00	2.00	2.00
	Public Works Department Total Temp FTE*		6.48	2.48	2.48	4.48
WATER UTILITIES						
3002	Water Utilities - Administration					
	Water Utilities Mgr	172	1	1	1	1
	Dep Water Util Mgr-Operations	165	1	1	1	1
	Principal WUD Planning Eng	53	1	1	1	1
	Water Util Administrator	49	1	1	1	1
	Planning & Research Analyst^	45	1	1	1	1
	Environment Quality Spec	43	1	1	1	1
	Management Assistant II+	41	1	1	1	1
	Eng Tech II+	32	1	1	1	1
	Administrative Assistant II+	22	2	2	2	2
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		10	10	10	10
	Total Temp FTE*		0.49	0.49	0.49	0.49



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3003	Water Utilities Warehouse					
	Warehouse Supvr	34	1	1	1	1
	Water Inventory Svcs Spec	20	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	39	1	1	1	1
	Wtr Util Dept Security Guard	19	2	2	2	3
	Water Utility Security Guard**		0.5	0.5	0.5	0.5
	Total Full-Time		3	3	3	4
	Total Perm FTE**		0.5	0.5	0.5	0.5
3011	Water Quality - Administration					
	Plant Operations Admin	57	1	1	1	1
	Total Full-Time		1	1	1	1
3012	Control Center Operations					
	Control Center Supvr	42	1	1	1	1
	Instrument & Cntrl Tech (SBP)	36	4	4	1	1
	Control Center Operator	33	4	4	4	4
	Total Full-Time		9	9	6	6
3013	Johnny G. Martinez Water Plant					
	Plant Team Leader	44	1	1	1	1
	Instrument & Cntrl Tech (SBP)	36	0	0	1	1
	Plant Electrician (SBP)	36	1	1	1	1
	Plant Mechanic+ (SBP)	31	2	2	2	2
	Plant Operator I/II+ (6 SBP)	31	8	8	8	8
	(1 position funded through FY 08/09 only)					
	Total Full-Time		12	12	13	13
3014	South Tempe Water Plant					
	Plant Team Leader	44	1	1	1	1
	Instrument & Cntrl Tech (SBP)	36	0	0	1	1
	Plant Electrician (SBP)	36	1	1	1	1
	Plant Mechanic+ (SBP)	31	2	2	2	2
	Plant Operator I/II+ (4 SBP)	31	6	6	6	6
	(1 position funded through FY 08/09 only)					
	Total Full-Time		10	10	11	11
3021	Distribution System Services - Administration					
	Transmission & Collection Admn	57	1	1	1	1
	Total Full-Time		1	1	1	1



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3022	Distribution System Maintenance					
	Util Svcs Supvr	40	1	1	1	1
	Util Svcs Team Leader	35	2	2	1	1
	Util Svcs Tech II+ (SBP)	26	10	10	10	10
	Total Full-Time		13	13	12	12
3024	Irrigation					
	Irrigation Supvr	38	1	1	1	1
	Irrigator	17	7	7	7	7
	Total Full-Time		8	8	8	8
3025	Technical Support Team					
	GIS Coord	41	0	0	0	1
	GIS Tech+	32	0	0	0	1
	CMMS Tech II+	31	4	4	4	4
	TV Truck Tech	31	2	2	2	2
	Underground Util Coord	26	2	2	2	2
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		9	9	9	11
3027	Environmental Services					
	Environmental Serv Admin	57	1	1	1	1
	Environmental Program Supvr	52	1	1	1	1
	Environment Quality Spec	43	2	3	3	3
	Cross Connec Control Supvr	40	1	1	1	1
	Cross Connec Control Inspector	34	1	1	1	1
	Administrative Assistant II**		0.5	0.5	0.5	0.5
	Total Full-Time		6	7	7	7
	Total Perm FTE**		0.5	0.5	0.5	0.5
3028	Environmental - Wastewater					
	Environmental Compliance Supvr	43	1	1	1	1
	Environmental Compl Insp II+	31	6	6	6	7
	Environmental Tech II+	24	4	4	4	4
	Administrative Assistant II+	22	2	2	2	2
	Total Full-Time		13	13	13	14
3029	Environmental Health & Services					
	Environmental Hlth & Sfty Supv	52	1	1	1	1
	Industrial Hygienist	43	1	1	1	1
	Hazardous Material Safety Spec	40	1	1	1	1
	Wtr Util Dept Sfty & Trng Coor	38	2	2	2	2
	HPCC Interns*		0.98	0.98	0.98	0.98
	Total Full-Time		5	5	5	5
	Total Temp FTE*		0.98	0.98	0.98	0.98



