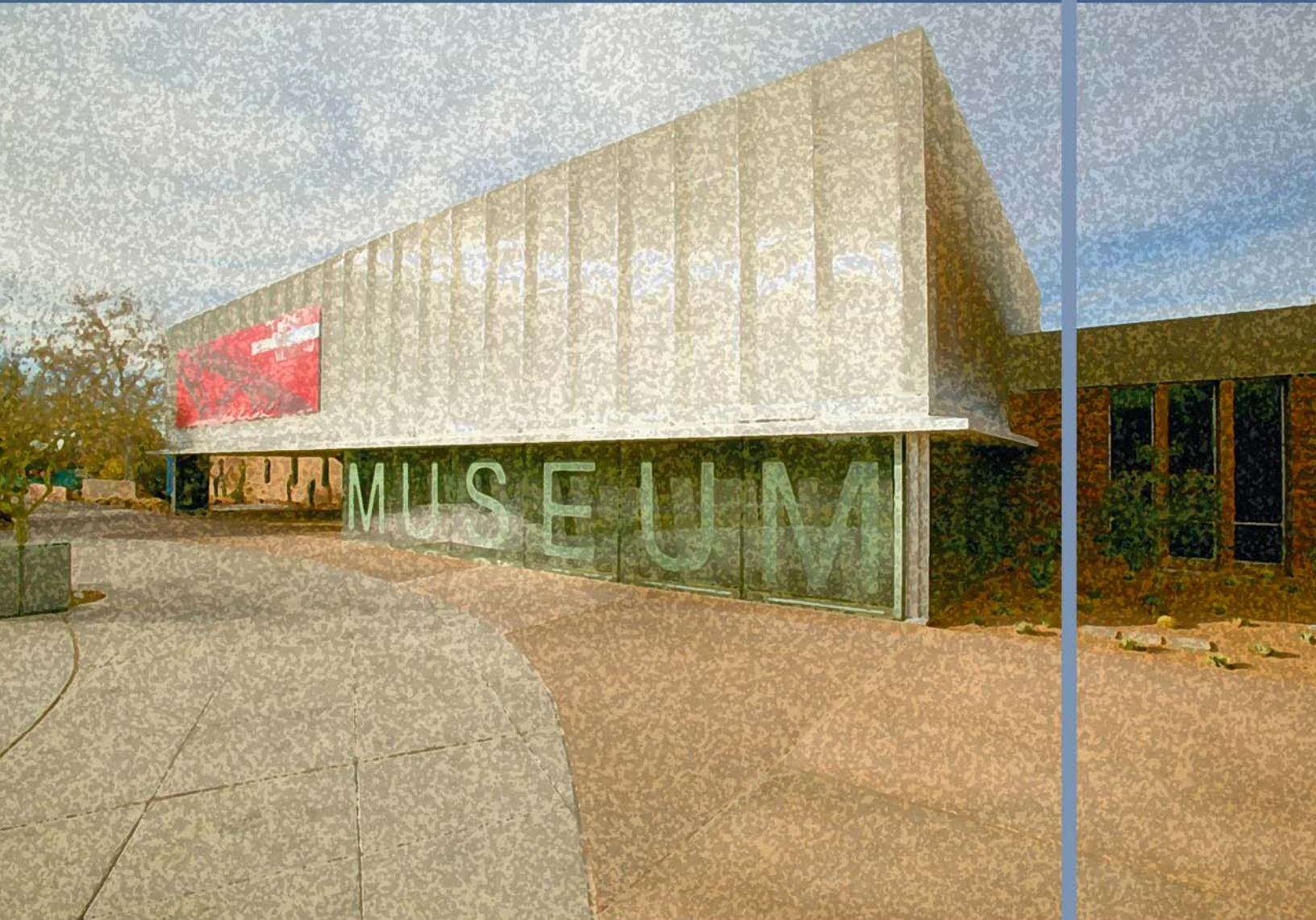


# Annual Budget

Fiscal Year 2010-11



# Tempe Mayor & City Council



Hugh Hallman  
Mayor



Shana Ellis  
Vice Mayor



P. Ben Arredondo  
Council Member



Mark Mitchell  
Council Member



Joel Navarro  
Council Member



Onnie Shekerjian  
Council Member



Corey Woods  
Council Member





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## Annual Budget FY 2010/11

**Charles W. Meyer**  
City Manager

**Jerry Hart**  
Financial Services Manager

**Cecilia Velasco-Robles**  
Deputy Financial Services Manager

**Tom Mikesell**  
Lead Budget & Finance Analyst

**Mark Day**  
Senior Budget & Finance Analyst

**Adam Williams**  
Senior Budget & Finance Analyst

**Anita Erspamer**  
Executive Assistant

### **About the cover:**

Photo: Newly Renovated Tempe History Museum

The Tempe History Museum was founded by the Tempe Historical Society and opened to the public in 1972. In 1984, the museum became a division of the City of Tempe's Community Services Department. In 2006, Tempe voters approved a bond issuance that would fund a major renovation of the museum. The new "Tempe History Museum" opened to the public in February 2010.



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Tempe**

**Arizona**

For the Fiscal Year Beginning

**July 1, 2009**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Tempe for its fiscal year beginning July 1, 2009.

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.



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# Mission...

*Tempe creates outstanding value for those we serve through shared visioning, superior services and sustainable practices.*

# 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.*

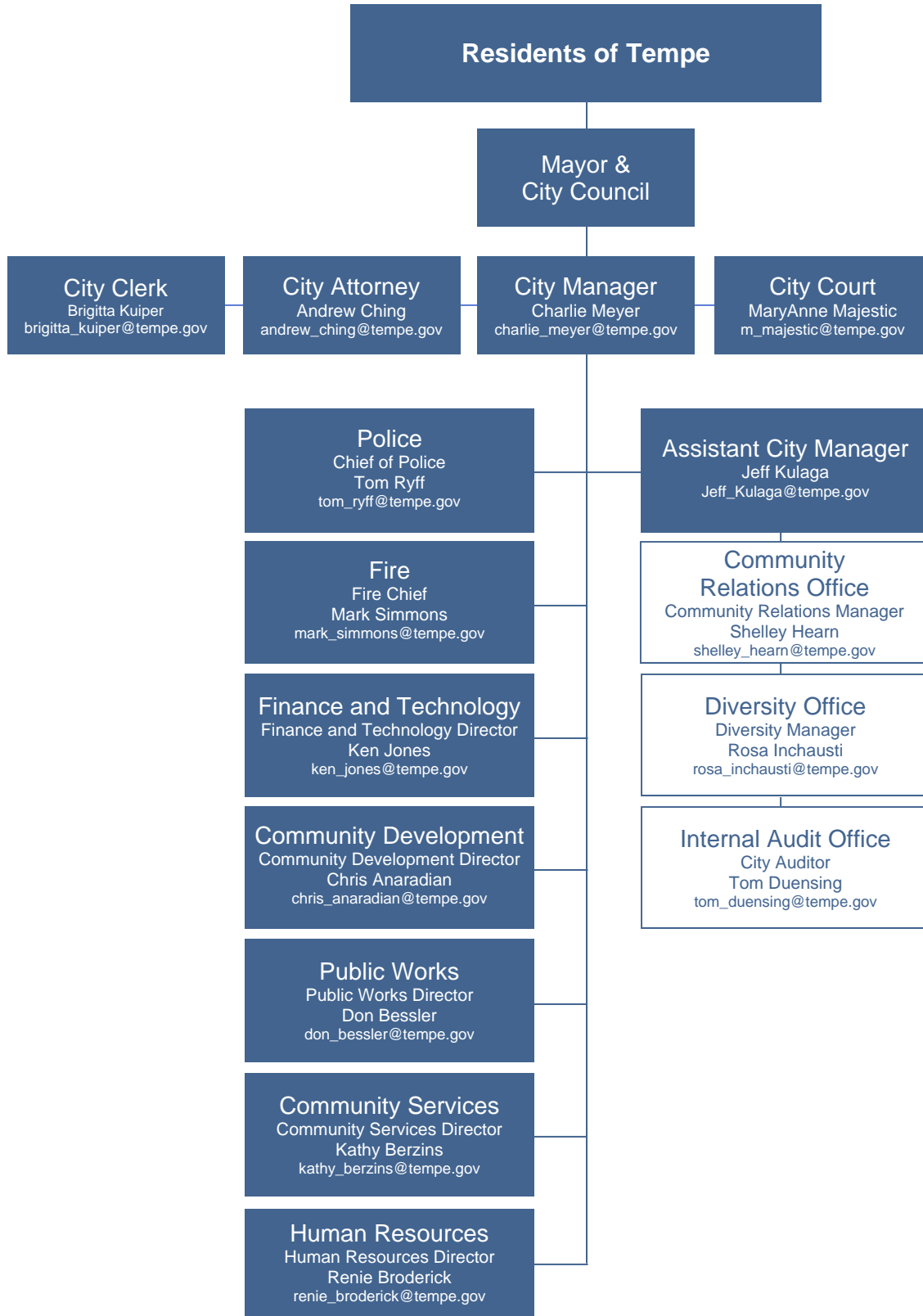
## **Diversity**

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



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# Organizational Chart





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June 10, 2010

To the Honorable Mayor and City Council:

Transmitted herein is the City of Tempe's (City) Fiscal Year (FY) 2010-11 financial program. The City faced some difficult budget choices as a result of a continued decline in revenues during FY 2009-10. Our financial forecasts indicated that, without appropriate action, the General Fund would have a \$34 million deficit beginning in FY 2010-11 with continued projected future deficits. However, the 2010-11 budget approved by the City Council represents a responsible approach to balancing the City's budget and positioning the City for long-term financial sustainability.

**Addressing the Challenge**

In the early fall of 2009, the City Council and staff quickly went to work assessing the severity of the problem and developing budget-balancing priorities and parameters. An inclusive process began, which included community and employee forums held in the late fall of 2009 and early 2010 to explain the problem and gather feedback. Residents and employees were also encouraged to become involved and provide budget balancing suggestions through the City's website and forums.

City Departments were asked to submit combinations of expenditure reductions and revenue enhancements. The City Council then engaged in several challenging sessions to prioritize the budget-balancing options and ultimately produce a balanced FY 2010-11 General Fund Budget while minimizing the number of layoffs, the first in the City's 115 year history.

The residents of the City once again showed their support for our City government by approving a 0.2% temporary addition to the City's sales tax rate, which allowed for the restoration of \$8 million in positions, which translate into restored services to the community. The sales tax rate was increased from 1.8% to 2.0%, and is effective through June 30, 2014. The increase in the sales tax rate helped to minimize the daunting gap between revenues and expenditures. This year's budget required the City to review our operations and identify operational alternatives to address the extraordinary financial situation.

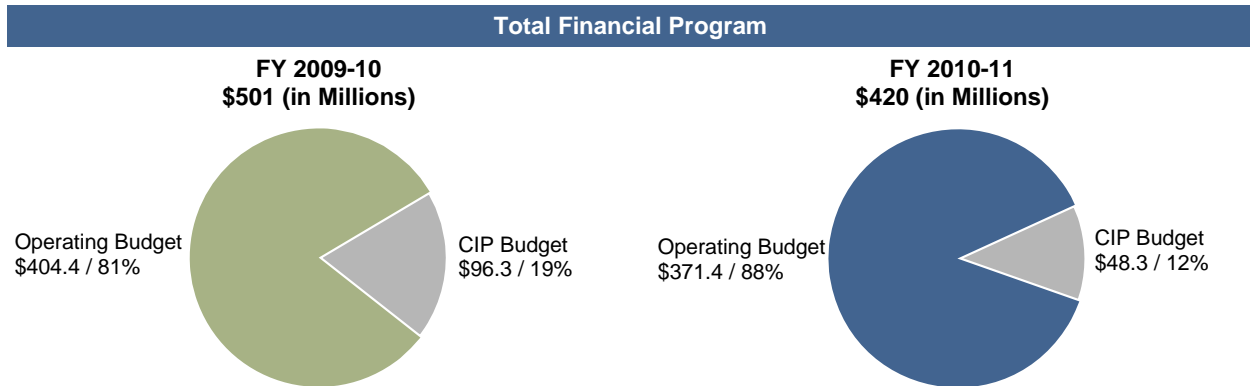
**Budget Overview**

The financial program for FY 2010-11 approximates \$420 million and includes monies for both operating and capital purposes. This amount represents an \$81 million or 16.2% decrease from the prior year. The decrease is due to reduced capital and operating budgets. As shown in the following table, the operating budget is projected to decrease by \$33 million or 8.2%, while the capital budget is reduced by \$48 million or 49.9% in the upcoming year. The decrease in both budgets is due to severely limited City revenues and financing options produced by the economic downturn. Additionally, the budget contains \$5.3 million of prior year encumbrances that were formally re-appropriated in FY 2010-11.

Total Financial Program		
	FY 2009-10 Budget	FY 2010-11 Budget
<b>Operating Budget</b> Percent Change	\$404,424,453	\$371,433,189 (8.2%)
<b>Capital Improvements Budget</b> Percent Change	\$96,310,568	\$48,264,755 (49.9%)
<b>Total Financial Program</b> <b>Percent Change</b>	\$500,735,021	\$419,697,944 (16.2%)

## FINANCIAL PROGRAM SUMMARY

The graphs below illustrates the relative shares of operating and capital appropriations in FY 2009-10 and FY 2010-11.



### OPERATING BUDGET

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

Operating Budget Summary			
	FY 2009-10 Budget	FY 2010-11 Budget	Percent Change
<b>General Fund</b>	\$185,892,521	\$154,811,302	(16.7%)
<b>Special Revenue Funds</b>			
Transportation	15,008,850	11,667,658	(22.3%)
Transit	68,825,439	64,026,251	(7.0%)
Rio Salado	2,444,592	1,889,799	(22.7%)
Performing Arts	9,104,528	8,511,128	(6.5%)
CDBG/Section 8	12,146,823	16,417,949	35.2%
<b>Debt Service Fund</b>	19,875,542	22,111,500	11.3%
<b>Enterprise Funds</b>			
Water/Wastewater	72,489,753	75,772,343	4.5%
Solid Waste	16,081,601	14,114,556	(12.2%)
Golf	2,178,060	1,731,353	(20.5%)
Cemetery	376,744	379,350	0.7%
<b>Total Operating Budget</b>	<b>\$404,424,453</b>	<b>\$371,433,189</b>	<b>(8.2%)</b>

### Operating Budget Highlights

Following are the major policy decisions contained in the recommended budget:

- Freeze employee compensation at FY 2008-09 levels resulting in an estimated \$4.2 million savings
- Consolidate the City's organizational structure from 14 departments to 7 departments and 3 offices
- Include employee furloughs resulting in \$5.0 million in savings
- Include health care benefit provider change resulting in approximately \$2.7 million in savings
- Eliminate and transfer 125 General Fund positions, resulting in \$9.8 in savings
- Include approximately \$1.9 million in additional revenues
- Reduce departmental non-personnel operating budgets by \$4.1 million
- Include approximately \$9.8 million in short term restoration opportunities
- Deferral of Other Post Employment Benefits (OPEB) Advanced Funding and Health Reimbursement Account contributions totaling approximately \$4.2 million

After application of the policy changes, the General Fund reserve is projected to equal 18% of revenues as of June 30, 2011.

## CAPITAL BUDGET

The City's five-year Capital Improvements Program (CIP) covering FY 2010-11 through FY 2014-15 totals \$205.1 million. The first year of the five-year CIP, which is formally adopted by the City Council, totals \$48.3 million for FY 2010-11.

Capital Improvements Program						
Program	2010-11	Additional Needs				Total Five-Year Program
	Funded Program	2011-12	2012-13	2013-14	2014-15	
<b>Enterprise Program</b>						
Water	\$31,046,338	\$8,255,001	\$11,114,001	\$7,218,000	\$6,687,000	\$64,320,340
Wastewater	12,600,000	15,234,000	25,300,000	12,250,000	17,417,800	82,801,800
Total Enterprise	43,646,338	23,489,001	36,414,001	19,468,000	24,104,800	147,122,140
<b>Special Purpose Program</b>						
Transit	446,000	530,000	1,220,000	2,462,000		4,658,000
Rio Salado	327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000
Total Special Purpose	773,500	5,010,000	2,180,000	29,502,000	7,520,000	44,985,000
<b>General Purpose Program</b>						
Police	800,954	1,053,267	879,604	861,316	900,000	4,585,141
Fire	600,000					600,000
Park Improvements	150,000					150,000
Community Relations	250,000					250,000
Community Services	551,463	234,890	364,140	194,680	241,048	1,586,221
Community Development				200,000	1,323,000	1,523,000
Public Works	1,028,000	535,828				1,563,828
Water Utilities	100,000					100,000
Total General Purpose	3,570,417	1,823,985	1,243,744	1,255,996	2,464,048	10,358,190
<b>Transportation Program</b>						
Transportation and R.O.W.	275,000			1,582,400		1,857,400
Traffic Signals/Street Lighting		425,000	350,000			775,000
Total Transportation	275,000	425,000	350,000	1,582,400		2,632,400
Total General/Transportation	3,845,417	2,248,985	1,593,744	2,838,396	2,464,048	12,990,590
<b>TOTAL PROGRAM</b>	<b>\$48,264,755</b>	<b>\$30,747,986</b>	<b>\$40,187,745</b>	<b>\$51,808,396</b>	<b>\$34,088,848</b>	<b>\$205,097,730</b>

### Capital Budget Highlights

The Capital Budget for FY 2010-11 primarily consists of major projects that are already underway or that are ongoing in nature. Due to the impact of the economy on future revenue sources, the five-year CIP contains very few new projects. Instances of new project funding occur primarily in programs with a specialized funding source. The following are some highlights of the Capital Budget:

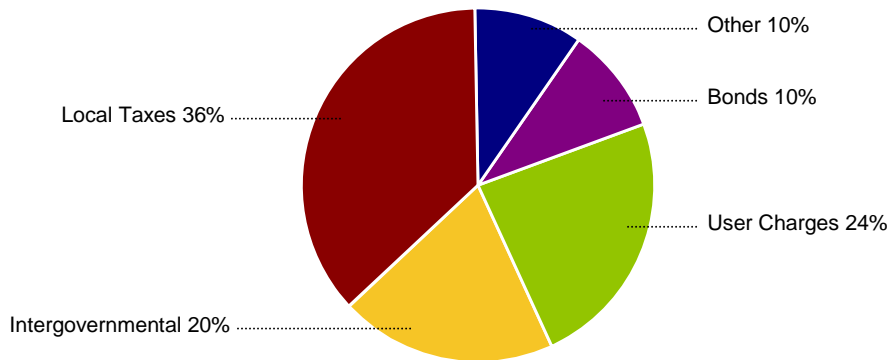
- Continued bond funding for required water quality improvements to meet current and future water quality regulations at the South Tempe Water Treatment Plant (STWTP) (\$18.7 million)
- Continued bond funding for the design and construction of a new Environmental Laboratory Facility (\$5 million)
- Continued bond funding for 91st Avenue Wastewater Treatment Plant capacity expansion (\$12.5 million)
- Continued bond funding for the Police/City Radio System Replacement (\$890,000)
- Continued bond funding for the Fire Department's federally mandated radio conversion to 800 Megahertz (\$600,000)

- Continued bond funding to complete the Tempe Public Library renovation (\$115,000)
- Continued pay-as-you-go funding for the Municipal Arts Program (\$440,000)
- Continued pay-as-you-go funding for the repair, replacement and maintenance of various City facilities (\$510,000)
- New federal grant funding to enhance the City's Energy Conservation Program (\$375,000)
- New federal grant funding for the design and construction of a new section of the Tempe Rio Salado multi-use path system (\$446,000)
- Continued funding to complete repairs to the Town Lake's downstream dam area as required by Arizona Department of Water Resources (\$227,000)

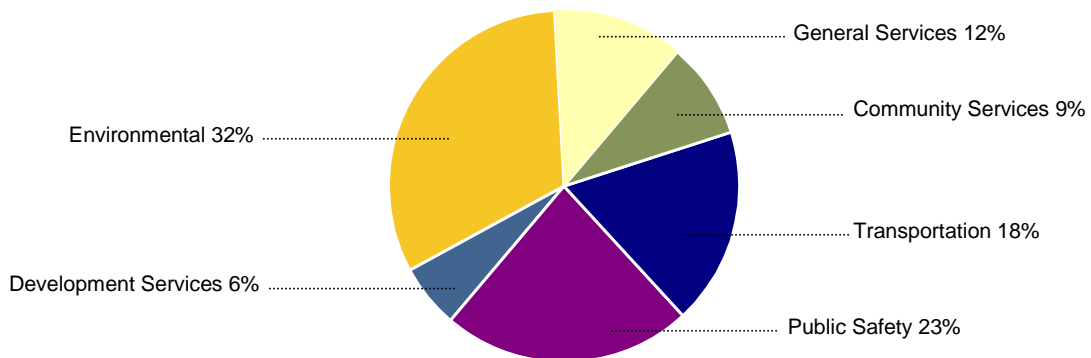
**Income/Outgo**

The following pie charts represent 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 sources, representing 37% of the FY 2010-11 total revenue budget. Other major revenue sources include user charges (such as water service and solid waste fees), intergovernmental revenue, and bond proceeds. Environmental and Public Safety represent the greatest areas of program appropriation, accounting for 55% of the total financial program in 2010-11.

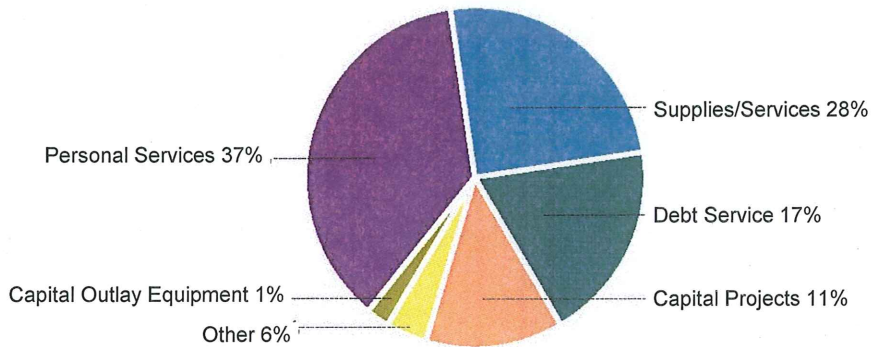
**Where the Money Comes From by Source of Funds**



**Where the Money Goes by Type of Program**



### Where the Money Goes by Line Item Category



The final chart depicts appropriations by expenditure type. Personal Services (salaries, wages and benefits) and Supplies/Services represent the largest portions of the total financial program.

### FINANCIAL ASSESSMENT

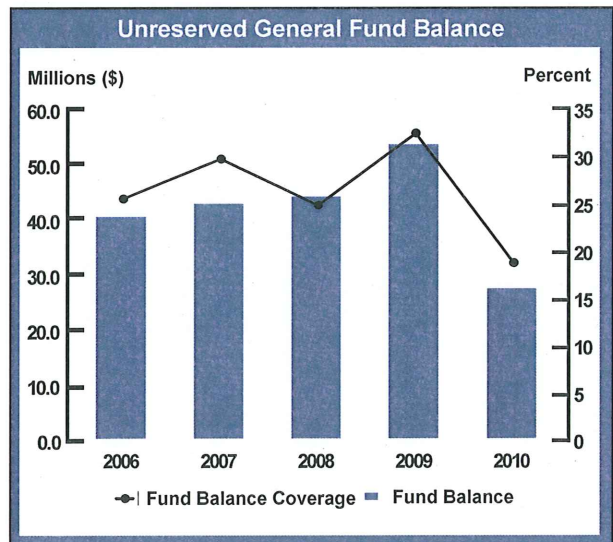
Tempe has developed and maintained a strong financial position through conservative financial management and adherence to sound fiscal analysis and policies.

#### Long-Range Financial Plan

To provide a framework for gauging the financial sustainability of resource allocation decisions, five year financial plans are generated for each of the City's operating funds on an annual basis. Each forecast is produced from a baseline perspective that portrays the projected operating margin for each fund assuming current service levels. Assumptions about future revenue and expenditure growth variables are researched from external and internal sources and incorporated into the forecast models. The resulting models provide a five-year projection of the ending balance for each fund, which in conjunction with the relevant fund balance policy, provides a starting point for operating budget development.

#### 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 \$27.9 million as of June 30, 2010. The decrease from 2009 to 2010 is due to a planned drawdown to provide a "soft landing" in achieving longer term financial sustainability. As shown by the line in the graphic to the right, the current balance represents 19% of FY 2009-10 total General Fund revenue. Our recommended guideline for General Fund fund balance coverage ranges between 20-30% of General Fund revenue. The City's Water/Wastewater fund has an estimated fund balance of \$34.3 million, while the remaining Enterprise funds (Golf, Solid Waste, and Cemetery programs) will have a combined fund balance of approximately \$3.6 million as of June 30, 2010.



#### 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 the Water/Wastewater Fund and financed from current revenues is \$1.0 million of contingency funding for unanticipated emergencies. The General Fund's contingency appropriation is suspended due to the downturn in the economy.

### Debt Management Plan

In addition to the management of existing debt and associated reserves, the City also forecasts future debt within a framework of policy priorities and financial capacity. Current and anticipated capital improvement objectives, available operating revenue, tax base fluctuations, and reserve levels are all evaluated on an ongoing basis to estimate the extent to which the City may issue additional tax supported debt. This active debt management aids in the development of a sustainable debt portfolio and is a key financial practice contributing to the maintenance of the City's favorable bond ratings.

### 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, Aaa by Moody's, and AAA by Standard & Poor's. Notable is the recent upgrade in Moody's rating of the City's creditworthiness from Aa1 to Aaa. 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.

Bond Ratings	
Fitch	AAA
Moody's	Aaa
Standard & Poor's	AAA

### Development Activity

The City is at the geographic center of the Phoenix-Mesa metropolitan area. As such, the city shares boundaries with four other cities. As a 'land-locked' city, Tempe's development profile is different from its neighbors'. Higher density and in-fill development/redevelopment is predominant. Tempe has experienced a modest decline in the median sales price of existing homes. Between second quarter 2009 and second quarter 2010, the median sales price witnessed a 4.2% decline according to data from the Arizona State University Realty Studies, making home ownership in our community more affordable.

Tempe is very competitive when compared to neighboring cities in terms of overall economic development activity. The industrial vacancy rate in Tempe as of the second quarter, 2010 is 11%, compared to a region-wide rate of 15.2%. Similarly, office vacancies for Tempe were 17.5%, compared to 21.5% for the region. Finally, retail vacancies were 9.4% and 12.1% for Tempe and the valley, respectively.

Significant new private construction projects that were completed in the past fiscal year include:

- Sea Life Aquarium at Arizona Mills Mall
- Expansion of Walgreen's Regional Headquarters
- Aurora Behavioral Health Care Center

During fiscal year 2009-10 city staff facilitated the retention/expansion of 10 businesses which employ over 1,100 people and are a vital part to the local economy. In addition, staff facilitated the addition of 24 new businesses, including high technology firms, manufacturers and advanced business services firms. These new businesses helped add over 1,300 new jobs and nearly \$40 million in capital investment to the local economy.

### MAJOR POLICY CONSIDERATIONS

Appropriation choices were made within the context of the City's Strategic Issues, Council Budget Policy Direction and long-range financial plans.

### 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 and community committees as follows:

- Community Sustainability
- Education Partnerships
- Housing
- Mill and Lake District
- Neighborhood Parks Rehabilitation and Maintenance
- Quality of Life
- Sports, Recreation, Arts and Cultural Development
- Technology, Economic and Community Development
- Transportation

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.

#### **Council Budget Policy Direction**

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

- Maintain existing service levels to the extent possible
- Manage financial reserves at sustainable levels
- Maximize organizational efficiencies
- Adjust fees to recover City costs

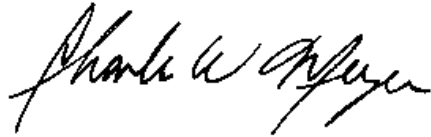
#### **CONCLUSION**

Though the economy continues to provide the City with financial challenges, we expect conditions to improve over the long-term. Through sound management of current resources and 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 the City Council's policy of preserving Tempe's quality of life and solid financial position by maintaining sufficient 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.

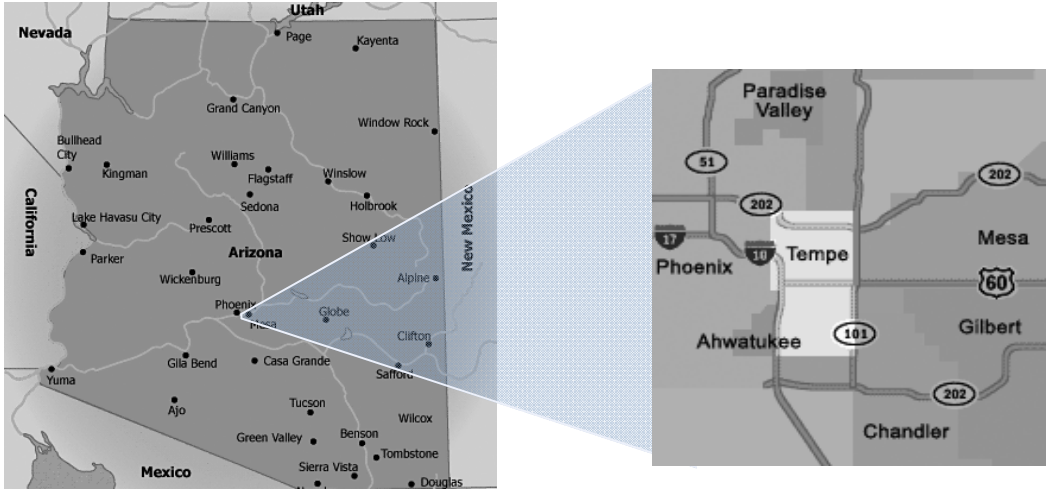
Respectfully submitted,



Charles W. Meyer  
City Manager

# TEMPE COMMUNITY PROFILE

## Where is Tempe, Arizona?



**Date of Incorporation - November 26, 1894**

**Date Charter Adopted - October 19, 1964**

**Form of Government - Council - Manager**

### 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.

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.

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.

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 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 moved 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.

## 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+: 97,606 Tempe residents
- Tempe mean travel time to work: 21 minutes



## 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*

Industry	# of Tempe Residents Employed
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

### New Times 10K

- State's largest 10K with 12,000 running along Tempe Town Lake and Mill Avenue

### Fourth of July

- Largest celebration in the state; fireworks over Tempe Town Lake draw 100,000 plus

### Sports

#### Tempe Diablo Stadium

- Spring Training Baseball home for Los Angeles Angels of Anaheim, San 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, and two municipal golf courses: Ken McDonald with 69,996 Rounds of Play and Rolling Hills with 56,513 Rounds of Play

### 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

- Among the 30 galleries and museums at ASU

#### Marquee Theatre

- 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 including Preparatory Academy and a variety of parochial and charter schools

#### Arizona State University

Tempe is home to the main campus of Arizona State University. There are approximately 56,000 students and 10,336 employees. Bachelors, Masters and Ph.D. programs are 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.*

#### Tempe Town lake

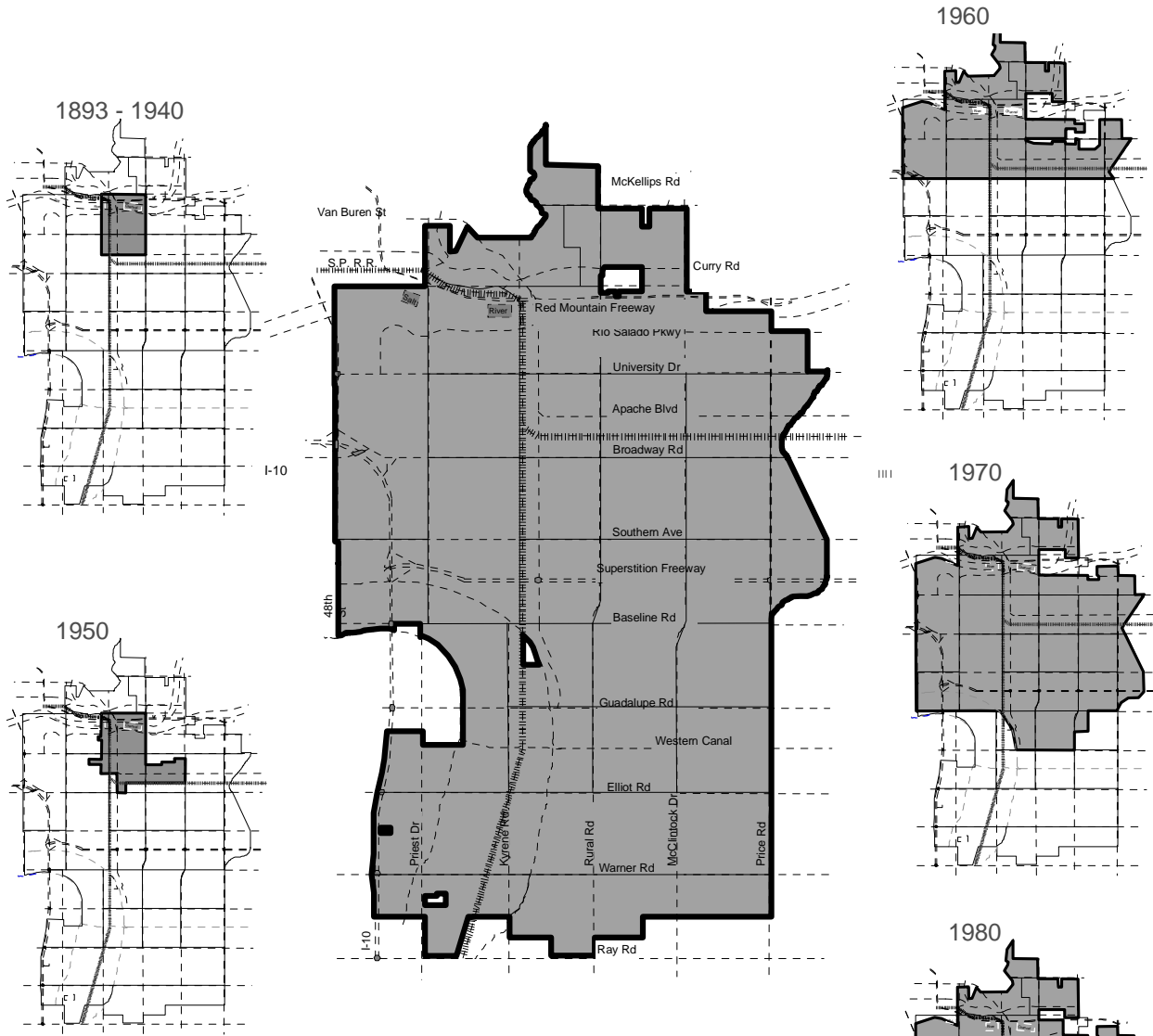
Tempe Town Lake is a vibrant destination located adjacent to the City's downtown Mill Avenue District. The lake's paths and parks make it a hub of recreation and leisure time in Tempe. More than 100 special events happen annually at the lake, ranging from small runs to major concerts and festivals. The lake has also had a significant economic impact to the City as businesses and hotels enjoy tourist traffic.

#### Demographics of Tempe

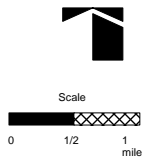
- Population 173,131
- With Bachelor's Degree or higher 38%
- Median Age 29
- Median Income (age 25+) \$64,557
- Median Home Value \$267,000



# City Limits



Year	Area	Year	Area	Year	Area
1893	1.0	1940	1.8	1975	36
1894	1.8	1950	2.6	1980	36
1900	1.8	1955	4.5	1985	38.5
1910	1.8	1960	17.5	1990	39.3
1920	1.8	1965	21.7	1995	39.8
1930	1.8	1970	25.3	2006	40.1





## OTHER DEMOGRAPHICS

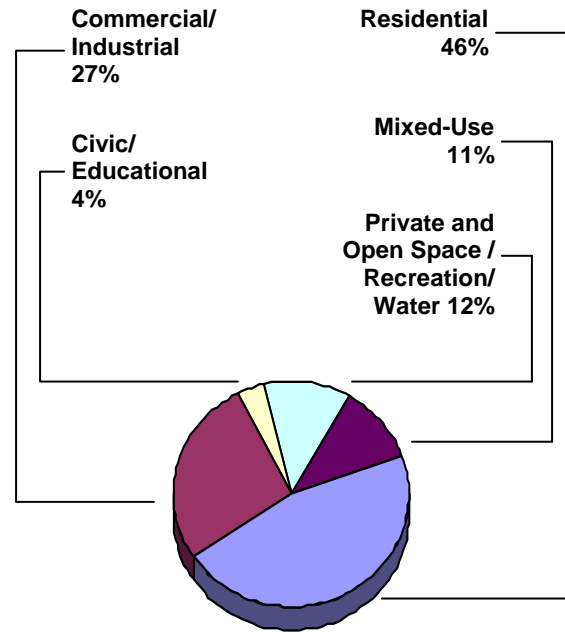
### Population (Census)

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)
2009	1,067	173,131
2008	1,249	426,439
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

### Land Use (2010) (%)



### Elections (2010)

Registered voters	Primary	84,629
	General	77,439
Voter Turnout	Primary	15,295
	General	28,943
% Voting	Primary	18%
	General	37%



## OTHER DEMOGRAPHICS (Continued)

### School Registration

Tempe Elementary District	12,824
Tempe Union High School District	13,150
ASU (Fall 2009) Tempe Campus	55,552

### Major Employers

Arizona State University	10,336
Wells Fargo	3,406
Salt River Project	3,331
Freescale Semiconductor	3,000
Kyrene Elementary	2,860
US Airways, Inc.	2,800
Insight Direct	2,500
Honeywell International	2,000
JP Morgan Chase	2,000
City of Tempe	1,810

### Employment Trends

	Employment	Unemployment Rate
2009	115,131	6.7%
2008	118,675	4.2%
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%

### 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

### City Sales Tax

General	1.4%
Transit	.5%
Performing Arts	.1%
Total	2.0%

### Property Tax Rate

Primary	0.5176
Secondary	0.8824
Total	\$1.4000

### % 2009-10 Net Secondary Assessed Value

### Largest Property Taxpayers

Arizona Mills LLC	1.51%
Qwest Corporation	0.93%
Arizona Public Service Company	0.80%
Tempe Fountainhead Corporate LLC	0.65%
Fly (CD) LLC/ AWHQ LLC	0.65%
State Farm Mutual Automobile Insurance Company	0.58%
Honeywell International, Inc.	0.51%
Freescale Semiconductor, Inc.	0.52%
SRPAI & PD	0.45%
Breof BNK 2 Southwest LLC	0.43%
St. Paul Properties Inc.	0.41%
Target Corporation	0.41%
Verizon Wireless	0.41%
Wells Fargo Bank, NA	0.38%
Tempe Marketplace Commerce Associates	0.35%
T-Mobile	0.34%

### Bond Rating

Fitch	AAA
Standard and Poor's	AAA
Moody's	Aaa

### Police

Sworn Personnel	341
Non-Sworn Personnel	152
Total	493

Avg. Emergency Response Time (min.)	5:31
Crime Index (CY 2009)	9,974
Part I Crime Per 1,000 Capita (CY 2009)	57

### Fire

Sworn Personnel	153
Non-Sworn Personnel	29
Total	182

Fire Stations	6
Avg. Emergency Response Time (min.)	4:20
Response to emergency medical incidents	15,413
Total number of calls	18,810

### Solid Waste

Residential Accounts Serviced	32,882
Commercial Accounts Serviced	1,784
Solid Waste Collected (tons)	137,056

### Water/Wastewater

Active Accounts Serviced	42,107
Water Treated (billions of gallons)	16.7
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.

<b>Population (2005 Mid-Decade Census)</b>		<b>Operating Budget (FY 2010-11)</b>		<b>Million \$</b>
Phoenix	1,475,834	Phoenix		3,000.1
Mesa	448,096	Mesa		893.7
Glendale	242,369	Chandler		523.1
Scottsdale	234,752	Scottsdale		574.6
Chandler	230,845	Glendale		481.6
Gilbert	173,072	Gilbert		402.3
<b>Tempe</b>	<b>165,796</b>	<b>Tempe</b>		<b>371.4</b>
Peoria	138,143	Peoria		315.7

<b>Property Tax (as of July 1, 2010)</b>		<b>(per \$100 assessed Value)</b>	<b>Incorporated City Limits</b>		<b>sq. miles</b>
Phoenix		\$1.82	Phoenix		515.0
Glendale		1.60	Scottsdale		185.0
Peoria		1.44	Peoria		170.5
<b>Tempe</b>		<b>1.40</b>	Mesa		136.9
Chandler		1.18	Chandler		63.3
Gilbert		1.15	Glendale		58.5
Scottsdale		0.90	Gilbert		68.0
Mesa		0.35	<b>Tempe</b>		<b>40.1</b>

<b>Sales Tax (as of July 1, 2010)</b>	
Glendale	2.20%
Phoenix	2.00%
<b>Tempe</b>	<b>2.00%</b>
Peoria	1.80%
Mesa	1.75%
Scottsdale	1.65%
Chandler	1.50%
Gilbert	1.50%

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# Budget Overview

**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 2010-11 estimated General Fund operating revenue (\$154.8 million) to expenditures (\$154.8 million) Ratio 1:1*

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

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

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

- **Status:** *Projections completed in Comprehensive Financial Plan (2010 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 2010-11 17.7%*

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 2010-11 with a 20 year debt amortization period: \$1.6 million for police and fire projects; \$36.7 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 2010-10 Annual CIP budget of \$48.3 million adopted representing the first year of a 5-year, \$205.1 million CIP program*

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

- **Status:** *FY 2010-11 operating and maintenance impact of new capital projects is estimated at \$160,000*

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

- **Status:** *Capital maintenance program approved in Capital Improvements Program budget includes City facilities rehabilitation, local and major street maintenance, 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 2010-11
General Obligation	\$38.4
Capital Projects Fund Balance	1.7
Outside Revenue	7.8
Pay-As-You-Go Financing	0.4
<b>Total Sources of Funds</b>	<b>\$48.3</b>

### Financial Reserve Policies

The City will continue its healthy financial reserve position. Unreserved fund balance coverage for the General Fund will maintain a range of 20% to 30% of General Fund revenue.

- **Status:**

Unreserved Fund Balance FYE 09	Revenue FY 2008-09	Unreserved Fund Balance Coverage
\$54.0 M	\$165.1 M	32.7%
Estimated Unreserved Fund Balance FYE 10	Revenue FY 2009-10	Unreserved Fund Balance Coverage
\$27.9 M	\$146.7 M	19.0%
Estimated Unreserved Fund Balance FYE 11	Revenue FY 2010-11	Unreserved Fund Balance Coverage
\$27.4 M	\$154.1 M	17.8%



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 09	Revenue FY 2008-09	Unreserved Fund Balance Coverage	Days Coverage
--	--------------------------------	--------------------	----------------------------------	---------------

Water/Wastewater	\$42.9 M	\$55.2 M	77.7%	284
Solid Waste	\$4.6 M	\$15.4 M	29.9%	109
Golf	\$0.4 M	\$1.8 M	22.2%	81

	Estimated Unreserved Fund Balance FYE 10	Revenue FY 2009-10	Unreserved Fund Balance Coverage	Days Coverage
--	--	--------------------	----------------------------------	---------------

Water/Wastewater	\$34.3 M	\$60.8 M	56.4%	206
Solid Waste	\$4.3 M	\$15.0 M	28.7%	105
Golf	(\$0.04) M	\$1.7 M	0%	0

	Estimated Unreserved Fund Balance FYE 11	Revenue FY 2010-11	Unreserved Fund Balance Coverage	Days Coverage
--	--	--------------------	----------------------------------	---------------

Water/Wastewater	\$24.6 M	\$66.5 M	37.0%	135
Solid Waste	\$5.4 M	\$15.2 M	35.5%	130
Golf	(\$0.06) M	\$1.7 M	0%	0

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 improvements projects, and to facilitate the phasing in of new user rate increases which began 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 2010-11 \$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*

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*



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## 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.
- Developed **Financial Policy** for long-term financial stability; policy established minimum and maximum General Fund reserve levels to be maintained over the course of the five-year financial planning horizon.
- Provide partial funding of the annual required contribution for **Other Post Employment Benefits (OPEB)**.
- 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 2010-11 fiscal year. Beginning balances total \$167.0 million and the ending fund balances are estimated at \$129.9 million. The decreases in fund balances reflect planned drawdowns to address projected budget shortfalls between revenues and expenditures resulting from the continued economic downturn.

The fund balance in the General Fund will remain relatively untouched. Fund balances in certain Special Revenue funds (HURF, Performing Arts and Transit) will be applied to assist the operating funds that have also been negatively impacted. Within the Enterprise Funds, the Cemetery and Golf funds have presented significant financial challenges, requiring special attention to attain long-term financial sustainability.

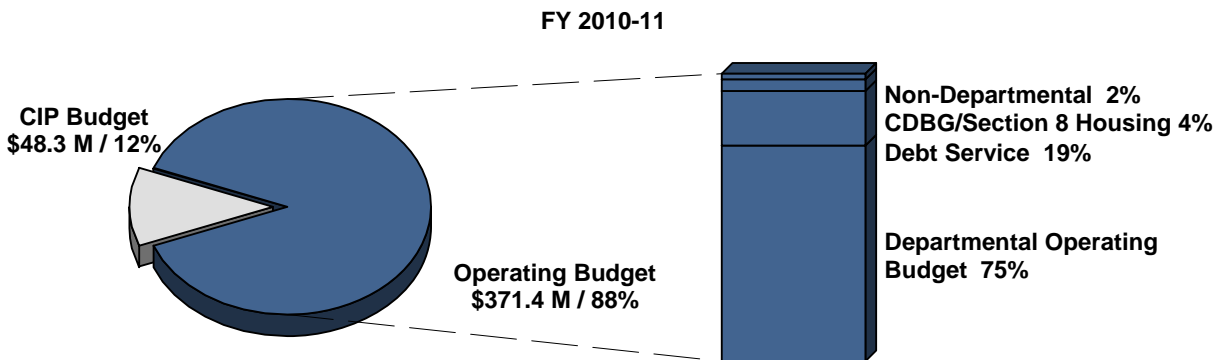
The drawdown of fund balance for the operation of the Water/Wastewater Program is consistent with the financial plan and includes expenses for debt, capital outlay, and mandatory environmental compliance.

FY 2010-11								
Fund	Estimated Fund Balance 6/30/10	Revenue	Total Financial Resources	Budgeted Expenditures	Adjusted Financial Resources	Interfund In	Transfer (Out)	Estimated Fund Balance 6/30/11
<b>General</b>	\$27,929,230	\$154,088,190	\$182,017,420	\$154,811,302	\$27,206,118	\$186,435		\$27,392,553
<b>Special Revenue:</b>								
HURF/LTAF	9,921,450	10,356,703	20,278,153	11,667,658	8,610,495		(2,770,000)	5,840,495
CDBG/Section 8		16,417,949	16,417,949	16,417,949				
Rio Salado	973,297	2,117,130	3,090,427	1,889,799	1,207,890			1,207,890
Performing Arts	6,000,304	5,796,368	11,796,672	8,511,128	3,285,544			3,285,544
Transit	33,783,861	43,837,911	77,621,772	64,026,251	13,595,521			13,595,521
<b>Debt Service</b>	40,589,139	24,951,140	65,540,279	22,111,500	43,428,779	2,770,000	(49,000)	46,149,779
<b>Enterprise:</b>								
Cemetery	(708,323)	144,420	(563,903)	379,350	(943,253)			(943,253)
Golf	(42,310)	1,711,195	1,668,885	1,731,353	(62,468)			(62,468)
Solid Waste	4,282,291	15,189,163	19,471,454	14,114,556	5,356,898			5,356,898
Water Utilities	34,339,578	66,510,174	100,849,752	75,772,343	25,077,409		(436,463)	24,640,946
<b>TOTAL OPERATING</b>	<b>157,068,517</b>	<b>341,120,343</b>	<b>498,188,860</b>	<b>371,433,189</b>	<b>126,755,671</b>	<b>2,956,435</b>	<b>(3,255,463)</b>	<b>126,463,905</b>
Capital Improvements	9,910,740	41,494,727	51,405,467	48,264,755	3,140,712	436,463	(137,435)	3,439,740
<b>TOTAL FUNDS</b>	<b>\$166,979,257</b>	<b>\$382,615,070</b>	<b>\$549,594,327</b>	<b>\$419,697,944</b>	<b>\$129,896,383</b>	<b>\$3,392,898</b>	<b>\$(3,392,898)</b>	<b>\$129,903,645</b>

## Total Financial Program



The Total Financial Program adopted for FY 2010-11 is \$420 million, representing a 16% decrease from the FY 2009-10 Total Financial Program. The FY 2010-11 amount includes an Operating Budget of \$371.4 million and a \$48.3 million Capital Budget. The operating budget decrease of 8% in FY 2010-11 is related to a significant reduction of resources caused by the economic downturn. Changes include reductions in staffing levels, employee furloughs, reduced base budget appropriations, reorganization of city departments, suspension of employee compensation adjustments and other reductions. The 50% decrease in the Capital Budget is also attributed to severely limited revenues and financing options produced by the economy.



Total Financial Program		
	FY 2009-10	FY 2010-11
<b>OPERATING BUDGET</b>		
Departmental Operating Budget	\$316,918,110	\$279,428,016
Debt Service	65,918,781	69,802,500
Non-Departmental	9,440,739	5,784,724
CDBG/Section 8 Housing	12,146,823	16,417,949
<b>TOTAL OPERATING BUDGET</b>	<b>\$404,424,453</b>	<b>\$371,433,189</b>
<b>TOTAL CAPITAL BUDGET</b>	<b>\$96,310,568</b>	<b>\$48,264,755</b>
<b>TOTAL FINANCIAL PROGRAM</b>	<b>\$500,735,021</b>	<b>\$419,697,944</b>

# Financial Program Summary



The following table summarizes the revenues and expenditures for the City's Financial Program.

	General Governmental	Special Revenue	Enterprise	Capital Budget	Total Financial Program
<b>Revenues</b>					
Local Taxes, Licenses & Permits	\$114,414,128				\$114,420,596
Intergovernmental	35,181,557				35,165,037
Charges for Service	11,200,441				11,200,441
Fines and Forfeitures	10,322,095				10,322,095
Other	6,431,161				6,431,161
Interest	1,500,000				1,500,000
Transit		43,837,911			43,837,911
Highway User Revenue		10,356,703			10,356,703
CDBG / Section 8 Housing		16,417,949			16,417,949
Performing Arts Tax		5,796,368			5,796,368
Rio Salado		2,117,130			2,117,130
Water / Wastewater			66,510,174		66,510,174
Solid Waste			15,189,163		15,189,163
Golf			1,711,195		1,711,195
Cemetery			144,420		144,420
Water / Wastewater G.O. Bonds				36,646,338	36,646,338
Tax Supported G.O Bonds				1,605,954	1,605,954
Grants				739,500	739,500
Development Fees				1,000,000	1,000,000
Other Fund Balances				8,272,963	8,272,963
<b>Total Revenues</b>	<b>\$179,049,382</b>	<b>\$78,526,061</b>	<b>\$83,554,952</b>	<b>\$48,264,755</b>	<b>\$389,395,150</b>
<b>Expenditures</b>					
Public Safety	95,195,482			1,490,954	106,648,145
General Governmental Services	24,093,850			1,378,000	26,082,850
Community Services	25,669,162			701,463	29,685,856
Debt Service	22,111,500				22,111,500
Development Services	9,066,984				9,066,984
Transportation (Maintenance of Effort)	785,824				785,824
Transit		64,026,251		446,000	73,776,251
Highway User / Transportation		11,667,658		275,000	23,638,347
Performing Arts		8,511,128			8,511,128
Section 8 Housing		10,623,052			10,623,052
CDBG		5,794,897			5,794,897
Rio Salado		1,889,799		327,000	5,115,299
Water / Wastewater			75,772,343	43,646,338	120,458,490
Solid Waste			14,114,556		14,114,556
Golf			1,731,353		1,731,353
Cemetery			379,350		379,350
<b>Total Expenditures</b>	<b>\$176,922,802</b>	<b>\$102,512,785</b>	<b>\$91,997,602</b>	<b>\$48,264,755</b>	<b>\$419,697,944</b>

## Financial Program Summary for Revenues and Expenditures/Expenses



Total budgeted revenue in the FY 2010-11 Financial Program is approximately \$389 million, reflecting a reduction when compared to the prior periods shown. This decrease is due primarily to a smaller Capital Budget in FY 2010-11 resulting from the City's decreased bonding capacity.

The budgeted expenditures for FY 2010-11 total \$419.7 million, representing a reduction from the prior years shown in the table. Total budgeted expenditures have decreased during this period, largely due to the delay or cancellation of capital projects and substantial operating budget reductions; both attributable to, and in response to the economic downturn.

The significant differences between total revenue and total expenses where revenues are insufficient to pay for expenditures in the Special Revenue and Enterprise Funds represent drawdowns of fund balances.

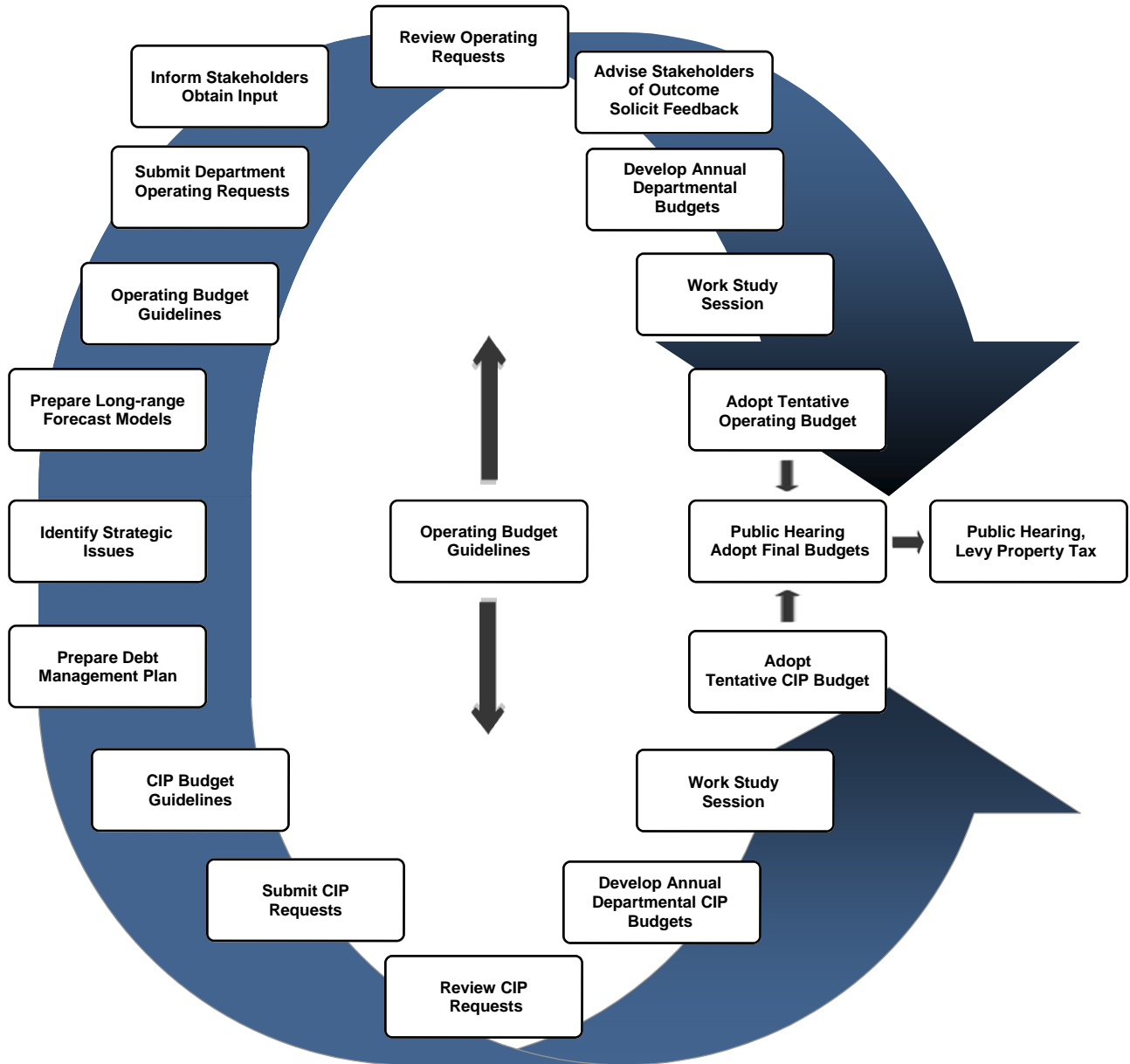
Revenues							
Revenues/Sources	FY 2008-09 Actual	FY 2009-10 Budget	% Change	FY 2009-10 Revised	% Change	FY 2010-11 Budget	% Change
General Fund	\$165,111,782	\$163,249,924	(1%)	\$146,276,833	(10%)	\$154,088,190	5%
Special Revenue Fund	77,844,401	108,757,800	40%	70,519,081	(35%)	78,526,061	11%
Enterprise Fund	72,532,920	79,549,537	10%	77,693,237	(2%)	83,554,952	8%
Debt Service Fund	25,162,769	28,147,909	12%	28,147,909	0%	24,961,192	(11%)
Capital Projects Fund	168,033,325	96,310,568	(43%)	96,310,568	0%	48,264,755	(50%)
<b>Total</b>	<b>\$508,685,197</b>	<b>\$476,015,738</b>	<b>(6%)</b>	<b>\$418,947,628</b>	<b>(12%)</b>	<b>\$389,395,150</b>	<b>(7%)</b>

Expenditures							
Expenditures/Uses	FY 2008-09 Actual	FY 2009-10 Budget	% Change	FY 2009-10 Revised	% Change	FY 2010-11 Budget	% Change
General Fund	\$182,361,417	\$185,892,521	2%	\$173,961,630	(6%)	\$154,811,302	(11%)
Special Revenue Fund	108,301,654	107,530,232	0%	99,024,718	(8%)	102,512,785	(4%)
Enterprise Fund	78,304,148	91,126,158	16%	85,998,355	(6%)	91,997,602	7%
Debt Service Fund	16,988,095	19,875,542	17%	19,217,500	(3%)	22,111,500	15%
Capital Projects Fund	168,033,325	96,310,568	(43%)	96,310,568	0%	48,264,755	(50%)
<b>Total</b>	<b>\$553,988,639</b>	<b>\$500,735,021</b>	<b>(10%)</b>	<b>\$474,512,771</b>	<b>(5%)</b>	<b>\$419,697,944</b>	<b>(12%)</b>

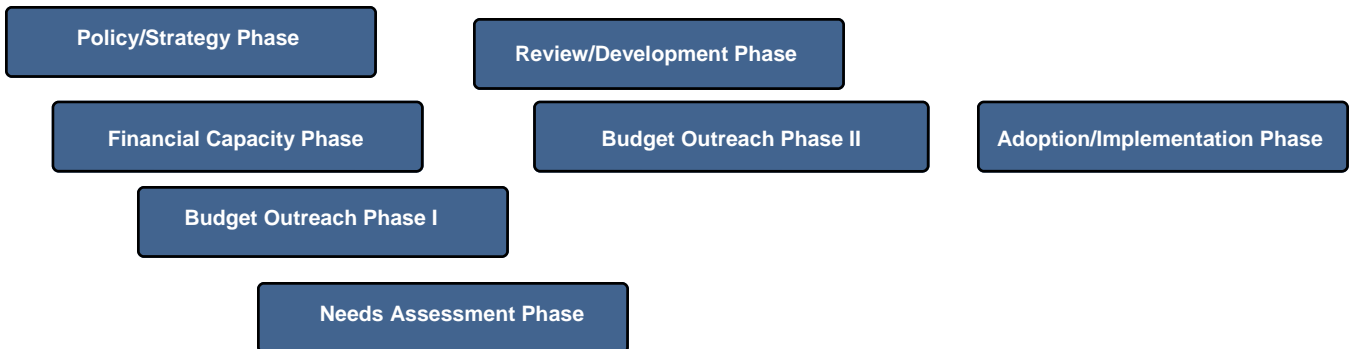
# Budget Process Flowchart



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



... October    November    December    January    February    March    April    May    June ...





## **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.

- **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 funding requests for additional funding are formulated. Aside from the Council's own objectives, the departments identify and discuss their own policy issues with the City Manager.

- **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 Improvements Program given the City's Financial Policy guidelines.

- **Budget Outreach Phases**

In a two-phase approach, the City interacted with all its stakeholders (residents, employees, businesses and others) to inform them about the extent of the budget issues and to engage them in being part of the solution.

The first phase, generally from late October through early December was aimed to inform internal and external stakeholders about the gravity of the FY 2010-11 budget issue and obtain their input on potential solutions. The second phase, from early January through early March, was directed to inform all stakeholders about the City's proposed solutions and solicit their feedback.

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 residents 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.

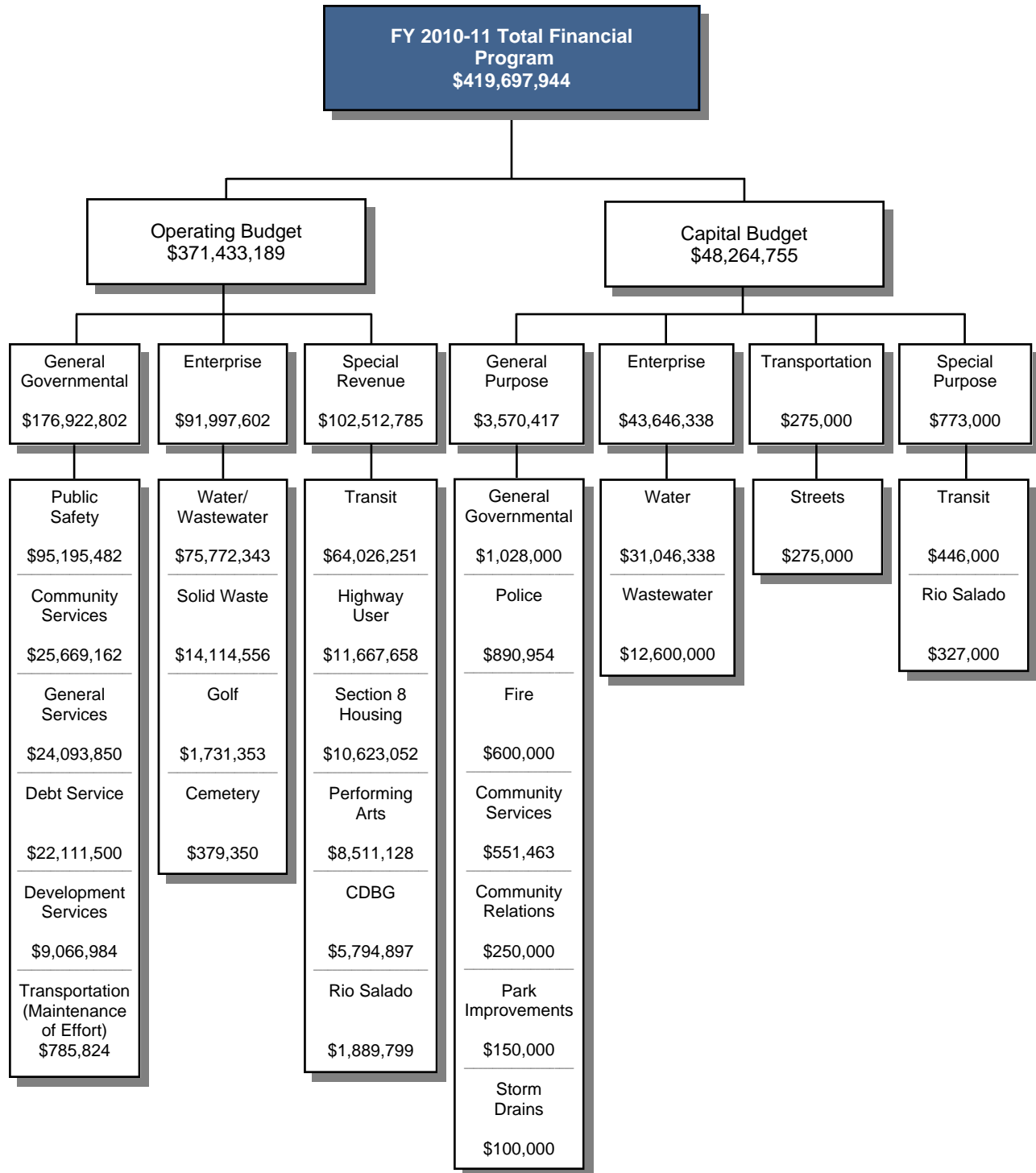
Management control of the budget is maintained by conducting monthly budget performance reviews throughout the fiscal year. They are aimed at examining expenditure patterns, and recommending corrective action to be taken during the year. Additionally, records are maintained to evaluate ongoing programs 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 be 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 Manager 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 and Technology Director), 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 Improvements 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**).

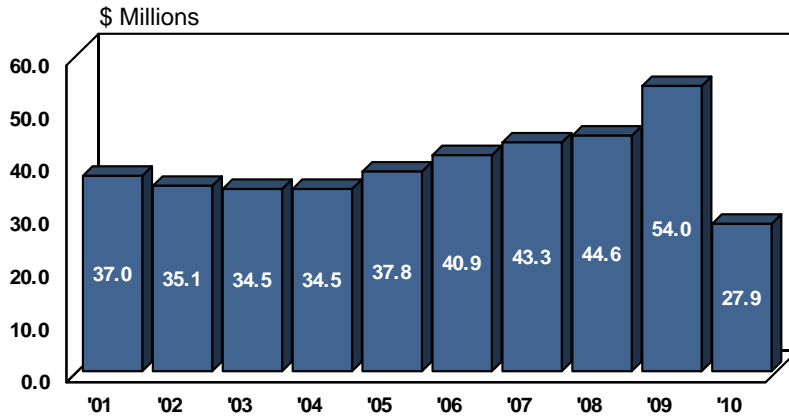
# Components of Total Financial Program



# General Governmental Funds: Ten Year Fund Balance Trends



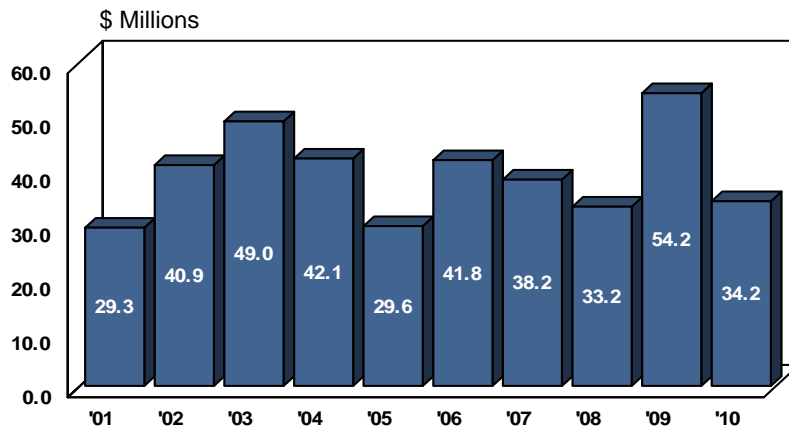
**General Fund Unreserved Fund Balance**



Fiscal Year Ending June 30

Over the ten year period, unreserved fund balances in the General Fund have exceeded the policy guideline of 20-30% of revenue. At FYE 2010, the General Fund unreserved fund balance is estimated at \$27.9 million, which is slightly below the policy threshold.

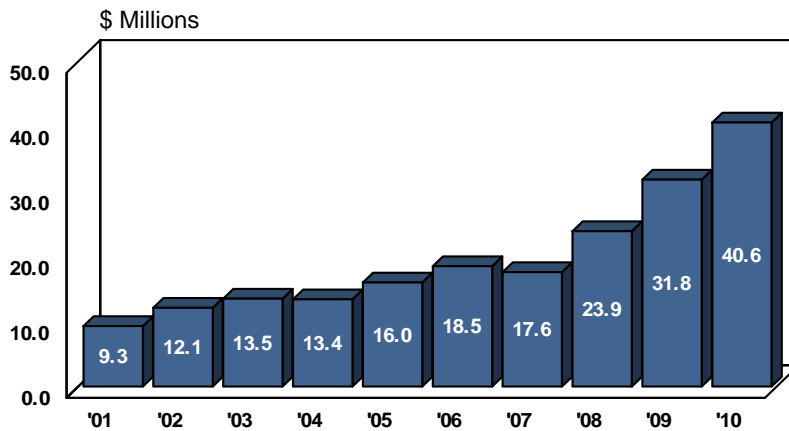
**Transit Fund Balance**



Fiscal Year Ending June 30

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. Near term draw downs of fund balance have been partially offset by federal reimbursements for light rail construction costs.

**Debt Service Fund Balance**

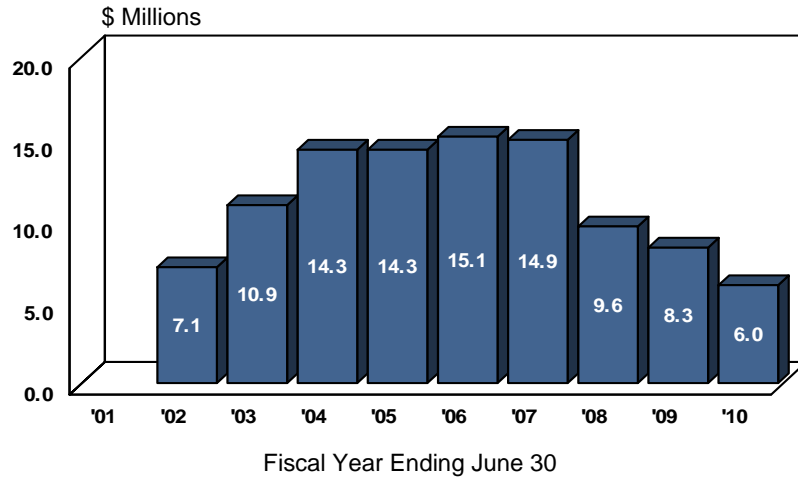


Fiscal Year Ending June 30

The Debt Service fund balance has grown in recent years due to increased property tax collections from increased property values. There is a two-year lag between property valuations for tax purposes and collections. As such, the impact of the recent real estate recession has not yet been recorded in this fund.

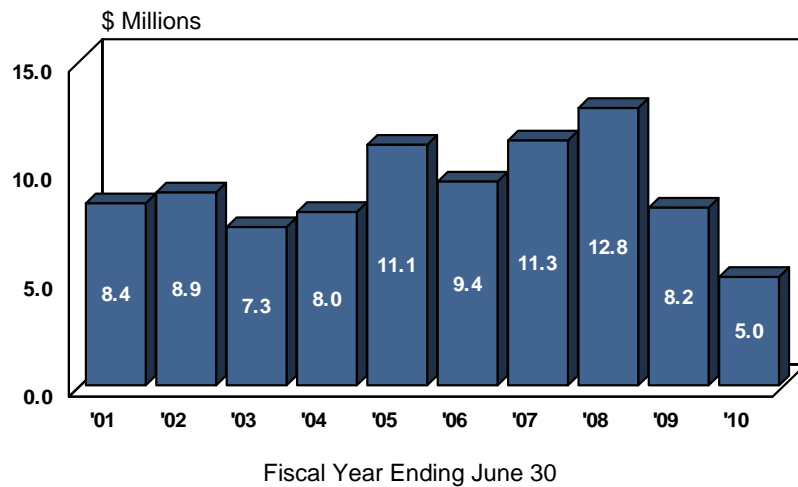


### Performing Arts Fund Balance



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. Use of fund balance for operations during this period is consistent with the original financing plan; however the extent of the draw down exceeds the planned level.

### Highway User Revenue/Local Transportation Assistance Fund Balances

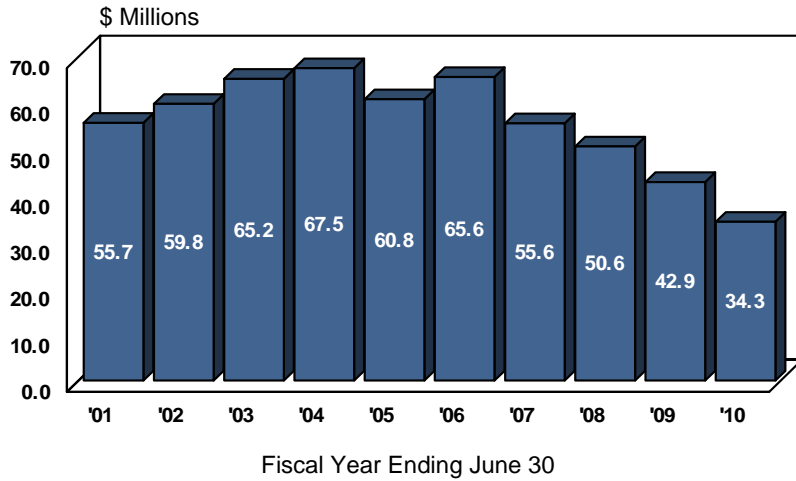


Planned draw downs used to fund street infrastructure projects have contributed to the inconsistent trend in fund balances. The primary revenue source for these funds, state shared revenue, has sharply declined in recent years, leading to a rapid decline in fund balance.

# Enterprise Funds: Ten Year Fund Balance Trends

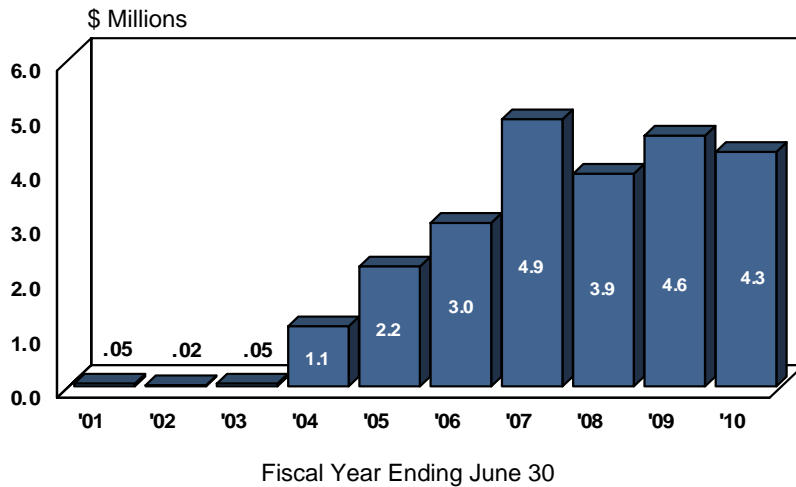


## Water/Wastewater Fund Unreserved Retained Earnings



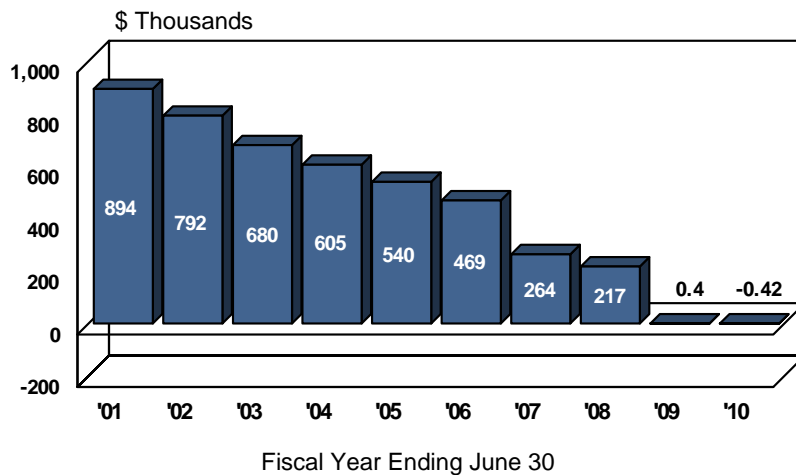
In FY 2005-06 the City began drawing down retained earnings to finance capital improvements. Gradual planned increases to user rates are projected to build the fund balance back to the policy target level of an amount equal to one year of operating revenue.

## Solid Waste Fund Unreserved Retained Earnings



A planned drawdown of unreserved retained earnings began in FY 1999-00, which resulted in the reserve's reduction 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. As a result of this ongoing trend, the fund posted negative retained earnings as of FYE 2010.

## Operating Budget Overview



The citywide operating budget for FY 2010-11 totals \$371.4 million. This operating budget amount represents a decrease of 8.2% from the prior fiscal year. The number of full-time employees for FY 2010-11 totals 1,602 which represents an (8.8)% decrease from the prior year. General Fund appropriations decreased by 16.7%. This reflects funding for retirement and benefit inflationary adjustments.

### General Fund

#### Fund Structure Description

The General Fund is the general operating fund of the City and is used to account for all financial activity not reflected in another fund.

#### Revenue Structure

Major revenue sources are: Local Sales Taxes, Intergovernmental Revenue, Charges for Services, Property Taxes, Fines and Forfeitures and All Other.

The following table depicts the major revenue sources as a percentage of General Fund revenue.

Local Sales Taxes and Intergovernmental revenue represent the two major revenue sources in the General Fund. Together they comprise 70.5% or \$108.7 million of the total \$154.1 million FY 2010-11 General Fund revenue.

- Local Taxes** Local Taxes consist of both local sales taxes and transient lodging sales taxes. Combined Local Taxes contribute \$72.1 million, or 46.8% of total General Fund revenue. Local sales tax revenue is estimated at \$68.6 million in FY 2010-11. Local sales taxes are derived from a 1.4% City sales tax, while the overall tax rate is 2.0%. The remaining 0.6% is restricted to transit and performing arts purposes and is reflected in their respective funds.

Major Revenue Sources	FY 2010-11
Local Taxes	46.8%
Intergovernmental	22.8%
All Other	8.6%
Property Tax	7.8%
Charges for Service	7.3%
Fines & Forfeitures	6.7%

Over half of the sales tax revenue comes from retail sales, with the remainder collected primarily from rental payments, utility and telecommunication payments, restaurant and bar sales and contracting sales.

Tempe's single largest revenue source is highly responsive to changes in economic activity. As the national economy has declined from the national downturn, so too has the City's economy. For FY 2010-11, sales tax collections are estimated to be 20% below the peak level realized in FY 2006-07.

Also included in Local Taxes is the Transient Lodging Tax, or Bed Tax, which is set at 5% of hotel/motel lodging sales. This revenue source is estimated at \$3.6 million in FY 2010-11.

- Intergovernmental Revenue** Revenue in this category is derived from three sources of state-levied revenue sharing: state sales tax, state income tax, and vehicle license taxes. Intergovernmental revenue represents \$35.2 million or 22.8% of total General Fund revenue in FY 2010-11.

The primary allocation basis for state revenue sharing is each city's or town's relative share of the population of all incorporated cities and towns in Arizona. The allocations are based on the most recently completed United States Census. As of the 2005 Mid-Decade Census, Tempe's share of total statewide incorporated population is 3.41%.

#### *State sales tax*

State sales tax distributions are estimated at \$12.7 million in FY 2010-11. The size of the overall pool of funding available for distribution is based on state statute, which provides for the allocation of 8.9% of transaction privilege (sales) tax revenue to cities and towns. The total statewide sales tax pool is estimated to be \$373.4 million.

#### *State income tax*

Total estimated state-shared income tax revenue to be distributed to Arizona cities and towns is estimated at \$473.3 million. Tempe's share in FY 2010-11 is estimated at \$16.1 million.

#### *Vehicle license tax*

The remaining state-shared revenue of \$6.2 million is from vehicle license taxes. Of the net revenue collected for the licensing of motor vehicles by a county, 25% is distributed to incorporated towns and cities within the



county. Tempe's share of the vehicle license tax collections is based on its population in relation to the total incorporated population of the county.

- **All Other** Other General Fund revenue sources include Interest Income, Franchise Fees, Licenses and Permits, the Salt River Project Payment In-Lieu of Property Taxes, and other miscellaneous revenue. These sources contribute \$13.2 million or 8.6% of General Fund revenue in FY 2010-11.
- **Property Tax** Tempe's property tax rate is \$1.40 per \$100 of assessed valuation, consisting of a primary tax rate of \$0.52 per \$100 of assessed valuation and a secondary tax rate of \$0.88 per \$100 of assessed valuation. Only the primary levy goes to the General Fund. While there is no restriction on its usage, the primary levy is limited by state law to a 2% annual increase plus any amount generated by new construction. The primary levy is estimated at \$12.7 million in FY 2010-11.
- **Charges for Services** Charges for services are budgeted at \$11.2 million in FY 2010-11. Of this amount, recreation and social services programs contribute \$6.6 million and development-related charges for building and trade permits, planning and zoning fees, and engineering fees account for \$4.6 million. By Council policy, recreation and social service programs operate on a full or partial cost recovery basis.
- **Fines and Forfeitures** Fines and Forfeitures represent \$10.3 million in FY 2010-11. Traffic Fines represent \$2.9 million or 28.3% of total fines collected. Rounding out the fines and forfeiture revenue sources is defensive driving school fees, parking fines, and criminal fines, along with delinquent collections and default penalties.

**Expenditure Structure**

The General Fund operating budget for FY 2010-11 totals \$154.8 million. Major expenditure categories are: Personal Services, Fees and Services, Materials and Supplies, Capital Outlay, and All Other.

The table to the right depicts the major expenditure categories as a percentage of total appropriations. The General Fund consists of all City operations with the exception of Enterprise Fund operations (Water, Solid Waste, Cemetery and Golf), Transportation (LTAF and HURF), Transit, Rio Salado, Performing Arts, Debt Service and CDBG/Section 8.

Major Expenditure Categories	FY 2010-11
Personal Services	78.3%
Fees and Services	16.1%
Materials and Supplies	4.7%
Capital Outlay/All Other	1.0%

For FY 2010-11, Personal Services (salaries, wages and benefits) account for \$121.2 million or 78.3% of the total General Fund operating budget. The remaining appropriations consist of \$24.9 million or 16.1% for Fees and Services, \$7.2 million or 4.7% for Materials and Supplies, and 1.0% for Capital Outlay and All Other.

- **Personal Services** Since the majority of City personnel, and major functions of city government, are supported by the General Fund, it is not surprising that salaries and wages represent such a significant proportion of total expenditures. Salaries and wages account for \$87.9 million, or 56.8% of the \$154.8 million General Fund operating budget for FY 2010-11. Personal Services will continue to represent the major portion of fund expenditures regardless of any policy changes over the next five years. Fringe Benefits represent \$33.3 million of the total Personal Services budget for FY 2010-11.
- **Fees and Services** Fees and Services expenditures comprise 16.1% of the FY 2010-11 General Fund appropriation. The largest single portion of this expenditure category is for contracted services, accounting for 26% of total Fees and Services. Utilities (electricity, water, solid waste, and sewer) comprise the second largest share at 21.1% of total Fees and Services. Unlike most of the Fees and Services accounts, utility expenses are expected to increase somewhat higher than inflation. Other major Fees and Services expenditures for FY 2010-11 include software maintenance agreements (9%), equipment rental and repair (7.7%), and county jail costs (9%).
- **Materials and Supplies** Totalling \$7.2 million in FY 2010-11, expenditures for Materials and Supplies account for 4.7% of the General Fund operating budget. Of these expenditures, 38.5% is derived from motor vehicle parts, fuels, and lubricants. The remainder is for library books, clothing allowances, general office supplies, minor equipment, and miscellaneous supplies. Increases in Materials and Supplies over the next five years are expected to be driven largely by inflation.



- **Capital Outlay/All Other** Capital Outlay expenditures account for \$1.6 million or 1% of the total General Fund operating budget in FY 2010-11. These monies fund new and replacement equipment, of which automobile and truck purchases constitute the largest portion at 83.1% of total Capital Outlay. Other major items in the Capital Outlay category include radios, turf maintenance equipment and computer equipment. Within the All Other category are amounts for contingencies, travel, contributions to community service organizations and the local convention and visitors bureau, and payment to Maricopa County for animal control services.

**Program Budget Summary**

The following section describes the allocation of the General Fund for the major functional, or program areas of Tempe city government. The General Fund budget for FY 2010-11 totals \$154.8 million, a decrease of 16.7% from the prior year. The General Fund spending reduction is due to efforts to bring ongoing expenditures in line with lower revenue projections.

**Major Services**

The General Fund consists of the following major functions:

- General Services
- Development Services
- Public Safety
- Community Services
- Environmental Health
- Maintenance of Effort

**General Services Program** General Services operating appropriations account for 15.6% of the General Fund budget in FY 2010-11. This area includes appropriations for Mayor and Council, City Manager, City Clerk, Human Resources, City Attorney, Fleet Services, Finance and Technology, and other departments. Funding for General Services decreased to \$24.1 million in FY 2010-11, a 23.5% decrease from FY 2009-10.

Program	FY 2010-11
General Services	\$24,093,850
Public Safety	95,195,482
Community Services	25,669,162
Development Services	9,066,984
Transportation	785,824
<b>Total</b>	<b>\$154,811,302</b>

**Development Services Program** Approximately 5.9% of the General Fund operating appropriations are earmarked for Development Services. This program area includes the Community Development department as well as the Public Works Engineering Division. The FY 2010-11 budget represents a \$4 million, or 30%, decrease from FY 2009-10.

**Public Safety Program** Public Safety continues to represent the largest appropriations area, accounting for 61.5% or \$95.2 million of the General Fund operating budget in FY 2010-11. It includes appropriations for Police, Fire, and City Court. The FY 2010-11 budget represents a \$12.5 million, or 12%, decrease from FY 2009-10.

**Community Services** This area consists of all Community Services functions (Recreation, Library, Social Services, Cultural Services, and Historical Museum). Community Services represent 16.6% or \$25.7 million of General Fund appropriations for FY 2010-11.

**Maintenance of Effort** This transfer of local revenue funding fulfills a statutory requirement to maintain expenditures for streets with locally generated revenue. This obligation represents \$785,824, or less than 1% of General Fund appropriations in FY 2010-11.

**Special Revenue Funds**

**Transit Fund**

**Fund Structure Description**

The Transit Fund is a Special Revenue fund established to account for the receipt and expenditure of the City's transit tax and other transit related revenues.

**Major Services**

This fund provides the following transit related functions:

- Planning and Design



- Operations
- Procurement
- Debt Service
- Community Outreach and Marketing

**Revenue Structure**

Transit Fund revenue comes primarily from a one half (½) cent City sales tax to fund transit improvements and from various intergovernmental revenues.

- **Transit Tax** On September 10, 1996, the citizens of Tempe voted to approve Proposition 400, which provided for a ½ cent increase in the City sales tax to fund transit improvements. Proposition 400 limited the expenditure of the additional sales tax to improvements such as additional bus routes, alternative fuel buses, bus pullouts, and light rail. For FY 2010-11, the transit tax is expected to generate \$25 million in revenue, or 57.1% of total Transit Fund revenue.
- **Intergovernmental Revenue** Intergovernmental revenue represents \$15.2 million, or 34.7% of total Transit Fund revenues in FY 2010-11.

**Expenditure Structure**

The Transit Fund includes all personnel in Transit Administration, Transit Operations, Transit Store and Bus Stop Maintenance. Major expenditures in the Transit Fund include: Fees and Services, Internal Services, Capital Outlay/All Other, Personal Services and Contingency. The following table depicts the major expenditure categories as a percentage of the total transit budget.

Major Expenditure Categories	FY 2010-11
Fees and Services	71.7%
Debt Service	14.9%
Capital Outlay/All Other	6.6%
Personal Services	5.2%
Internal Services	1.6%

- **Fees and Services** The largest expenditure in the Transit Fund is for Fees and Services, which provides funding for local and City of Phoenix transit routes. In FY 2010-11, Fees and Services are estimated to account for \$45.9 million or 71.7% of the Transit Fund operating budget.
- **Debt Service** Debt service represents 14.9% of the budget in FY 2010-11. As of June 30, 2010, there is \$132.7 million of outstanding excise tax debt supported by Transit Tax revenues.
- **Capital Outlay/All Other** Within this category are budgeted amounts for capital outlay, travel and other contributions. These uses represent 6.6% of the Transit Fund budget in FY 2010-11.
- **Internal Services** Indirect cost allocations to the Transit Fund account for 1.6% or \$1,019,970 of the FY 2010-11 budget. This amount represents the Transit Fund’s share of certain administrative costs funded by the General Fund.
- **Personal Services** Personal Services account for 5.2%, or \$3.3 million of the total FY 2010-11 budget.

**Performing Arts Fund**

**Fund Structure Description**

The Performing Arts Fund is a Special Revenue fund established to account for the receipt and expenditure of the City's Performing Arts tax.

**Major Services**

- Operation and maintenance of the Tempe Center for the Arts
- Debt service

**Revenue Structure**

Performing Arts Fund revenue comes primarily from a one tenth (1/10) cent City sales tax to fund construction and operation of the Tempe Center for the Arts. The remainder is from various cultural and recreational revenues.

- **Performing Arts Tax** In May 2000, the residents of Tempe approved a 1/10 cent increase in the City sales tax to build and operate a performing arts center. For FY 2010-11, the performing arts tax is expected to generate \$5.2 million in revenue, or 89.3% of total Performing Arts Fund revenue.



- **Cultural and Recreational Revenues** The primary cultural and recreational revenues generated from the Tempe Center for the Arts are Facility Rental and Facility Commissions revenue, which combined represent 7.6% of total revenue to the fund.

**Expenditure Structure**

The Performing Arts Fund includes all personnel in Administration, Facility Management, and TCA Arts Park maintenance. Major expenditures in the Performing Arts Fund include: Debt Service, Personal Services, Fees and Services, Internal Services, and All Other. The table to the right depicts the major expenditure categories as a percentage of the total Performing Arts Fund budget.

Major Expenditure Categories	FY 2010-11
Debt Service	71.2%
Personal Services	18.0%
Supplies and Services	7.5%
Internal Services/All Other	3.3%

- **Personal Services** Personal Services account for 18%, or \$1.5 million of the total FY 2010-11 budget. Personal services provide for the operation and maintenance of the Tempe Center for the Arts and the adjacent Arts Park.
- **Debt Service** Debt service represents \$6 million or 71.2% of the budget in FY 2010-11. As of June 30, 2010, there is \$39.8 million of outstanding excise tax debt supported by Performing Arts Tax revenues.
- **Supplies and Services** Supplies and Services are estimated to account for \$637,205 or 7.5% of the Performing Arts Fund operating budget, with nearly half of that amount allocated for facility electricity expenditures.
- **Internal Services/All Other** The remaining budgeted amounts in the Performing Arts fund cover Internal Services allocations to reimburse services provided by the General Fund and a small amount for Travel and Training. Combined, these categories comprise 3.3% of the Performing Arts Fund operating budget.

**Transportation Fund**

**Fund Structure Description**

The Highway User Revenue Fund (HURF) is a Special Revenue fund that is established to account for the receipt and expenditure of Tempe's allocation of state-shared Highway User taxes.

**Major Services**

- Street Maintenance
- Traffic Operations
- Street Lighting and Signal Systems

**Revenue Structure**

Transportation revenue is derived primarily from state-shared Highway User taxes, which provide 91.3% of revenue in FY 2010-11. A Maintenance of Effort transfer from the General Fund represents the remainder of the revenue.

- **Highway User Tax** State Highway User Tax revenue comes primarily (36.6%) from the \$0.18 per gallon fuel tax levied by the state, with the remainder from vehicle license taxes (28.6%), motor carrier fees (3.3%), vehicle registration fees (13.4%), and other transportation-related fees (18%). Estimates for the total pool of HURF revenue to be shared by cities will be \$289.6 million in FY 2010-11, with Tempe's share at \$9.5 million. HURF revenue is subject to state policy changes, fuel sales, and population growth, all factors beyond the City's control.
- **Maintenance of Effort** Transportation derives its remaining revenue from a "Maintenance of Effort" transfer from the General Fund. This transfer of locally-generated funds fulfills the statutory requirement placed on Arizona 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 fiscal years 1981-82 through 1985-86. This transfer requirement is budgeted at \$785,824 for FY 2010-11.

**Expenditure Structure**

Transportation funds include all personnel in the Street Maintenance and Traffic Operations Divisions. Major budgeted expenditures for the Transportation funds include: Personal Services, Internal Services, Materials and Supplies, Fees and Services, Transfers, and All Other.



The table below right depicts the major expenditure categories as a percentage of the total budget.

- **Personal Services** The largest budgeted expenditure in the Transportation Fund is Personal Services, which accounts for 30% or \$3.5 million in FY 2010-11 of the total Transportation budget and will likely continue in that range for the next few years.
- **Internal Services and Utilities** Additional expenditure demands in the Transportation funds are for Internal Services. Internal Services costs (communications, information systems and vehicle maintenance) represent 16.9% or \$2.0 million of the FY 2010-11 budget.

Major Expenditure Categories	FY 2010-11
Personal Services	30.0%
Transfers	26.4%
Fees and Services	18.6%
Internal Services	16.9%
Materials and Supplies	5.3%
All Other	2.7%

The remaining expenditures are for Capital Outlay, Materials and Supplies and Contracted Services. These costs will be driven largely by inflation over the next five years.

### Debt Service Fund

#### **Fund Structure Description**

A Debt Service Fund is maintained to receive dedicated revenue used to make principal and interest payments on the City's general obligation debt. Debt service for Special Purpose and Enterprise Program projects is accounted for in the respective funds.