Cost Center	Position	Range	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
3031	Wastewater Services - Administration					
	SROG Program Admin	55	1	1	1	1
	Total Full-Time		1	1	1	1
3033	Wastewater Utility Services					
	Util Svcs Team Leader	35	2	2	3	3
	Util Svcs Tech II+ (SBP)	26	8	8	8	8
	Total Full-Time		10	10	11	11
3034	Kyrene Water Reclamation Plant					
	Plant Team Leader	44	1	1	1	1
	Instrument & Cntrl Tech (SBP)	36	0	0	1	1
	Plant Electrician (SBP)	36	1	1	1	1
	Plant Mechanic+ (SBP)	31	1	2	2	2
	Plant Operator I/II+ (SBP)	36	2	2	2	2
	Total Full-Time		5	6	7	7
3035	Field Facilities - Wastewater					
	Plant Team Leader	44	1	1	1	1
	Plant Mechanic+ (SBP)	31	2	2	2	2
	Total Full-Time		3	3	3	3
3041	Laboratory Services - Administration					
	Laboratory Supervisor	52	1	1	1	1
	Chemist II+	38	5	5	5	6
	Water Quality Specialist	29	1	1	1	1
	Administrative Assistant II+	22	1	1	1	1
	Total Full-Time		8	8	8	9
3051	Water Resources - Administration					
	Water Resources Admin	57	1	1	1	1
	Water Resources Hydrologist	50	1	1	1	1
	Total Full-Time		2	2	2	2
3052	Water Conservation					
	Water Conservation Coord	41	1	1	1	1
	Water Conservation Spec	37	1	1	1	1
	Total Full-Time		2	2	2	2
Water Utilities Department Total Full-Time			133	135	135	140
Water Utilities Department Total Perm FTE*			1.50	1.50	1.50	1.50
Water Utilities Department Total Temp FTE*			1.47	1.47	1.47	1.47
Grand Total Full-Time			1,734	1,782	1,831	1,849
Grand Total Perm FTE**			18.05	21.55	20.80	20.80
Grand Total Temp FTE*			224.70	225.30	227.30	227.49

**Permanent Full-Time Equivalent *Temporary Full-Time Equivalent () Former Cost Center Number



Grant Funded Personnel (Included in above totals)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
City Attorney				
Legal Services (Victims Right Grant)	1	1	1	1
City Court	0	0	0	0
Development Services				
Redevelopment/Section 8 Housing	17	17	17	17
Redevelopment, Neighborhood Planning and Urban Design	3	2	2	0
Total	<u>21.00</u>	<u>20.00</u>	<u>20.00</u>	<u>18.00</u>
Police				
Grant Funded	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Grand Total	23.00	22.00	22.00	20.00

Personnel by Fund (Full-Time Only)	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
General Fund	1,318	1,343	1,390	1,388
Risk Management Fund	4	4	4	4
Special Revenue Funds				
HURF	54	57	57	58
Transit	35	51	51	53
Rio Salado/CFD	26	28	28	29
Performing Arts	21	22	22	23
CDBG/Section 8	20	19	19	17
Vehicle Impound	0	0	2	2
Ambulance Provider	0	0	0	7
Percent for the Arts	0	0	0	1
Enterprise Funds				
Golf	21	21	21	21
Cemetery	2	2	2	2
Water/Wastewater	166	168	168	173
Solid Waste	67	67	67	71
Grand Total	1,734	1,782	1,831	1,849

Glossary of Terms



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.

HOME - The largest federal block grant to State and local governments designed exclusively to create affordable housing for low income households.

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.

Rainy Day Reserve - A long-term reserve in the event of a significant unforeseen event, economic downturn or liability.

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*.

Significant Non-Routine Capital Expenditures - Expenditures for major projects that are typically "one time" in nature and involve the construction or expansion of new City facilities or City infrastructure, extensive renovation of existing facilities, the purchase of important capital assets, or the acquisition of new technology which will enhance service delivery.

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
CCTV-Closed Circuit Television
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
DUI-Driving Under the Influence
EEOC-Equal Employment Opportunity Commission
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
ITS-Intelligent Transportation Systems
ITD-Information Technology Department
JGMWTP-Johnny G. Martinez Water Treatment Plant
KWRF-Kyrene Water Reclamation Facility
LRT-Light Rail Transit
LTAf-Local Transportation Assistance Fund
MAG-Maricopa Association of Governments
MGD-Million Gallons per Day
MMU-Malfunction Management Unit
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
STWTP-South Tempe Water Treatment Plant
TCA-Tempe Center for the Arts
WUD-Water Utilities Department



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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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Please see City of Tempe budget documents on the World Wide Web.

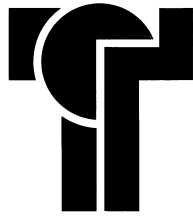
We're at: www.tempe.gov/budget

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Office of Management and Budget Staff next to a light rail car. Light rail opens December 2008.



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