#### **Revenue Structure**

Debt Service Fund revenue is derived from the secondary property tax and interfund transfers. The property tax accounts for 88.8% of the fund's revenue in FY 2010-11. Revenue from these sources can only be used to retire debt.

- **Property Tax** Debt Service revenue trends are a function of changes in assessed valuation and the City's secondary property tax rate. While changes in assessed valuation represent the effects of the marketplace and assessor methodology, the secondary rate is determined by City policy. The secondary property tax rate for FY 2010-11 year is \$0.88 per \$100 of assessed valuation and is expected to generate \$22.2 million. The City's property tax is levied each year on or before the third Monday in August based on the full cash value of property from the previous January 1 as determined by the Maricopa County Assessor. Additional Debt Service revenue includes \$2.8 million transferred from the HURF fund to retire transportation related debt.

#### **Expenditure Structure**

Expenditures in this fund are confined to principal and interest payments on bonded indebtedness. To keep these costs in check, the staff employs a long-range debt management plan, which is updated annually based on population growth, tax base growth, and current levels of general operating costs. Projected outstanding long-term general obligation bonds at June 30, 2010 totaled \$477.8 million, including \$305.2 million in Water/Wastewater bonds (not repaid by general tax revenue).

### Community Development Block Grant/Section 8 Housing Funds

#### **Fund Structure Description**

The Community Development Block Grant Fund (CDBG) and the Section 8 Housing Fund are Special Revenue Funds, established to account for the receipt and expenditure of federal grant funding awarded to the city for redevelopment projects and rental subsidies for low income residents.

#### **Major Services**

- Slum and blight removal (CDBG)
- Rehabilitation of owner-occupied housing (CDBG)
- Rent and utility subsidies (Section 8)

#### **Revenue Structure**

Both grants are awarded directly to the City from the federal government based on a funding formula which reflects such local factors as the percentage of people living in poverty, unemployment, population, the age of existing housing, and the need for housing. The table above right displays funding awarded to Tempe over the past 10 years.

Fiscal Year	CDBG	Section 8
2001-02	\$2,148,750	\$5,427,291
2002-03	2,896,728	7,227,924
2003-04	2,793,637	8,364,970
2004-05	2,996,729	8,577,743
2005-06	5,973,141	7,869,697
2006-07	4,115,572	8,543,758
2007-08	1,577,124	8,784,219
2008-09	1,685,130	10,056,730
2009-10	1,926,196	8,994,784
2010-11	5,794,897	10,623,052



## Expenditure Structure

Pursuant to federal requirements, most CDBG and Section 8 funding is expended on property rehabilitation and rental subsidies. These items represent 86.6% of the FY 2010-11 budget. Of the remaining budget, 7.5% is earmarked for salaries and benefits and 5.9% is allocated to contingencies and miscellaneous expenses.

### Enterprise Funds

#### Water/Wastewater Fund

##### Fund Structure Description

The Water/Wastewater Fund is a self-supporting enterprise fund used to account for water and wastewater treatment operations, including debt service. It is financed and operated similarly to a private business and intended to recover costs through user charges. Revenue earned, expenses incurred, and/or net income is appropriated for capital maintenance, management control, accountability, or other purposes.

##### Major Services

This budget provides for:

- Water/Wastewater Administration
- Water Resource Management
- Water Conservation
- Water Quality
- Transmission & Collection
- Technical Services
- Wastewater Reclamation
- Environmental Services
- Utility Customer Services
- Irrigation

##### Revenue Structure

Water, Irrigation, and Wastewater user fees account for 97.3% or \$64.7 million of the \$66.5 million in total fund revenue in FY 2010-11. The following table depicts the major revenue categories as a percentage of total revenue.

- **Water and Irrigation User Fees** Water and irrigation user (consumption) fees provide \$34.4 million or 51.8% of the total Water/Wastewater Fund revenue in FY 2010-11. This revenue amount reflects an estimated 42,107 accounts for potable water and 861 irrigation water accounts.

Major Revenue Categories	FY 2010-11
Water and Irrigation User Fees	51.8%
Wastewater User Fees	45.5%
All Other	2.2%
Interest Income	1.0%

- **Wastewater User Fees** Over 39,360 Wastewater Service accounts are estimated to produce \$30.3 million or 45.5% of the total fund revenue in FY 2010-11. Residential wastewater charges are largely driven by water consumption in that monthly billings are based upon a three month Winter average consumption.

- **Interest Income/All Other** Cash balances in the Water/Wastewater Fund are expected to generate \$671,769 in Interest Income during FY 2010-11. This represents 1% of the fund's total revenue. Other sources of fund revenue include a loan repayment from the General Fund, land and building rental fees, delinquent payment charges, and miscellaneous fees and charges.

##### Expenditure Structure

Total estimated operating expenses for FY 2010-11 are \$76.2 million. Debt Service, Personal Services and Wastewater Plant Regional Operating Expenses represent 74.7% of the total operating expenses.

The table to the right shows the composition of fund expenses group by major category.

- **Debt Service** Debt Service accounts for 41.9% of total estimated expenses for FY 2010-11, indicative of the capital intensive nature of a water/wastewater operation.

Major Expense Categories	FY 2010-11
Debt Service	41.9%
Personal Services	19.7%
All Other	14.3%
WW Regional Exp.	13.1%
Electricity and Water	6.3%
Internal Services	4.7%

- **Personal Services** Personal Services represent \$15 million or 19.7% of Water/Wastewater operating expenses. For FY 2010-11, salaries and wages account for 75.1% of the total Personal Services budget.



- **All Other** Other major budgeted expenses include chemical supplies, contingencies, water quality testing and contracted services. These expenses represent 14.3% of the budget for FY 2010-11.
- **Wastewater Plant Regional Operating Expenses** Tempe participates in an intergovernmental agreement for the construction, operation, and maintenance of jointly used facilities, including the 91<sup>st</sup> Avenue Wastewater Treatment Plant in Phoenix, Salt River Outfall Sewer and the Southern Avenue Interceptor. The City pays for upgrades based on relative sewage flows and strengths. Expenses associated with the 91<sup>st</sup> Avenue Plant alone represent \$10 million or 13.1% of the FY 2010-11 total. This amount includes carry forward appropriations to cover prior year encumbrances.
- **Electricity and Water** Utilities comprise a major expense within this fund, as substantial electricity and water is required to provide these services. For FY 2010-11, electricity and water are budgeted at \$4.8 million, or 6.3% of total expenses.
- **Internal Services** Internal Services costs for information systems, communications, vehicle maintenance, and indirect charges account for \$3.6 million or 4.7% of FY 2010-11 Water/Wastewater expenses.

**Summary**

Water/Wastewater Fund estimated operating expenses for FY 2010-11 are \$76.2 million, which represents an increase of 4.5% over FY 2010-11. After adjusting for the impact of \$4.6 million of prior year carry forward encumbrances, the FY 2010-11 appropriation actually decreased by 1.8%.

**Solid Waste Fund**

**Fund Structure Description**

The Solid Waste Fund is a self-supporting enterprise fund intended to recover all operating, maintenance, and debt service costs to provide residential, commercial, recycling and roll-off solid waste services.

**Revenue Structure**

Revenue in the Solid Waste Fund derives almost exclusively from user fees for residential, recycling, commercial, roll-off, and uncontained solid waste service. These revenues are supplemented by a small amount of interest revenue. The collection and disposal of contained solid waste represents the City's second largest enterprise operation.

- **Residential Solid Waste User Fees** Residential solid waste user fee revenue is expected to generate \$8.5 million in FY 2010-11, which equates to 55.8% of the total revenue for this fund. Residential customers pay an average of \$19.98 per month and the number of active accounts totals 32,882.
- **Commercial Solid Waste User Fees** Commercial solid waste fees are expected to generate \$5.2 million in FY 2010-11 or 34% of the total fund revenue. Collection of commercial solid waste is provided by the City or a licensed collector. The number of active commercial accounts totals 1,784.

**Expense Structure**

Solid Waste estimated expenses for FY 2010-11 total \$14.1 million. Of the total operating expenses, Personal Services, Internal Services and Landfill Usage Charges comprise 86.4%. Capital Outlay accounts for 9.3%, while the remaining 4.3% is for Materials and Supplies, Utilities, and Miscellaneous Fees and Services.

Major Expense Categories	FY 2010-11
Personal Services	38.6%
Landfill Usage Charges	25.3%
Internal Services	22.6%
Capital Outlay/All Other	13.5%

- **Personal Services** As with many labor intensive operations, Personal Services represent a major expense in the Solid Waste Fund, accounting for \$5.5 million or 38.6% of the \$14.1 million budget in FY 2010-11. Salaries and wages account for 73.2% of the total personal services budget, with health insurance accounting for 13.8% and the remainder for other fringe benefits.
- **Landfill Usage Charges** Landfill usage charges are estimated at \$3.6 million, representing 25.3% of total expenses. Landfill tipping fees are projected to follow expected inflation rates, but environmental compliance requirements could impact these expenses beyond normal inflation.



- **Internal Services** Internal Service charges represent 22.6% or \$3.2 million of the FY 2010-11 budget. Internal Service charges consist of data processing, communications, vehicle maintenance and related Internal Services charges. As might be expected in Solid Waste operations, a majority (58.3%) of total internal service costs derive from vehicle operating and maintenance expenses.
- **Capital Outlay/All Other** The Solid Waste budget reflects appropriations of \$1.3 million for replacement of solid waste trucks and other equipment, and \$603,754 for other miscellaneous operating expenses.

**Summary**

The Solid Waste Fund budget of \$14.1 million represents a 12.2% decrease from the FY 2009-10 budget. This is primarily due to a \$958,926 decrease in capital outlay costs and a \$406,406 decrease in landfill usage charges. Revenue in this fund is expected to decrease to \$15.2 million, a 4% decrease from FY 2009-10 collections.

**Golf Fund**

**Fund Structure Description**

The Golf Fund is a self-supporting enterprise fund that provides for operation of two municipal golf course, with costs recovered through user charges. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance and debt service.

**Revenue Structure**

- **Greens Fees** Greens fees amount to \$1.5 million in FY 2010-11, accounting for 85.1% of golf course revenue for the year. Revenue projections are traditionally conservative to reflect the volatility that can result from weather conditions or fee changes.
- **Pro Shop and Restaurant Revenue** Pro shop revenue and restaurant rent is anticipated to generate \$254,195 in FY 2010-11. This amount constitutes 14.9% of revenue to the fund.

**Expenditure Structure**

Personal Services and Supplies and Services represent the major categories of Golf Fund expenditures. Together they account for 85% of total Golf Fund expenses in FY 2010-11. The remaining expenses include Internal Services, Materials and Supplies, and Capital Outlay.

- **Personal Services** Personal Services account for \$785,229 or 45.4% of FY 2010-11 expenses.
- **Supplies and Services** Supplies and Services expenses account for 26% of expenses in FY 2010-11, and primarily fund irrigation water and electricity.
- **Internal Services** Golf operation internal service costs are primarily vehicle maintenance and fuel, and represent \$260,851, or 15.1% of budgeted expenses in FY 2010-11.

Major Expenses Categories		FY 2010-11
Personal Services		45.4%
Supplies and Services		27.2%
Internal Services		14.4%

**Summary**

Golf Fund appropriations for FY 2010-11 decreased by \$446,707 from FY 2009-10. The bulk of the decrease comes in the personal services category. Cost reduction is necessary to offset declining revenue reflective of the continuing slowdown in the golf industry.



**Total Operating Budget and Debt Service**

Budget Data	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
Operating Budget	\$349,748,188	\$384,548,911	\$358,952,203	\$349,321,689
Cost Per Capita	\$2,074	\$2,265	\$2,114	\$2,043
% Change (cost per capita)		9.2%	(6.7%)	(3.4%)
Property Tax-Supported Debt Service	\$16,988,095	\$19,875,542	\$19,217,500	\$22,111,500
Cost Per Capita	\$101	\$117	\$113	\$129
% Change (cost per capita)		16.2%	(3.3%)	14.3%

**Total Operating Revenue by Source**

Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
General Fund	\$165,111,782	\$163,249,924	\$146,276,833	\$154,088,190
Debt Service Fund	25,162,769	28,147,909	28,147,909	24,961,192
Transportation/Transit Funds	57,146,387	87,901,299	51,540,604	54,194,614
CDBG/Section 8 Funds	11,741,860	12,146,823	10,920,980	16,417,949
Rio Salado Fund	1,942,502	2,018,601	1,765,861	2,117,130
Performing Arts Fund	7,127,729	6,866,077	6,491,636	5,796,368
Solid Waste Fund	15,439,847	15,828,588	14,989,166	15,189,163
Water/Wastewater Fund	55,180,952	61,572,480	60,844,647	66,510,174
Golf Fund	1,820,124	2,001,283	1,715,004	1,711,195
Cemetery Fund	91,997	147,186	144,420	144,420
<b>Total</b>	<b>\$340,765,949</b>	<b>\$379,880,170</b>	<b>\$322,837,060</b>	<b>\$341,130,395</b>

**Staffing Summaries Citywide: Full-Time Authorized Positions**

Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
Total Personnel	1,851	1,811	1,757	1,602
Employees/1,000 Population	11.0	10.7	10.4	9.4
% Change (Employees/1,000 Population)		(2.7%)	(2.8%)	(9.6%)



### 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 improvements 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 improvements 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



### **Community Sustainability**

Address environmental programs and capital projects, including: development and application of cost-effective, environmentally sustainable programs, including recycling programs and resource conservation and waste reduction programs, both for city operations and community application; and consideration and development of environmental design standards that are specifically applicable to the arid, relatively warm, climate of Tempe.

### **Education Partnerships**

Address opportunities to advance the quality and delivery of education. Emphasis includes: facilitate partnering between all educational entities and the City; facilitate development of programs to improve schools and provide life-long learning opportunities; develop and provide City services through school facilities; identify and facilitate resource sharing between all elementary and high schools, Arizona State University, Maricopa Community College District and the City; facilitate ASU's and Maricopa Community College District's participation in education improvement in all Tempe schools; identify and consolidate purchasing and maintenance programs between the City and educational agencies; and identify and facilitate joint facilities development for school-resident.

### **Housing**

Address housing programs and capital projects. Emphasis includes: designing and undertaking a comprehensive public process to consider options and develop broad support for affordable and workforce housing strategies; creating opportunities for private sector and non-profit participation in affordable and workforce housing efforts; planning, development, coordination and implementation of affordable and workforce housing concepts and programs; and oversight of services targeted at moving individuals and families from homelessness to home ownership.

### **Mill and Lake District**

Address and "vision" continuing development of the Rio Salado project, Papago Park, and the Mill Avenue District. This encompasses examining redevelopment and stabilization, branding, tourism and identification in and of Tempe's central core, and major redevelopment projects within the central core. Emphasis includes: ASU partnerships to assist in rehabilitation of Sun Devil Stadium; light rail-related real estate development and other development and redevelopment affecting Tempe's central core; efforts to maintain, rehabilitate and preserve Papago Park and its amenities; and work with third-party agencies to create a widely accepted and understood vision of the general Mill & Lake District area.

### **Neighborhood Parks Rehabilitation and Maintenance**

Address neighborhood park rehabilitation and maintenance efforts. Emphasis includes, with neighborhood participation, oversight of: development, coordination and assessment of neighborhood parks design process; development, coordination and assessment of neighborhood parks master plans; and coordination and assessment of park maintenance programs.

### **Quality of Life**

Address residential and business neighborhood property enhancement and public safety. Emphasis includes oversight of: development, implementation and assessment of public safety initiatives for neighborhood policing, traffic enforcement to reduce neighborhood speeding and cut-through traffic and enforcement of the loud-party ordinance; enforcement and assessment of commercial property enhancement codes and neighborhood enhancement and rental housing codes; assist ASU's efforts to improve student housing at ASU and address those efforts' impact on neighborhoods; development, implementation and assessment of programs to eradicate graffiti and improve, maintain and reconstruct streets and alleys; development, implementation and assessment of programs to enhance and maintain city and private landscaping requirements; and development and implementation of programs to encourage rehabilitation of neighborhood shopping centers and neighborhood-supportive business districts.

### **Sports, Recreation, Arts and Cultural Development**

Address opportunities for economic and cultural development, including programs and related capital projects associated with professional, youth and amateur sports and recreation, and arts and cultural opportunities. Emphasis includes development, coordination and assessment of arts programs and services, including programs resulting from partnerships with community and regional organizations, planning, development and implementation of community fundraising for public amenities within the Tempe Papago Park and Lake District; planning, development and completion of capital improvement programs for Historic Museum, Library facilities and Vihel Center; rehabilitation of historic properties; development and implementation of veterans outreach programs and efforts; development of new and improvements to existing regional parks; oversee golf program operations and capital improvement programs for enhancing and stabilizing golf program operation and enhance and expand community use of ASU facilities for youth and amateur sports programs.



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### **Technology, Economic and Community Development**

Address technology application and implementation, economic development issues and opportunities, and community development and redevelopment strategies and efforts. Emphasis includes: expansion of the use and availability of technological enhancements by City Government and Tempe residents and businesses; address strategies to create economic stabilization and revitalization; redevelopment and development services policy formation for recommendation to Council and implementation of council-approved projects; development, implementation and assessment of economic development approaches, projects and proposals; redevelopment of neighborhood commercial centers; and efforts to attract additional hotel and conference facilities.

### **Transportation**

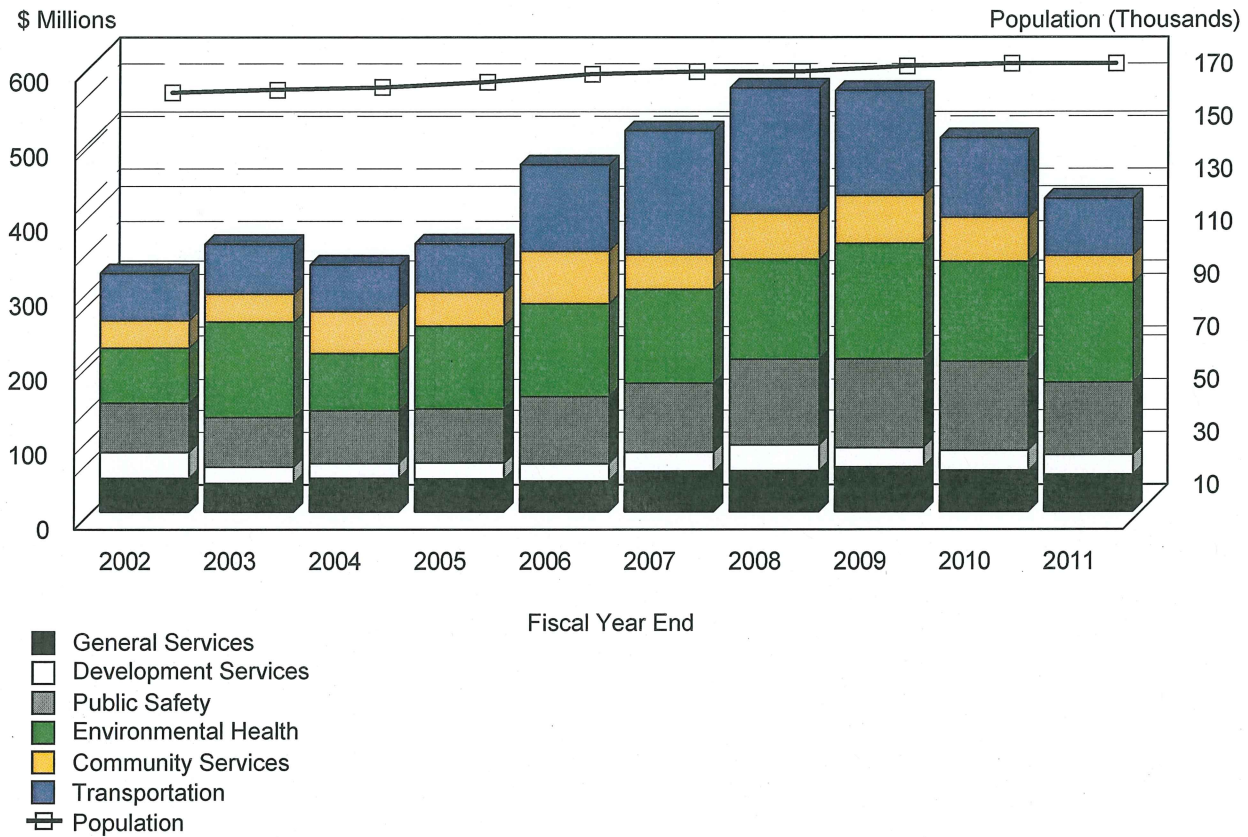
Address transportation programs and capital projects. Emphasis includes: completion of light rail project; planning, execution and integration of entire city and regional transportation systems; planning, development, coordination and implementation of multi-modal transportation elements; implementation of bus shelter and bus pull-out improvements; in conjunction with Education Partnerships Committee, develop and implement transportation programs directed to assist students in Tempe schools; oversee arterial street and public works programs to reduce citywide and regional traffic congestion and improve traffic flows; monitor activities of Sky Harbor airport and airlines, and seek full compliance with Tempe's adopted program for aircraft overflights.

## 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 2010-11, Environmental Health constitutes the largest share with 32% of total program expenditures. This reflects funding for plant capacity expansions at water and wastewater facilities. The recent past's fast growing trend in Transportation allowed for the completion of the transit light rail project and continued funding for new fixed route and neighborhood circulator buses.



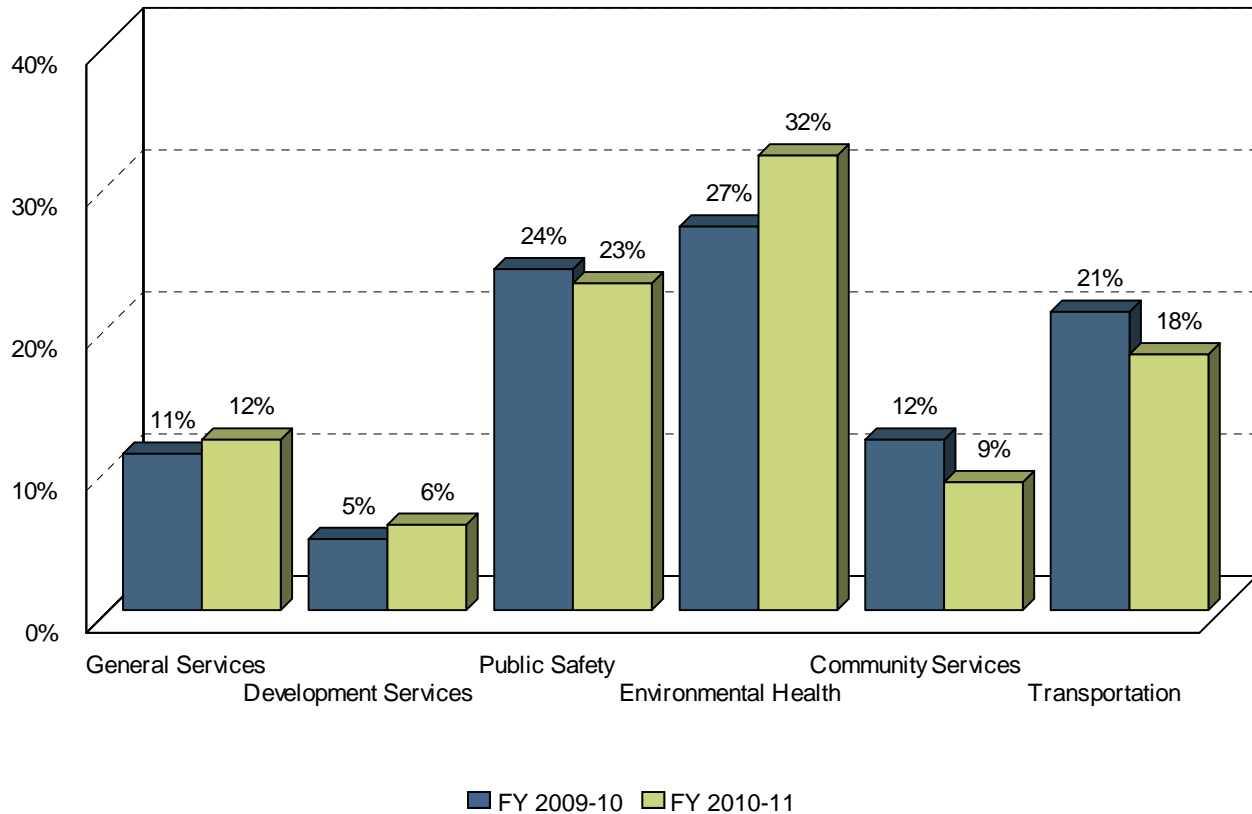
Program (Thousands)	FYE 02	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08	FYE 09	FYE 10	FYE 11
General Services	\$44,517	\$37,819	\$44,547	\$43,779	\$40,785	\$53,773	\$54,462	\$59,380	\$54,785	\$49,135
Development Services	35,036	21,958	20,287	21,659	23,454	25,767	34,719	26,254	27,013	27,067
Public Safety	66,277	66,618	70,515	72,421	89,998	92,868	115,092	119,006	119,339	96,903
Environmental Health	73,406	127,686	76,678	110,865	124,395	125,421	133,574	154,684	133,658	133,082
Community Services	37,070	37,544	56,500	45,126	70,547	46,713	61,942	64,572	59,499	36,896
Transportation	63,251	67,055	62,389	65,461	116,090	166,302	168,204	140,576	106,441	76,615
<b>Total</b>	<b>\$319,557</b>	<b>\$358,680</b>	<b>\$330,916</b>	<b>\$359,311</b>	<b>\$465,269</b>	<b>\$510,844</b>	<b>\$567,993</b>	<b>\$564,472</b>	<b>\$500,735</b>	<b>\$419,698</b>

## Per Capita Expenditures by Program



In FY 2010-11, the total financial program per capita cost is \$2,454, representing a 17% decrease from FY 2009-10. In this fiscal year, for every \$1 of expenditure, 32¢ is earmarked for Environmental Health, 23¢ for Public Safety, 18¢ for Transportation, and the remainder for General Services, Community Services, and Development Services. In relation to the prior year, there is a sizable decrease in Community Services, primarily due to the completion of the public library renovations and significant reductions to capital improvement funding.

Per Capita Spending by Program as a Percent of Total Spending



Per Capita Expenditures				
Program	FY 2009-10	Percentage of Total	FY 2010-11	Percentage of Total
General Services	\$323	11%	\$287	12%
Development Services	159	5%	158	6%
Public Safety	703	24%	567	23%
Environmental Health	787	27%	778	32%
Community Services	350	12%	216	9%
Transportation	627	21%	448	18%
<b>Total Per Capita Expenditures</b>	<b>\$2,949</b>	<b>100%</b>	<b>\$2,454</b>	<b>100%</b>

## Program By Fund Summary



The majority of funding for the City's three largest program areas, Environmental Health, Public Safety and Transportation, comes from enterprise, special, general and capital revenues. In terms of General Fund revenues, the Public Safety program receives the majority of funding, representing 62% of the General Fund budget.

FY 2010-11							
Fund	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
General	\$24,093,850	\$9,066,984	\$95,195,482		\$25,669,162	785,824	\$154,811,302
Rio Salado	90,892	1,582,552	216,355				1,889,799
HURF				31,400		11,636,258	11,667,658
Transit	554,820					63,471,431	64,026,251
Debt Service	22,111,500						22,111,500
Performing Arts	423,233				8,087,895		8,511,128
Golf					1,731,353		1,731,353
Solid Waste				14,114,556			14,114,556
Water/Wastewater	583,054			75,189,289			75,772,343
CDBG/Section 8 Housing		16,417,949					16,417,949
Cemetery					379,350		379,350
<b>Total Operating</b>	<b>47,857,349</b>	<b>27,067,485</b>	<b>95,411,837</b>	<b>89,335,245</b>	<b>35,867,760</b>	<b>75,893,513</b>	<b>371,433,189</b>
Capital Improvements	1,278,000		1,490,954	43,746,338	1,028,463	721,000	48,264,755
<b>TOTAL PROGRAM</b>	<b>\$49,135,349</b>	<b>\$27,067,485</b>	<b>\$96,902,791</b>	<b>\$133,081,583</b>	<b>\$36,896,223</b>	<b>\$76,614,513</b>	<b>\$419,697,944</b>

**Public Safety represents the largest program in the General Fund.**

## Program By Department Summary



FY 2010-11							
Department	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
Mayor and Council	\$317,913						\$317,913
City Manager	273,771						273,771
Community Relations	2,919,824						2,919,824
City Clerk	744,628						744,628
City Court			3,605,850				3,605,850
Human Resources	2,526,736						2,526,736
City Attorney	2,909,505						2,909,505
Financial Services	3,350,276			2,117,351			5,467,627
Diversity Program	441,351						441,351
Internal Audit	414,920						414,920
Community Development		24,727,765				1,139,262	25,867,027
Police			66,334,365				66,334,365
Fire			25,471,622				25,471,622
Community Services		401,383			19,937,284		20,338,667
Public Works	6,848,025	1,938,337		54,317,894	9,689,476	64,418,427	137,212,159
<b>TOTAL DEPT</b>	<b>20,746,949</b>	<b>27,067,485</b>	<b>95,411,837</b>	<b>56,435,245</b>	<b>29,626,760</b>	<b>65,557,689</b>	<b>294,845,965</b>
Non-Departmental	4,998,900					785,824	5,784,724
Debt Service	22,111,500			31,900,000	6,241,000	9,550,000	69,802,500
Contingency				1,000,000			1,000,000
<b>TOTAL OPERATING</b>	<b>47,857,349</b>	<b>27,067,485</b>	<b>95,411,837</b>	<b>89,335,245</b>	<b>35,867,760</b>	<b>75,893,513</b>	<b>371,433,189</b>
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*Public Works spans five of the six program areas.*

## Residential Cost of Service



The City maintains three utility services for water, sewer, and solid waste. For FY 2010-11, the City Council has approved an increase in water and sewer rates to be effective November 1, 2010. Rate reviews for each of the utility services will continue annually.

### Local Taxes

#### **Sales Tax**

Residents voted in favor of supporting a temporary four year increase in the sales tax rate, taking it from 1.8% to 2.0%. The additional two tenths of a percent increase is not applied to food for home consumption and construction contracting, and will expire June 30, 2014. Of the total tax, 1.4% is dedicated to the General Fund, 0.5% is dedicated to the Transit Fund, and 0.1% is devoted to the Visual and Performing Arts.

#### **Property Tax**

The property tax rate for FY 2010-11 will remain at \$1.40/\$100 assessed valuation. The primary tax rate is \$0.52 and the secondary tax rate is \$0.88. The primary levy is used to pay for General Fund services such as police, fire, parks, and libraries, while the secondary tax levy is restricted to repay debt on general obligation bonds.

### Utility Charges for Services

#### **Water/Sewer**

Water and sewer rates were last increased in November 2009. Water rates were increased by 14% and sewer rates increased by 20%. Per Council approval, in the fall of 2010, the residential water rates will increase by 12.5%, while sewer rates will increase by 6.8%.

Water and sewer rates are reviewed annually to attain full cost recovery, as customer charges are based on operating and maintenance costs and financing of capital programs. Services provided include water conservation, water quality, transmission and collection, wastewater reclamation, environmental services, customer services and irrigation.

#### **Solid Waste**

In the fall of 2009, the residential service rate increased by 5.0%, while the commercial service charge increased by 3.0%.

Although no increases are programmed for this upcoming November, solid waste rates are annually reviewed to fully recover all operating, maintenance and debt service costs to provide residential, commercial, recycling and roll-off refuse services.

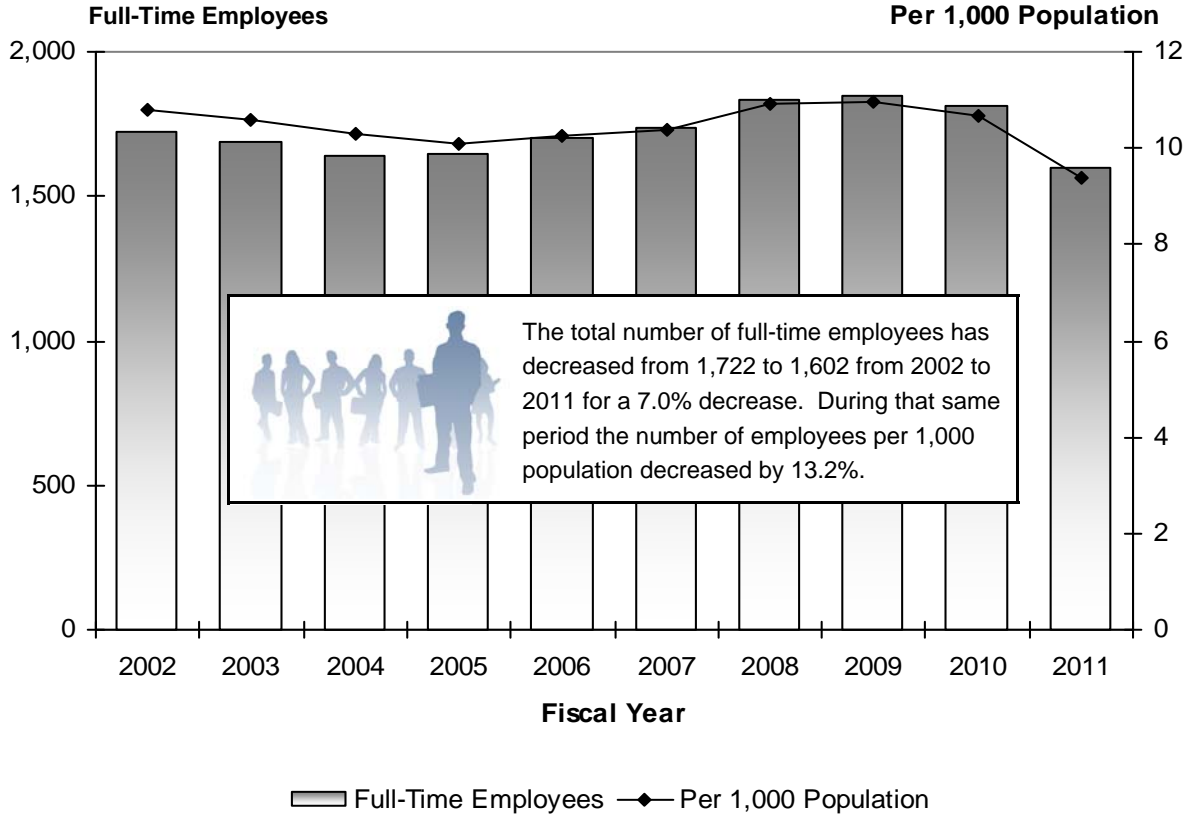
Fiscal Year	Local Taxes		Average Utility Charges for Services (monthly) <sup>1</sup>		
	Sales Tax	Property Tax	Water	Sewer	Solid Waste
2009-10	1.8%	\$1.40	\$26.47	\$19.73	\$19.02
2010-11	2.0%	\$1.40	\$30.29	\$23.68	\$19.98

<sup>1</sup> Charges reflect rates effective July 1, 2010.

## Personnel Summary: Ten Year History



The number of full-time employees for FY 2010-11, excluding full-time equivalents or temporary full-time equivalents, totals 1,602 an 11.5% decrease from FY 2009-10. Total employees per 1,000 population for FY 2010-11 is estimated at 9.37, a 12.1% decrease from the previous fiscal year. The decrease in the number of personnel is due to budget reductions that required a reduction in the number of employees in the General fund, Golf fund, HURF, Performing Arts and Transit fund.



Fiscal Year End	Full-Time Employees	Employees Per 1,000 Population
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	1,851	10.98
2010	1,811	10.66
2011	1,602	9.37



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# Comprehensive Financial Plan

**The following section summarizes the Comprehensive Financial Plan which serves 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.

Financial forecast models are utilized to examine the City's appropriated operating funds and their underlying revenue and expenditure structures for the period of FY 2009-10 through FY 2013-14. These forecast models are presented along with trends, forecasts, and fund balances for each of the funds.

It is important to note that the forecast models presented herein were presented to the City Council in January 2010 and provided five-year perspectives that were representative of the City's projected financial position at that time; prior to the extensive budget balancing measures that were subsequently incorporated in the adopted FY 2010-11 budget. As is stated above, the forecast models provided a long-range context for the City Council to use in making budgetary decisions for the upcoming fiscal year, and as such, the models proved to be instrumental in the decision making process that ensued.

Accordingly, the discussion regarding the forecast models presented in this section pertains to financial projections prior to the City's budget balancing efforts as discussed in the Budget Message. Notably, items such as the residents' approval of a temporary two tenths of one percent (.02%) increase in the City's sales tax rate as a budget balancing measure are not included.

Major operating funds examined include:

### **Governmental Funds**

- General Fund
- Transit Fund
- Transportation Fund
- Performing Arts Fund
- Rio Salado/Community Facilities District Funds

### **Enterprise Funds**

- Water/Wastewater Fund
- Solid Waste Fund
- Golf Fund
- Cemetery Fund

The City is in the midst of the deepest economic downturn since the Great Depression. Consequently, the City is facing its most significant financial challenge in the modern era. Nearly all operating funds have been negatively impacted by the economic downturn, with the most serious consequences experienced in the City's tax-supported funds.

In terms of specific funds, the **General Fund** is projected to experience deficits in FY 2009-10, and the shortfall is expected to continue through the forecast period. Due to continued declining sales tax collections the annual deficit for FY 2010-11 and FY 2011-12 is estimated at \$34 million, while the underlying structural deficit is estimated at \$30 million for the forecast period.

The **Transit Fund** is projected to experience annual deficits beginning FY 2009-10 and continuing through the forecast period. The annual deficit for FY 2010-11 and FY 2011-12 is estimated at \$20.5 million, while the underlying structural deficit is estimated at \$17.5 million for the forecast period.

The **Performing Arts Fund** is in an operating deficit condition throughout the forecast period. The ongoing annual deficit is now estimated at \$3 million. Complete drawdown of fund balance will occur as early as FY 2011-12.

A deficit is projected in the **Transportation Fund** beginning in FY 2008-09 and continuing through the end of the forecast. The structural deficit for this fund is estimated at \$3.5 million through the forecast period, with the complete drawdown of all available fund balances projected by FY 2012-13.

The **Rio Salado/Community Facilities District (CFD)** is projected to experience complete drawdown of fund balances by FY 2012-13.

The **Water/Wastewater Fund** is projected to experience operating deficits until FY 2011-12 when surpluses are anticipated through the end of the forecast. Due to projected increases in operating costs along with debt service associated with expansion of the Capital Improvements Program, future rate adjustments will be necessary to ensure full cost recovery.



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The **Solid Waste Fund** is projected to be in good condition throughout the forecast period. Projected out-year deficits are primarily due to non-recurring capital expenditures necessary to maintain the fleet of solid waste vehicles to ensure efficient service delivery.

The **Golf Fund** has been experiencing an operating deficit for several years, and given current operations, the forecast is that this trend will continue. It is likely that the fund balance will be fully depleted during the current fiscal year.

The **Cemetery Fund** has experienced an operating deficit since its inception in FY 2005-06 and the forecast anticipates continuation of this trend absent corrective action. The fund balance has been depleted and the fund receives intra-fund loans.



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 for guidance on economic trends. Principal among these external sources is participation as a sponsor of the Forecasting Project developed by the University of Arizona Eller College of Economic and Business Research Center.

Another key external source is the State Finance Advisory Committee (FAC), which provides a forecast of major state revenue sources on a quarterly basis. 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 disposable income 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 three major factors in our models: 1) inflation (including general inflation, fuel and utility inflation, market adjustments to salaries, and changes in benefits costs), 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 Improvements Program projects, and 3) employee pension contribution rates. 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



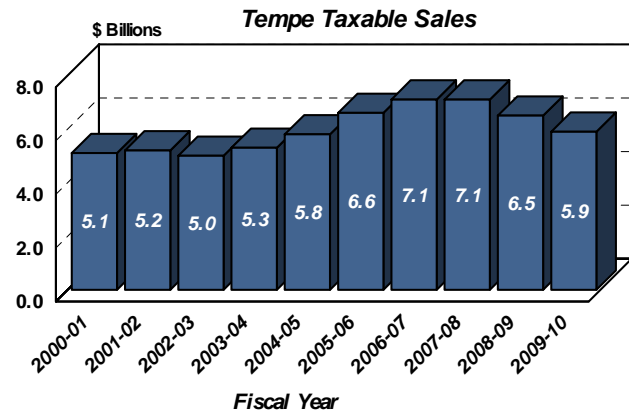
Our general approach to forecasting is to apply a conservative philosophy that does not overstate revenue nor understate expenditures. We recognize that economic forecasting is not an exact science and at times relies upon the professional judgment to optimize the accuracy of revenues or expenditures.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

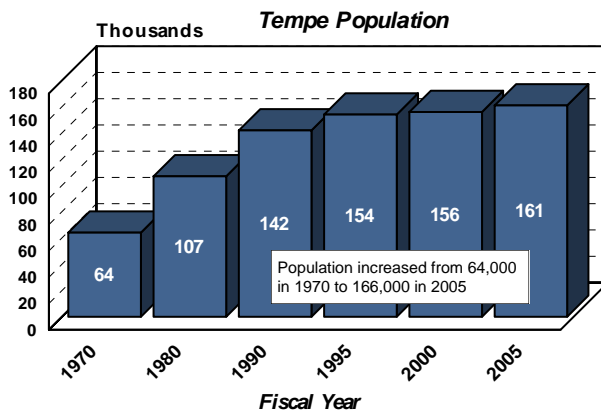
Beginning in FY 2007-08 it became evident that the rapid economic pace would not continue, and was in fact largely based on a speculative real estate bubble. Recent taxable sales activity has faltered; in FY 2008-09 sales activity is estimated to have fallen to \$6.5 billion. This trend is shown in the graph at right.

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 2009-10 annual estimates) are retail (51%), commercial and residential rent (20%), utility sales (9%), contracting (7%), and restaurant sales (8%). Overall taxable sales are expected to decline in FY 2010-11 and increase in the out-years as the economy recovers.



### Population

Following the strong population growth period of the late 1970's (5.3%) and the 1980's (2.8%), Tempe has experienced steady but considerably slower growth. This trend is expected to continue, since the City is landlocked with other municipal jurisdictions on all four borders. Given this geographical limit on expansion, population in Tempe is assumed to increase by merely 0.5% per year over the forecast period.



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

Statewide population growth is assumed to average 2.5% 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. This impact is seen in FY 2011-12 of the forecast.

### State Revenues

As the base for state shared revenues, state income and sales taxes are also important to City revenues. As with City revenues, State revenue growth in recent years has turned sharply negative. The forecast is for state sales tax revenue growth to rebound beginning in FY 2010-11 consistent with projections from the FAC. Since State Shared Income Tax distributions lag by two years, payments to the City will continue to decline until FY 2012-13.



Also of importance are State laws related to revenue, including future rate cuts and changes to the revenue sharing formula. One significant change to revenue distributions was the elimination of distributions of State Lottery receipts to the Local Transportation Assistance Fund. Laws 2010, 7th Special Session Chapter 12 diverted future current and future distributions of Lottery proceeds to the state General Fund.

It is impossible to predict the actions of future Legislatures, and therefore the forecast assumes status quo with regard to future 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 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 in recent years.

Construction is expected to slow considerably in the near-term as a constrained credit market coincides with a forecast of overcapacity in the regional commercial and residential sectors of the real estate market. This trend is expected to depress both building permitting revenue as well as sales taxes on contracting activity. The forecast assumes a severely reduced level of construction activity until FY 2012-13.

**Assessed Valuation**

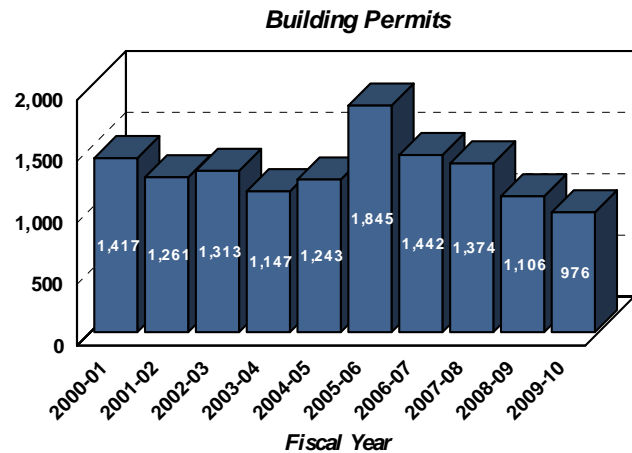
Arizona public finance statutes provide for two different property tax bases, distinguished by both their allowable use as well as the extent to which they can grow in successive years. The first is the primary, which is the base used for financing current government operating expenditures in the General 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 statutorily unlimited in terms of annual growth. During the period from FY 1996-97 through FY 2006-07, Tempe's secondary assessed value growth was 8% on average. Based on information from the Maricopa County Assessor's Office, secondary valuations are projected to decrease by 35% overall through FY 2012-13. While this does not affect the long range forecast of the City's operating funds, the decline in taxable value places strict limits on the City's ability to support additional General Obligation bonds in the Capital Improvements Program at current property tax rates.

**Interest Rates/Cash Balances**

Interest revenue is expected to be minimal in most funds, the result of reduced invested funds balances and low short term interest rates.



## Financial Overview

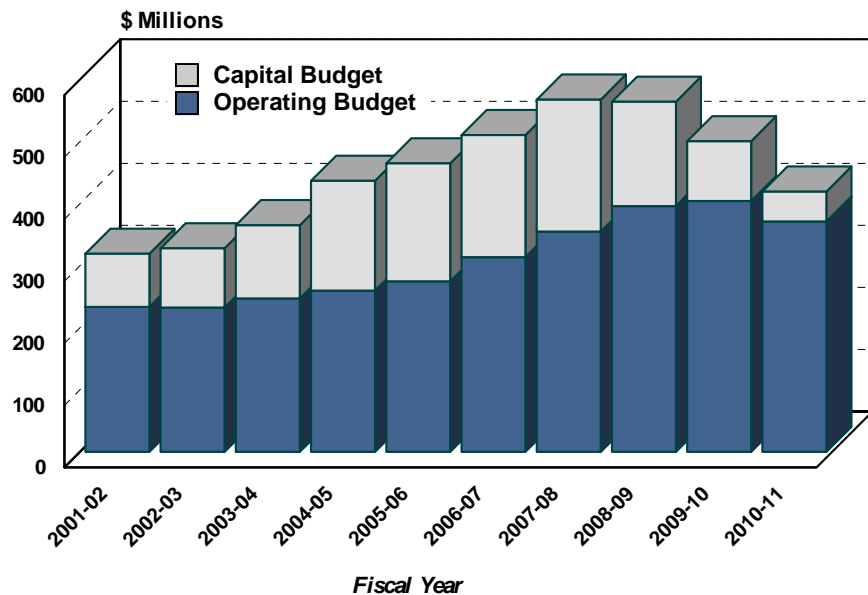


The following financial overview provides a summary of revenue, expenditure, and historical budget trends. The FY 2010-11 budget of \$419.7 million provides for a \$371.4 million operating budget and a \$48.3 million capital budget. The operating budget includes \$176.9 million of general governmental operations, \$92 million of enterprise operations (Water/Wastewater, Solid Waste, Cemetery, and Golf) and \$102.5 million of special revenue operations (Transportation, Transit, Performing Arts, Rio Salado, Redevelopment, and Housing).

Fiscal Year	Operating Budget	Capital Budget	Total Budget
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
2009-10	404,424,453	96,310,568	500,735,021
2010-11	371,433,189	48,264,755	419,697,944

Total budgeted revenue for FY 2010-11 is \$389.4 million, with operating revenue of \$341.2 million and the remainder from other capital funding sources. Major funding sources include \$179 million in General governmental revenue, \$83.6 million of enterprise revenue, and \$78.5 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 at right.





### ***Salaries and Wages***

On the expenditure side, we have assumed a general freeze on salary and wage adjustments in the period from FY 2010-11 through FY 2011-12 for the purposes of balancing future expenditures with revenue expectations. The City's normal salary structure allows for 5% annual salary growth within each position's approved salary range, as well as an annual survey of the market to test the sufficiency of the salary ranges. Resumption of the normal salary adjustment process is not expected to occur until FY 2012-13 in the forecast.

### ***Fringe Benefits***

Health insurance costs are forecasted to increase at a declining rate for the next five years. Market forces, the movement towards managed care, and an excellent claims history allow the City's health care costs to decline in FY 2010-11, however growth of approximately 8% per year is assumed thereafter. Retiree health care cost will continue to rise as our work force matures and greater percentages of employees retire. Due to recent changes in the retiree health care program, growth in this expenditure category is assumed to be 6% per year.

### ***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 a City Council committee for review and recommendations. The forecast assumes phased advanced funding of OPEB costs beginning in FY 2009-10.

### ***Retirement Contributions***

City of Tempe employees are covered by one of four public retirement systems, depending on job type. The annual employer's portion of the contribution rates differ by retirement system. The four retirement systems, and their associated rate for FY 2010-11 are as follows:

- Arizona State Retirement System: 9.85%
- Public Safety Retirement - Fire: 24.21%
- Public Safety Retirement - Police: 21.87%
- Elected Officials Retirement: 28%

These rates are kept static during the forecast period as each rate is dependent on the investment decisions of the relevant retirement system.

### ***Inflation***

General inflation is expected to fluctuate from 2.2% to 1.9% in the later years of the forecast. Electricity inflation is expected to increase by approximately 5% annually through the forecast period, and motor fuel inflation is expected to be higher in the near term (10.1% in FY 2010-11) and gradually slow in the out years (2.6% by FY 2013-14).

### ***Supplemental Limits***

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

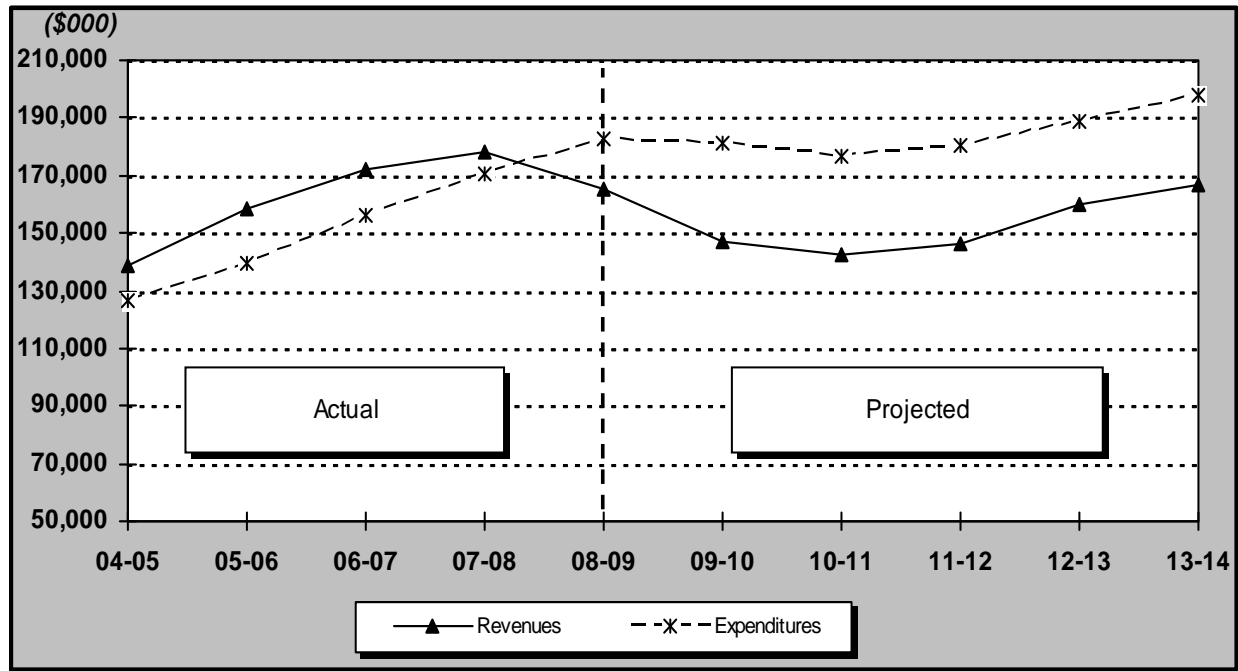
### ***Capital Improvements Program Operating Budget Impacts***

An important aspect of the City's Capital Improvements 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, operating impacts for projects approved in prior years' Capital Budgets are included in the out-years of the forecast.

### ***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 reversed sharply in FY 2008-09 as the economic recession gripped the state and local economies. Negative impacts on revenues have been substantial, and are expected to linger into FY 2010-11. Sustained, positive economic growth is not anticipated until FY 2011-12.

# General Fund: Projected Revenue and Expenditures



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj	Proj.	Proj	Proj	Proj
<b>Revenues (\$000)</b>										
Local Taxes	77,772	86,570	95,863	93,057	84,375	76,360	74,649	79,420	88,329	92,576
Intergovernmental	36,068	40,946	41,453	45,225	44,048	39,185	35,038	33,746	36,453	38,044
Bldg & Trades	3,459	5,506	5,969	6,479	5,681	3,528	3,760	3,960	4,935	5,203
Cultural and Recreation	5,010	4,961	5,294	6,157	6,244	5,506	6,026	6,315	6,596	6,879
Fines, Fees, & Forfeitures	6,652	7,288	7,219	8,616	9,201	9,187	9,578	10,048	10,505	10,965
Business Licenses	1,185	1,202	1,331	1,333	1,546	1,500	1,564	1,641	1,715	1,790
Interest Income	2,969	4,794	7,437	9,839	4,932	1,790	1,500	1,500	1,500	1,500
Franchise Fees	1,678	1,867	2,693	3,425	3,981	3,927	4,124	4,330	4,546	4,774
Other Revenue Sources	3,633	5,418	4,462	4,011	4,991	5,773	5,986	5,289	5,289	5,289
<b>Total Revenues</b>	<b>138,425</b>	<b>158,553</b>	<b>171,722</b>	<b>178,143</b>	<b>164,998</b>	<b>146,756</b>	<b>142,225</b>	<b>146,250</b>	<b>159,869</b>	<b>167,020</b>
<b>Expenditures (\$000)</b>										
Personal Services	100,868	109,416	120,972	137,189	147,244	145,980	142,783	145,719	153,232	161,231
Materials and Supplies	6,811	7,866	8,783	9,180	8,646	8,210	7,926	8,100	8,264	8,425
Fees and Services	18,521	21,576	21,721	23,598	24,124	26,673	25,972	26,784	27,595	28,501
Travel and Training	649	720	824	799	426	620	599	612	625	637
Non-Departmental/ Loan Repayment	2,269	1,760	2,412	2,653	2,888	3,296	3,058	2,893	2,951	3,008
Capital Outlay	2,002	3,116	4,670	2,721	4,012	2,423	1,600	1,600	1,600	1,600
Contingency	0	0	0	0	0	0	0	0	0	0
Transportation Mtnc of Effort	0	0	1,035	955	786	786	786	786	786	786
Tourism and Convention Bureau	2,041	1,892	2,019	2,007	1,802	1,301	1,866	1,926	1,985	2,045
Internal Services/Adjustments	(6,896)	(6,511)	(6,224)	(8,492)	(7,034)	(7,935)	(8,084)	(8,262)	(8,429)	(8,593)
<b>Total Expenditures</b>	<b>126,265</b>	<b>139,836</b>	<b>156,211</b>	<b>170,611</b>	<b>182,893</b>	<b>181,354</b>	<b>176,506</b>	<b>180,157</b>	<b>188,609</b>	<b>197,639</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>12,160</b>	<b>18,718</b>	<b>15,511</b>	<b>7,533</b>	<b>(17,895)</b>	<b>(34,598)</b>	<b>(34,281)</b>	<b>(33,908)</b>	<b>(28,741)</b>	<b>(30,620)</b>



**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. From that time and up until FY 2007-08, 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 the state and national recession that began in FY 2007-08, the city's General Fund is experiencing a sharp reversal of that trend. Local sales taxes are the primary revenue source for the General Fund, and are highly sensitive to economic fluctuations. Projected General Fund local tax revenues for FY 2009-10 are 20% lower than peak collection in FY 2006-07. FY 2010-11 collections are expected to drop by a further 5%. No improvement is expected in this category until FY 2011-12.

The next largest source of General Fund revenues is intergovernmental, which is comprised of state sales, income, and vehicle license taxes. As with local sales taxes, each of these categories is sharply negative due to the economic recession. Recovery of state sales and vehicle license taxes is projected to begin in FY 2010-11, however, state income tax distributions are not expected to recover until FY 2012-13 due to a two year lag. In addition to the economic influences on these categories, the effect of the 2010 Census will negatively impact collections in FY 2011-12 as Tempe's share of the state's urban population is expected to continue its decline.

From an expenditure perspective, growth in employee compensation and benefit costs have traditionally been the largest components of growth. In prior years, the City's compensation philosophy would adjust the City's pay structure annually to a level equivalent to the 75th percentile of the regional municipal government sector, and would allow employee salary growth of up to 5% within the salary range structure. In light of the City's financial situation, annual salary adjustments have been suspended until FY 2012-13 in the forecast, and resume at a 5% pace thereafter. Health care costs for employees are anticipated to decline by 1.6% in FY 2010-11 and grow by approximately 8% per year thereafter. Retiree health care costs are expected to grow by a consistent 6% growth rate during each year of the forecast, due to recent policy changes that cap growth.

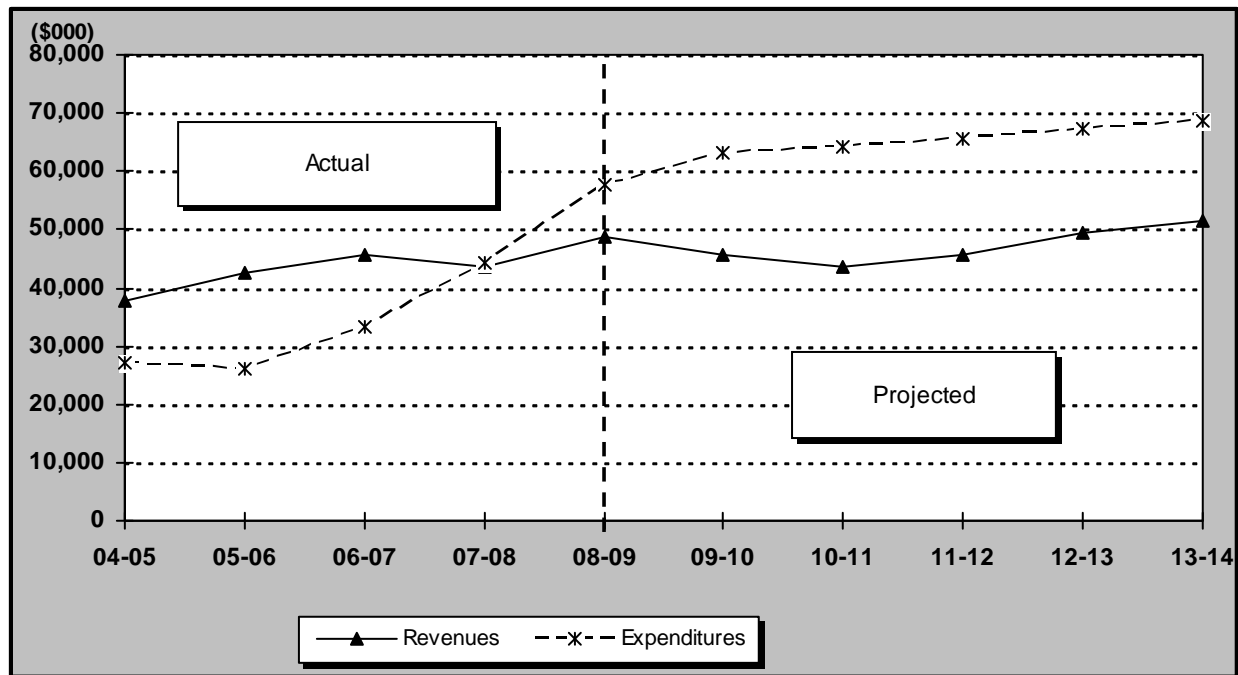
A series of budget reductions were implemented for FY 2009-10 to address that year's budget deficit. Furthermore, a series of FY 2010-11 reductions were part of the plan, including the elimination of an additional 61 positions. For planning purposes, the impact of these additional reductions is reflected in the General Fund forecast graph on the preceding page.

**Unreserved Fund Balance**

The General Fund's unreserved fund balance has grown from \$28.6 million just 11 years ago to \$54 million for FYE 2009. It grew in the most recent year due to the addition of a number of reserved amounts to the unreserved balance. Additional budget balancing discussions will be required to maintain the balance within the policy level in future years of the forecast.

FYE	Unreserved Fund Balance
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
08	44,611,435
09	54,012,203

# Transit Fund: Projected Revenue and Expenditures



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Transit Tax	28,848	32,440	34,971	32,450	29,851	26,329	25,012	26,763	30,242	31,754
Lottery Transfer In	274	266	257	254	278	233	214	204	194	194
ASU-Flash Transit	478	496	529	581	603	677	697	718	740	762
Interest Income	1,410	1,320	1,142	960	180	212	212	212	212	212
Light-Rail Fares					964	2,519	2,813	2,675	2,756	2,838
Out of Jurisdiction Svc Revenue	5,936	6,536	7,897	8,674	11,298	11,146	11,146	11,486	11,831	11,991
PTF Funding					2,305	2,519	2,813	2,675	2,756	2,838
Miscellaneous Revenue	922	1,462	888	641	3,376	2,064	807	811	815	819
<b>Total Revenues</b>	<b>37,868</b>	<b>42,521</b>	<b>45,684</b>	<b>43,561</b>	<b>48,854</b>	<b>45,698</b>	<b>43,715</b>	<b>45,545</b>	<b>49,545</b>	<b>51,409</b>
<b>Expenditures (\$000)</b>										
Personal Services	1,930	2,294	2,543	3,292	3,841	4,805	4,688	4,745	4,988	5,295
Materials and Supplies	1,781	1,870	2,082	3,251	6,451	5,289	5,389	5,508	5,619	5,728
Fees and Services	22,467	19,986	23,231	30,844	39,811	42,950	43,845	45,196	46,487	47,342
Travel and Training	17	36	43	29	28	33	34	35	36	36
Capital Outlay	182	190	140	123	250	35	36	37	37	38
Debt Service		594	4,045	5,518	6,019	8,977	8,970	8,964	8,958	8,957
Internal Svc Chgs/ Adjustments	243	314	310	317	531	565	553	565	576	587
Indirect Cost Allocations	437	696	847	808	650	656	669	683	697	711
<b>Total Expenditures</b>	<b>27,057</b>	<b>25,979</b>	<b>33,241</b>	<b>44,183</b>	<b>57,581</b>	<b>63,311</b>	<b>64,182</b>	<b>65,732</b>	<b>67,398</b>	<b>68,695</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>10,811</b>	<b>16,542</b>	<b>12,444</b>	<b>(622)</b>	<b>(8,727)</b>	<b>(17,613)</b>	<b>(20,467)</b>	<b>(20,187)</b>	<b>(17,853)</b>	<b>(17,286)</b>



## Trend/Forecast

Since the Transit Tax is a component of the overall City sales tax, the declining trend projected in General Fund sales tax revenue is mirrored in the Transit Fund. Revenues exceed expenditures in the near-term solely due to the receipt of large federal reimbursements for prior years' capital program spending.

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.

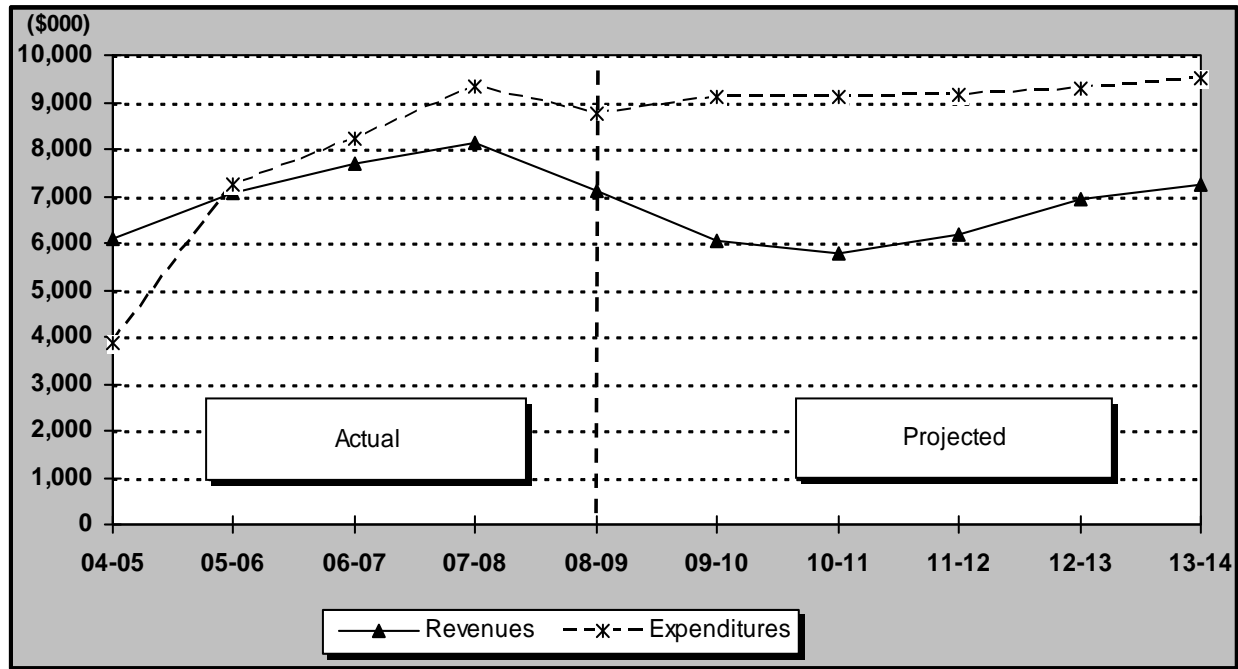
Given projected revenue growth and operating profile, the forecast is for the fund to be in a deficit condition beginning in FY 2011-12 and continuing thereafter. In light of this, budget balancing efforts will be pursued for the FY 2010-11 budget and beyond.

## Unreserved Fund Balance

The Transit Fund's unreserved fund balance has gone from \$18.4 million in FY 1997-98 to \$54.2 million at the end of FY 2008-09. Receipt of one-time federal reimbursements is the sole reason for balance growth in the near-term. Over the long-term, balances are forecast to decline absent corrective action, due to the structural operating deficit.

FYE	Unreserved Fund Balance
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
08	33,240,056
09	54,247,682

# Performing Arts Fund: Projected Revenue and Expenditures



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Performing Arts Tax	5,768	6,480	7,008	6,820	6,159	5,435	5,176	5,586	6,312	6,627
Facility Revenue	0	0	0	662	745	548	576	594	614	633
Interest Income	335	574	692	645	224	75	45	18	0	0
<b>Total Revenues</b>	<b>6,103</b>	<b>7,054</b>	<b>7,700</b>	<b>8,127</b>	<b>7,128</b>	<b>6,058</b>	<b>5,796</b>	<b>6,198</b>	<b>6,925</b>	<b>7,261</b>
<b>Expenditures (\$000)</b>										
Personal Services	194	337	545	1,579	1,871	2,148	2,087	2,129	2,234	2,378
Materials and Supplies	16	65	853	797	99	140	142	146	148	151
Fees and Services	54	84	538	754	514	520	539	559	580	602
Travel and Other	5	9	9	4	2	4	4	4	4	4
Capital Outlay	0	158	108	38	0	0	0	0	0	0
Debt Service	3,572	6,295	6,059	6,014	6,017	6,016	6,026	6,028	6,034	6,055
Internal Service Charges	20	287	123	150	242	287	292	298	304	310
<b>Total Expenditures</b>	<b>3,861</b>	<b>7,235</b>	<b>8,235</b>	<b>9,335</b>	<b>8,746</b>	<b>9,115</b>	<b>9,090</b>	<b>9,164</b>	<b>9,306</b>	<b>9,501</b>
<b>Net Operating Surplus/ (Deficit)</b>										
	<b>2,243</b>	<b>(180)</b>	<b>(535)</b>	<b>(1,208)</b>	<b>(1,618)</b>	<b>(3,057)</b>	<b>(3,294)</b>	<b>(2,966)</b>	<b>(2,381)</b>	<b>(2,240)</b>

## Performing Arts Fund



### Trend/Forecast

The Performing Arts Fund receives its primary revenue from the Performing Arts Tax. This specific tax, approved in May 2000 and effective January 2001, represented 0.1% of the City's total 1.8% sales tax. Monies received from this tax are dedicated to the construction and operating expenses of the Tempe Center for the Arts.

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

The other main component of current revenue is facility revenues. Beginning in FY 2007-08 the fund began 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 Improvements Programs. An equally significant expenditure item is the annual cost of debt service to amortize the bonds issued to build TCA.

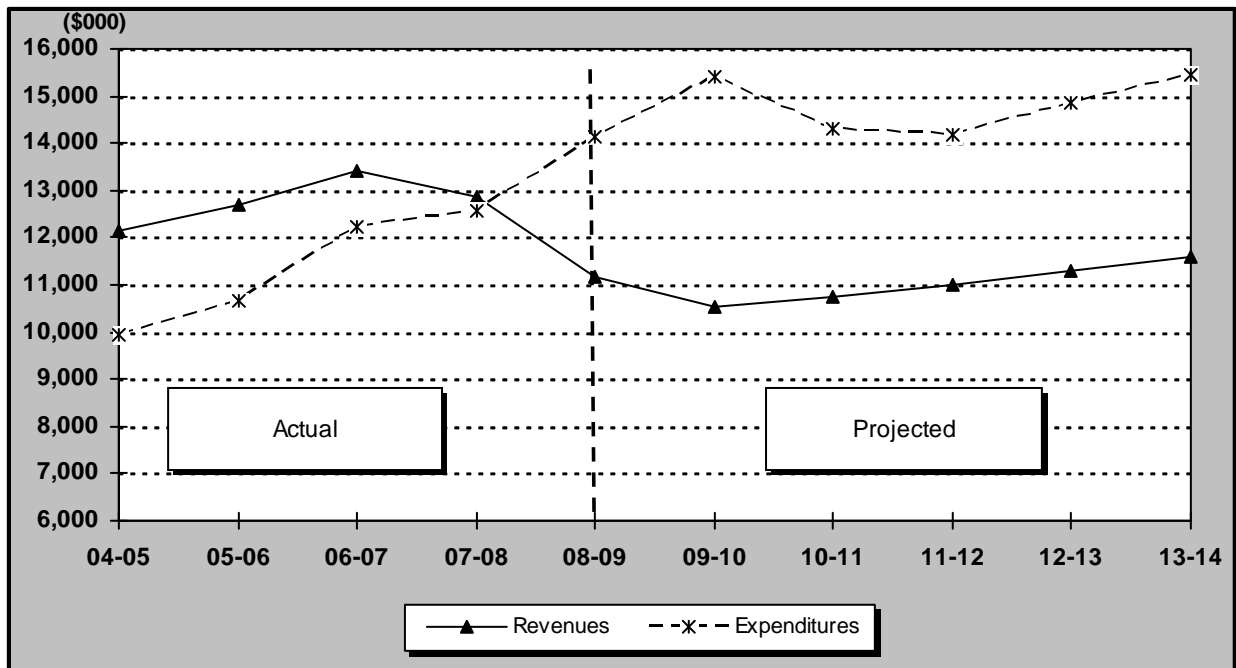
As a result of the ongoing expenditure growth and the decline in the sales tax base, the forecast is for ongoing operating deficits. In light of this, efforts will be necessary to adjust expenditures to ensure future fund solvency.

### Unreserved Fund Balance

The Performing Arts Fund's reserved balance has steadily grown since the fund's inception in FY 2001-02. This trend was consistent with the fund's financial plan. Given the new circumstances of the economic recession, the fund balance will be depleted absent corrective action.

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
08	9,635,775
09	8,328,983

# Transportation Funds: Projected Revenue and Expenditures



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Highway User Revenue Tax	11,533	11,224	11,854	11,387	9,945	9,219	9,496	9,781	10,074	10,376
State Lottery Proceeds	821	799	771	762	709	705	648	618	588	558
Miscellaneous	43	68	10	1	7	36	36	36	36	36
Maintenance of Effort Transfer	0	870	1,035	955	786	786	786	786	786	786
Lottery Transfer to Transit	(274)	(266)	(257)	(254)	(278)	(233)	(214)	(204)	(194)	(184)
<b>Total Revenues</b>	<b>12,123</b>	<b>12,694</b>	<b>13,413</b>	<b>12,851</b>	<b>11,169</b>	<b>10,514</b>	<b>10,752</b>	<b>11,017</b>	<b>11,290</b>	<b>11,572</b>
<b>Expenditures (\$000)</b>										
Personal Services	3,700	4,107	4,112	4,821	5,081	5,830	5,434	5,539	5,805	6,208
Materials and Supplies	467	533	513	537	670	583	594	607	620	632
Fees and Services	1,682	1,736	1,897	1,901	1,977	2,434	2,530	2,634	2,741	2,853
Travel and Training	0	0	24	47	26	28	29	29	30	31
Capital Outlay	189	330	361	140	1,269	1,259	402	325	576	576
Debt Service	2,000	2,000	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770
Loan Repayment	310	310	310	310	310	310	310	0	0	0
Internal Service Charges	853	1,036	1,226	1,212	1,354	1,267	1,291	1,320	1,346	1,372
Indirect Cost Allocations	746	619	1,025	813	692	927	944	965	984	1,003
<b>Total Expenditures</b>	<b>9,946</b>	<b>10,670</b>	<b>12,237</b>	<b>12,551</b>	<b>14,147</b>	<b>15,408</b>	<b>14,303</b>	<b>14,189</b>	<b>14,871</b>	<b>15,444</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>2,177</b>	<b>2,024</b>	<b>1,176</b>	<b>300</b>	<b>(2,978)</b>	<b>(4,894)</b>	<b>(3,551)</b>	<b>(3,172)</b>	<b>(3,581)</b>	<b>(3,872)</b>



## Trend/Forecast

The primary revenue source to this fund is the intergovernmental distribution of the Highway User Revenue Tax. This tax derives the bulk of its monies from a per gallon charge on gasoline consumption. Consistent with the state recession, it is expected that gasoline sales will be moderate over the forecast period. Also, as with other intergovernmental revenue, this state shared revenue is distributed based on population. As such Tempe's share is expected to decline due to our stable population relative to the state as a whole.

Deficits are projected in each year of the forecast period. 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.

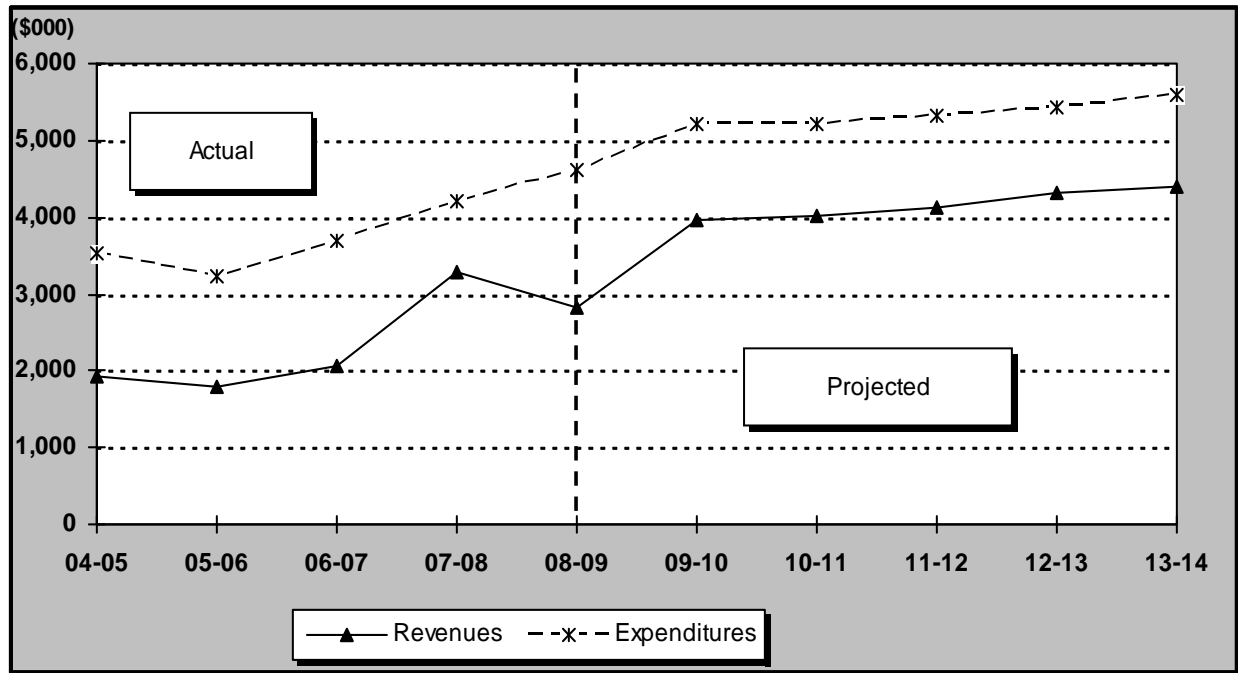
In light of the structural deficit in this fund, budget balancing efforts will be necessary to bring future revenues and expenditures into balance. At the current pace the fund balance will be depleted by FY 2012-13.

## Unreserved Fund Balance

Transportation Fund balances have recovered somewhat from the lows experienced a few years ago. While the unreserved fund balance reached its highest point at FYE 2008, it is likely that the balance will decline drastically in the future in light of the projected operating deficits.

FYE	Unreserved Fund Balance
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
08	12,807,834
09	8,159,403

# Rio Salado and Community Facilities District (CFD) Funds



04/05 05/06 06/07 07/08 08/09 09/10 10/11 11/12 12/13 13/14  
 Actual Actual Actual Actual Actual Proj. Proj. Proj. Proj. Proj.

### Revenues (\$000)

Sales Tax	309	580	797	1,397	1,333	1,176	1,117	1,195	1,351	1,418
Property Tax	68	66	74	122	114	122	127	133	138	144
Transient Lodging Tax	182	219	240	275	247	209	299	309	318	328
Interest Revenue	149	171	200	204	101	130	130	130	130	130
Sale of Real Estate	789	0	0	0	0	0	0	0	0	0
Other Revenue	111	128	160	169	147	147	147	147	147	147
CFD Revenue	315	639	579	1,112	882	2,190	2,201	2,212	2,223	2,234
<b>Total Revenues</b>	<b>1,923</b>	<b>1,804</b>	<b>2,051</b>	<b>3,279</b>	<b>2,825</b>	<b>3,974</b>	<b>4,022</b>	<b>4,126</b>	<b>4,308</b>	<b>4,402</b>

### Expenditures (\$000)

Personal Services	589	614	793	1,942	2,086	2,061	2,035	2,115	2,194	2,322
Materials and Supplies	17	27	17	83	91	149	152	155	158	161
Fees and Services	546	687	828	507	475	648	660	675	689	702
Travel and Training	5	2	5	3	3	5	5	5	5	5
Capital Outlay	96	0	0	0	0	0	0	0	0	0
Internal Service Charges	245	215	414	343	613	593	604	618	630	642
CFD Administrative Credit	(396)	(419)	(414)	(1,263)	(1,397)	(1,445)	(1,472)	(1,505)	(1,535)	(1,565)
CFD Operating and Maintenance	2,431	2,118	2,042	2,602	2,737	3,195	3,227	3,259	3,292	3,325
<b>Total Expenditures</b>	<b>3,533</b>	<b>3,244</b>	<b>3,686</b>	<b>4,216</b>	<b>4,608</b>	<b>5,206</b>	<b>5,211</b>	<b>5,322</b>	<b>5,433</b>	<b>5,593</b>

### Net Operating Surplus/ (Deficit)

(1,610) (1,441) (1,635) (937) (1,783) (1,232) (1,190) (1,196) (1,125) (1,191)

## Rio Salado and Community Facilities (CFD) District Funds



### Trend/Forecast

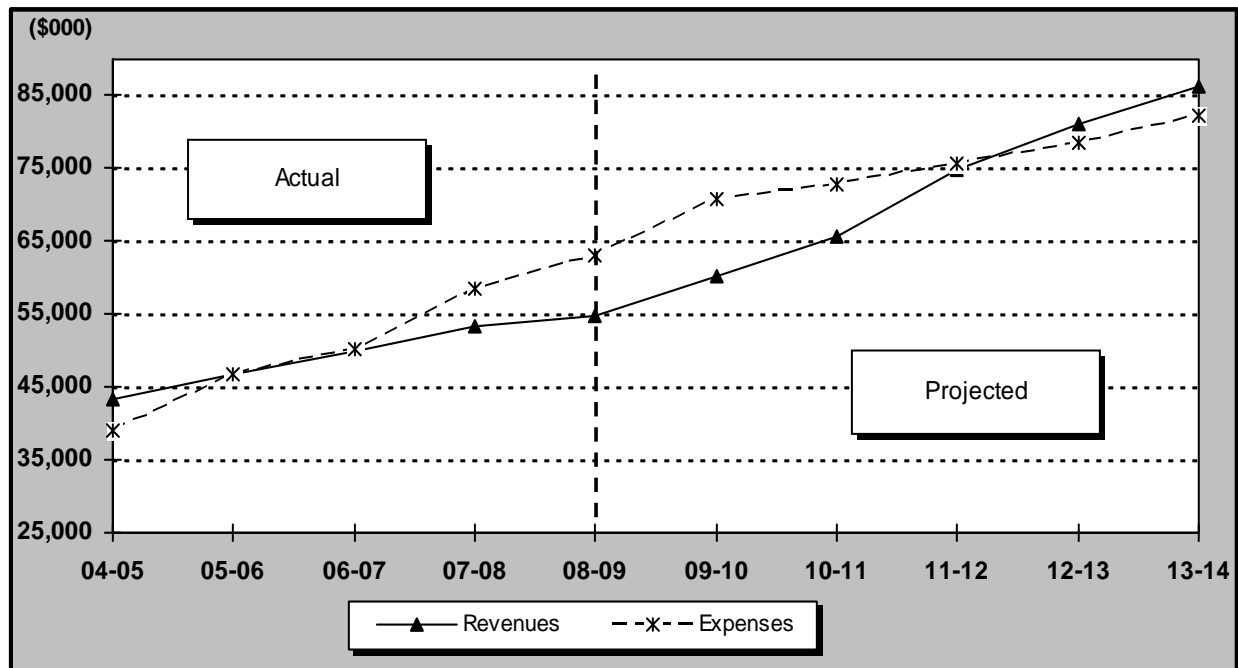
The largest revenue source, tax revenue, is highly responsive to changes in economic activity. The financial health of this fund is dependent on the nature of development in Rio Salado. Urban development will increase tax revenue. Community Facilities District revenue includes assessment collections from property owners and boat permits, concessions, and special event fees. Fund revenues exceed revenues in the forecast period due to interest payments associated with the delayed payment of proceeds from the sale of land in the Rio Salado district.

### Unreserved Fund Balance

The unreserved fund balance reached a high of \$5.2 million in FY 1998-99. The variation depicted in the unreserved fund balance is due to planned drawdowns to fund capital and land purchase costs. Although the unreserved fund balance is nearly exhausted, the Rio Salado and Community Facilities District Funds still had a designated fund balance reserve in the General Fund of \$3,639,794 for operating and maintenance costs as of June 30, 2009.

FYE	Unreserved Fund Balance
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
08	900,297
09	1,008,059

# Water/Wastewater Fund: Projected Revenues and Expenses



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Charges for Service-Water	24,446	26,367	26,714	28,146	29,071	31,469	34,381	38,437	42,771	45,504
Charges for Service-Wastewater	16,248	18,025	19,462	20,933	23,330	27,595	30,372	35,381	37,495	39,736
Interest Income	1,506	1,609	2,485	3,355	1,523	681	273	268	335	371
Land and Facility Rental	520	519	520	520	536	520	548	554	561	561
Loan Repayment	130	114	97	79	60	41	21	0	0	0
Other Miscellaneous Revenue	550	241	666	254	178	55	55	55	55	56
<b>Total Revenues</b>	<b>43,400</b>	<b>46,875</b>	<b>49,943</b>	<b>53,287</b>	<b>54,698</b>	<b>60,360</b>	<b>65,650</b>	<b>74,696</b>	<b>81,218</b>	<b>86,227</b>
<b>Expenses (\$000)</b>										
Personal Services	11,611	12,451	13,265	15,454	15,901	18,158	16,565	16,840	17,618	18,626
Materials and Supplies	2,872	2,811	3,565	3,870	4,111	3,616	3,290	3,363	3,431	3,498
Fees and Services	10,426	14,334	12,441	12,559	13,072	13,869	14,018	14,288	14,559	14,836
Travel and Training	109	124	215	173	148	137	139	142	145	148
Debt Service	10,355	13,200	16,747	22,413	25,867	30,851	34,394	36,493	38,169	40,577
Internal Service Charges	1,609	1,892	2,526	2,208	1,581	2,100	2,139	2,186	2,231	2,274
Indirect Cost Allocations	2,176	1,825	1,516	1,847	2,434	2,146	2,186	2,234	2,279	2,323
<b>Total Expenses</b>	<b>39,157</b>	<b>46,636</b>	<b>50,275</b>	<b>58,524</b>	<b>63,113</b>	<b>70,877</b>	<b>72,732</b>	<b>75,547</b>	<b>78,432</b>	<b>82,281</b>
<b>Net Operating Surplus / (Deficit)</b>	<b>4,243</b>	<b>239</b>	<b>(331)</b>	<b>(5,237)</b>	<b>(8,415)</b>	<b>(10,517)</b>	<b>(7,082)</b>	<b>(851)</b>	<b>2,786</b>	<b>3,946</b>



### Trend/Forecast

The Water/Wastewater Fund is projected to experience an operating deficit in the earlier years of the forecast period, followed by a surplus beginning in FY 2012-13. 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.

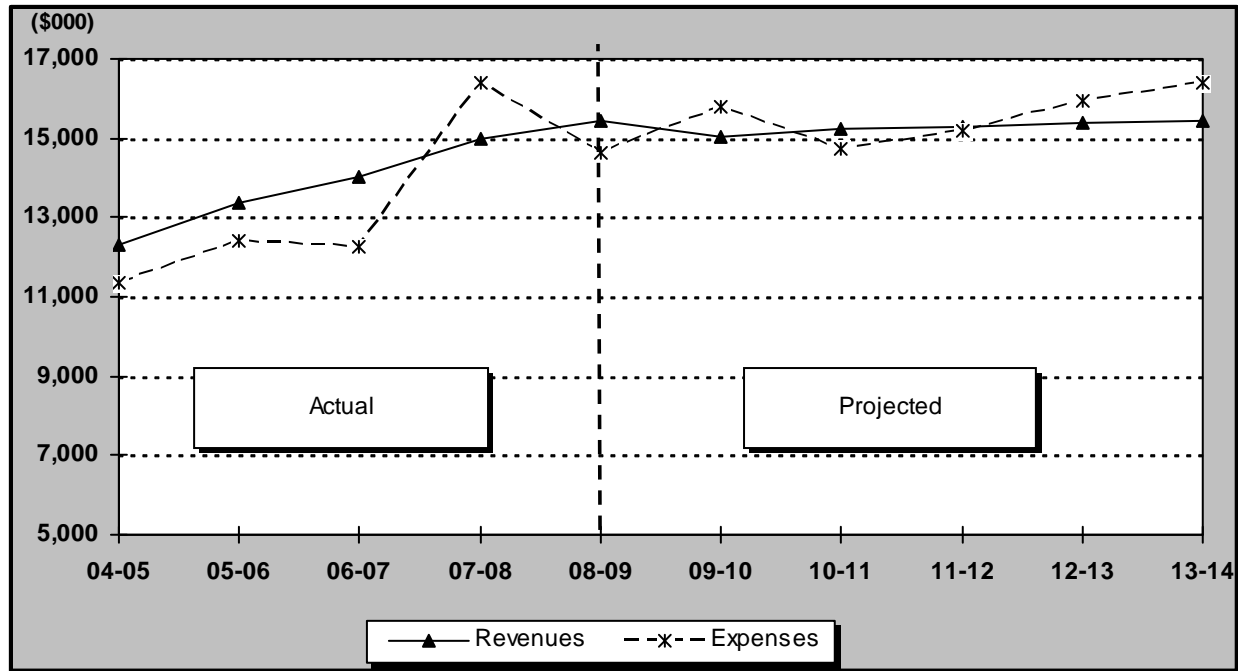
On the revenue side, water and sewer service charges are the primary revenue sources. Since the number of customer accounts grows at a very slow pace due to a stable population, the primary mechanism to enhance revenue for the enterprise fund is rate increases. The forecast assumes that rates will be increased in future years as necessary to bring revenues in line with expenses.

### 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. The fund balance stands at \$42.9 million at FYE 09.

FYE	Unreserved Fund Balance
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
08	50,599,282
09	42,899,644

# Solid Waste Fund: Projected Revenue and Expenses



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Charges for Services	11,839	12,749	13,626	14,456	14,934	14,887	15,087	15,161	15,235	15,310
Sludge Disposal	119	151	62	86	0	0	0	0	0	0
Interest Income	39	83	175	218	106	69	39	41	37	28
Other Revenue Sources	328	399	172	232	400	100	100	100	100	100
<b>Total Revenues</b>	<b>12,325</b>	<b>13,382</b>	<b>14,035</b>	<b>14,993</b>	<b>15,440</b>	<b>15,056</b>	<b>15,227</b>	<b>15,302</b>	<b>15,372</b>	<b>15,438</b>
<b>Expenses (\$000)</b>										
Personal Services	3,914	4,302	4,611	5,056	5,414	5,933	5,605	5,691	5,960	6,308
Materials and Supplies	268	146	206	519	162	203	207	211	216	220
Fees and Services	3,258	3,414	3,548	3,633	3,697	3,770	3,841	3,926	4,012	4,099
Capital Outlay	931	1,559	725	3,431	1,377	2,183	1,310	1,540	1,876	1,808
Internal Service/Adjustments	2,383	2,370	2,505	2,942	3,167	2,902	2,956	3,010	3,059	3,107
Indirect Cost Allocations	618	617	646	832	790	782	797	815	831	847
<b>Total Expenses</b>	<b>11,372</b>	<b>12,408</b>	<b>12,240</b>	<b>16,412</b>	<b>14,607</b>	<b>15,773</b>	<b>14,716</b>	<b>15,192</b>	<b>15,953</b>	<b>16,388</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>952</b>	<b>974</b>	<b>1,795</b>	<b>(1,419)</b>	<b>833</b>	<b>(717)</b>	<b>511</b>	<b>110</b>	<b>(581)</b>	<b>(950)</b>



## 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 increases to industrial, commercial, and residential rates occurring on November 1, 2008 and 2009. These rate increases have kept fund revenues generally in line with fund expenses.

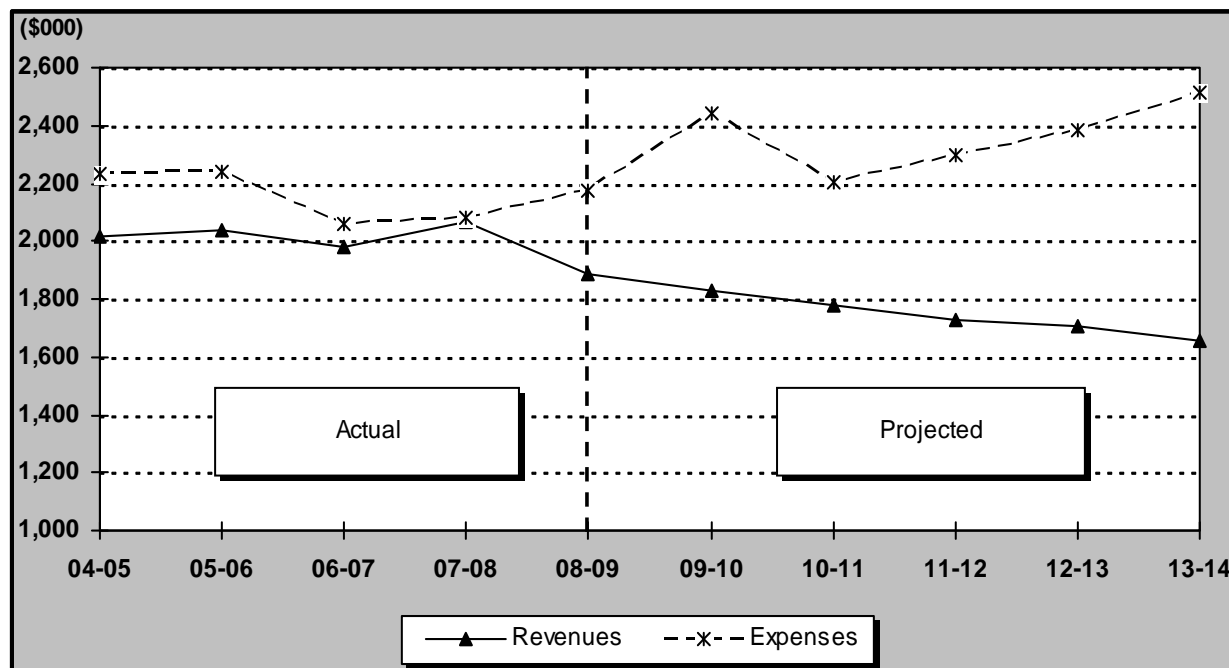
Solid waste rates are subject to annual rate reviews to ensure that the fund remains fully self-sufficient and to smooth the effect of potential rate adjustments on the City's residential and commercial customers.

## Unreserved Fund Balance

There is a \$4.6 million fund balance in the Solid Waste Fund at FYE 2009. 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
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
08	3,888,080
09	4,634,470

## Golf Fund: Projected Revenue and Expenses



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Greens Fees	1,746	1,750	1,689	1,653	1,562	1,508	1,457	1,407	1,359	1,313
Pro Shop/Restaurant	208	221	223	331	252	253	254	255	280	280
Interest Income	14	16	19	14	5	3	0	0	0	0
Other Revenue Sources	50	55	51	65	66	65	65	65	65	65
<b>Total Revenues</b>	<b>2,019</b>	<b>2,041</b>	<b>1,983</b>	<b>2,064</b>	<b>1,885</b>	<b>1,829</b>	<b>1,776</b>	<b>1,728</b>	<b>1,704</b>	<b>1,658</b>
<b>Expenses (\$000)</b>										
Personal Services	1,050	988	1,005	1,098	1,225	1,474	1,183	1,233	1,270	1,339
Materials and Supplies	286	256	249	250	220	223	228	233	237	242
Fees and Services	372	456	307	367	379	400	435	467	501	539
Capital Outlay	17	59	0	5	56	56	56	56	56	56
Debt Service	148	153	152	2	0	0	6	10	16	22
Internal Service Charges	153	141	148	187	157	165	166	169	173	176
Indirect Cost Allocations	210	188	195	170	139	126	128	131	133	136
<b>Total Expenses</b>	<b>2,236</b>	<b>2,240</b>	<b>2,056</b>	<b>2,078</b>	<b>2,175</b>	<b>2,443</b>	<b>2,201</b>	<b>2,298</b>	<b>2,386</b>	<b>2,510</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>(217)</b>	<b>(199)</b>	<b>(73)</b>	<b>(15)</b>	<b>(291)</b>	<b>(614)</b>	<b>(425)</b>	<b>(570)</b>	<b>(682)</b>	<b>(852)</b>



**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.

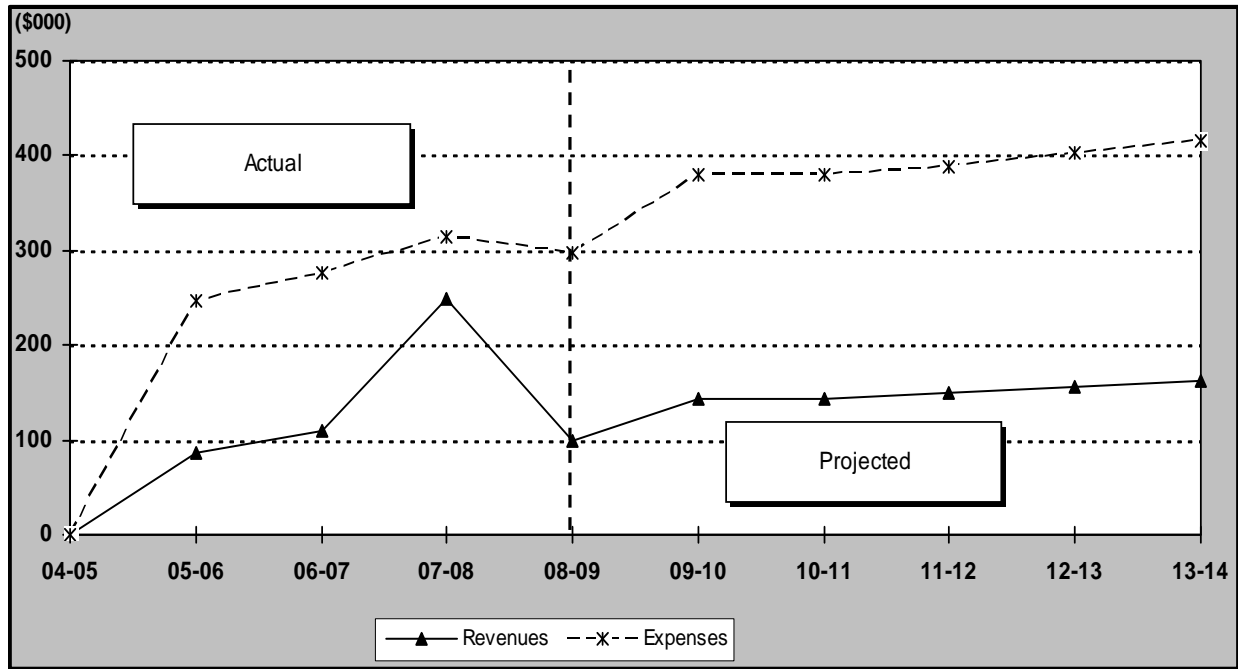
In general, the fund is experiencing growing expenses and flat revenues. As with other funds, budget balancing planning will take place in the coming months to bring expenses in line with revenues.

**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, 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
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
08	217,821
09	42,449

# Cemetery Fund: Projected Revenue and Expenses



	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
	Actual	Actual	Actual	Actual	Actual	Proj.	Proj.	Proj.	Proj.	Proj.
<b>Revenues (\$000)</b>										
Lot Sales & Burial	0	10	12	225	91	136	136	142	148	153
Lot Care	0	9	6	7	7	8	8	8	8	8
<b>Total Revenues</b>	<b>0</b>	<b>87</b>	<b>109</b>	<b>248</b>	<b>98</b>	<b>144</b>	<b>144</b>	<b>150</b>	<b>156</b>	<b>161</b>
<b>Expenses (\$000)</b>										
Personal Services	0	23	66	106	90	151	151	154	163	172
Materials and Supplies	0	1	1	13	5	22	23	23	24	24
Fees and Services	0	0	1	7	8	7	7	7	8	8
Capital Outlay	0	0	19	0	0	0	0	0	0	0
Debt Service	0	202	180	177	181	185	184	188	192	195
Internal Service Charges	0	4	1	0	5	5	5	5	5	5
Indirect Cost Allocations	0	17	8	10	9	10	11	11	11	11
<b>Total Expenses</b>	<b>0</b>	<b>248</b>	<b>276</b>	<b>313</b>	<b>298</b>	<b>380</b>	<b>381</b>	<b>388</b>	<b>402</b>	<b>415</b>
<b>Net Operating Surplus/ (Deficit)</b>	<b>0</b>	<b>(161)</b>	<b>(167)</b>	<b>(65)</b>	<b>(199)</b>	<b>(236)</b>	<b>(236)</b>	<b>(239)</b>	<b>(247)</b>	<b>(254)</b>

## Cemetery Fund



### Trend/Forecast

The Cemetery Fund was established to operate as a self supporting fund that utilizes revenues from burial lot sales to finance all costs of operation. Since fund inception, sales have continued to fall short of expectations and have not been sufficient to pay for operations. As a result, the fund has not accumulated a balance and is projected to experience annual deficits through the forecast period.

Debt service requirements associated with a FY 2004-05 renovation continue to be the fund's largest annual expense.

### Unreserved Fund Balance

Due to historical annual operating deficits, the Cemetery Fund has not accumulated a fund balance, and annual losses continue to be covered by the General Fund.

FYE	Unreserved Fund Balance
06	\$0
07	0
08	0
09	0



## 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.

### • **Budget Balancing Plans**

Continue to utilize a multi-year approach to bring all City operating funds into stable operating condition, using a combination of revenue and expenditure methods while minimizing impacts on residents to the extent possible.

### • **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 Improvements 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 Improvements 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 Fund 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 provision 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 91<sup>st</sup> 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. Where relevant, departmental budget requests are linked to the City Council's 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/Performance Management***

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



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# Revenue Information

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

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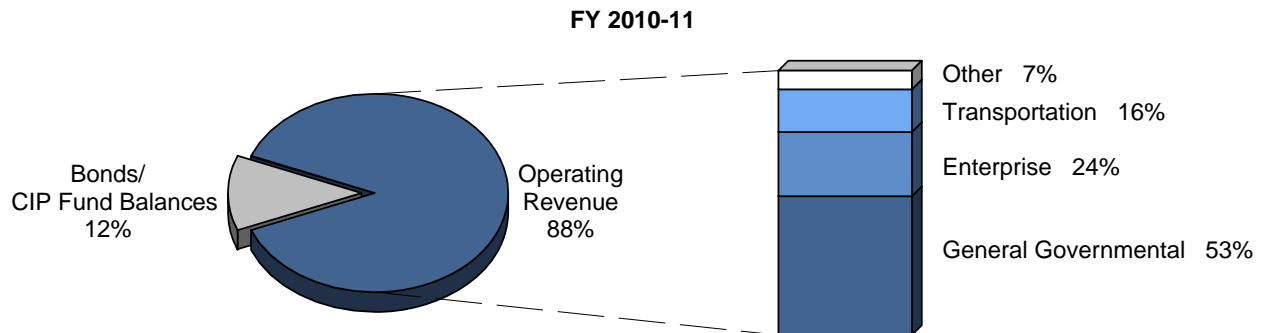


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## Total Revenue



Total revenue for FY 2010-11 is \$389.4 million reflecting \$341.1 million in operating revenue and \$48.3 million from bond proceeds, fund balances and other funding sources. The FY 2010-11 operating revenue total represents a 10.2% decline from FY 2009-10. The decrease in operating revenue sources is primarily in the General Governmental and Transportation/Transit areas and consists largely of lower local taxes and intergovernmental revenues. The decrease in bonding and other funding sources is directly related to the contraction in the Capital Improvement Program (CIP) budget. Future bonding capacity is limited due to decreasing local property values.

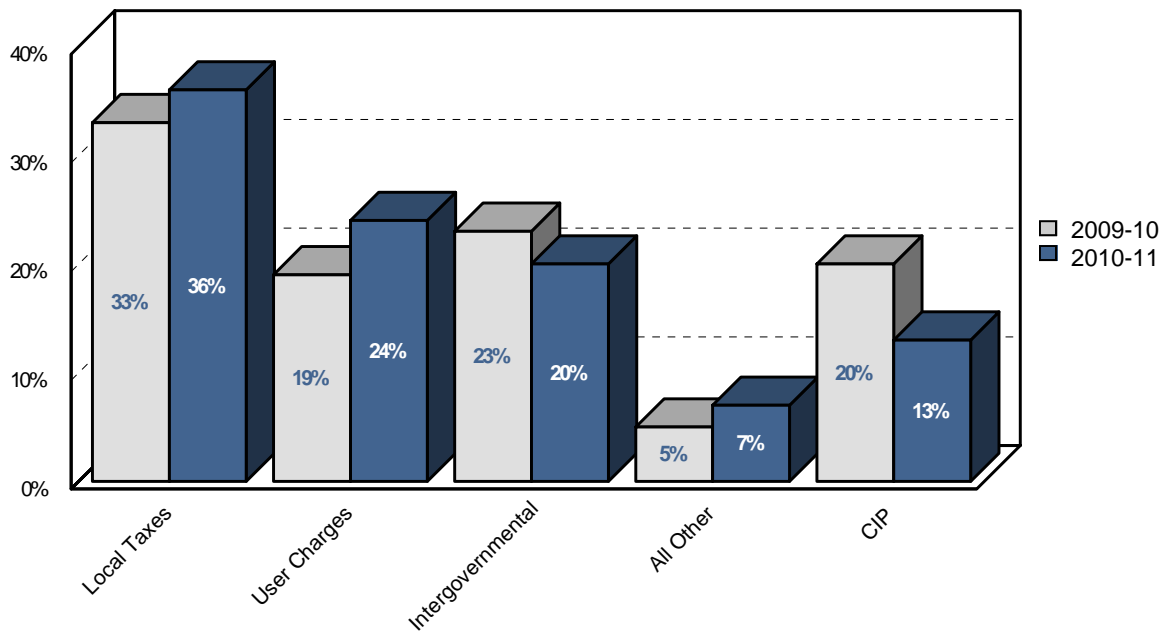


<b>TOTAL REVENUE</b>		
	<b>FY 2009-10 Budget</b>	<b>FY 2010-11 Budget</b>
<b>OPERATING REVENUE</b>		
General Governmental		
Local Taxes, Licenses and Permits, and Debt	\$123,278,328	\$114,414,128
Intergovernmental	41,288,113	35,181,557
Charges for Services	10,645,611	11,200,441
Fees, Fines, and Forfeitures	9,880,662	10,322,095
Miscellaneous	6,305,119	7,931,161
Transportation/Transit	87,901,299	54,194,614
Performing Arts	6,866,077	5,796,368
CDBG/Section 8 Housing	12,146,823	16,417,949
Rio Salado Special Revenue	2,018,601	2,117,130
Enterprise	79,549,537	83,554,952
<b>TOTAL OPERATING REVENUE</b>	<b>\$379,880,170</b>	<b>\$341,130,395</b>
<b>Operating Revenue Per Capita</b>	<b>\$2,237</b>	<b>\$1,995</b>
Bond/Note Proceeds	71,483,357	38,252,292
CIP Other Funding	18,227,211	7,836,500
Fund Balances	6,600,000	2,175,963
<b>TOTAL REVENUE</b>	<b>\$476,190,738</b>	<b>\$389,395,150</b>
<b>Total Revenue Per Capita</b>	<b>\$2,804</b>	<b>\$2,277</b>

# Total Revenue by Source



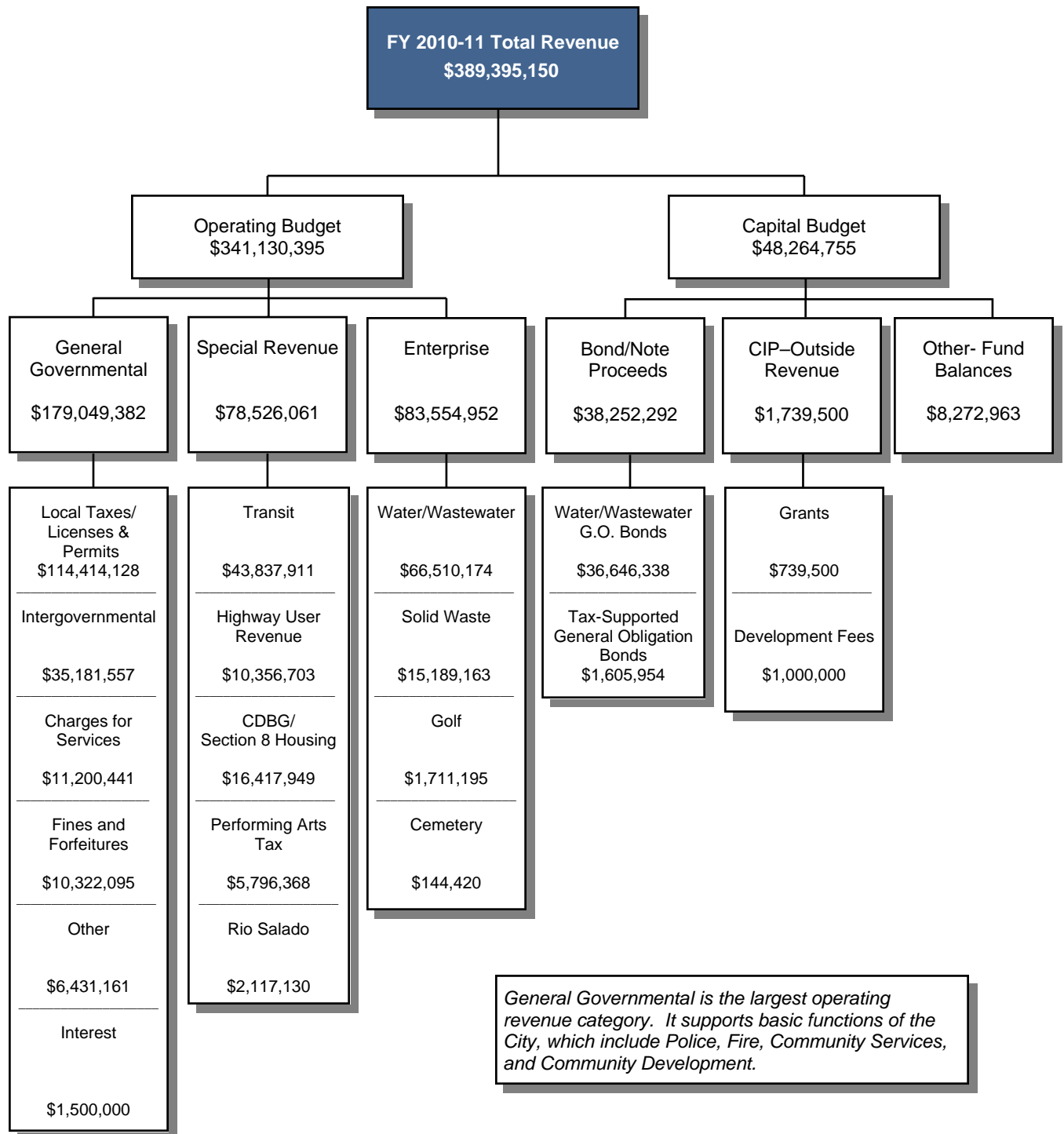
Comparative Revenue by Source  
FY 2009-10 Budget to FY 2010-11 Budget



## Where the Money Comes From

Revenue Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
<b>Local Taxes</b>				
Local Sales Taxes	\$72,420,831	\$75,255,000	\$64,050,000	\$69,880,072
Transit Tax	29,850,942	29,957,000	26,328,500	25,012,100
Other Local Taxes	42,418,263	45,480,578	44,379,878	43,486,953
Performing Arts	6,158,761	6,295,038	5,868,886	5,175,519
<b>User Charges</b>				
Water/Wastewater	52,401,240	59,311,760	59,055,545	64,721,072
Solid Waste	15,128,312	15,651,109	14,987,166	15,187,163
Community Services	8,894,469	8,939,723	8,615,228	9,013,199
Building/Trades & Planning/Zoning	5,680,740	4,237,152	3,800,025	4,618,357
<b>Intergovernmental</b>				
State Shared Revenue	44,392,852	41,288,113	39,482,581	35,181,557
HURF/LTAF	10,377,467	10,492,410	9,452,066	9,495,879
CDBG/Section 8 Housing	11,741,860	12,146,823	10,920,980	16,417,949
Transit State & Federal	14,483,180	45,211,283	11,697,608	15,243,919
<b>All Other</b>				
Interest Revenue	7,078,985	4,751,496	2,844,495	2,524,504
Miscellaneous Revenue	8,990,983	9,484,273	10,404,407	13,282,361
Fines and Forfeitures	9,200,777	9,880,662	9,558,931	10,322,095
Licenses and Permits	1,546,287	1,497,750	1,564,864	1,567,696
<b>Bonds/Note Proceeds</b>				
	97,414,407	71,483,357	71,483,357	38,252,292
<b>CIP - Outside Revenue</b>				
	43,754,937	17,318,630	17,318,630	1,739,500
<b>Other - Fund Balance</b>				
	26,863,981	7,508,581	7,508,581	8,272,963
<b>Total Revenue</b>	<b>\$508,799,274</b>	<b>\$476,190,738</b>	<b>\$419,321,728</b>	<b>\$389,395,150</b>

# Components of Total Revenue



## Comparative Operating Revenue by Major Source and Fund



Revenue Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
<b>General Fund</b>				
Local Taxes				
City Sales Tax	\$71,087,636	\$74,005,000	\$62,700,000	\$68,550,872
Primary Property Tax	10,722,600	11,491,000	11,491,000	12,063,972
Transient Lodging Tax	2,564,683	3,000,000	2,168,700	3,559,916
Franchise Fees	3,980,673	3,927,281	3,724,281	3,727,000
<i>Total Local Taxes</i>	<i>88,355,592</i>	<i>92,423,281</i>	<i>80,083,981</i>	<i>87,901,760</i>
Intergovernmental Revenue				
State Sales Tax	13,191,255	13,267,549	12,011,386	12,732,069
State Income Tax	24,832,128	21,447,606	21,405,576	16,139,804
Vehicle License Tax	6,024,595	6,275,500	5,768,161	6,166,164
Other	81,833	112,000	112,000	127,000
<i>Total Intergovernmental</i>	<i>44,176,446</i>	<i>41,102,655</i>	<i>39,297,123</i>	<i>35,165,037</i>
Building & Trades/Planning & Zoning	5,680,740	4,237,152	3,800,025	4,618,357
Cultural and Recreational				
Registration Fees	4,919,225	5,165,125	4,974,000	5,317,493
Recreation Admission Charges	380,228	367,744	357,964	375,171
Library Fines and Fees	365,824	401,311	401,311	404,000
Other Cultural and Recreation Fees	578,511	474,279	474,779	485,420
<i>Total Cultural and Recreational</i>	<i>6,243,788</i>	<i>6,408,459</i>	<i>6,208,054</i>	<i>6,582,084</i>
Fines, Fees and Forfeitures				
Traffic Fines	2,621,375	3,271,338	3,271,338	2,918,181
Criminal Fines	1,153,186	1,213,100	1,213,100	1,231,552
Parking Fines	295,787	343,480	343,480	314,780
Other Fines, Fees and Forfeitures	5,130,429	5,052,744	4,731,013	5,857,582
<i>Total Fines, Fees and Forfeitures</i>	<i>9,200,777</i>	<i>9,880,662</i>	<i>9,558,931</i>	<i>10,322,095</i>
Business/Non-Business Licenses	1,546,287	1,497,750	1,564,864	1,567,696
Other Revenue Sources				
SRP Payment in Lieu of Taxes	497,571	1,394,846	1,394,846	1,376,393
Interest Income	4,932,446	3,000,000	1,790,340	1,500,000
Other Miscellaneous Revenue and Loan	4,524,770	3,305,119	2,578,669	5,054,768
<i>Total Other Revenue</i>	<i>9,954,787</i>	<i>7,699,965</i>	<i>5,763,855</i>	<i>7,931,161</i>
<b>Total General Fund</b>	<b>\$165,111,782</b>	<b>\$163,249,924</b>	<b>\$146,276,833</b>	<b>\$154,088,190</b>
<b>Debt Service Fund</b>				
Secondary Property Tax	\$23,415,585	\$25,192,451	\$25,192,451	\$22,174,672
SRP Payment in Lieu of Taxes	876,393			
Other Miscellaneous Revenue	599,472			
Intergovernmental	263,041	185,458	185,458	16,520
HURF Debt Transfer		2,770,000	2,770,000	2,770,000
Interest Income	8,278			
<b>Total Debt Service Fund</b>	<b>\$25,162,769</b>	<b>\$28,147,909</b>	<b>\$28,147,909</b>	<b>\$24,961,192</b>



Revenue Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
<b>Transit Fund</b>				
Transit Tax	\$29,850,942	\$29,957,000	\$26,328,500	\$25,012,100
Lottery Transfer In	277,710	232,795	184,119	
ASU-Flash Transit	603,311	676,790	676,790	773,045
Interest Income	179,722	212,386	212,386	212,386
Federal and State Funding	13,602,159	44,301,698	10,836,699	14,470,874
Miscellaneous Revenue	1,463,051	813,220	3,032,220	3,369,506
<b>Total Transit Fund</b>	<b>\$45,976,895</b>	<b>\$76,193,889</b>	<b>\$41,270,714</b>	<b>\$43,837,911</b>
<b>Transportation Funds</b>				
Highway User Revenue Tax	\$9,945,310	\$10,019,765	\$9,219,300	\$9,495,879
Maintenance of Effort	785,824	1,035,000	785,824	785,824
State Lottery Proceeds	432,157	472,645	232,766	
Barricading Fees		180,000	32,000	75,000
Other Revenue	6,201			
<b>Total Transportation Funds</b>	<b>\$11,169,492</b>	<b>\$11,707,410</b>	<b>\$10,269,890</b>	<b>\$10,356,703</b>
<b>Rio Salado Fund</b>				
City Sales Tax	\$1,333,195	\$1,250,000	\$1,175,900	\$1,329,200
Transient Lodging Tax	246,681	300,000	208,600	410,000
Primary Property Tax	114,077	175,000	200,000	175,000
Interest Income	101,405	130,000	95,000	95,000
Miscellaneous Revenue	147,144	163,601	86,361	107,930
<b>Total Rio Salado Fund</b>	<b>\$1,942,502</b>	<b>\$2,018,601</b>	<b>\$1,765,861</b>	<b>\$2,117,130</b>
<b>Performing Arts</b>				
Performing Arts Tax	\$6,158,761	\$6,295,038	\$5,868,886	\$5,175,519
Interest Income	223,862	182,539	75,000	45,349
Fees and Admission and Miscellaneous	745,106	388,500	547,750	575,500
<b>Total Performing Arts</b>	<b>\$7,127,729</b>	<b>\$6,866,077</b>	<b>\$6,491,636</b>	<b>\$5,796,368</b>
<b>Total CDBG/Section 8 Housing Funds</b>	<b>\$11,741,860</b>	<b>\$12,146,823</b>	<b>\$10,920,980</b>	<b>\$16,417,949</b>
<b>Solid Waste Fund</b>				
Residential Service	\$7,911,476	\$8,342,352	\$8,299,633	\$8,473,903
Commercial Service	5,087,128	5,350,437	5,103,364	5,161,680
Roll-Off Service	1,636,116	1,628,320	1,254,169	1,221,580
Recycling	493,592	330,000	330,000	330,000
Interest Income	105,513	77,479		
Miscellaneous Revenue	206,022	100,000	2,000	2,000
<b>Total Solid Waste Fund</b>	<b>\$15,439,847</b>	<b>\$15,828,588</b>	<b>\$14,989,166</b>	<b>\$15,189,163</b>



Revenue Source	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
<b>Water/Wastewater Fund</b>				
Charges for Service-Water				
Water Consumption	\$19,737,075	\$22,552,173	\$21,753,714	\$24,500,000
Water Service	8,468,995	9,555,004	8,956,212	9,120,000
Irrigation	313,108	332,212	304,572	304,572
Other Water Charges	735,161	576,500	596,500	586,500
<i>Total Charges for Service-Water</i>	<i>29,254,339</i>	<i>33,015,889</i>	<i>31,610,998</i>	<i>34,511,072</i>
Charges for Service-Wastewater				
Sewer Usage	18,396,038	21,236,822	22,266,451	24,200,000
Sewer Service	4,315,838	5,049,049	4,968,096	6,000,000
Other Wastewater Charges	435,025	10,000	210,000	10,000
<i>Total Charges for Service-Wastewater</i>	<i>23,416,901</i>	<i>26,295,871</i>	<i>27,444,547</i>	<i>30,210,000</i>
Interest Income	1,522,538	1,143,387	671,769	671,769
Land and Facility Rental	536,000	520,000	520,000	520,000
Loan Repayment from General Fund	542,833	542,833	542,833	542,833
Other Miscellaneous Revenue	178,341	54,500	54,500	54,500
<b>Total Water/Wastewater Fund</b>	<b>\$55,180,952</b>	<b>\$61,572,480</b>	<b>\$60,844,647</b>	<b>\$66,510,174</b>
<b>Golf Fund</b>				
Greens Fees	\$1,640,684	\$1,742,472	\$1,545,000	\$1,457,000
Pro Shop and Restaurant Revenue	\$172,894	\$253,106	\$170,004	\$254,195
Interest Income	5,221	5,705		
Other Revenue Sources	1,325			
<b>Total Golf Fund</b>	<b>\$1,820,124</b>	<b>\$2,001,283</b>	<b>\$1,715,004</b>	<b>\$1,711,195</b>
<b>Cemetery Fund</b>				
Lot & Burial Sales	\$91,997	\$147,186	\$144,420	\$144,420
<b>Total Cemetery Fund</b>	<b>\$91,997</b>	<b>\$147,186</b>	<b>\$144,420</b>	<b>\$144,420</b>
<b>Total Revenue - All Funds</b>	<b>\$340,765,949</b>	<b>\$379,880,170</b>	<b>\$322,837,060</b>	<b>\$341,130,395</b>



Restrictions	Fiscal Year	Amount	Percent Change
Current General Fund rate of 1.4% can be increased only by electorate.	2000-01	63,602,106	6.1
	2001-02	59,991,774	(5.7)
Certain proceeds are pledged as security for bond payments due under various bond security agreements. Revenue from a voter-approved 0.5% portion is 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 is deposited to the Rio Salado Fund for the operating expenses of the Rio Salado project.	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	79,860,938	(4.5)
	2008-09	71,087,636	(11.0)
	2009-10 est.	62,700,000	(11.8)
	2010-11 est	68,550,872	9.3

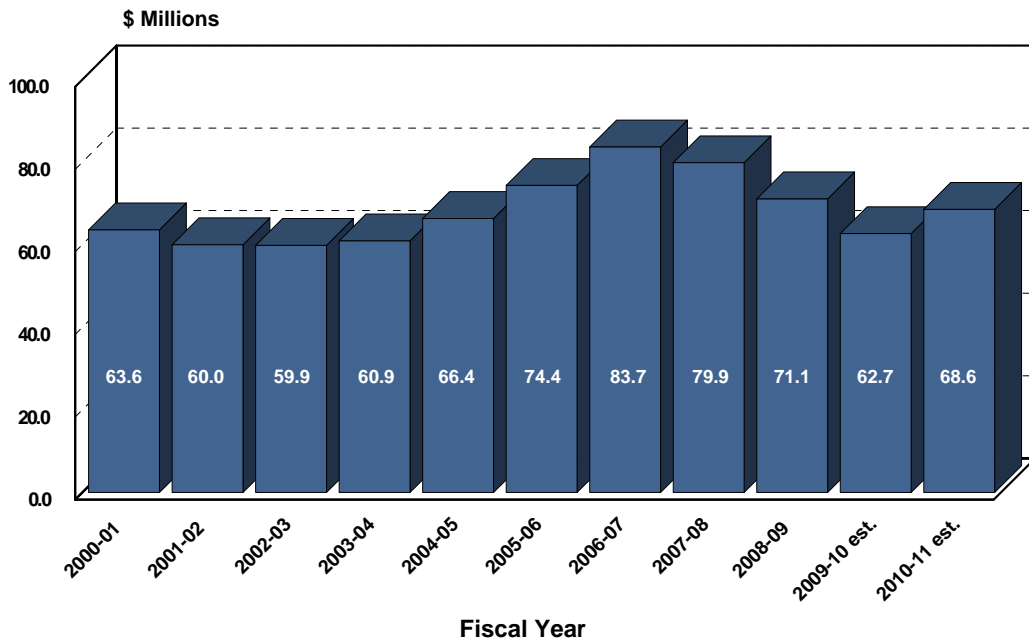
**Assumptions**

The City sales tax, known formally as the transaction privilege tax, is derived from a 2.0% 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%. In May of 2010 voters approved a temporary 0.2% increase in the sales tax, however, sales of food for home consumption are exempted from the increase.

A strong recovery in the period immediately following the 2001-02 recession accounts for the double-digit growth in FY 2005-06 through FY 2006-07. Recent years have seen an unprecedented steep decline in revenues due largely to the effects of the regional housing market downturn and the national and regional recessions. The FY 2010-11 budgeted collection amount includes the voter approved tax rate increase.

Major Influences: Taxable Sales, Population, and Consumer Price Index

**City Sales Tax**



# Transient Lodging Tax



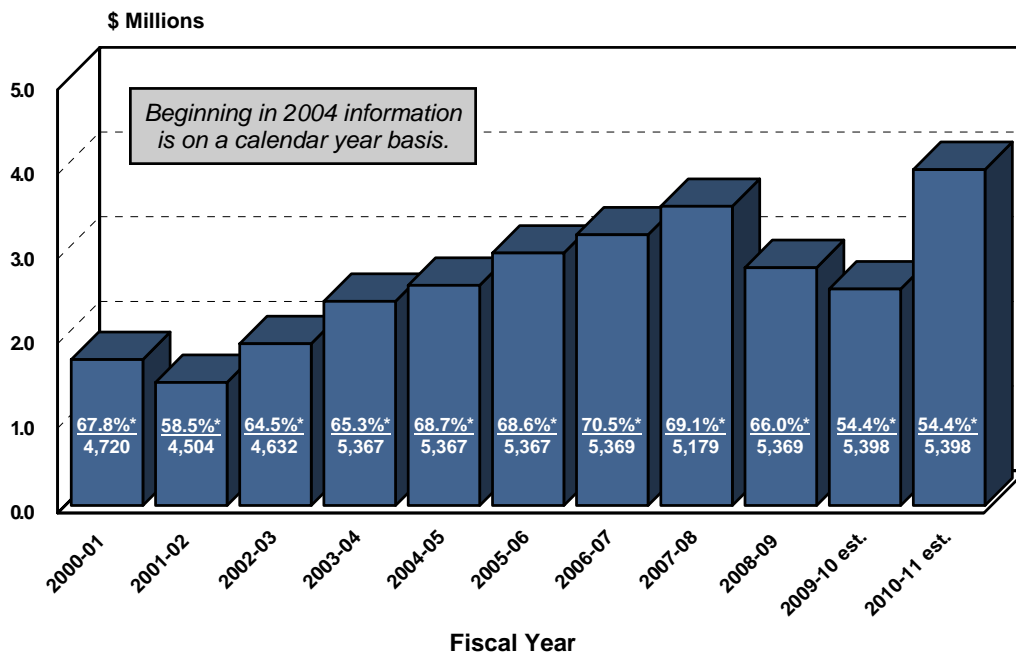
Restrictions	Fiscal Year	Amount	Percent Change
Rate of 5% can be increased only by electorate. Of the total amount collected, a portion is pledged to the Tempe Convention and Visitors Bureau (TCVB). Excess unrestricted proceeds are deposited into the General Fund, except for bed tax revenue generated 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%. On May 2010 voters approved an increase in the tax rate from 3% to 5%. Beginning with FY 2010-11 the amount dedicated to TCVB is \$2,000,000 with annual inflationary adjustments thereafter.	2006-07	3,199,002	7.2
	2007-08	3,534,641	10.5
	2008-09	2,811,364	(20.5)
	2009-10 est.	2,377,300	(15.4)
	2010-11 est.	3,969,916	67.0

## Assumptions

The tax is imposed on businesses who charge for lodging for any period of not more than 30 consecutive days. The steep drop in collections in FY 2009 through FY 2010 is due to the impact of the national and state recessions on local tourism. The large increase in revenue projected for FY 2011 is primarily reflective of a voter approved 2% 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

# City Property Tax



## Restrictions

**Primary Levy:** Limited to annual increase of 2% plus amount generated by new construction. No restriction on usage. **Secondary Levy:** Restricted for debt service purposes only. No limit on rate.

Fiscal Year	Tax Rate/\$100 Assessed Value	Primary Tax Levy	Secondary Tax Levy	Total Amount	Percent Change
2000-01	\$1.35	\$6,879,783	\$11,615,100	\$18,494,883	11.7
2001-02	1.35	7,169,352	11,695,228	18,864,580	2.0
2002-03	1.35	7,291,549	12,897,095	20,188,644	7.0
2003-04	1.35	8,313,398	13,059,814	21,373,212	5.9
2004-05	1.35	8,878,734	14,631,500	23,510,234	10.0
2005-06	1.40	9,287,702	16,430,588	25,718,290	9.4
2006-07	1.40	9,822,845	17,693,103	27,515,948	7.0
2007-08	1.40	10,057,686	20,781,970	30,839,656	12.1
2008-09	1.40	10,836,677	23,415,585	34,252,262	11.1
2009-10 est.*	1.40	11,691,000	25,192,451	36,883,451	7.7
2010-11 est.*	1.40	12,238,972	22,174,620	34,413,592	(6.7)

## Assumptions

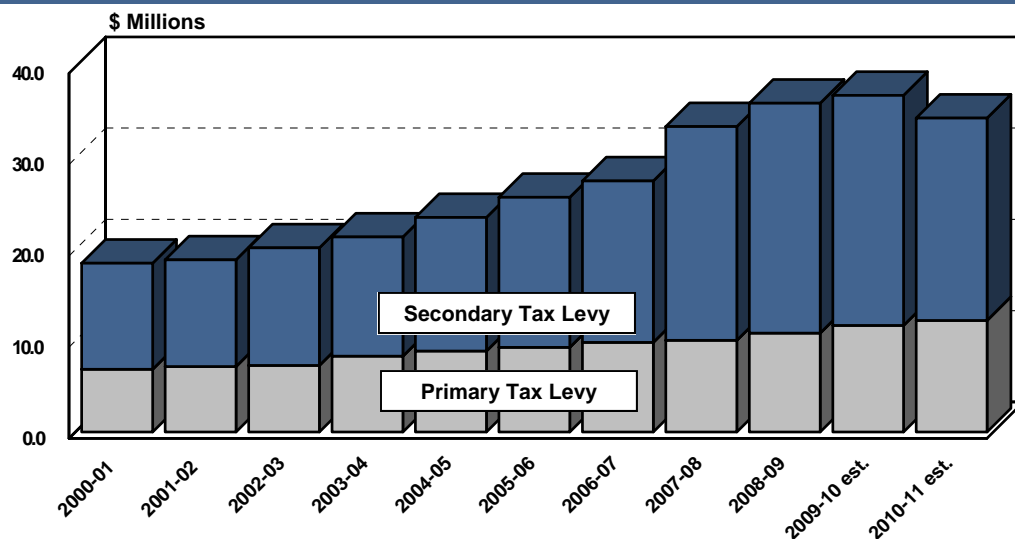
The City's property tax is based on the assessed value of the property as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Historical changes in total revenue collected have been the result of state policy affecting assessed valuations and growth, new development, and appreciation of existing property.

The combined primary and secondary property tax rate for FY 2010-11 will total \$1.40 per \$100 assessed valuation, consisting of \$0.52 per \$100 of the primary assessed valuation for operating and maintenance costs and \$0.88 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, \$12.06 million goes to the General Fund and \$175,000 goes to the Rio Salado Fund, and the entire secondary levy of \$22.2 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



\*Amounts reflect estimated receipts

Fiscal Year

# Salt River Project In-Lieu Tax



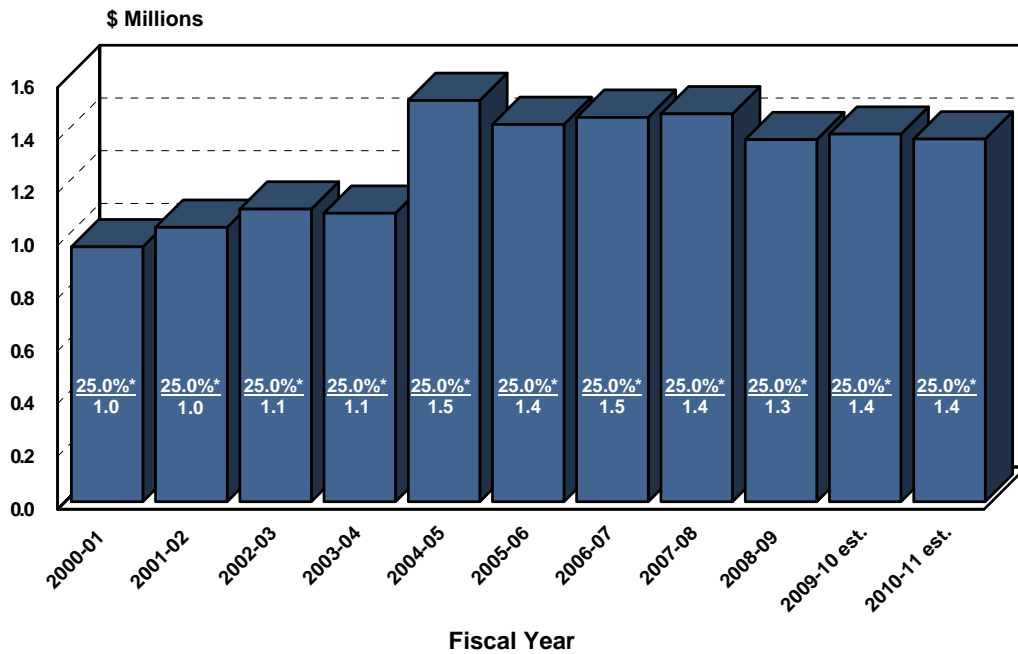
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	2000-01	\$967,193	(12.9)
	2001-02	1,041,291	7.7
	2002-03	1,110,403	6.6
	2003-04	1,094,665	(1.4)
	2004-05	1,522,519	39.1
	2005-06	1,431,678	(6.0)
	2006-07	1,458,614	1.9
	2007-08	1,471,815	0.9
	2008-09	1,373,964	(6.6)
	2009-10 est.	1,394,846	1.5
	2010-11 est.	1,376,393	(1.3)

## 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. In past years, monies from this source were deposited into both the General Fund and Debt Service Fund in a manner similar to the property tax. Beginning in FY 2009-10, all proceeds are deposited into the General Fund.

Major Influences: Real Property Value and State Statute (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.	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	15,237,310	(3.3)
	2008-09	13,191,255	(13.4)
	2009-10 est.	12,011,386	(8.9)
	2010-11 est.	12,732,069	6.0

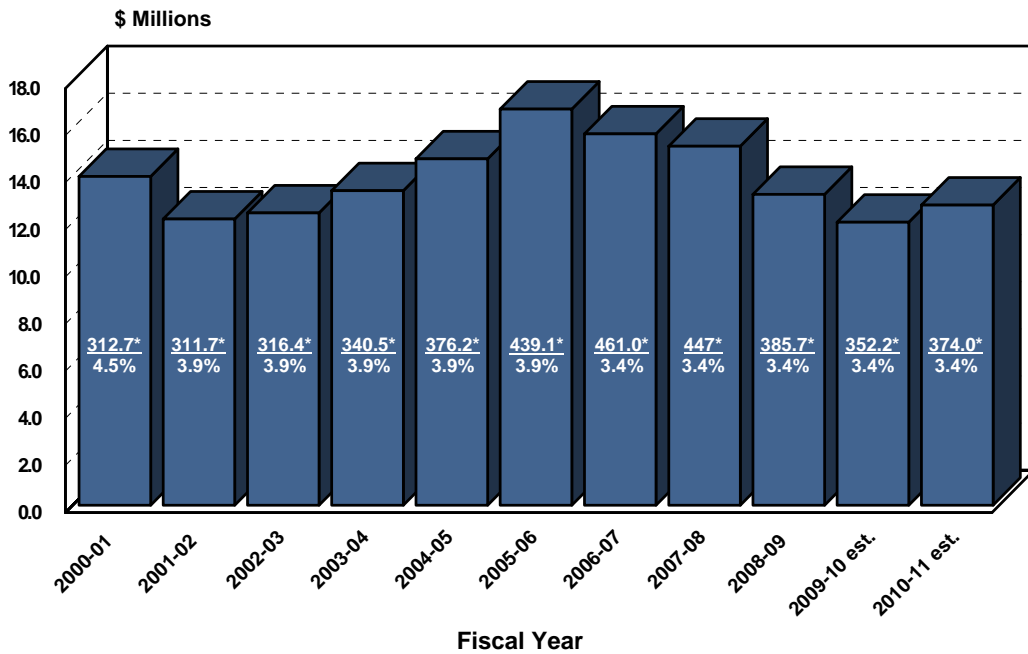
## Assumptions

The state assesses a 6.6% sales tax, of which 0.6% is designated for educational purposes and 1.0% is excluded from revenue sharing as approved at a May 2010 General Election. Cities and towns share in 25% of the remaining collections (estimated at \$374 million for FY 2010-11) 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 3.9%. 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 four year decreased revenue beginning in FY 2006-07 is reflective of the state recession. The increase in FY 2010-11 is reflective of state-level economic recovery in sales taxes as projected by the State Finance Advisory Committee.

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.	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	6,655,516	(3.1)
	2008-09	6,024,595	(9.5)
	2009-10 est.	5,768,161	(4.3)
	2010-11 est.	6,166,164	6.9

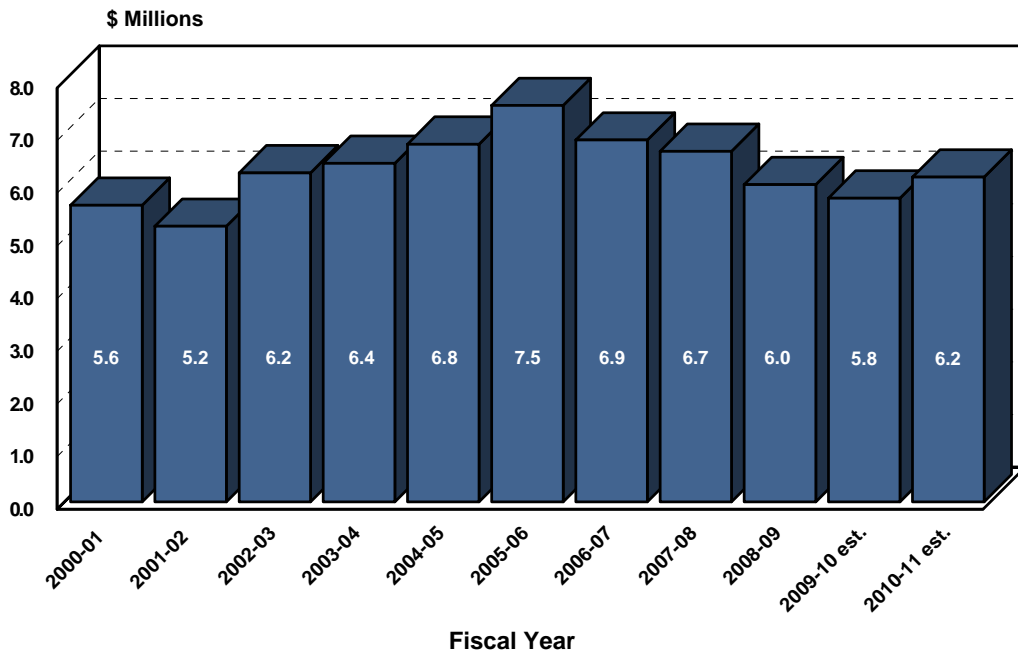
## Assumptions

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 four year decreased revenue beginning in FY 2006-07 is reflective of the state recession. The FY 2010-11 growth is largely due to the low base set in prior years as this revenue amount is below FY 2002-03 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.	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	23,332,475	24.0
	2008-09	24,832,128	6.4
	2009-10 est.	21,405,576	(13.8)
	2010-11 est.	16,139,804	(24.6)

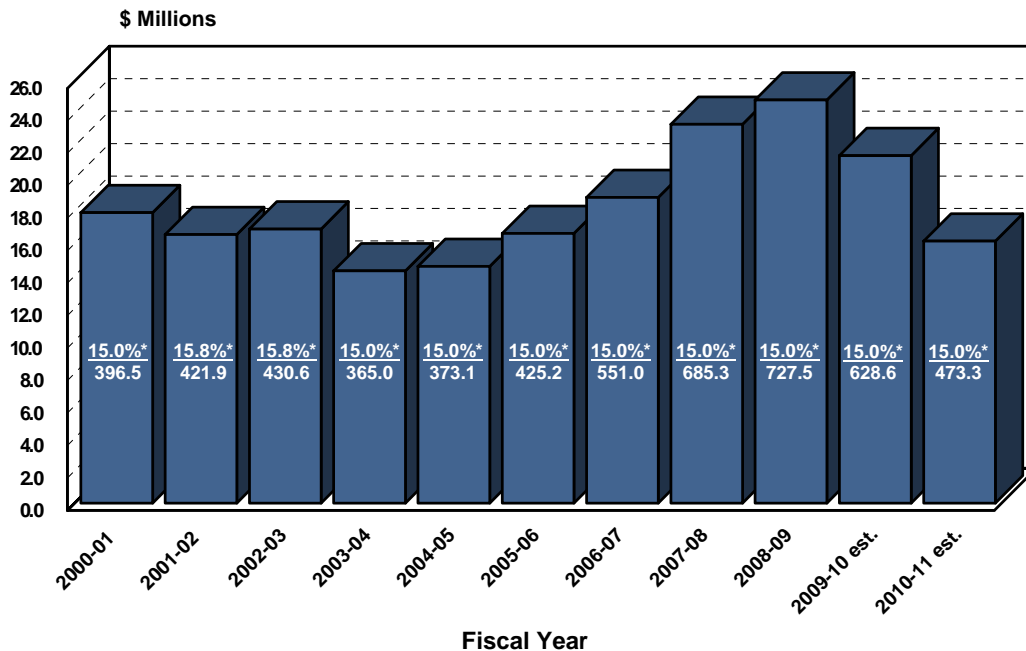
## Assumptions

The right to levy income taxes in Arizona is reserved for the state in statute. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the City receives the funds. Under current law, Arizona cities and towns receive 15.0% of the state's income tax collections from two years prior. The state shared revenue pool is distributed among cities and 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 3.9% of the state's urban population, but this share fell to 3.4% for FY 2006-07.

Due to a two year lag between the calculation and distribution of revenue sharing amounts, the estimated revenue for FY 2010-11 exhibits a steep decline. This is because the amount is based on economic activity during the low point of the state recession in FY 2008-09.

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/Cultural and Recreational



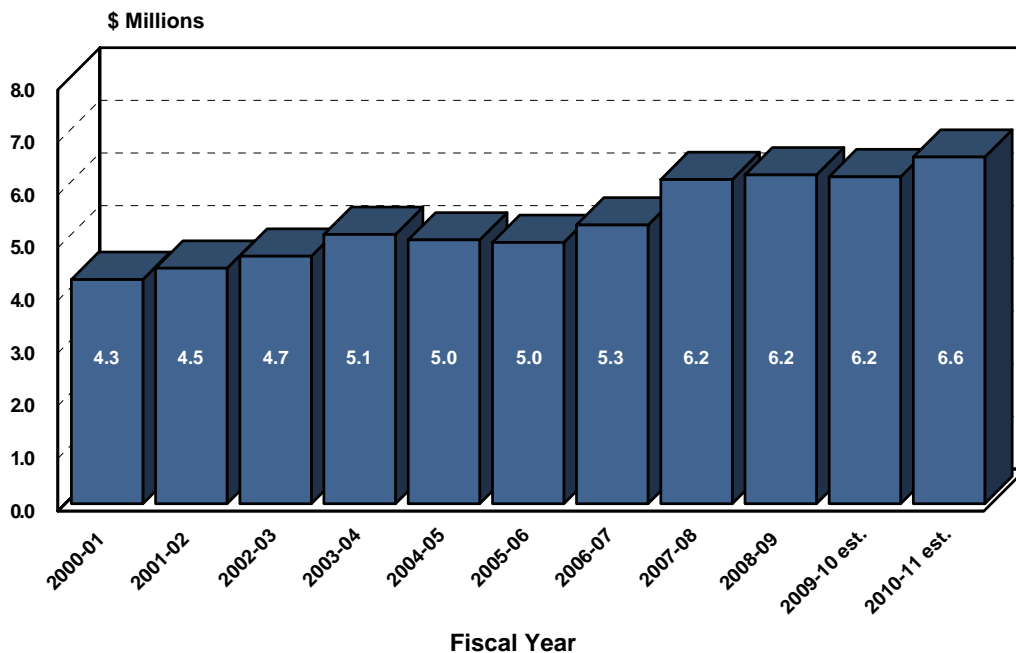
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage, but intended to defray costs of recreation and social service programs.	2000-01	\$4,258,777	11.0
	2001-02	4,471,110	5.0
	2002-03	4,699,196	5.1
	2003-04	5,113,578	8.8
	2004-05	5,009,690	(2.0)
	2005-06	4,961,260	(1.0)
	2006-07	5,293,236	6.7
	2007-08	6,156,998	16.3
	2008-09	6,243,788	1.4
	2009-10 est.	6,208,054	(0.6)
	2010-11 est.	6,582,084	6.0

### 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 exclude 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 100% cost recovery, and senior programs, 50% cost recovery; and all Kiwanis Recreation Center classes/programs, 100% cost recovery. The FY 2010-11 amount includes \$325,293 in new revenue from new fees and changes to existing resulting from the budget balancing process.

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

### Charges for Services/Recreation and Social Services



## Charges for Services/Development Related



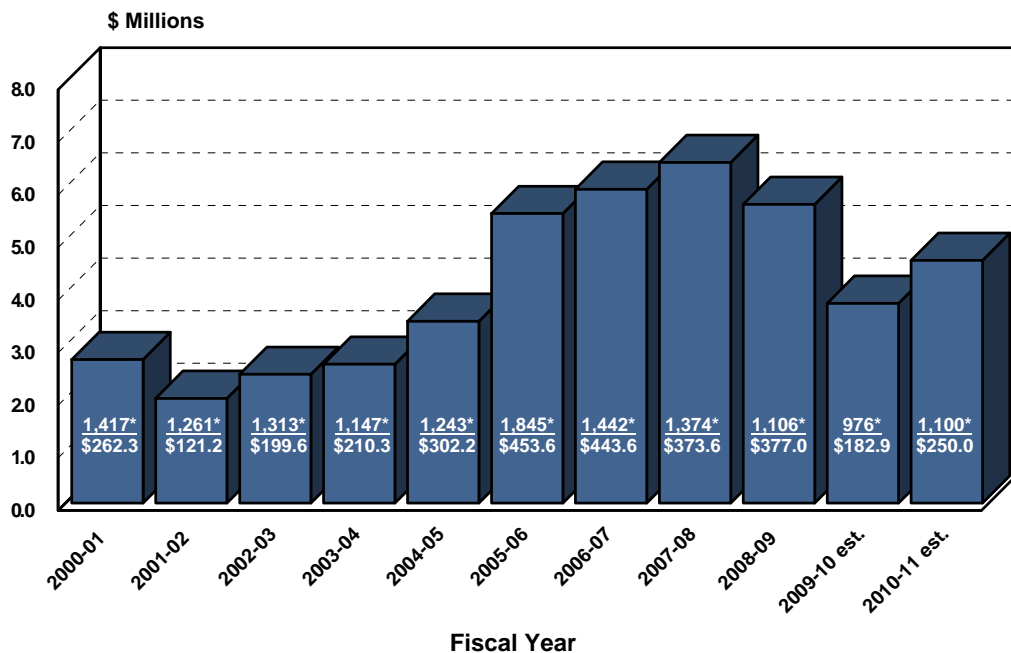
Restrictions	Fiscal Year	Amount	Percent Change
Intended to offset costs related to permitting and planning for residential and commercial development in the City, though there are no restrictions on usage.	2000-01	\$2,730,681	(7.7)
	2001-02	1,993,308	(27.0)
	2002-03	2,450,574	22.9
	2003-04	2,642,589	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	6,479,274	8.5
	2008-09	5,680,740	(12.3)
	2009-10 est.	3,800,025	(33.1)
	2010-11 est.	4,618,357	21.5

### Assumptions

The annual growth rates shown above reflect the extreme cyclical nature of development. 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 area for development, as well as the construction of Tempe Marketplace, increased permitting activity. The FY 2008-09 decrease is largely the result of large projects working their way out of the construction queue. Activity for FY 2009-10 dropped further due to a tight credit market and regional oversupply in commercial real estate suppressing the demand for new construction. The increase in FY 2010-11 is due largely to rate adjustments.

Major Influences: Population, Tax Laws, Economy and Development

### Charges for Services/Development Related



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

## Fines and Forfeitures



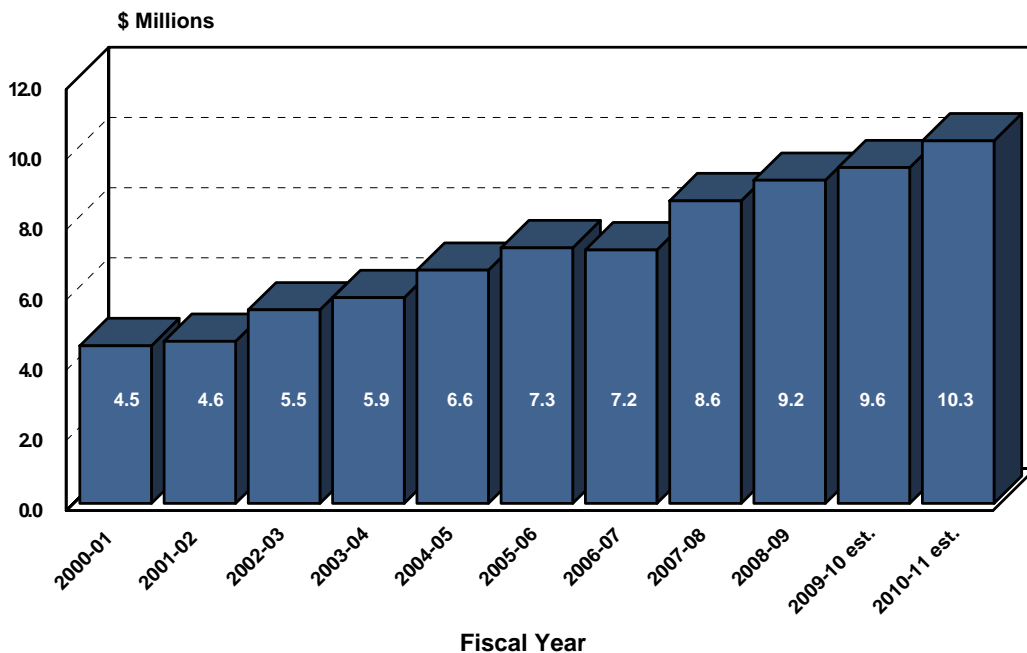
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	2000-01	\$4,489,939	(4.7)
	2001-02	4,615,379	2.8
	2002-03	5,510,475	19.4
	2003-04	5,858,482	6.3
	2004-05	6,639,189	13.3
	2005-06	7,278,191	9.6
	2006-07	7,219,330	(0.8)
	2007-08	8,616,319	19.4
	2008-09	9,200,777	6.8
	2009-10 est.	9,558,931	3.9
	2010-11 est.	10,322,095	8.0

### 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 2007-08 increase was due to initial implementation of photo radar traffic enforcement. The increase in FY 2010-11 is due to a number of new and revised fines and fees that were adopted as a result of the budget balancing effort.

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

### Fines and Forfeitures



# Transit Tax



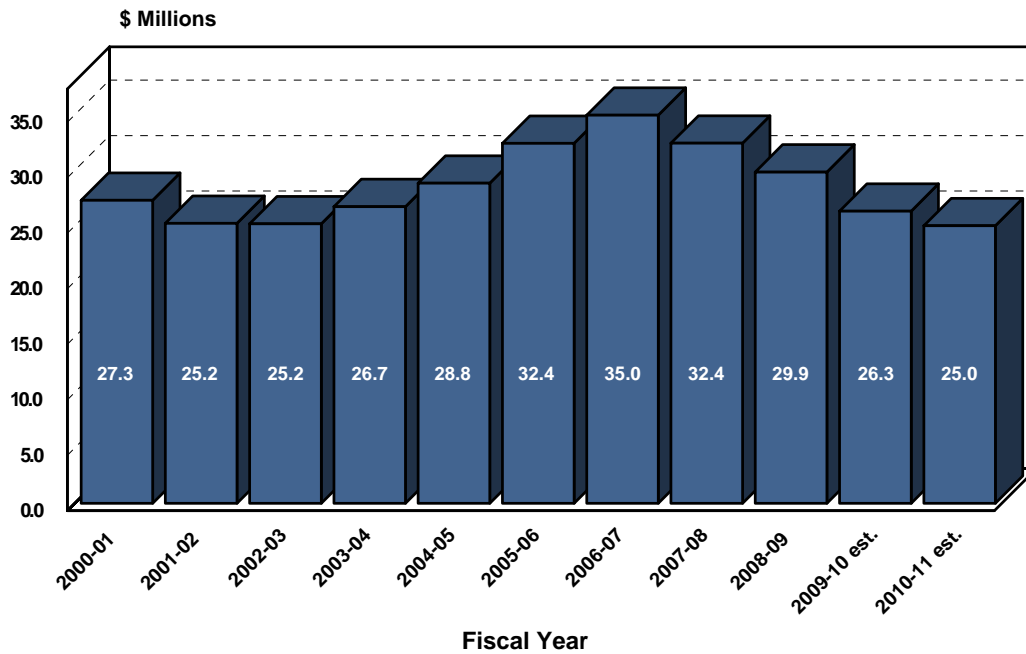
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote to transit-related purposes, such as bus acquisition and maintenance, connecting bus routes to neighboring cities, bus stop construction, transit planning, and light rail construction.	2000-01	\$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	32,449,710	(7.2)
	2008-09	29,850,942	(8.0)
	2009-10 est.	26,328,000	(11.8)
	2010-11 est.	25,012,100	(5.0)

## Assumptions

The Transit Tax represents 1/2 cent of the 2.0% City Sales Tax. The tax for transit was approved by Tempe voters in September 1996 and became effective January 1, 1997. Although the estimate for FY 2009-10 mirrors our trend for overall City sales tax growth, it does slightly deviate due to nuances resulting from rebates and tax incentives. For FY 2010-11 the growth rate is negative due to depressed activity in contracting tax collections.

Major Influences: Taxable Sales, Population and Consumer Price Index

## Transit Tax



# Performing Arts Tax



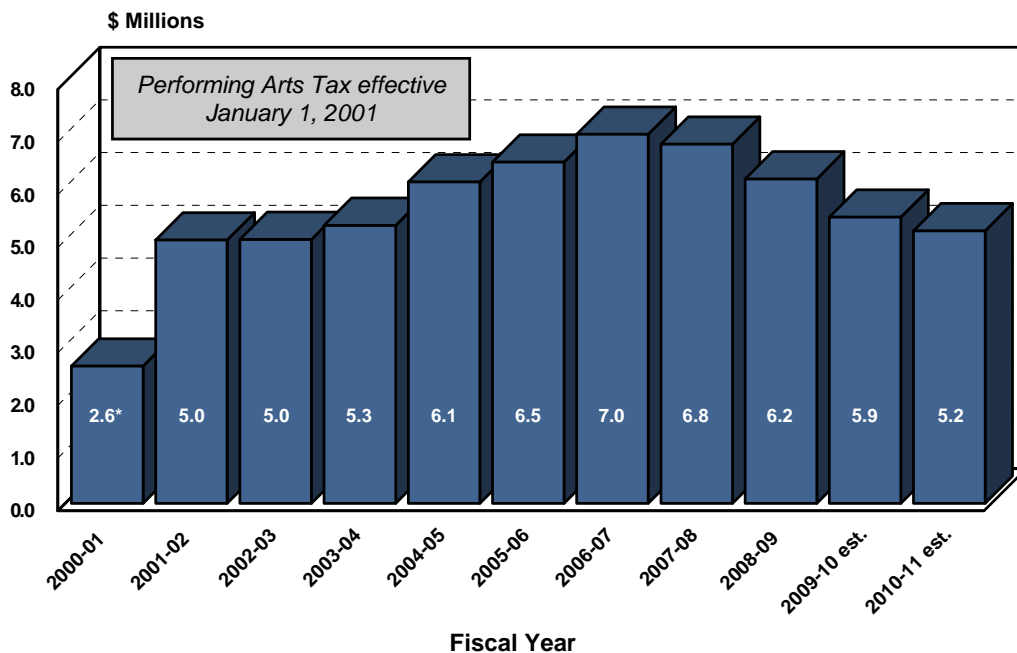
Restrictions	Fiscal Year	Amount	Percent Change
Represents a portion of the City sales tax dedicated by public vote for construction and operation of the Performing Arts Center.  *Collections over a six month period	2000-01*	\$2,607,541	-
	2001-02	4,999,984	91.8
	2002-03	5,010,392	0.2
	2003-04	5,279,580	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	6,820,193	(2.7)
	2008-09	6,158,761	(9.7)
	2009-10 est.	5,868,886	(4.7)
	2010-11 est.	5,175,519	(11.8)

## Assumptions

The Performing Arts Tax represents 1/10 cent of the 2.0% City Sales Tax. This tax was approved in May 2000 and became effective January 2001. The FY 2010-11 estimate deviates from the trend for overall City sales tax growth, due to the rate increase that only affects collections to the general City Sales Tax.

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.	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	11,387,320	(3.9)
	2008-09	9,945,310	(12.7)
	2009-10 est.	9,219,300	(7.3)
	2010-11 est.	9,495,879	3.0

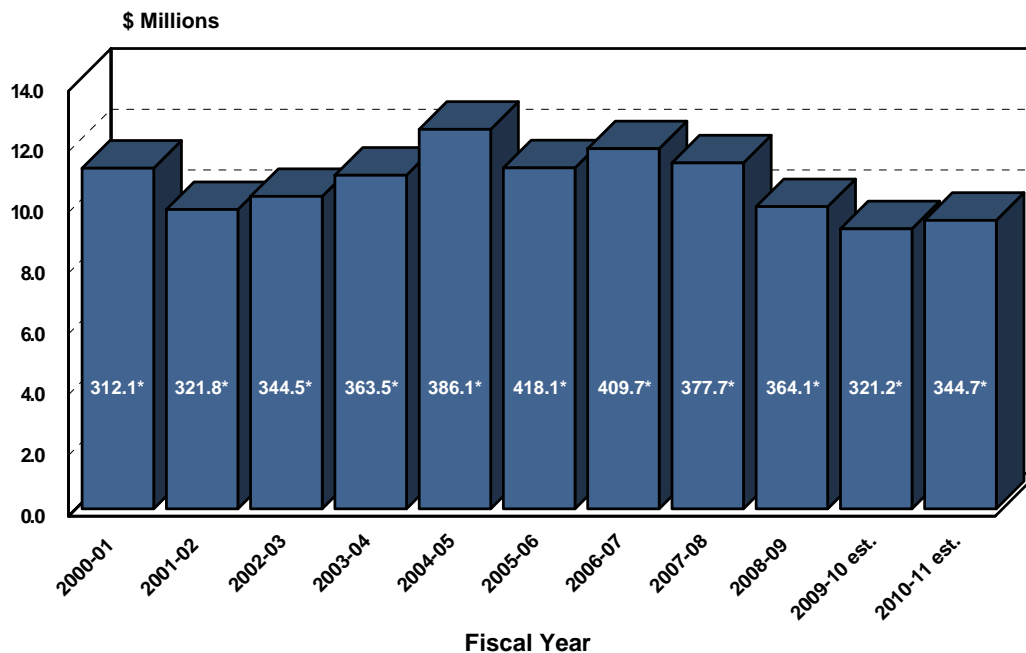
## Assumptions

Highway User Revenue Fund (HURF) revenue is comprised primarily of a share of the state-imposed tax on fuel (18 cents per gallon), but also includes a portion of vehicle license taxes and other motor carrier permits and fees. Of the statewide total collected HURF revenue, 27.5% is distributed to cities and towns. Half of this pool amount is distributed based on each city's 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.

Collections from this tax have lagged in recent years due to the impact of the state recession.

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



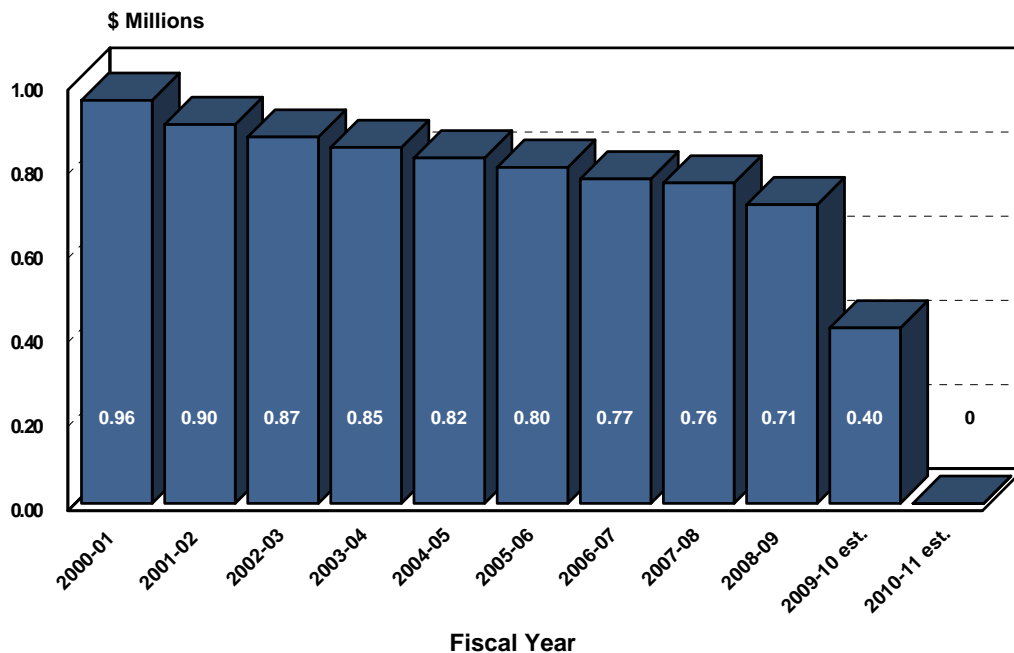
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway projects, for any construction or reconstruction in the public rights-of-way as well as transit programs.	2000-01	\$957,785	(1.9)
	2001-02	900,415	(6.0)
	2002-03	870,471	(3.3)
	2003-04	845,814	(2.8)
	2004-05	820,811	(3.0)
	2005-06	798,826	(2.7)
	2006-07	771,039	(3.5)
	2007-08	761,513	(1.2)
	2008-09	709,867	(6.8)
	2009-10 est.	416,885	(41.3)
	2010-11 est.	0	(100.0)

### 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's 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. Laws 2010, 7th Special Session Chapter 12 diverted current and future distributions of Lottery proceeds to the state General Fund.

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.

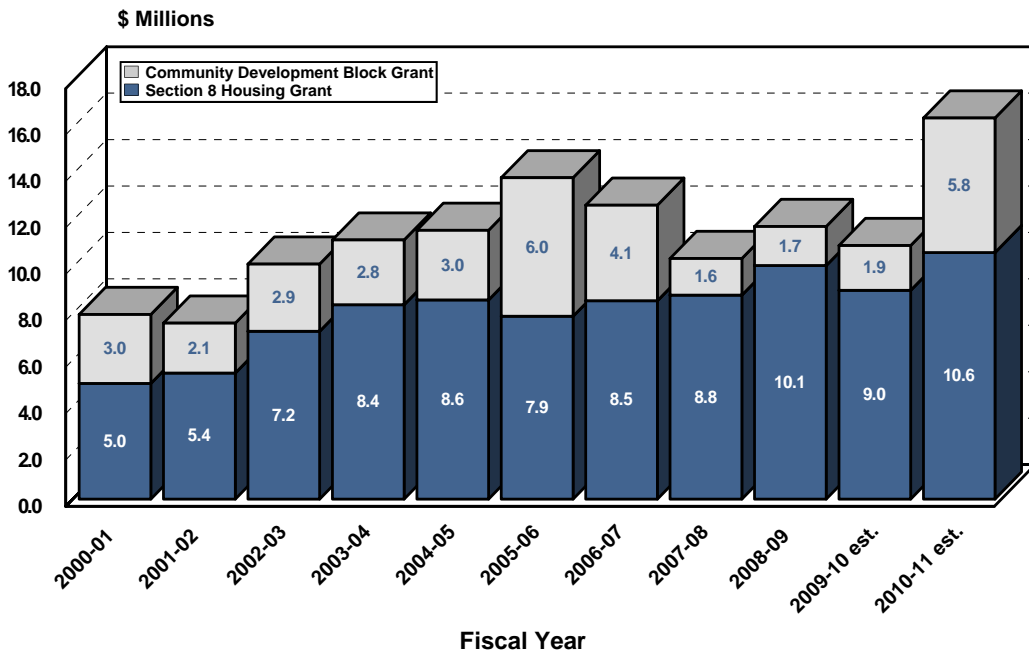
Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
2000-01	\$2,967,700	24.2	\$4,985,700	7.8
2001-02	2,148,750	(27.6)	5,427,291	8.9
2002-03	2,896,728	34.8	7,227,924	33.2
2003-04	2,793,637	(3.6)	8,364,970	15.7
2004-05	2,996,729	7.3	8,577,743	2.5
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	1,577,124	(61.7)	8,784,219	2.8
2008-09	1,685,130	6.8	10,056,730	14.5
2009-10 est.	1,926,196	14.3	8,994,784	(10.6)
2010-11 est.	5,794,897	200.8	10,623,052	18.1

## 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.

Major Influences: Federal Policy, Poverty Levels and Population

## Community Development Block Grant/Section 8 Housing Grant



## Water/Wastewater User Fees



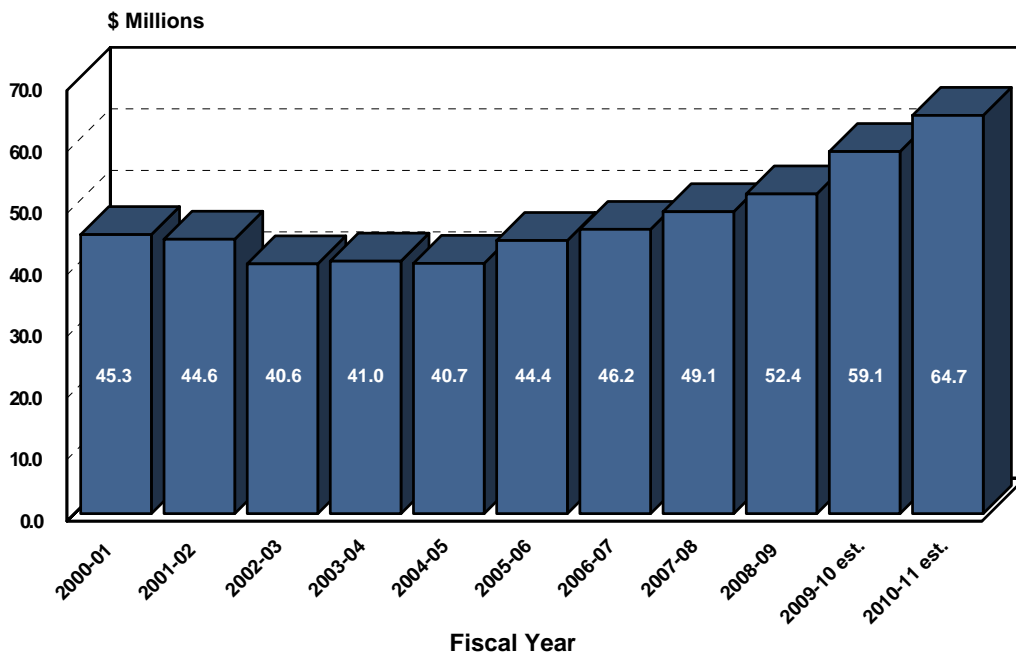
Restrictions	Fiscal Year	Amount	Percent Change
Fees can only be used to support the Water/Wastewater enterprise.	2000-01	\$45,349,960	(2.0)
	2001-02	44,591,306	(1.7)
	2002-03	40,586,501	(9.0)
	2003-04	41,037,476	1.1
	2004-05	40,674,305	(0.9)
	2005-06	44,392,262	9.1
	2006-07	46,201,943	4.1
	2007-08	49,078,726	6.2
	2008-09	52,401,239	6.7
	2009-10 est.	59,055,545	12.7
	2010-11 est.	64,721,072	9.6

### Assumptions

Water/Wastewater revenue is derived from fees and service charges assessed to residential and commercial customers of the City's water and wastewater systems. Revenue also includes charges to the City's residential irrigation customers. Over the past few years, both water and sewer rates have been adjusted to address increased costs resulting from inflation, debt service on capital projects, and environmental regulation compliance.

Major Influences: Population, Rate Policy, Water Consumption Patterns and Weather

### Water/Wastewater User Fees



## Solid Waste Fees



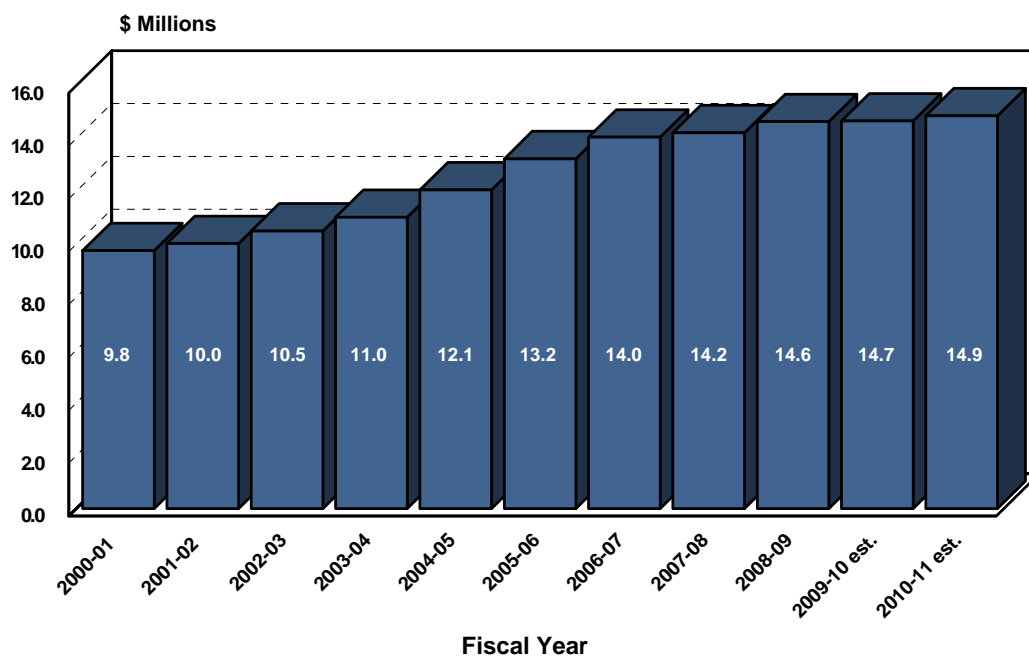
Restrictions	Fiscal Year	Amount	Percent Change
Used to defray costs of providing solid waste collection and disposal service.	2000-01	\$9,758,199	(0.8)
	2001-02	10,024,863	2.7
	2002-03	10,496,774	4.7
	2003-04	11,014,949	4.9
	2004-05	12,054,563	9.4
	2005-06	13,232,293	9.8
	2006-07	14,049,254	6.2
	2007-08	14,217,938	1.2
	2008-09	14,636,191	2.9
	2009-10 est.	14,657,166	0.1
	2010-11 est.	14,857,163	1.4

### 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. Residential solid waste fees were increased five times starting in FY 1998-99 to address increased landfill and recycling costs.

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.

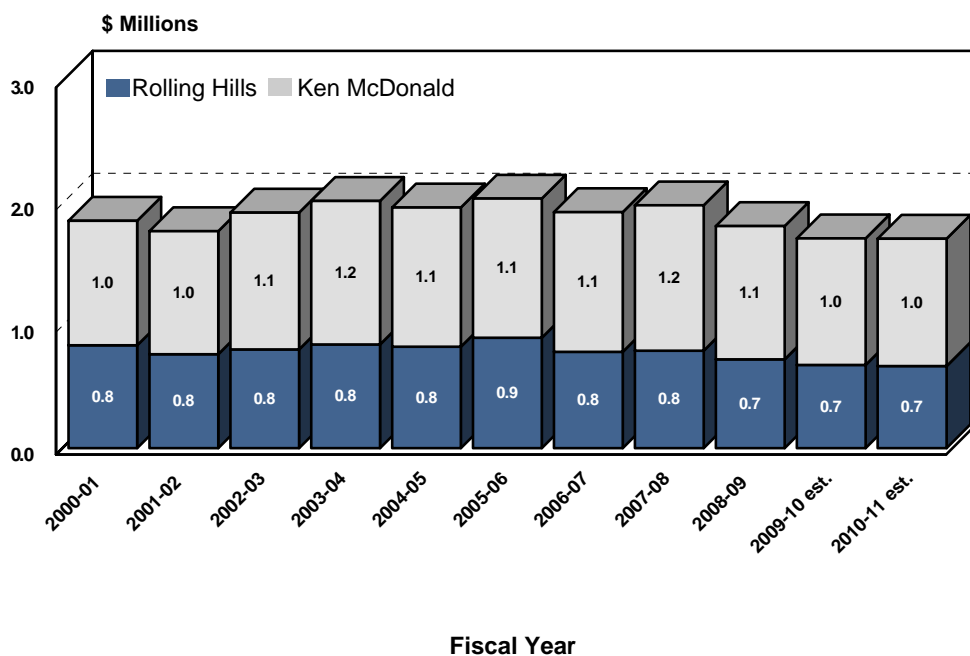
Fiscal Year	Rolling Hills		Ken McDonald	
	Amount	Percent Change	Amount	Percent Change
2000-01	\$840,000	(4.8)	\$1,018,500	(4.0)
2001-02	767,285	(8.7)	1,006,532	(1.2)
2002-03	806,588	5.1	1,119,184	11.2
2003-04	847,844	5.1	1,172,288	4.7
2004-05	828,454	(2.3)	1,139,519	(2.8)
2005-06	903,047	9.0	1,136,795	(0.2)
2006-07	787,787	(12.8)	1,141,497	0.4
2007-08	796,698	1.1	1,187,729	4.1
2008-09	726,394	(8.8)	1,088,509	(8.4)
2009-10 est.	679,660	(6.4)	1,035,344	(4.9)
2010-11 est.	670,051	(1.4)	1,041,144	0.6

### 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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# Performance Budget

**The following section includes departmental per capita and aggregate appropriations, goals, objectives, performance indicators, and staffing levels. This section describes activities, services, and functions carried out by organizational units including the measurement of results by unit, objective and fiscal year.**

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# Performance Budget Contents



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## Performance Budget Summary



As expected from a service oriented organization, personal services or salaries, wages, and benefits comprise 52% or \$154.4 million, the largest share of budgeted departmental expenditures.

Department	Personal Services	Supplies/ Services/ Contributions	Capital Outlay	Internal Services	Total FY 2010-11 Budget
Mayor and Council	\$371,904	\$11,981		\$(65,972)	\$317,913
City Manager	545,281	1,650		(273,160)	273,771
City Attorney	2,764,037	91,239		54,229	2,909,505
City Clerk	349,110	370,324		25,194	744,628
City Court	2,586,178	583,594		436,078	3,605,850
Community Development	7,811,821	17,002,940	19,500	1,032,766	25,867,027
Community Relations Office	1,968,449	744,747		206,628	2,919,824
Community Services	14,151,252	3,318,229		2,869,186	20,338,667
Diversity Office	330,220	79,374		31,757	441,351
Finance and Technology	12,281,451	11,260,241	37,800	(18,111,865)	5,467,627
Fire	21,057,970	2,753,975	310,700	1,348,977	25,471,622
Human Resources	2,202,918	925,103		(601,285)	2,526,736
Internal Audit Office	390,087	5,540		19,293	414,920
Police	50,945,295	6,210,987		9,178,083	66,334,365
Public Works	36,679,137	91,135,437	3,712,242	5,685,343	137,212,159
<b>Total Departmental</b>	<b>154,435,110</b>	<b>134,495,361</b>	<b>4,080,242</b>	<b>1,835,252</b>	<b>294,845,965</b>
Debt Service		69,802,500			69,802,500
Non-Departmental	197,870	4,470,718		1,116,136	5,784,724
Contingencies		1,000,000			1,000,000
<b>Total Operating Budget</b>	<b>154,632,980</b>	<b>209,768,579</b>	<b>4,080,242</b>	<b>2,951,388</b>	<b>371,433,189</b>
Capital Improvements			48,264,755		48,264,755
<b>Total Financial Program</b>	<b>\$154,632,980</b>	<b>\$209,768,579</b>	<b>\$52,344,997</b>	<b>\$2,951,388</b>	<b>\$419,697,944</b>

## Per Capita Performance Budget



The citywide budget for FY 2010-11 totals \$419.7 million. This represents a per capita decline of 16.8% compared to the FY 2009-10 citywide budget.

The City continues to prioritize the general areas of Public Works and Public Safety accounting for over 78% of the total departmental budgets.

Department	FY 2008-09 Actual	FY 2009-10 Budget	FY 2009-10 Revised	FY 2010-11 Budget
Mayor and Council	\$2.29	\$2.36	\$2.23	\$1.86
City Manager	2.05	2.00	1.85	1.60
City Attorney	19.51	19.75	19.40	17.01
City Clerk	3.75	5.21	5.09	4.35
City Court	26.62	25.08	23.90	21.09
Community Development	144.49	148.81	132.60	151.27
Community Relations Office	24.20	24.76	23.37	17.08
Community Services	149.04	146.77	135.89	118.94
Diversity Office	3.29	3.26	3.17	2.58
Finance and Technology	36.89	40.13	35.04	31.97
Fire	164.98	169.17	153.39	148.96
Human Resources	18.51	18.97	16.15	14.78
Internal Audit Office	3.00	2.96	2.92	2.43
Police	446.50	441.08	432.95	387.92
Public Works	771.82	878.39	807.04	802.41
<b>Total Departmental Per Capita</b>	<b>\$1,816.94</b>	<b>\$1,928.70</b>	<b>\$1,794.99</b>	<b>\$1,724.26</b>
Debt Service	326.58	388.19	361.17	407.92
Non-Departmental	40.78	55.60	54.54	33.83
Contingencies		9.12		5.85
<b>Total Operating Per Capita</b>	<b>2,184.30</b>	<b>2,381.61</b>	<b>2,210.70</b>	<b>2,172.13</b>
Capital Improvements	996.46	567.17	567.17	282.25
<b>Total Budget Per Capita</b>	<b>\$3,180.76</b>	<b>\$2,948.78</b>	<b>\$2,777.87</b>	<b>\$2,454.38</b>



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 which are italicized and highlighted in blue in associated Departments' Performance Budget sections.

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.

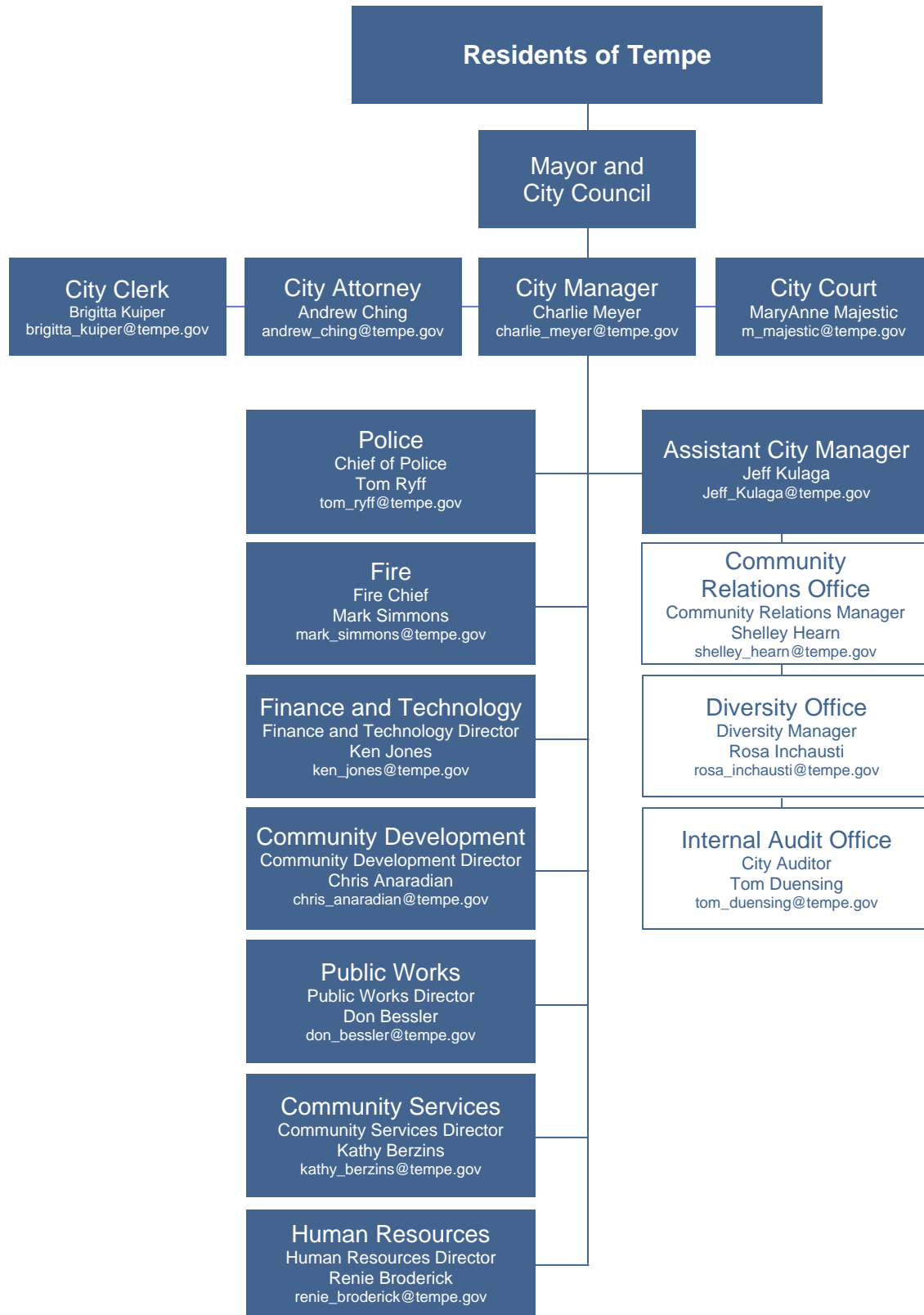
In 2007, a special effort and annual commitment was initiated to enhance the value of performance measurement. To support a renewed emphasis on tracking service outcomes, a consultant was retained to design and administer a resident satisfaction survey.

This survey allows management to gauge outcomes by identifying resident 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.





Mayor and Council

**Purpose:**

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

**Description:**

The Mayor and six City Council members are the elected representatives of the residents 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 2010-11 Budget Highlights:**

The approved amount includes the following change:

- reduction of \$6,000 in funding for miscellaneous supplies

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$430,335	\$443,532	\$429,395	\$371,904
Supplies and Services	12,991	19,831	16,601	11,981
Internal Services	(56,804)	(63,026)	(67,096)	(65,972)
<b>Expenditure Total</b>	<b>\$386,522</b>	<b>\$400,337</b>	<b>\$378,900</b>	<b>\$317,913</b>
<b>Per Capita</b>	<b>\$2.29</b>	<b>\$2.36</b>	<b>\$2.23</b>	<b>\$1.86</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Mayor and Council	7			7			7		
<b>Total</b>	<b>7</b>			<b>7</b>			<b>7</b>		



**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 those services where residents are least satisfied

<b>Measures*</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Resident satisfaction with the appearance of the City	85%	86%	85%	85%
Resident satisfaction with the image of the City	83%	86%	83%	85%
Resident satisfaction with how well the City is planning growth	60%	65%	60%	61%
Resident satisfaction with quality of life in the City	85%	88%	85%	86%
Resident satisfaction with the feeling of safety in the City	71%	75%	71%	72%
Resident satisfaction with the City as a place to live	93%	95%	93%	93%
Resident satisfaction with the City as a place to raise children	81%	86%	81%	82%
Resident satisfaction with the City as a place to work	80%	85%	80%	81%
Resident satisfaction with the City as a place to retire	71%	77%	71%	72%
Resident satisfaction with the leadership of elected officials	63%	70%	63%	65%
Resident satisfaction with the direction the City is heading	65%	72%	65%	66%

\*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 97% of mail/letter inquiries within five working days; 4) respond to 98% of all Council emails within 24 hours of receipt; and 5) respond to 98% of all Council voicemails within 24 hours of receipt

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
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%	97%
Council Communicator emails responded to within 24 hours of receipt	98%	95%	95%	98%
Council Communicator voicemails responded to within 24 hours of receipt	98%	95%	95%	98%



**City Manager**

**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.

**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 residents of Tempe.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- reduction of \$12,000 for the City Manager and Assistant City Manager annual vehicle allowances
- reduction of \$10,500 in funding for miscellaneous supplies and services and travel
- addition of a Energy and Grants Project Manager position, which is funded on a temporary basis using federal grants

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$584,838	\$577,269	\$571,826	\$545,281
Supplies and Services	29,744	32,779	14,250	1,650
Internal Services	(269,469)	(270,375)	(271,363)	(273,160)
<b>Expenditure Total</b>	<b>\$345,113</b>	<b>\$339,673</b>	<b>\$314,713</b>	<b>\$273,771</b>
<b>Per Capita</b>	<b>\$2.05</b>	<b>\$2.00</b>	<b>\$1.85</b>	<b>\$1.60</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
City Manager	3			3			4		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>4</b>		

**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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Satisfaction with overall quality of City services*	92%	90%+	90%	90%+

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



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City Attorney

**Purpose:**

To facilitate Tempe’s vision through high quality legal services.

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- elimination of one Senior Executive Assistant position
- reduction of \$16,400 in funding for wages
- reduction of \$6,000 for the City Attorney annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$3,060,143	\$3,068,014	\$3,056,110	\$2,764,037
Materials and Supplies	123,374	139,753	99,271	91,239
Internal Services	105,870	146,616	138,883	54,229
<b>Expenditure Total</b>	<b>\$3,289,387</b>	<b>\$3,354,383</b>	<b>\$3,294,264</b>	<b>\$2,909,505</b>
<b>Per Capita</b>	<b>\$19.51</b>	<b>\$19.75</b>	<b>\$19.40</b>	<b>\$17.01</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 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	24	1.75		23	1.75	
<b>Total</b>	<b>27</b>	<b>1.75</b>	<b>0.62</b>	<b>24</b>	<b>1.75</b>		<b>23</b>	<b>1.75</b>	



<b>Related Strategic Issue: Quality of Life</b>				
<b>Goal:</b>	<b>To provide prompt legal services</b>			
<b>Objective:</b>	<b>To achieve a 98% satisfaction rating from departments responding to the Civil Client Satisfaction Survey</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Departments indicating a positive response to promptness	96%	98%	93%	98%

<b>Related Strategic Issue: Quality of Life</b>				
<b>Goal:</b>	<b>To provide excellent customer service</b>			
<b>Objective:</b>	<b>To target 100% satisfaction rating from departments responding to the Civil Client Satisfaction Survey</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Departments indicating a positive response to courteous and approachable services	100%	100%	93%	100%

<b>Related Strategic Issue: Quality of Life</b>				
<b>Goal:</b>	<b>To provide prompt disposal of DUI cases</b>			
<b>Objective:</b>	<b>To dispose of 100% of DUI cases within 180 days</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
DUI cases disposed of within 180 days	100%	100%	100%	100%

<b>Related Strategic Issue: Quality of Life</b>				
<b>Goal:</b>	<b>To increase victim's rights satisfaction rating</b>			
<b>Objective:</b>	<b>To achieve an 85% victim's rights satisfaction rating</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Victim's rights satisfaction rating	80%	75%	80%	85%



City Clerk

**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.

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- reduction of \$13,000 in funding for advertising
- reduction of \$6,000 for the City Clerk annual vehicle allowance

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$458,574	\$462,661	\$445,389	\$349,110
Supplies and Services	133,489	383,399	383,399	370,324
Internal Services	40,076	38,159	35,993	25,194
<b>Expenditure Total</b>	<b>\$632,139</b>	<b>\$884,219</b>	<b>\$864,781</b>	<b>\$744,628</b>
<b>Per Capita</b>	<b>\$3.75</b>	<b>\$5.21</b>	<b>\$5.09</b>	<b>\$4.35</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
City Clerk	4		0.58	4		0.58	4		0.58
<b>Total</b>	<b>4</b>		<b>0.58</b>	<b>4</b>		<b>0.58</b>	<b>4</b>		<b>0.58</b>

**Related Strategic Issue: 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 25% of City Departments/Public Bodies on open meeting law requirements, proper submission of council agenda packets, and document recording requirements

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Departments/Public Bodies that were provided training within the year	42%	25%	35%	25%

**Related Strategic Issue: Quality of Life**

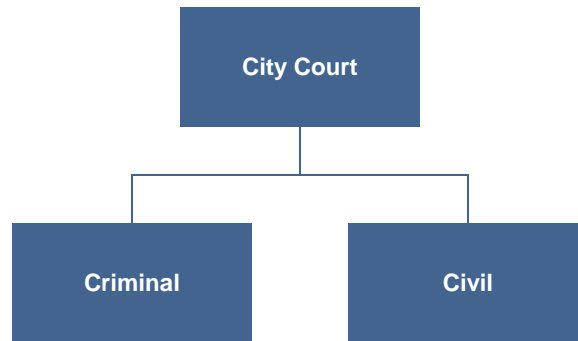
**Goal:** To establish and maintain an active continuing program to comply with the Arizona public records disclosure laws

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

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Public records requests responded within 2 days	99%	95%	98%	95%



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**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.

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- reduction of \$31,201 for Pro-Tem Judges costs
- transfer of one Court Services Specialist position from the General Fund to grant funds
- elimination of \$6,000 for City Judge annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$3,373,469	\$3,006,835	\$2,955,841	\$2,586,178
Supplies and Services	636,848	703,594	582,944	583,594
Internal Services	479,122	548,745	520,469	436,078
<b>Expenditure Total</b>	<b>\$4,489,439</b>	<b>\$4,259,174</b>	<b>\$4,059,254</b>	<b>\$3,605,850</b>
<b>Per Capita</b>	<b>\$26.62</b>	<b>\$25.08</b>	<b>\$23.90</b>	<b>\$21.09</b>

Expenditures by Division	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
City Court - Administration	\$2,268,711	\$2,035,851	\$2,075,825	\$1,848,988
Criminal	901,093	850,523	792,377	724,253
Civil	1,319,635	1,372,800	1,191,052	1,032,609
<b>Expenditure Total</b>	<b>\$4,489,439</b>	<b>\$4,259,174</b>	<b>\$4,059,254</b>	<b>\$3,605,850</b>



Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Court	41	0.65	4.20	38		4.06	38		4.06
<b>Total</b>	<b>41</b>	<b>0.65</b>	<b>4.20</b>	<b>38</b>		<b>4.06</b>	<b>38</b>		<b>4.06</b>

**Related Strategic Issue: 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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total number of filings	153,183	121,712	102,899	103,000
Total number of dispositions	156,948	119,278	113,444	100,940
Clearance ratio	102%	98%	110%	98%

**Related Strategic Issue: Quality of Life**

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

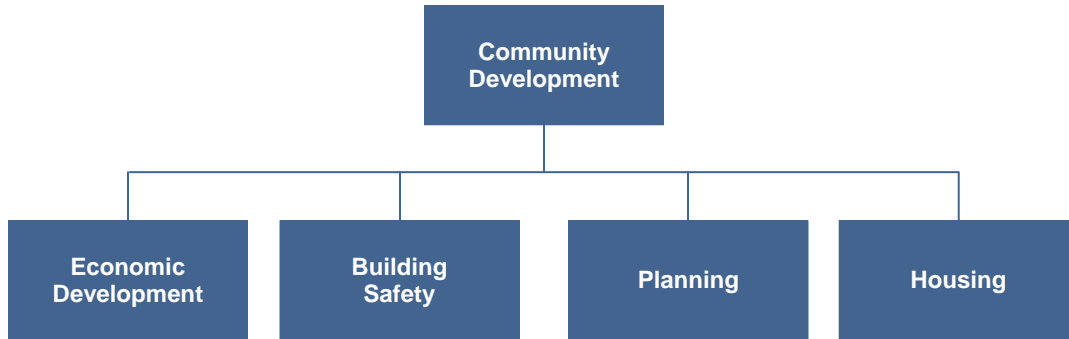
**Objective:** To achieve an 85% collection rate of obligations imposed in a given fiscal year

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total obligations imposed	N/A*	N/A*	\$12,026,488	\$12,500,000
Total payments processed	N/A*	N/A*	\$9,908,436**	\$10,625,000
Collection rate	N/A*	N/A*	82%	85%

Notes:

\*Collection rates not tracked in prior case management system

\*\*Payments processed include: restitution owed to victims; surcharges to State of Arizona; surcharges to Maricopa County; and revenue to City



**Purpose:**

To serve the community and businesses with processes that are smooth, efficient, predictable, and transparent, and services that are both timely and accurate.

**Description:**

The Community Development Department serves the Tempe community by planning, marketing and managing land-use, transportation, housing and economic development opportunities. They work to create wealth and investment in the community by promoting a favorable business environment to attract private capital investment and higher-skill, higher-wage jobs, tax revenues and environmental benefits for the City. Also, they seek to provide a spectrum of housing opportunities for the residents of Tempe.



<b>Expenditure by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$10,721,221	\$11,503,565	\$9,650,016	\$7,811,821
Supplies and Services	11,825,777	11,736,474	11,198,997	16,213,902
Capital Outlay	30,738	89,225	24,085	19,500
Internal Services	1,203,179	1,353,643	1,277,630	1,032,766
Contributions	583,706	586,516	366,907	789,038
<b>Expenditure Total</b>	<b>\$24,364,621</b>	<b>\$25,269,423</b>	<b>\$22,517,635</b>	<b>\$25,867,027</b>
<b>Per Capita</b>	<b>\$144.49</b>	<b>\$148.81</b>	<b>\$132.60</b>	<b>\$151.27</b>

<b>Expenditures by Division</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Administration/Economic Development	\$6,187,037	\$5,788,347	\$4,050,461	\$3,529,467
Building Safety	3,467,678	3,581,360	2,989,569	2,517,026
Planning	2,916,644	3,607,061	4,525,857	3,303,431
Housing	11,793,262	12,292,655	10,951,748	16,517,103
<b>Total</b>	<b>\$24,364,621</b>	<b>\$25,269,423</b>	<b>\$22,517,635</b>	<b>\$25,867,027</b>

	<b>2008-09 Actual</b>			<b>2009-10 Revised</b>			<b>2010-11 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
<b>Authorized Personnel</b>									
Administration/Economic Development	18		1.49	15		1.49	12		0.49
Building Safety	33		2.00	28		0.66	24		0.66
Planning	41		6.86	35	0.50	6.86	30		2.86
Housing	17		1.60	17	1.60		18	1.60	
<b>Total</b>	<b>109</b>		<b>11.95</b>	<b>95</b>	<b>2.10</b>	<b>9.01</b>	<b>84</b>	<b>1.60</b>	<b>4.01</b>

## Administration/Economic Development



The Administration Division is responsible for management of all divisions within the department. The Economic Development Division works with prospective businesses, coordinates regional and local entities in attracting quality companies, broadens the Tempe tax base, and encourages educational, cultural and recreational opportunities that make for a well-balanced city and contribute to the quality of life.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of a Department Manager position as part of an organizational consolidation
- elimination of a Management Assistant position
- elimination of \$24,000 in wages for two intern positions
- reduction of \$20,448 in various base budget line items
- elimination of \$6,000 for Community Development Director annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$3,952,435	\$3,811,181	\$2,429,632	\$1,871,118
Supplies and Services	1,336,320	1,146,997	1,138,705	1,228,437
Capital Outlay	2,684	18,500	21,867	
Internal Services	550,797	464,058	289,343	257,493
Contributions	344,801	347,611	170,914	172,419
<b>Expenditure Total</b>	<b>\$6,187,037</b>	<b>\$5,788,347</b>	<b>\$4,050,461</b>	<b>\$3,529,467</b>
<b>Per Capita</b>	<b>\$36.69</b>	<b>\$34.09</b>	<b>\$23.85</b>	<b>\$20.64</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Economic Development	18		1.49	15		1.49	12		0.49
<b>Total</b>	<b>18</b>		<b>1.49</b>	<b>15</b>		<b>1.49</b>	<b>12</b>		<b>0.49</b>

### Related Strategic Issue: Technology, Economic and Community Development

**Goal:** To expand and diversify the Tempe economy

**Objective:** 1) To promote Tempe as a place to own and operating a small business; and 2) grow the tax base and job market in the community

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Own and operate a small business*	60%	N/A	59%	60%
Opportunities to retain Tempe businesses	47	50	61	55
Jobs generated by new companies	1,107	1,200	1,374	1,200
New businesses brought to Tempe	18	8	24	12
Successful business retention and expansions	11	10	9	12

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



The Building Safety Division is responsible for helping all of their project partners succeed while protecting public health and safety. They promote sustainable building practices and energy conservation techniques. The division ensures the long term usefulness and safety of all existing and new buildings, thereby maintaining the value of Tempe's built environment.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of an Administrative Assistant position
- elimination of a Code Inspector II position
- elimination of two Building Inspector II positions
- elimination of a Building Code Complaint Investigator position

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$2,987,025	\$2,940,838	\$2,389,007	\$2,150,700
Supplies and Services	94,809	86,493	86,493	73,482
Capital Outlay	1,310			
Internal Services	384,534	554,029	514,069	292,844
<b>Expenditure Total</b>	<b>\$3,467,678</b>	<b>\$3,581,360</b>	<b>\$2,989,569</b>	<b>\$2,517,026</b>
<b>Per Capita</b>	<b>\$20.56</b>	<b>\$21.09</b>	<b>\$17.61</b>	<b>\$14.72</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Building Safety	33		2.00	28		0.66	24		0.66
<b>Total</b>	<b>33</b>		<b>2.00</b>	<b>28</b>		<b>0.66</b>	<b>24</b>		<b>0.66</b>

### Related Strategic Issue: Technology, Economic and Community Development

**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) complete 95% of preliminary site plan reviews by due date; 4) complete and submit 100% of all city clerk reports on time; 5) serve 100% of customers within five minutes of arrival; and 6) accurately perform front counter activities 95% of the time

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Building inspections completed within one day of request	100%	100%	100%	100%
Plan reviews processed within agreed time frame	95%	95%	95%	95%
Complete all preliminary site plan reviews by due date	95%	95%	95%	95%
Complete and submit all reports to City Clerk on time	100%	100%	100%	100%
Customers served within five minutes of arrival	100%	100%	100%	100%
Accuracy of front counter activities	95%	95%	95%	95%



The Planning Division is responsible for administering the development entitlement process, change or adoption of codes, ordinances and neighborhood plans, facilities and signs. This division is also responsible for historical preservation, transportation planning, project coordination and management for large private sector and City owned projects, and receiving and investigating complaints of all alleged City code violations.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- elimination of three full-time and one part-time Planner positions
- elimination of two Code Inspector II positions
- elimination of an Administrative Assistant II position
- reduction of \$146,000 in funding for the part-time code enforcement team

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$2,602,267	\$3,303,479	\$3,700,649	\$2,476,831
Supplies and Services	140,929	151,510	347,654	349,679
Capital Outlay	26,158		1,218	
Internal Services	147,290	152,072	301,144	286,850
Contributions			175,192	190,071
<b>Expenditure Total</b>	<b>\$2,916,644</b>	<b>\$3,607,061</b>	<b>\$4,525,857</b>	<b>\$3,303,431</b>
<b>Per Capita</b>	<b>\$17.30</b>	<b>\$21.24</b>	<b>\$26.65</b>	<b>\$19.32</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Planning	41		6.86	35	0.50	6.86	30		2.86
<b>Total</b>	<b>41</b>		<b>6.86</b>	<b>35</b>	<b>0.50</b>	<b>6.86</b>	<b>30</b>		<b>2.86</b>

**Related Strategic Issue: Technology, Economic and Community Development**

**Goal:** To obtain compliance with City codes that relate to residential nuisances, property enhancements, rental housing and multi-family, commercial and industrial zoning ordinance requirements

**Objective:** 1) To resolve code issues within 33 days or less; 2) close 93% of code enforcement cases received; and 3) achieve a 99% voluntary compliance rate for property owners cited with a code violation

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Number of days to resolve code violations	34	N/A	33	33
Code enforcement cases received	9,829	N/A	6,331*	6,000*
Code enforcement cases closed	9,825	N/A	6,704*	5,580*
Percent Closed	92%	N/A	93%	93%
Cases per inspector per month	63	N/A	47	66
Code violation voluntary compliance rate	97%	N/A	99%	99%

\* Number of inspectors reduced; reflects merging and carryover of cases from prior year



**Related Strategic Issue: Housing, Quality of Life**

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

**Objective:** 1) To maintain a minimum 30/70 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 16%; and 3) minimize the resident level of dissatisfaction with the responsiveness of code enforcement complaints to less than 24%

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Ratio between proactive and reactive code responses	63/37	N/A	43/57	30/70
Resident dissatisfaction with the maintenance of private property in their neighborhood*	21%	<18%	16%	<16%
Resident dissatisfaction with the responsiveness to code enforcement complaints*	27%	<27%	24%	<24%

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

## Housing



The Housing Division is responsible for all activities funded from the federal Section 8, Community Development Block Grant (CDBG) and HOME funds. Services provided include: Section 8 rental assistance, Section 8 Homeownership program, Family Self-Sufficiency program, Homeownership Down Payment Assistance program, homeless resource coordination, Fair Housing activities and the Home Improvement Program.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- funding for one Principal Planner position in the CDBG program

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$1,179,494	\$1,448,067	\$1,130,728	\$1,313,172
Supplies and Services	10,253,719	10,351,474	9,626,145	14,562,304
Capital Outlay	586	70,725	1,000	19,500
Internal Services	120,558	183,484	173,074	195,579
Contributions	238,905	238,905	20,801	426,548
<b>Expenditure Total</b>	<b>\$11,793,262</b>	<b>\$12,292,655</b>	<b>\$10,951,748</b>	<b>\$16,517,103</b>
<b>Per Capita</b>	<b>\$69.93</b>	<b>\$72.39</b>	<b>\$64.49</b>	<b>\$96.59</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Housing	17		1.60	17	1.60		18	1.60	
<b>Total</b>	<b>17</b>		<b>1.60</b>	<b>17</b>	<b>1.60</b>		<b>18</b>	<b>1.60</b>	

### Related Strategic Issue: Housing, Quality of Life

**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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Decent and affordable owner occupied housing units made available	5	5	5	5
Decent and affordable owner rehabilitated occupied housing units made available	6	6	5	5
Percent increase in community partnerships	20%	20%	20%	20%



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**Purpose:**

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

**Description:**

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

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$2,211,924	\$2,479,230	\$2,330,144	\$1,968,449
Supplies and Services	1,496,358	1,322,980	1,257,221	622,404
Internal Services	223,252	248,095	242,264	206,628
Contributions	149,590	153,969	138,518	122,343
<b>Expenditure Total</b>	<b>\$4,081,124</b>	<b>\$4,204,274</b>	<b>\$3,968,147</b>	<b>\$2,919,824</b>
<b>Per Capita</b>	<b>\$24.20</b>	<b>\$24.76</b>	<b>\$23.37</b>	<b>\$17.08</b>

Expenditures by Division	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Community Relations-Administration/ Mayor and Council Staff	\$1,552,909	\$1,591,017	\$1,330,692	\$1,050,753
Neighborhood Services	239,585	244,356	240,567	226,364
Communication and Media Relations	2,288,630	2,368,901	2,396,888	1,642,707
<b>Expenditure Total</b>	<b>\$4,081,124</b>	<b>\$4,204,274</b>	<b>\$3,968,147</b>	<b>\$2,919,824</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Community Relations-Administration/ Mayor and Council Staff	10		0.98	9		0.98	6		0.49
Neighborhood Services	2			2			2		
Communication and Media Relations	6		0.85	14		0.85	14		0.85
<b>Total</b>	<b>18</b>		<b>1.83</b>	<b>25</b>		<b>1.83</b>	<b>22</b>		<b>1.34</b>

## Administration / Mayor and Council Staff



The Administration Division coordinates the operations of the Community Relations Department. The Mayor 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 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of one Senior Council Aide position reducing the division budget by \$73,000
- elimination of one Customer Relations Specialist position reducing the division budget by \$52,000
- reduction of reduction of \$6,000 for the Community Relations Manager annual vehicle allowance
- reduction of \$83,400 for miscellaneous base budget items
- reduction of \$23,000 for temporary front desk positions

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$1,045,012	\$1,143,916	\$925,477	\$735,071
Supplies and Services	275,209	212,163	190,579	141,189
Internal Services	89,318	100,969	96,118	67,563
Contributions	143,370	133,969	118,518	106,930
<b>Expenditure Total</b>	<b>\$1,552,909</b>	<b>\$1,591,017</b>	<b>\$1,330,692</b>	<b>\$1,050,753</b>
<b>Per Capita</b>	<b>\$9.21</b>	<b>\$9.37</b>	<b>\$7.84</b>	<b>\$6.14</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Community Relations-Administration; Mayor and Council Staff	10		0.98	9		0.98	6		0.49
<b>Total</b>	<b>10</b>		<b>0.98</b>	<b>9</b>		<b>0.98</b>	<b>6</b>		<b>0.49</b>

## 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 2010-11 Budget Highlights:

The approved amount includes the following change:

- reduction of \$1,300 in funding for miscellaneous base budget items

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$226,127	\$224,675	223,096	204,271
Supplies and Services	5,945	11,815	10,140	8,700
Internal Services	7,513	7,866	7,331	13,393
<b>Expenditure Total</b>	<b>\$239,585</b>	<b>\$244,356</b>	<b>\$240,567</b>	<b>\$226,364</b>
<b>Per Capita</b>	<b>\$1.42</b>	<b>\$1.44</b>	<b>\$1.42</b>	<b>\$1.32</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Neighborhood Services	2			2			2		
<b>Total</b>	<b>2</b>			<b>2</b>			<b>2</b>		

### Related Strategic Issue: Quality of Life

**Goal:** To preserve and improve neighborhoods in the City of Tempe by encouraging resident 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, a listserv and 95% attendance at neighborhood association meetings; and 3) return resident contacts within 24 hours, 95% of the time

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Participating households	36,526	40,000	36,500	37,000
Percent change	(8.5%)	9.5%	(8.8%)	1.3%
Grant applications received	42	35	48	35
Neighborhood association mailings	44,866	40,000	40,000	40,000
Neighborhood association meetings attended (percent of total)	95%	95%	95%	95%
Resident contact returned in 24 hours	99%	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 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of one Media Services Producer position
- reduction of \$76,000 for miscellaneous base budget items

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$940,786	\$1,110,639	\$1,181,571	\$1,029,107
Supplies and Services	1,215,202	1,099,002	1,056,502	472,515
Internal Services	126,421	139,260	138,815	125,672
Contributions	6,221	20,000	20,000	15,413
<b>Expenditure Total</b>	<b>\$2,288,630</b>	<b>\$2,368,901</b>	<b>\$2,396,888</b>	<b>\$1,642,707</b>
<b>Per Capita</b>	<b>\$13.57</b>	<b>\$13.95</b>	<b>\$14.12</b>	<b>\$9.61</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Communication and Media Relations	6		0.85	14		0.85	14		0.85
<b>Total</b>	<b>6</b>		<b>0.85</b>	<b>14</b>		<b>0.85</b>	<b>14</b>		<b>0.85</b>

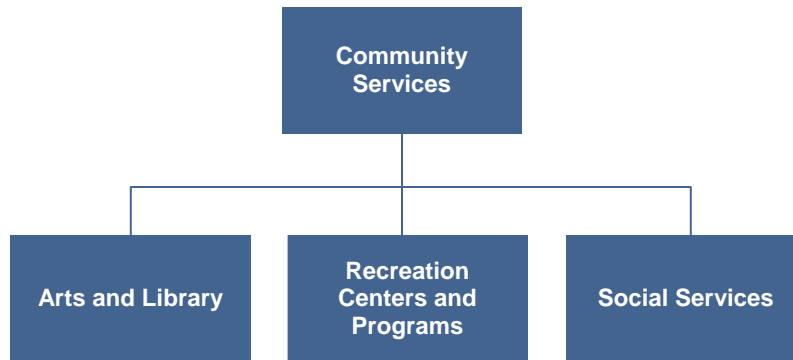
### Related Strategic Issue: Quality of Life

**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) provide information to the community through newsletters, brochures, press releases and advertising; 3) design and produce high quality informational publications, promotional items and visual graphics for all City departments that reflect the image of Tempe; and 4) provide the City with high quality audio/visual, media production and *Tempe 11* television programming services

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Resident satisfaction with the availability of information about City programs and services*	70%	70%	70%	70%
Informational pieces provided	100	115	130	115
Tempe 11 electronic program guide accuracy and playback reliability	95%	98%	99%	98%
Tempe 11 produced video packages	N/A	N/A	N/A	90
Video-on-Demand access of public meetings within one working day	95%	98%	98%	98%

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



**Purpose:**

To provide quality Cultural, Recreational, and Social Services to our residents.

**Description:**

The Department's responsibilities include a full range of public library services, historical/cultural enrichment to Tempe residents, and recreational and social service programs.

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$18,229,366	\$18,045,802	\$16,395,105	\$14,151,252
Supplies and Services	3,750,386	3,629,781	3,585,459	3,307,839
Contributions	87,849	84,590	84,590	10,390
Internal Services	3,064,620	3,162,546	3,010,539	2,869,186
<b>Expenditure Total</b>	<b>\$25,132,221</b>	<b>\$24,922,719</b>	<b>\$23,075,693</b>	<b>\$20,338,667</b>
<b>Per Capita</b>	<b>\$149.04</b>	<b>\$146.77</b>	<b>\$135.89</b>	<b>\$118.94</b>

Expenditures by Division	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Administration	\$738,963	\$631,135	\$525,087	\$452,678
Arts and Library	8,404,348	8,671,102	7,662,097	6,490,691
Recreation Centers and Programs	8,241,634	8,216,191	7,959,166	6,665,231
Social Services	7,747,276	7,404,291	6,929,343	6,730,067
<b>Total</b>	<b>\$25,132,221</b>	<b>\$24,922,719</b>	<b>\$23,075,693</b>	<b>\$20,338,667</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 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	2		0.52
Arts and Library	58	4.50	31.13	51	2.50	28.68	43	2.00	28.68
Recreation Centers and Programs	46	6.15	82.89	43	2.40	70.76	40	2.25	70.76
Social Services	40	0.75	66.08	39	0.75	65.73	35	1.25	65.73
<b>Total</b>	<b>147</b>	<b>11.40</b>	<b>180.62</b>	<b>136</b>	<b>5.65</b>	<b>165.69</b>	<b>120</b>	<b>5.50</b>	<b>165.69</b>

## 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 2010-11 Budget Highlights:

The approved amount includes the following change:

- elimination of a department manager position through departmental consolidation
- elimination of one Management Assistant position
- reduction of \$20,000 in funding for outside printing
- reduction of \$6,000 for Community Services Director annual vehicle allowance

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$512,240	\$412,750	\$314,018	\$292,815
Supplies and Services	90,864	88,803	88,803	63,503
Internal Services	135,859	129,582	122,266	96,360
<b>Expenditure Total</b>	<b>\$738,963</b>	<b>\$631,135</b>	<b>\$525,087</b>	<b>\$452,678</b>
<b>Per Capita</b>	<b>\$4.38</b>	<b>\$3.72</b>	<b>\$3.09</b>	<b>\$2.65</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Administration	3		0.52	3		0.52	2		0.52
<b>Total</b>	<b>3</b>		<b>0.52</b>	<b>3</b>		<b>0.52</b>	<b>2</b>		<b>0.52</b>



The Arts and Library Division'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.

In pursuing these goals, the division provides operations and management of several city facilities, including: the Tempe Historical Museum, the Tempe Center for the Arts, the Peterson House Museum, the Elias Rodriguez House, and the Vihel Center for the Arts.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- elimination of one Deputy Department Manager position
- elimination of one Library Specialist II position
- elimination of three Administrative Assistant positions
- elimination of a part time Librarian I position
- elimination of one Museum Registrar position
- elimination of one Arts Specialist position
- elimination of one Box Office Assistant position
- reduction of \$149,300 in funding for library collection materials, and printer and copier supplies

The approval of \$10,000 in additional recurring supplemental funding was also added for the newly remodeled Tempe History Museum and Museum Store for additional miscellaneous supplies. The additional funding is offset by newly budgeted revenues to be generated from Museum Store sales and Museum Community Room rental.

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$5,731,727	\$5,831,181	\$4,931,074	\$4,013,140
Supplies and Services	1,381,564	1,474,244	1,432,997	1,226,067
Internal Services	1,291,057	1,365,677	1,298,026	1,251,484
<b>Expenditure Total</b>	<b>\$8,404,348</b>	<b>\$8,671,102</b>	<b>\$7,662,097</b>	<b>\$6,490,691</b>
<b>Per Capita</b>	<b>\$49.84</b>	<b>\$51.06</b>	<b>\$45.12</b>	<b>\$37.96</b>

<b>Authorized Personnel</b>	<b>2008-09 Actual</b>			<b>2009-10 Revised</b>			<b>2010-11 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
Arts and Library	58	4.50	31.13	51	2.50	28.68	43	2.00	28.68
<b>Total</b>	<b>58</b>	<b>4.50</b>	<b>31.13</b>	<b>51</b>	<b>2.50</b>	<b>28.68</b>	<b>43</b>	<b>2.00</b>	<b>28.68</b>



**Related Strategic Issue: Sports, Recreation, Arts & Cultural Development**

**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 <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Satisfaction with quality of library services*	81%	91%	87%	90%+
Library visitors (door count)	1,171,781	1,000,000	1,143,716	960,000
Registered borrowers	142,418	142,500	147,914	140,600
Percent change		0%	4%	(5%)
Circulation	1,223,383	1,250,000	1,089,174	937,500
Percent change		2%	(13%)	(14%)
Public Computer Usage	287,357	171,090	220,751	166,800
Percent change		(40%)	29%	(24%)
<i>Library FTE per 1,000 population</i>	<i>0.28</i>	<i>0.27</i>	<i>0.24</i>	<i>0.21</i>
<i>Circulation per capita</i>	<i>7.25</i>	<i>7.36</i>	<i>6.41</i>	<i>5.48</i>

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

**Note:** The library remodeling project commenced in July 2009. As a result, lower door counts, circulation, and public access computing data is anticipated due to closure of various portions of the library during FY 2010-11. Library operations hours reduced 20% from 70.5 to 56 hours per week. The Library materials budget reduced 25% and Library staff reduced 19.3% (5.5 FTE's and 2.75 temporary wage positions).

**Related Strategic Issue: Sports, Recreation, Arts and Cultural Development**

**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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Quantified levels of satisfaction reported by visitors and volunteers on evaluation forms	N/A	90%	90%	90%
Objects catalogued	N/A	1,000*	1,000	1,000
Visitors to Historical Museum and Peterson House	N/A	10,000*	10,000	14,000

\*Reduction in amounts due to museum renovation occurring between 2008 and 2010; Peterson House will be closed for regular tours beginning June 28, 2010

**Related Strategic Issue: Sports, Recreation, Arts and Cultural Development**

**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) increase current program enrollment levels by 7%; and 3) support arts programming through grants funding of arts organizations and schools

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Satisfaction reported by attendees and participants on evaluation form	92%	90%	91%	90%+
Program enrollment	4,240	6,000	3,739	4,000
Percent change		(42%)	(37%)	7%
Grants provided to art organizations and schools	\$149,954	\$150,000	\$151,500	\$150,000

## Recreation Centers and Programs



The Recreation Centers and Programs Division provides for Aquatics, the Kiwanis Recreation Center, Special Events, Special Interest and Boating, Youth and Adult Sports, and Adapted Recreation. Services provided by the Recreation Centers and Programs 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 2010-11 Budget Highlights:

The approved amount includes the following changes:

- reduction of the base budget by \$119,000 for closure of McClintock Pool
- elimination of one full time and one part time Administrative Assistant position

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$5,707,492	\$5,898,653	\$5,693,442	\$4,626,526
Supplies and Services	1,651,233	1,386,526	1,386,827	1,348,184
Internal Services	795,058	846,422	794,307	680,131
Contributions	87,849	84,590	84,590	10,390
<b>Expenditure Total</b>	<b>\$8,241,632</b>	<b>\$8,216,191</b>	<b>\$7,959,166</b>	<b>\$6,665,231</b>
<b>Per Capita</b>	<b>\$48.87</b>	<b>\$48.38</b>	<b>\$46.87</b>	<b>\$38.98</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Recreation Centers and Programs	46	6.15	82.89	43	2.40	70.76	40	2.25	70.76
<b>Total</b>	<b>46</b>	<b>6.15</b>	<b>82.89</b>	<b>43</b>	<b>2.40</b>	<b>70.76</b>	<b>40</b>	<b>2.25</b>	<b>70.76</b>

### Related Strategic Issue: Sports, Recreation, Arts and Cultural Development

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

**Objective:** 1) To achieve a minimum 85% overall resident satisfaction with the quality of City recreation programs; 2) achieve a minimum 75% overall resident satisfaction with City swimming pools and programs; 3) achieve a minimum 75% with the quality of recreation programs for youth; 4) achieve a minimum 75% with the quality of recreation programs for adults; 5) collect fees for programs and services at a level based on a percentage of the total budgeted expenditures for parks and recreation; and 6) 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 <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Resident satisfaction with the quality of recreation programs*	83%	80%	91%	85%
Resident satisfaction with City swimming pools and programs*	74%	68%	78%	75%
Resident satisfaction with City recreation programs for youth*	72%	N/A	75%	75%
Resident satisfaction with City recreation programs for adults*	73%	N/A	75%	75%
<i>Operating and Maintenance Cost per capita</i>	<i>\$41.54</i>	<i>\$40.92</i>	<i>\$40.08</i>	<i>\$37.79</i>
Recreation Services full-time staff per capita (10,000)	2.12	1.88	2.12	2.00
Parks and Recreation revenue	\$2,694,771	\$2,702,023	\$2,702,023	\$3,024,436
Revenue vs. expenditures (Recreation)	38%	39%	40%	47%

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



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 preschool 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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- reduction of \$10,000 in funding for community center materials and supplies
- reduction of \$10,000 in funding for wages for the diversion program
- elimination of one Assistant Recreation Coordinator position
- elimination of one part time Social Services Counselor II position
- elimination of one Sr. Social Services Coordinator position
- elimination of one Administrative Assistant position

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$6,277,906	\$5,903,218	\$5,456,571	\$5,218,771
Supplies and Services	626,729	680,208	676,832	670,085
Internal Services	842,641	820,865	795,940	841,211
<b>Expenditure Total</b>	<b>\$7,747,276</b>	<b>\$7,404,291</b>	<b>\$6,929,343</b>	<b>\$6,730,067</b>
<b>Per Capita</b>	<b>\$45.94</b>	<b>\$43.60</b>	<b>\$40.81</b>	<b>\$39.36</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Social Services	40	0.75	66.08	39	0.75	65.73	35	1.25	65.73
<b>Total</b>	<b>40</b>	<b>0.75</b>	<b>66.08</b>	<b>39</b>	<b>0.75</b>	<b>65.73</b>	<b>35</b>	<b>1.25</b>	<b>65.73</b>



**Related Strategic Issue: Quality of Life, Sports, Recreation, Arts and Cultural Development, Education Partnerships**

**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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Overall customer approval rating for the Escalante Early Education Program	96%	95%	95%	95%
Overall customer approval rating for the Escalante Summer Camp Program	88%	90%	93%	90%

**Related Strategic Issue: 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 90% of the clients served respond favorably to the services provided by Care 7

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Victims satisfied with services	90%	90%	95%	90%
Care 7 clients reporting satisfaction with services	95%	95%	94%	90%

**Related Strategic Issue: Quality of Life, Technology, Economic and Community Development, Education Partnerships**

**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 target a 90% 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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Parent evaluation survey results measures indicate "very satisfied" with the Kid Zone Enrichment Program	89%	85%	91%	90%
National accreditation evaluation survey results of "very satisfied" with the Kid Zone Enrichment Program	90%	80%	91%	80%

**Related Strategic Issue: 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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
New program participants	3,613	3,800	4,661	4,661
Successful program completion	80%	80%	87%	80%



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**Purpose:**

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

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- transition of one Administrative Assistant position from full time to part time
- reduction of \$32,000 in funding for events and promotions
- reduction of \$6,000 for the Diversity Manager annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$413,760	\$388,259	\$373,966	\$330,220
Supplies and Services	103,730	125,703	124,649	79,374
Internal Services	36,531	40,432	39,921	31,757
<b>Expenditure Total</b>	<b>\$554,021</b>	<b>\$554,394</b>	<b>\$538,536</b>	<b>\$441,351</b>
<b>Per Capita</b>	<b>\$3.29</b>	<b>\$3.26</b>	<b>\$3.17</b>	<b>\$2.58</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Diversity	4	0.50		3	0.50		2	1.00	
<b>Total</b>	<b>4</b>	<b>0.50</b>		<b>3</b>	<b>0.50</b>		<b>2</b>	<b>1.00</b>	



**Related Strategic Issue: Quality of Life**

**Goal:** To create a fair and equitable work environment for City of Tempe employees while creating an inclusive community environment through the promotion of diversity

**Objective:** 1) To attain 72% resident satisfaction with overall efforts to promote diversity in the community; 2) minimize the number of EEOC complaints to less than 3 per year; 3) successfully remediate employee safe havens/consultations at least 80% of the time; and 4) successfully remediate community concerns/consultations for diversity related community issues at least 80% of the time

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Residents' satisfaction with overall efforts to promote diversity*	70%	72%	72%	72%
EEOC complaints	3	<3	3	<3
Successfully remediate employee safe havens/consultations	85%	80%	70%	70%
Successfully remediate community concerns/consultations	95%	80%	80%	80%

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

**Related Strategic Issue: Quality of Life**

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

**Objective:** To attain 95% attendant satisfaction (a rating of above average or higher) with community diversity celebrations

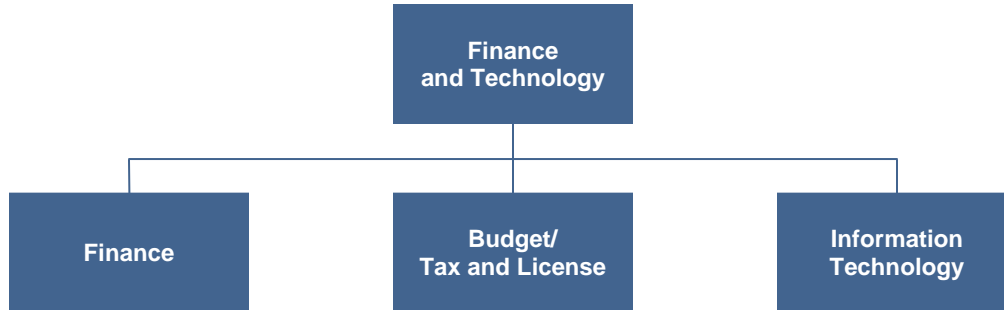
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Attendants rating events above average or higher	95%	95%	95%	95%

**Related Strategic Issue: Quality of Life**

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

**Objective:** 1) To implement one additional program promoting accessibility in the community; 2) to remediate internal and external ADA complaints at least 80% of the time

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Number of new ADA programs (3)	N/A	90%	300%	90%
Successfully remediate community concerns/consultations	100%	80%	90%	80%



**Purpose:**

To provide excellent financial management and information technology services with integrity, accountability, superior customer service, and low cost.

**Description:**

The Finance and Technology Department provides financial management, technology and operational support to the Mayor and City Council, the City Manager, and City departments. Services provided by the Finance division include accounting, cash management, purchasing, payroll, utility billing and collection, and risk management. The Budget/Tax and License Division provides budgeting, long-range financial planning, sales tax collection and auditing, and business licensing. The Technology division coordinates all of the City's information and telecommunications systems.

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$14,248,583	\$14,588,449	\$13,962,861	\$12,281,451
Supplies and Services	13,065,171	12,519,906	12,567,805	11,260,241
Capital Outlay	143,294	5,150	6,336	37,800
Internal Services	(21,241,679)	(20,298,217)	(20,586,287)	(18,111,865)
<b>Expenditure Total</b>	<b>\$6,215,369</b>	<b>\$6,815,288</b>	<b>\$5,950,715</b>	<b>\$5,467,627</b>
<b>Per Capita</b>	<b>\$36.89</b>	<b>\$40.13</b>	<b>\$35.04</b>	<b>\$31.97</b>

<b>Expenditures by Division</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Administration	\$202,650	\$131,082	\$124,691	\$113,482
Finance	4,192,100	4,705,881	4,049,911	3,691,644
Budget/Tax and License	1,820,619	1,978,325	1,776,113	1,662,501
Information Technology	*	*	*	*
<b>Total</b>	<b>\$6,215,369</b>	<b>\$6,815,288</b>	<b>\$5,950,715</b>	<b>\$5,467,627</b>

\*Information Technology costs are fully reimbursed through interactivity credit



Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	7			7			6		
Finance	47	0.50	1.25	46	0.50	0.63	45	0.50	
Budget /Tax and License	22			20			20		
Information Technology	71			65			61		
<b>Total</b>	<b>147</b>	<b>0.50</b>	<b>1.25</b>	<b>138</b>	<b>0.50</b>	<b>0.63</b>	<b>132</b>	<b>0.50</b>	

## Administration



Administration is responsible for the overall management of the department.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- reduction of \$6,000 for Finance and Technology Director annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$1,200,140	\$1,053,531	\$1,017,882	\$893,675
Supplies and Services	872,710	1,149,585	1,149,163	3,640,566
Internal Services	(1,870,200)	(2,072,034)	(2,042,354)	(4,420,759)
<b>Expenditure Total</b>	<b>\$202,650</b>	<b>\$131,082</b>	<b>\$124,691</b>	<b>\$113,482</b>
<b>Per Capita</b>	<b>\$1.20</b>	<b>\$0.77</b>	<b>\$0.73</b>	<b>\$0.66</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	7			7			6		
<b>Total</b>	<b>7</b>			<b>7</b>			<b>6</b>		

### Related Strategic Issue: Technology, Economic and Community Development

**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 <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>Administration</b>				
<i>Fund balance coverage - General Fund</i>	32.6%	>21%	19%	>20%
General obligation bond rating (Standard & Poor's/Moody's/Fitch)	AA+/Aa1/AAA	AA+/Aa1/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA



The Finance comprised of Accounting, Risk Management, Procurement, and Customer Services. Operational functions include all finance, accounting, purchasing, loss control 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.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- eliminated a part time temporary Accounting Assistant position and a part-time Administrative Assistant II
- eliminated \$70,000 for miscellaneous base budget items

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$3,857,827	\$4,218,378	\$4,030,162	\$3,641,701
Supplies and Services	6,095,128	5,322,039	6,226,223	5,361,565
Capital Outlay	17,628	750	1,513	33,000
Internal Services	(5,778,487)	(4,835,286)	(6,207,987)	(5,344,622)
<b>Expenditure Total</b>	<b>\$4,192,096</b>	<b>\$4,705,881</b>	<b>\$4,049,911</b>	<b>\$3,691,644</b>
<b>Per Capita</b>	<b>\$24.86</b>	<b>\$27.71</b>	<b>\$23.85</b>	<b>\$21.59</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Finance	47	0.50	1.25	46	0.50	0.63	45	0.50	
<b>Total</b>	<b>47</b>	<b>0.50</b>	<b>1.25</b>	<b>46</b>	<b>0.50</b>	<b>0.63</b>	<b>45</b>	<b>0.50</b>	

**Related Strategic Issue: Technology, Economic and Community Development**

**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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Unqualified opinion from independent auditor	Yes	Yes	Yes	Yes
GFOA Certificate of Excellence	Yes	Yes	Yes	Yes

**Related Strategic Issue: Technology, Economic and Community Development**

**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 97% of the time

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Compare the purchase order dispatch date/invoice date	92%	97%	92%	92%



**Related Strategic Issue: Technology, Economic and Community Development**

**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 Indemnity claims within 7 days; and 2) maximize annual subrogation recovery

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Claims investigated within 7 days	100%	100%	100%	100%
Workers' Compensation claims	\$2,394,557	\$1,000,000	\$392,024	\$1,000,000
Percent change	239%	(58%)	(61%)	155%
Subrogation recovery totals	\$206,748	\$215,000	\$167,316	\$200,000
Percent change		4%	(22%)	20%

**Related Strategic Issue: Technology, Economic and Community Development**

**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 60% of lower cost items through annual contracts; and 2) maintain 100% compliance with the American Bar Association Model Procurement Code

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Lower cost purchases made through annual contracts	49%	50%	55%	60%
Conformity to American Bar Association Model Procurement Code	100%	100%	100%	100%

**Related Strategic Issue: Quality of Life**

**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%

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Monthly call center reports (average speed answered)	39 sec.	58 sec.	58 sec.	58 sec.
Monthly call center reports (abandoned call rate)	5%	<5.8%	<5.8%	<5.8%

## Budget/Tax and License



Budget Office responsibilities include preparation of budget documents, comprehensive financial planning, forecasting, capital improvements program, budget monitoring, benchmarking, and special financial studies. Tax and License receives all City sales tax and licensing revenue and is responsible for issuing sales tax licenses and auditing license holders.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of a Specialty License Coordinator position
- addition of a Tax Auditor II position

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$1,782,040	\$1,940,436	\$1,761,924	\$1,715,108
Supplies and Services	69,826	98,930	86,830	69,850
Internal Services	(31,247)	(61,041)	(72,641)	(122,457)
<b>Expenditure Total</b>	<b>\$1,820,619</b>	<b>\$1,978,325</b>	<b>\$1,776,113</b>	<b>\$1,662,501</b>
<b>Per Capita</b>	<b>\$10.80</b>	<b>\$11.65</b>	<b>\$10.46</b>	<b>\$9.72</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Budget/Tax and License	22			20			20		
<b>Total</b>	<b>22</b>			<b>20</b>			<b>20</b>		

### Related Strategic Issue: Technology, Economic and Community Development

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

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

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Overall satisfaction with service	91.5%	90%	96.8%	95%



**Related Strategic Issue: Technology, Economic and Community Development**

**Goal:** To process returns in an efficient and effective manner

**Objective:** 1) To enter all returns by the second business day of the following month 98% of the time

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Posting of returns	N/A	N/A	N/A	92%

**Related Strategic Issue: Technology, Economic and Community Development**

**Goal:** To provide taxpayers with timely, professional, and courteous customer service

**Objective:** 1) To receive average ratings of at least 4.0 out of a possible 5 (where 4 is “Good” and 5 is “Excellent”) for Quality of Service attributes in taxpayer surveys administered by Internal Audit

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<i>New Licenses</i>				
Helpfulness	4.52	4.00	4.48	4.00
Knowledge	4.54	4.00	4.44	4.00
Timeliness	4.47	4.00	4.47	4.00
Overall Service	4.59	4.00	4.55	4.00
Friendliness/Courtesy	4.51	4.00	4.47	4.00
Compared to Other Cities	4.38	4.00	4.29	4.00
<i>Auditees</i>				
Overall Service	4.72	4.00	4.50	4.00
Timeliness	4.67	4.00	4.53	4.00
Technical Expertise	4.76	4.00	4.44	4.00
Courtesy	4.86	4.00	4.46	4.00
Professionalism	4.78	4.00	4.44	4.00
Helpfulness	4.75	4.00	4.37	4.00
<i>General Population</i>				
Helpfulness	4.20	4.00	3.67	4.00
Professionalism	4.20	4.00	3.78	4.00
Knowledge	4.00	4.00	3.78	4.00
Timeliness	4.00	4.00	3.67	4.00
Overall Service	4.20	4.00	3.67	4.00
Friendliness/Courtesy	4.40	4.00	3.50	4.00

**Related Strategic Issue: Technology, Economic and Community Development**

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

**Objective:** 1) To have less than 5% of audits protested; and 2) have protested assessments upheld 80% of the time

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Completed audits protested	2%	5%	5%	<5%
Protested audits upheld as valid	100%	80%	80%	80%



Information Technology (IT) 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. IT provides services that include: shared resources, systems, software, and information processing.

**FY 2010-11 Budget Highlights:**

The approved budget includes the following changes:

- elimination of one GIS Coordinator position
- reduction of \$260,600 for miscellaneous base budget items
- reduction of \$251,000 for hardware/software maintenance
- reduction of \$50,000 for hardware upgrades and replacements
- reduction of \$117,000 for training and seminars

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$7,408,576	\$7,376,104	\$6,913,273	\$6,030,967
Supplies and Services	6,027,507	5,949,352	4,696,835	2,188,260
Capital Outlay	125,667	4,400	4,823	4,800
Internal Services	(13,561,750)	(13,329,856)	(11,614,931)	(8,224,027)
<b>Expenditure Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Per Capita*</b>	<b>\$80.42</b>	<b>\$78.50</b>	<b>\$68.40</b>	<b>\$48.09</b>

\*Based on Internal Services expenditure amounts and displayed for informational purposes

	<b>2008-09 Actual</b>			<b>2009-10 Revised</b>			<b>2010-11 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
<b>Authorized Personnel</b>									
Information Technology	71			65			61		
<b>Total</b>	<b>71</b>			<b>65</b>			<b>61</b>		



**Related Strategic Issue: Technology, Economic and Community Development**

**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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Calls resolved within 30 minutes	87%	87%	85%	87%
Second level calls resolved within 4 hours	10%	10%	9%	10%
Calls requiring longer than 4 hours to resolve	3%	3%	4%	3%

**Related Strategic Issue: Technology, Economic and Community Development**

**Goal:** To minimize system downtime

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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
PC to server response time during peak traffic load (milliseconds)	28	28	27	28

**Related Strategic Issue: Technology, Economic and Community Development**

**Goal:** To provide prompt computer response time

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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Network access availability for voice and data	99.93%	99.93%	99.95%	99.93%



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**Purpose:**

To provide for the safety and welfare of the public through preservation of life, property, and the environment.

**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.

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$21,675,427	\$22,850,342	\$21,379,046	\$21,057,970
Supplies and Services	2,066,785	2,659,542	2,653,089	2,716,475
Contributions	16,814	39,500	39,500	37,500
Capital Outlay	2,287,105	1,245,400	240,000	310,700
Internal Services	1,774,796	1,931,988	1,735,456	1,348,977
<b>Expenditure Total</b>	<b>\$27,820,927</b>	<b>\$28,726,772</b>	<b>\$26,047,091</b>	<b>\$25,471,622</b>
<i>Per Capita (Comparative Benchmark)</i>	<b>\$164.98</b>	<b>\$169.17</b>	<b>\$153.39</b>	<b>\$148.96</b>



<b>Expenditures by Division</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Administration/Fire Prevention	\$3,420,843	\$3,679,957	\$3,617,613	\$3,506,766
Emergency/Medical Services	18,709,103	20,159,100	18,790,329	18,709,266
Training/Professional Development	549,794	471,444	479,298	482,595
Homeland Security/Special Operations	524,825	564,040	439,751	410,459
Support Services/Personnel Safety	4,616,363	3,852,231	2,720,100	2,362,536
<b>Total</b>	<b>\$27,820,928</b>	<b>\$28,726,772</b>	<b>\$26,047,091</b>	<b>\$25,471,622</b>

	<b>2008-09 Actual</b>			<b>2009-10 Revised</b>			<b>2010-11 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
<b>Authorized Personnel</b>									
Administration/Fire Prevention	20			20			20		
Emergency/Medical Services	155			153			150		
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	
<b>Total</b>	<b>186</b>	<b>1.00</b>		<b>184</b>	<b>1.00</b>		<b>181</b>	<b>1.00</b>	

## Administration/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 resident 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 2010-11 Budget Highlights:

The approved amount includes:

- reduction of \$28,200 for various base budget line items
- reduction of \$6,000 for elimination of Fire Chief vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$2,364,173	\$2,382,271	\$2,453,092	\$2,309,052
Supplies and Services	178,565	370,916	361,559	392,961
Capital Outlay				
Internal Services	878,105	926,770	802,962	804,753
<b>Expenditure Total</b>	<b>\$3,420,843</b>	<b>\$3,679,957</b>	<b>\$3,617,613</b>	<b>\$3,506,766</b>
<b>Per Capita</b>	<b>\$20.29</b>	<b>\$21.67</b>	<b>\$21.30</b>	<b>\$20.51</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Administration/Fire Prevention	20			20			20		
<b>Total</b>	<b>20</b>			<b>20</b>			<b>20</b>		

### Related Strategic Issue: 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 8.95 sworn firefighter full-time equivalents (FTE) per 10,000 capita, 1.64 non-firefighter FTE per 10,000 capita, and .15 fire stations per square mile; 2) attain 92% resident satisfaction with the quality of local fire services; and 3) maintain daily minimum firefighter staff level at 42

Measures (Comparative Benchmark)	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<i>Firefighters per capita (10,000)</i>	9.20	9.13	9.13	8.95
<i>Non-Firefighters per capita (10,000)</i>	1.84	1.71	1.71	1.64
Fire Stations per square mile	0.15	0.15	0.15	0.15
Resident satisfaction with the quality of local fire service*	92%	92%	89%	92%
Daily minimum firefighter staffing level	42	42	42	42

\*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 2010-11 Budget Highlights:

The approved amount included the following changes:

- elimination of two Firefighter positions
- elimination of the Medical Transportation Contract Coordinator position

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$17,888,467	\$18,964,549	\$17,597,728	\$17,443,937
Supplies and Services	683,077	1,099,151	1,097,201	1,171,929
Capital Outlay	137,559	95,400	95,400	93,400
Internal Service				
<b>Expenditure Total</b>	<b>\$18,709,103</b>	<b>\$20,159,100</b>	<b>\$18,790,329</b>	<b>\$18,709,266</b>
<b>Per Capita</b>	<b>\$110.95</b>	<b>\$118.72</b>	<b>\$110.66</b>	<b>\$109.41</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Emergency/Medical Services	155			153			150		
<b>Total</b>	<b>155</b>			<b>153</b>			<b>150</b>		

### Related Strategic Issue: 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) target 87% resident satisfaction with the quality of local paramedic service

Measures (Comparative Benchmark)	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Average emergency response time in minutes (from call receipt to arrival)*	4:30	4:25	4:20	4:20
Percent of emergency responses taking 5.0 minutes or less	72%	70%	74%	74%
Calls per capita (1,000)	111	110	111	111
Percent change		(0.9%)	0.9%	0%
Resident satisfaction with the quality of local paramedic service**	86%	87%	85%	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 2010-11 Budget Highlights:

No change in staffing levels

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$411,989	\$406,394	\$414,248	\$401,085
Supplies and Services	137,807	65,050	65,050	81,510
<b>Expenditure Total</b>	<b>\$549,794</b>	<b>\$471,444</b>	<b>\$479,298</b>	<b>\$482,595</b>
<b>Per Capita</b>	<b>\$3.26</b>	<b>\$2.78</b>	<b>\$2.82</b>	<b>\$2.82</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 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		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

### Related Strategic Issue: Quality of Life

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

**Objective:** 1) To evaluate all Emergency Services Division personnel quarterly for compliance with Tempe Fire Department standards relating to fireground, EMS and special operations procedures while maintaining 100% of completion; and 2) maintain or reduce 22% firefighter injuries

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Companies completing minimum company standards evaluations	100%	100%	100%	100%
Annual percentage of firefighter injuries	17%	36%	22%	22%

## 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 2010-11 Budget Highlights:

No change in staffing levels

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$466,734	\$493,793	\$364,650	\$353,262
Supplies and Services	46,842	57,347	62,201	46,297
Contributions	11,249	12,900	12,900	10,900
<b>Expenditure Total</b>	<b>\$524,825</b>	<b>\$564,040</b>	<b>\$439,751</b>	<b>\$410,459</b>
<b>Per Capita</b>	<b>\$3.11</b>	<b>\$3.32</b>	<b>\$2.59</b>	<b>\$2.40</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 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		
<b>Total</b>	<b>3</b>			<b>3</b>			<b>3</b>		

## 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 2010-11 Budget Highlights:

The approved amount includes a \$99,000 reduction in the Computer Aid Dispatch contract.

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$544,067	\$603,335	\$549,328	\$550,634
Supplies and Services	1,032,503	1,093,678	1,093,678	1,050,378
Capital Outlay	2,143,104	1,150,000	144,600	217,300
Internal Services	896,689	1,005,218	932,494	544,224
<b>Expenditure Total</b>	<b>\$4,616,363</b>	<b>\$3,852,231</b>	<b>\$2,720,100</b>	<b>\$2,362,536</b>
<b>Per Capita</b>	<b>\$27.38</b>	<b>\$22.69</b>	<b>\$16.02</b>	<b>\$13.82</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services/Personnel Safety	5	1.00		5	1.00		5	1.00	
<b>Total</b>	<b>5</b>	<b>1.00</b>		<b>5</b>	<b>1.00</b>		<b>5</b>	<b>1.00</b>	

### Related Strategic Issue: Quality of Life

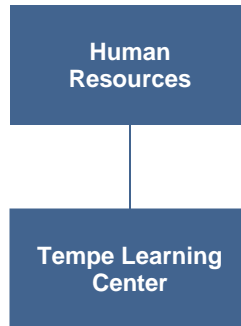
**Goal:** To conduct progressive maintenance, inspections, service work, and major and minor repairs of all fire apparatus

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

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Preventive maintenance inspections	179	276	276	276
Percent change		47.6%	0%	0%
Completed within PM schedule	56.7%	100%	100%	100%



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**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.

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- reduction of \$18,900 for Retiree Recreation Pass Program
- reduction of \$22,500 for cash bonuses for retiring employees
- reduction of \$20,200 for miscellaneous office expenses
- reduction of \$140,000 for employee Tuition Reimbursements
- transfer of \$150,800 of administrative costs to internal service funds

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$2,579,815	\$2,738,447	\$2,199,155	\$2,202,918
Supplies and Services	1,061,278	998,132	996,182	925,103
Capital Outlay	356			
Internal Services	(520,248)	(514,537)	(453,740)	(601,285)
<b>Expenditure Total</b>	<b>\$3,121,201</b>	<b>\$3,222,042</b>	<b>\$2,741,597</b>	<b>\$2,526,736</b>
<b>Per Capita</b>	<b>\$18.51</b>	<b>\$18.97</b>	<b>\$16.15</b>	<b>\$14.78</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Human Resources	19	0.50		17			17		
Tempe Learning Center	4			3			3		
<b>Total</b>	<b>23</b>	<b>0.50</b>		<b>20</b>			<b>20</b>		



**Related Strategic Issue: Quality of Life**  
**Goal:** To strive to retain a stable workforce  
**Objective:** To maintain an annual turnover rate of less than 10%

<b>Measures</b> ( <i>Comparative Benchmark</i> )	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
<i>Employee turnover rate</i>	8.6%	9.5%	7.7%	2.5%

**Related Strategic Issue: Quality of Life**  
**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 complaints filed and grievances brought forth

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Equal Employment Opportunity Commission (EEOC) complaints	1	0	3	0
Formal grievances	1	0	1	0



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.

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Tempe Learning Center	4			3			3		
<b>Total</b>	<b>4</b>			<b>3</b>			<b>3</b>		

<b>Expenditures by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$686,863	\$855,787	\$383,186	\$587,145
Supplies and Services	105,929	77,041	75,091	70,563
Internal Services	(204,935)	(193,387)	(195,326)	(137,724)
<b>Expenditure Total</b>	<b>\$587,857</b>	<b>\$739,441</b>	<b>\$262,951</b>	<b>\$519,984</b>
<b>Per Capita</b>	<b>\$3.49</b>	<b>\$4.35</b>	<b>\$1.55</b>	<b>\$3.04</b>

**Related Strategic Issue: Education Partnerships**

**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 improvement rate among participants; 2) maintain a 90% percent approval rating for consultation services provided; and 3) obtain a 95% successful completion rate for all courses with each education partnership degree program

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Participants who rated improved knowledge, skills and competence as a result of TLC training and development programming	89%	90%	84%	90%
Participants who rate TLC consultation services as satisfactory or higher	N/A	90%	N/A	90%
Education partnership participants who successfully completed assigned classes	92%	95%	92%	95%



Internal Audit Office

**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.

**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 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- conversion of one Contract Administrator position to a part time temporary position
- reduction of \$6,000 for the Internal Audit Manager annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$474,833	\$470,393	\$464,400	\$390,087
Supplies and Services	8,034	7,060	7,060	5,540
Internal Services	23,303	24,978	23,551	19,293
<b>Expenditure Total</b>	<b>\$506,170</b>	<b>\$502,431</b>	<b>\$495,011</b>	<b>\$414,920</b>
<b>Per Capita</b>	<b>\$3.00</b>	<b>\$2.96</b>	<b>\$2.92</b>	<b>\$2.43</b>

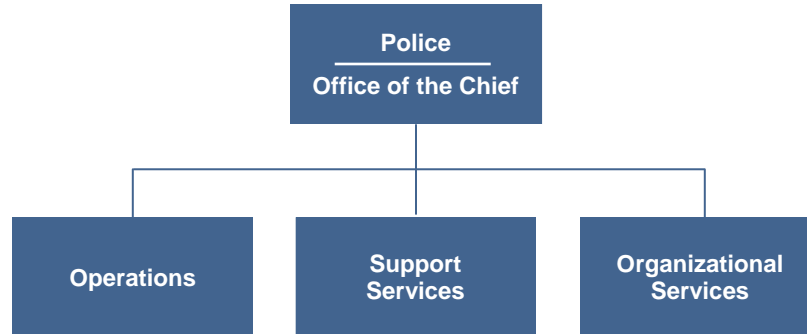
	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Authorized Personnel									
Internal Audit	4			4			3		0.45
<b>Total</b>	<b>4</b>			<b>4</b>			<b>3</b>		<b>0.45</b>

**Related Strategic Issue: Technology, Economic and Community Development**

**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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Support of recommendations	100%	95%	95%	95%
Response to management's requests	100%	100%	100%	100%
Maintenance of the contract database	100%	95%	95%	95%



**Purpose:**

To partner with the residents of Tempe to improve the quality of life in our City by identifying and resolving public safety concerns.

**Description:**

The Police Department consists of the following divisions: Office of the Chief, Operations, Support Services, and Organizational Services. The department’s responsibilities include effective and efficient police protection through investigations of criminal offenses, enforcement of state laws and City ordinances, response to resident requests for services, and maintenance of support services.

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$59,349,060	\$58,702,213	\$57,557,328	\$50,945,295
Supplies and Services	5,655,199	6,700,513	5,983,629	6,210,987
Capital Outlay	19,097		10,763	
Internal Services	10,270,611	9,497,570	9,967,222	9,178,083
<b>Expenditure Total</b>	<b>\$75,293,967</b>	<b>\$74,900,296</b>	<b>\$73,518,942</b>	<b>\$66,334,365</b>
<i>Per Capita (Comparative Benchmark)</i>	<b>\$446.50</b>	<b>\$441.08</b>	<b>\$432.95</b>	<b>\$387.92</b>

Expenditures by Division	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Office of the Chief	\$7,806,641	\$3,096,499	\$3,187,429	\$2,709,117
Operations	53,656,438	53,566,314	53,784,590	47,760,650
Support Services	7,253,218	8,927,097	8,484,034	8,230,997
Organizational Services	6,577,670	9,310,386	8,062,889	7,633,601
<b>Total</b>	<b>\$75,293,967</b>	<b>\$74,900,296</b>	<b>\$73,518,942</b>	<b>\$66,334,365</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	20			7			5		
Operations	403		4.55	394		4.55	342		4.55
Support Services	92		1.00	105		1.00	97		1.00
Organizational Services	60		0.70	56		0.70	49		0.70
<b>Total</b>	<b>575</b>		<b>6.25</b>	<b>562</b>		<b>6.25</b>	<b>493</b>		<b>6.25</b>



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; and (2) continually builds partnerships with the residents and the business community.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- elimination of Direct Council/Community Liaison (one Sergeant position)
- elimination of one Administrative Assistant II position
- reduction of \$84,000 to overtime budget
- reduction of \$3,400 for miscellaneous base budget items
- reduction of \$6,000 for Chief of Police annual vehicle allowance

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$1,920,940	\$991,555	\$945,372	\$915,287
Supplies and Services	2,861,704	744,548	17,469	3,428
Internal Services	3,023,997	1,360,396	2,224,588	1,790,402
<b>Expenditure Total</b>	<b>\$7,806,641</b>	<b>\$3,096,499</b>	<b>\$3,187,429</b>	<b>\$2,709,117</b>
<b>Per Capita</b>	<b>\$46.29</b>	<b>\$18.24</b>	<b>\$18.77</b>	<b>\$15.84</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Office of the Chief	20			7			5		
<b>Total</b>	<b>20</b>			<b>7</b>			<b>5</b>		

**Related Strategic Issue: 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 a minimum of 80% of resident satisfaction with the overall quality of local police services; 2) maintain O&M cost per capita below \$380; and 3) efficiently manage resources to meet the needs of residents with 1.93 sworn full-time equivalents (FTE) per 1,000 capita and .87non-sworn FTE per 1,000 capita

Measures <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Overall quality of local police services*	83%	85%	81%	80%
Operating and Maintenance (O&M) Cost per Capita	\$419.88	\$365.35	\$419.01	\$378.18
Percent change		(13%)	15%	(11%)
<i>Sworn FTE's per Capita (1,000)</i>	<i>1.99</i>	<i>2.04</i>	<i>2.04</i>	<i>1.93</i>
<i>Non-Sworn FTE's per Capita (1,000)</i>	<i>1.10</i>	<i>1.16</i>	<i>1.10</i>	<i>0.87</i>

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



The Operations Division is comprised of North Patrol, South Patrol, Central City, Traffic, Criminal Investigations, and Special Investigations. 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; (6) provide crime prevention and community education programs to the public, (7) investigate and report incidents of crime; (8) investigate and report motor vehicle accidents; (9) investigate and clear Part 1 and Part II crimes against persons and property; (10) investigate and prevent traffic accidents; (11) develop selective enforcement programs against special or increasing crime problems; and (12) provide specialty services including Mounted and K-9 functions.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following changes:

- elimination of seven Police Officer over hire positions
- elimination of Administrative Oversight for High Liability Areas (one Commander position)
- elimination of one Administrative Assistant II position
- elimination of proactive parking enforcement in neighborhoods (3 Traffic Enforcement Aide positions)
- elimination of one Patrol Lieutenant position
- elimination of Park Ranger program (2 park Ranger positions)
- elimination of 12 Community Service Officer positions
- elimination of the Crime Prevention Unit (2 Crime Prevention Specialist positions and one Administrative Assistant position)
- eliminated homeland Defense Bureau (one Commander position)
- eliminated Internet Crime against Children detective (one Police Officer position)
- reduced the Mounted Unit (eliminated one Sergeant and one Police Officer position)
- reduction to overtime budget of \$384,200
- miscellaneous base operating reductions totaling \$30,600
- Funded one Patrol Officer through Tow Hearing revenues

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$45,407,581	\$43,880,035	\$44,465,601	\$38,833,755
Supplies and Services	2,130,277	2,902,012	2,924,730	2,634,400
Capital Outlay	360		4,833	
Internal Services	6,118,220	6,784,267	6,389,426	6,292,495
<b>Expenditure Total</b>	<b>\$53,656,438</b>	<b>\$53,566,314</b>	<b>\$53,784,590</b>	<b>\$47,760,650</b>
<b>Per Capita</b>	<b>\$318.19</b>	<b>\$315.45</b>	<b>\$316.73</b>	<b>\$279.30</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Operations	403		4.55	394		4.55	342		4.55
<b>Total</b>	<b>403</b>		<b>4.55</b>	<b>394</b>		<b>4.55</b>	<b>342</b>		<b>4.55</b>

**Related Strategic Issue: 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 <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<i>Average response time to emergency calls (minutes)</i>	5:24	5:05	5:17	5:00



**Related Strategic Issue: Quality of Life**

**Goal:** To investigate and clear cases assigned to the Criminal Investigations Division

**Objective:** 1) To effectively manage 157 property cases per investigator; and 2) effectively manage 106 persons cases per investigator

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Property cases assigned	2,083	2,210	2,228	2,197
Cases per investigator	149	158	159	157
Percent change		6.0%	0.6%	1.3%
Persons cases assigned	2,063	2,102	2,098	2,075
Cases per investigator	115	117	87	106
Percent change		1.7%	25.6%	21.8%

**Related Strategic Issue: Quality of Life**

**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 achieve a clearance rate of 19.1% of Part 1 Property Crimes; and 2) achieve a clearance rate of 44.6% of Part 1 Persons Crimes

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Part 1 Crimes-Property	9,484	10,913	8,780	9,667
Clearance rate		11%	20.8%	19.1%
Part 1 Crimes-Persons	865	911	873	879
Clearance rate		35.7%	46.7%	44.6%
Part 1 Crimes per 1,000 capita	59	68	55	60

## Support Services



The Support Services Division is comprised of Communications, Records, Identification, Property, and the Office of Management, Budget and Research. 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) provide planning and research information; (5) administer departmental operating and capital improvement budgets; (6) gather and report intelligence information; and (7) serve as the central tactical crime analysis and intelligence entity within the department.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- eliminated one Records Section Administrator position
- converted two Management Assistant II positions into one Senior Budget and Finance Analyst position
- eliminated three Records Clerk I positions and one Records Clerk II position
- eliminated one Communications Administrative Supervisor position
- eliminated one Crime and Intelligence Supervisor position
- eliminated one Fingerprint Technician position
- eliminated one Crime Analysis Technician position
- miscellaneous base operating budget reductions totaling \$80,600

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$6,536,966	\$7,908,245	\$7,168,193	\$6,833,570
Supplies and Services	154,388	348,769	667,518	886,751
Capital Outlay	3,273		4,908	
Internal Services	558,591	670,083	643,415	510,676
<b>Expenditure Total</b>	<b>\$7,253,218</b>	<b>\$8,927,097</b>	<b>\$8,484,034</b>	<b>\$8,230,997</b>
<b>Per Capita</b>	<b>\$43.01</b>	<b>\$52.57</b>	<b>\$49.96</b>	<b>\$48.13</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	92		1.00	105		1.00	97		1.00
<b>Total</b>	<b>92</b>		<b>1.00</b>	<b>105</b>		<b>1.00</b>	<b>97</b>		<b>1.00</b>

### Related Strategic Issue: 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 resident calls for police services; and 2) maintain or increase neighborhoods participating in the Crime Watch program

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Priority Zero calls answered*	3,650	4,227	3,164	2,987
Percent change		15.8%	(25.1%)	(5.6%)
Resident calls for police service	92,104	114,191	86,074	82,029
Percent change		24.0%	(24.6%)	(4.7%)
Neighborhoods with Crime Watch program	332	332	125	125
Percent change		0%	(62.3%)	0%

\* Priority zero calls are residents 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

## Organizational Services



The Organizational Services Division is comprised of Personnel Services, Detention, and Volunteers in Policing Program. Services provided by this division are as follows: (1) respond to media requests for information; (2) recruit, test, and hire sworn police officers and civilian personnel; (3) provide in-service training programs; (4) investigate internal complaints and serve as liaison with the Tempe Citizens' Panel for Review of Police Complaints and Use of Force; (5) provide jail and booking service and transport all prisoners to the City Court; (6) audit and compliance; and (7) update and implement organizational policy and procedure.

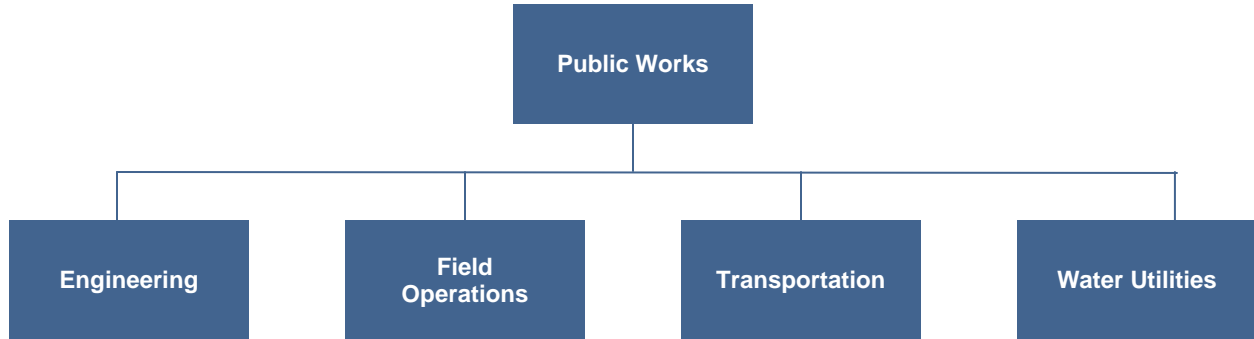
### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of 3 Detention Officer positions
- eliminated the Internal Audit function (one Sergeant position)
- eliminated one Assistant Chief of Police position
- eliminated one Administrative Assistant II
- eliminated a Recruitment and Hiring Unit (Administrative Assistant II and Polygraph Examiner II position)
- reduced the Training Unit (one Sergeant position)
- reduced base operating budget by \$3,650

Expenditures by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$5,483,573	\$5,922,378	\$4,978,162	\$4,362,683
Supplies and Services	508,830	2,705,184	2,373,912	2,686,408
Capital Outlay	15,464		1,022	
Internal Services	569,803	682,824	709,793	584,510
<b>Expenditure Total</b>	<b>\$6,577,670</b>	<b>\$9,310,386</b>	<b>\$8,062,889</b>	<b>\$7,633,601</b>
<b>Per Capita</b>	<b>\$39.01</b>	<b>\$54.83</b>	<b>\$47.48</b>	<b>\$44.64</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Organizational Services	60		0.70	56		0.70	49		0.70
<b>Total</b>	<b>60</b>		<b>0.70</b>	<b>56</b>		<b>0.70</b>	<b>49</b>		<b>0.70</b>



**Purpose:**

To build and maintain the City’s infrastructure, and deliver services that are created with and entrusted to us by our community.

**Description:**

The Public Works Department consists of Engineering, Field Operations, Transportation and Water Utilities.

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

The Field Operations division is responsible for residential and commercial trash collection and disposal, maintenance and repair service to all City owned buildings, interior cleaning of all City owned buildings and park restrooms, maintaining the City fleet of vehicles and fuel dispensing, chemical spill clean-up, operation of the Household Products Collection Center, maintain all parks, special facilities and golf courses, and operation of the City golf courses.

The Transportation division is responsible for transit services, traffic engineering, pavement marking and striping, traffic signal maintenance and construction, street lighting, alley maintenance, street sweeping, pavement management and street repair and construction.

The Water Utilities Department is responsible for providing clean, safe drinking water, wastewater treatment and administering a water conservation program.



<b>Expenditure by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$44,486,870	\$45,404,242	\$40,736,884	\$36,679,137
Supplies and Services	77,841,754	91,148,212	86,680,988	91,028,953
Capital Outlay	3,873,870	6,494,684	6,370,950	3,712,242
Internal Services	3,783,963	5,931,450	3,073,014	5,685,343
Contributions	165,751	181,484	181,484	106,484
<b>Expenditure Total</b>	<b>\$130,152,208</b>	<b>\$149,160,072</b>	<b>137,043,320</b>	<b>\$137,212,159</b>
<b>Per Capita</b>	<b>\$771.82</b>	<b>\$878.39</b>	<b>\$823.35</b>	<b>\$802.41</b>

<b>Expenditures by Division</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Administration	\$388,244	\$616,142	\$570,898	\$223,055
Engineering	2,622,087	2,333,833	1,919,005	1,580,892
Field Operations	33,130,957	36,138,645	33,443,800	30,786,447
Transportation	60,390,860	72,145,703	65,913,628	64,449,827
Water Utilities	33,620,060	37,925,749	35,195,989	40,171,938
<b>Total</b>	<b>\$130,152,208</b>	<b>\$149,160,072</b>	<b>\$137,043,320</b>	<b>\$137,212,159</b>

	<b>2008-09 Actual</b>			<b>2009-10 Revised</b>			<b>2010-11 Budget</b>		
	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>	<b>Full Time</b>	<b>Perm FTE</b>	<b>Temp FTE</b>
<b>Authorized Personnel</b>									
Administration	3		0.49	3		0.49	2	0.50	0.49
Engineering	38			32			31		
Field Operations	267	1.50	14.73	245	1.50	15.22	216	1.50	18.22
Transportation	107	1.00	3.00	95	1.00	1.00	72	0.50	1.00
Water Utilities	141	0.50	1.47	139	1.00	0.49	148		0.49
<b>Total</b>	<b>556</b>	<b>3.00</b>	<b>19.69</b>	<b>514</b>	<b>3.50</b>	<b>17.20</b>	<b>469</b>	<b>2.50</b>	<b>20.20</b>

## Administration



The Public Works Director 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, hazardous waste and environmental compliance, park and golf course maintenance, facilities maintenance, custodial, fleet, streets maintenance, transportation and water utilities.

### FY 2010-11 Budget Highlights:

The approved amount included the following changes:

- elimination of 0.50 FTE Executive Assistant
- reduction of \$6,000 for Public Works Director annual vehicle allowance

<b>Expenditure by Type</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Personal Services	\$424,281	\$444,482	\$401,542	\$355,471
Supplies and Services	33,393	38,713	34,965	100,173
Contributions	85,363	55,618	55,618	5,618
Internal Services	(154,793)	77,329	78,773	(238,207)
<b>Expenditure Total</b>	<b>\$388,244</b>	<b>\$616,142</b>	<b>\$570,898</b>	<b>\$223,055</b>
<b>Per Capita</b>	<b>\$2.30</b>	<b>\$3.63</b>	<b>\$3.36</b>	<b>\$1.30</b>

	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
<b>Authorized Personnel</b>									
Administration	3		0.49	3		0.49	2	0.50	0.49
<b>Total</b>	<b>3</b>		<b>0.49</b>	<b>3</b>		<b>0.49</b>	<b>2</b>	<b>0.50</b>	<b>0.49</b>



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 2010-11 Budget Highlights:

The approved amount includes the following changes:

- transfer of one GIS position to the Water Utilities division
- transfer funding for 1/2 of an Engineering Infrastructure Manager position to the Water/Wastewater fund

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$3,593,660	\$3,190,172	\$2,868,178	\$2,310,786
Supplies and Services	241,980	329,727	261,377	235,293
Internal Services	(1,213,553)	(1,186,066)	(1,210,550)	(965,187)
<b>Expenditure Total</b>	<b>\$2,622,087</b>	<b>\$2,333,833</b>	<b>\$1,919,005</b>	<b>\$1,580,892</b>
<b>Per Capita</b>	<b>\$15.55</b>	<b>\$13.74</b>	<b>\$11.30</b>	<b>\$9.25</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Engineering	38			32			31		
<b>Total</b>	<b>38</b>			<b>32</b>			<b>31</b>		

**Related Strategic Issue: Community Sustainability, Quality of Life, Technology, Economic and Community Development**

**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 Improvements Program

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Number of active CIP construction contracts	72	70	73	35
Percent of CIP construction contracts executed within 12 months of funding	N/A	100%	82%	100%
Number of active CIP professional service contracts	250	260	200	100
Percent of CIP professional service contracts executed within 12 months of funding	N/A	100%	82%	100%



**Related Strategic Issue: Quality of Life, Technology, Economic and Community Development**

**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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Number of civil plan reviews per engineer	N/A	300	150	100
Percent of civil plan reviews performed within the schedule time allotment	78%	90%	81%	90%
Number of utility plan reviews per plan reviewer	N/A	400	500	400
Percent of utility plan reviews performed within the schedule time allotment	65%	90%	78%	90%
Off-site private development permits issued	475	600	300	200
Utility permits issued	1,629	1,500	1,550	1,500

## Field Operations



The Field Operations Division is comprised of Facilities and Custodial, Fleet Maintenance, Parks Services and Solid Waste Services, including hazardous material management. The Facilities and Custodial section provides maintenance, repair service and cleaning for all City owned buildings. The Fleet Maintenance section is responsible for maintaining the City's motor vehicle and construction equipment. The Parks Services section 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. Also, this section is responsible for maintenance of the City owned cemetery. The Solid Waste Services section is responsible for the collection and disposal of solid waste generated from all residential and selected commercial facilities within the City, the City's recycling efforts, and hazardous materials management. Additionally, the Field Operations Division is responsible for environmental safety and compliance.

### FY 2010-11 Budget Highlights:

The approved amount includes the following changes:

- elimination of a Deputy Parks & Recreation Manager position in the General Fund
- elimination of a P & G Course Supervisor position in the General Fund
- elimination of two P & G Course Maintenance positions in the General Fund
- elimination of two Senior Groundskeeper positions in the General Fund
- elimination of a P & G Mechanic position, three Equipment Operator positions and four Groundskeepers in the Golf Fund
- elimination of a Groundskeeper position and TCA Maintenance Worker in the Performing Arts Fund
- elimination of a Building Equipment Tech position
- elimination of two Pest Control Technician positions
- elimination of an Admin Asst position
- elimination of four custodial positions
- reduction of \$100,000 for electricity
- reduction of \$405,000 for vehicles, parts, and fuel
- elimination of the Parks clean-up contract totaling \$205,900
- reduction of \$22,500 for heating fuel
- transfer a Custodial Supervisor position from the Transit Fund to the General Fund
- transfer 0.5 FTE Sr. Management Asst. from the General Fund to the Solid Waste Fund
- transfer of two Custodians and two Groundskeepers from the General Fund to the Water Fund
- transfer 50% funding of a P & G Course Supervisor from the Golf Fund to the General Fund
- transfer funding for a Custodian and Groundskeeper from the General Fund to the Solid Waste Fund
- transfer funding for a Parks Contract Administrator from the General Fund to the HURF fund
- transfer 50 % funding of a TCA Maintenance Supervisor from the Performing Arts Fund to the Transit Fund

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$18,874,306	\$18,847,087	\$17,115,242	\$15,198,957
Supplies and Services	14,606,965	16,242,856	15,392,915	15,708,088
Contributions	5,561	17,866	17,866	17,866
Capital Outlay	2,777,312	4,770,978	4,366,049	2,654,500
Internal Services	(3,133,187)	(3,740,142)	(3,448,272)	(2,792,964)
<b>Expenditure Total</b>	<b>\$33,130,957</b>	<b>\$36,138,645</b>	<b>\$33,443,800</b>	<b>\$30,786,447</b>
<b>Per Capita</b>	<b>\$196.47</b>	<b>\$212.82</b>	<b>\$196.95</b>	<b>\$180.04</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Field Operations	267	1.50	14.73	245	1.50	15.22	216	1.50	18.22
<b>Total</b>	<b>267</b>	<b>1.50</b>	<b>14.73</b>	<b>245</b>	<b>1.50</b>	<b>15.22</b>	<b>216</b>	<b>1.50</b>	<b>18.22</b>



**Related Strategic Issue: Community Sustainability, Quality of Life**

**Goal:** To collect and dispose of all contained solid waste generated by residential customers

**Objective:** 1) To provide excellent service to residential customers by effectively and efficiently managing solid waste collected; 2) divert 29% of residential recycling waste stream; 3) attain resident satisfaction rates of 94% for residential trash collection services, 86% for bulk item pick up/removal services, and 90% for recycling services; and 4) attain a resident satisfaction rate of 54% for the condition of alleys

<b>Measures</b> <i>(Comparative Benchmark)</i>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
<i>Residential contained/recycling cost per ton</i>	\$110	\$96	\$114	\$112
Residential recycling diversion rate	29%	29%	28%	29%
<i>Residential Contained Solid Waste tons per capita (1,000)</i>	279	312	266	272
Resident satisfaction with residential trash collection services*	92%	94%	91%	94%
Resident satisfaction with bulk item pick up/removal services*	82%	86%	81%	86%
Resident satisfaction with recycling services*	87%	90%	89%	90%
Resident satisfaction with condition of alleys*	46%	52%	54%	54%

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

**Related Strategic Issue: Community Sustainability, 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 \$73

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Commercial collection cost per ton	\$72	\$61	\$77	\$73

**Related Strategic Issue: Quality of Life**

**Goal:** To maintain a high level of maintenance and service to ensure that facilities are physically safe and in good condition

**Objective:** 1) To increase by 6% the square footage maintained per FTE per 10 hour shift at a minimum of 121,000 square feet; 2) increase by 7% total square footage maintained per Building Equipment Technician at a minimum of 158,000 square feet; and 3) hold facility maintenance costs per square foot maintained to a maximum of \$2.17

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Total square feet maintained per FTE <sup>1</sup>	58,323	95,000	114,000	121,000
Percent change		63%	20%	6%
Total square feet maintained per Building Equipment Technician	77,192	122,000	147,000	158,000
Percent change		58%	20%	7%
Operating and Maintenance Cost per square foot maintained <sup>1</sup>	\$3.81	\$2.93	\$2.15	\$2.17

<sup>1</sup> Excludes personnel and facilities budgeted in the Performing Arts and Transit



**Related Strategic Issue: Quality of Life**

**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 increase by 11% the square footage maintained per FTE per 8 hour shift at a minimum of 31,000 square feet; 2) hold custodial costs per square foot cleaned to a maximum of \$1.82; and 3) increase by 9% the total square footage cleaned per custodian at a minimum of 36,000

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total square feet cleaned per FTE <sup>1</sup>	21,421	24,000	28,000	31,000
Percent change		12%	17%	11%
Operating and Maintenance Cost per square foot cleaned <sup>1</sup>	\$2.54	\$2.35	\$1.91	\$1.82
Total square feet cleaned per custodian	24,849	27,000	33,000	36,000
Percent change		9%	22%	9%

<sup>1</sup> Excludes personnel and facilities budgeted in the Performing Arts and Transit

**Related Strategic Issue: 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)	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<i>Cost per mile (maintenance and repair, fuel and capital cost):</i>				
<i>Police patrol sedans</i>	<i>\$0.82</i>	<i>\$0.81</i>	<i>\$0.77</i>	<i>\$0.81</i>
<i>Light duty trucks</i>	<i>\$0.68</i>	<i>\$0.70</i>	<i>\$0.68</i>	<i>\$0.70</i>
<i>Solid Waste trucks</i>	<i>\$4.89</i>	<i>\$4.97</i>	<i>\$4.66</i>	<i>\$4.97</i>

Note: 2010-11 projections based on expected rise in fuel prices

**Related Strategic Issue: 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 77% productivity; and 2) maintain an optimum vehicle to mechanic ratio

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Mechanic utilization rate	72%	72%	77%	77%
Vehicles per mechanic	75	75	66	61



**Related Strategic Issue: Neighborhood Parks Rehabilitation and Maintenance, Sports, Recreation, Arts and Cultural Development**

**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) 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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Resident satisfaction with the landscape along City streets and sidewalks*	71%	68%	73%	68%
Resident satisfaction with the quality of walking and biking paths in the City*	67%	60%	72%	60%
Total landscaped areas maintained (sq ft)	9,918,322	9,918,322	10,002,553	10,002,553
Number of full-time employees managing landscape maintenance contract (Parks and Recreation, Community Development and Public Works)	4	4	4	4
Total park acres maintained per full-time Parks employee	56.9	56.9	57.4	47.4

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

**Related Strategic Issue: Quality of Life, Sports, Recreation, Arts and Cultural Development**

**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) achieve 70% overall resident satisfaction with the quality of neighborhood parks; 3) achieve 60% overall resident satisfaction with the City golf courses while maintaining rounds of play at each golf course; 4) achieve 70% overall resident satisfaction with the City's outdoor fields; and 5) achieve 70% overall resident satisfaction with the quality of City recreation centers

Measures <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Resident satisfaction with the quality of City parks*	86%	80%	91%	80%
Resident satisfaction with the quality of neighborhood parks*	76%	75%	78%	70%
Resident satisfaction with City's golf courses*	63%	60%	71%	60%
Resident satisfaction with the City's outdoor athletic fields*	74%	74%	80%	70%
Resident satisfaction with the quality of City recreation centers*	76%	76%	83%	70%
Total park and golf course acres	1,877	1,877	1,877	1,877
Park and golf course acres per capita (10,000)	111.3	111.3	110.5	109.8
<i>Operating and Maintenance Cost per capita</i>	<i>\$63.83</i>	<i>\$90.27</i>	<i>\$63.17</i>	<i>\$56.35</i>
Golf course rounds of play:				
Ken McDonald (18 hole rounds)	70,634	63,170	67,102	64,530
Percent change		(10.6%)	(3.8%)	(5%)
Rolling Hills (18 hole rounds)	53,215	51,003	48,744	46,306
Percent change		(4.2%)	(8.4%)	(5%)

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



The Transportation Division is responsible for all transportation activities throughout the City.

The Transit section provides the following services : (1) sight restriction abatements; (2) traffic engineering studies, designs and plan approvals, (3) plan, coordinate, benchmark and provide transit services; (4) plan and administer bicycle facilities; and (5) maintenance and operation of the light rail transit system.

The Streets and Traffic Operations section 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 2010-11 Budget Highlights:

The approved budget also includes the following reorganizations:

- elimination of two Management Assistant positions in the Transit Fund
- elimination of a 0.5 FTE Financial Services Tech position in the Transit Fund
- elimination of a ITS Network Engineer in the Transit Fund
- elimination of three Street Maintenance Equipment Operators in the HURF Fund
- elimination of a Traffic Engineer Analyst in the HURF Fund
- elimination of a Traffic Control Barricade Supervisor in the HURF Fund
- elimination of a Sr. Civil Engineer position in the HURF Fund
- elimination of an Admin Asst. position in the HURF Fund
- elimination of a Sr Sign Technician in the HURF Fund
- elimination of a Traffic Ops Crew Leader in the HURF Fund
- elimination of a Traffic Signal Services Worker in the HURF Fund
- elimination of a ITS Coordinator in the HURF Fund
- elimination of a Underground Utility Coordinator in the HURF Fund
- elimination of a Streets Maintenance Team Leader in the HURF Fund
- elimination of a Traffic Signal Services Crew Lead in the HURF Fund
- elimination of a Sr. Engineering Associate in the HURF Fund
- elimination of a Streets Superintendant in the HURF Fund
- elimination of a Transportation Worker position the HURF Fund
- elimination of a Deputy Manager position in the HURF Fund
- reclassification of two Transportation Worker positions to Groundskeeper positions
- transfer one custodial supervisor position from the Transit Fund to the General Fund
- transfer two Street Maintenance Equipment Operator positions from the HURF Fund to the Solid Waste Fund
- transfer 50% funding of a TCA Maintenance Supervisor position from the Performing Arts Fund to the Transit Fund
- transfer 50% funding of a Deputy Manger position from the Transit Fund to the HURF Fund
- transfer 50% funding of a Deputy Manager position from the HURF fund to the Solid Waste Fund
- transfer a Principal Planner position from the Transit Fund to the CDBG/Home Fund

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$7,979,613	\$8,487,708	\$7,515,134	\$5,763,422
Supplies and Services	47,978,903	55,839,084	53,699,904	52,327,411
Capital Outlay	902,702	1,294,000	1,297,136	273,000
Internal Services	3,454,814	6,416,911	3,293,454	6,002,994
Contributions	74,828	108,000	108,000	83,000
<b>Expenditure Total</b>	<b>\$60,390,860</b>	<b>\$72,145,703</b>	<b>\$65,913,628</b>	<b>\$64,449,827</b>
<b>Per Capita</b>	<b>\$358.13</b>	<b>\$424.86</b>	<b>\$388.16</b>	<b>\$376.90</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Transportation	107	1.00	3.00	95	1.00	1.00	72	0.50	1.00
<b>Total</b>	<b>107</b>	<b>1.00</b>	<b>3.00</b>	<b>95</b>	<b>1.00</b>	<b>1.00</b>	<b>72</b>	<b>0.50</b>	<b>1.00</b>



**Related Strategic Issue: Transportation**

**Goal:** To effectively manage and evaluate transit service provided through regional or City contracts funded by a dedicated Tempe transit tax

**Objective:** 1) To efficiently and cost-effectively provide and monitor regional and local fixed route, circulator and Dial-A-Ride service; and 2) increase boardings per vehicle revenue mile (bus) by 10%

Measures <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Vehicle revenue miles (bus)	7,030,667	7,443,340	6,500,000	6,000,000
Operating and Maintenance Cost per vehicle revenue mile (bus)	\$5.56	\$5.74	\$5.50	\$5.60
<i>Boardings per vehicle revenue mile (bus)</i>	<i>1.8</i>	<i>1.8</i>	<i>2.0</i>	<i>2.2</i>
Percent change		0%	11%	10%

**Related Strategic Issue: Transportation**

**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 annual bus boardings by 10%; 2) meet the Dial-A-Ride industry standard of 93% of trips on time (minimum); and 3) meet the industry standard of 90% of bus trips on time (minimum)

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Annual boardings (bus)	9,165,971	11,400,000	10,000,000	11,000,000
Percent change		24%	(12%)	10%
On-time performance (Dial-A-Ride)	93%	95%	93%	93%
On-time performance (bus)	90%	90%	90%	90%

**Related Strategic Issue: Transportation**

**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 1 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	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Complaints per 100,000 boardings (bus)	17	15	15	15
Complaints per 1,000 boardings (Dial-A-Ride)	0.7	1.0	1.0	1.0
Resident satisfaction with the quality of local bus service*	76%	70%	70%	70%
Resident satisfaction with the quality of walking and biking paths*	72%	70%	70%	70%

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

**Related Strategic Issue: Transportation**

**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) attain 65% resident satisfaction regarding the adequacy of City street lighting

Measures	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Street light outage calls repaired within three working days	96%	96%	96%	96%
Resident satisfaction with the adequacy of City street lighting*	67%	70%	65%	65%

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



<b>Related Strategic Issue: Transportation</b>				
<b>Goal:</b>	<b>To improve and ensure the safety and efficiency of the traffic signal system</b>			
<b>Objective:</b>	<b>To respond to emergency signal service calls within 30 minutes, 98% of the time</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Emergency signal service calls responded to within 30 minutes	98%	98%	98%	98%
Preventative maintenance of traffic signal control cabinets (twice annually)	100%	100%	100%	100%

<b>Related Strategic Issue: Transportation</b>				
<b>Goal:</b>	<b>To meet environmental, storm water, and air quality requirements</b>			
<b>Objective:</b>	<b>1) To keep a minimum of 15,652 streets clean and free of dust and debris; and 2) attain a 77% resident satisfaction rate regarding the cleanliness of City streets</b>			
<b>Measures</b> <i>(Comparative Benchmark)</i>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
<i>Curb miles swept</i>	15,652	15,652	15,652	15,652
Resident satisfaction with cleanliness of City streets*	70%	80%	77%	77%

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

<b>Related Strategic Issue: Transportation</b>				
<b>Goal:</b>	<b>To perform preventive roadway maintenance to extend the life of City streets</b>			
<b>Objective:</b>	<b>1) To maintain and repair a minimum of 46,000 yards of 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</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Square yards repaired	1,626,231	1,325,000	438,917	46,000**
Resident satisfaction with the condition of neighborhood streets*	76%	82%	80%	80%
Resident satisfaction with overall condition of City streets*	74%	81%	80%	80%

\*Measured by the percent of residents that responded with "Very Satisfied" or "Satisfied" in the annual Community Attitude Survey  
 \*\*Due to significant reductions in capital improvement program funding

<b>Related Strategic Issue: Transportation</b>				
<b>Goal:</b>	<b>To provide well-maintained and visible street signs</b>			
<b>Objective:</b>	<b>To attain an 83% resident satisfaction rate regarding the condition and clarity of street signs</b>			
<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Resident satisfaction with overall condition and clarity of street signs*	78%	83%	83%	83%

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



The Water Utilities Department is responsible for: 1) water quality testing and compliance with all environmental regulation; 2) water conservation efforts; 3) Tempe Town Lake operations and hydrology services; 4) water and wastewater treatment; 5) infrastructure maintenance, and; 6) City-wide GIS mapping.

**FY 2010-11 Budget Highlights:**

The approved amount includes the following:

- one GIS position transferred from the General Fund to the Water Fund
- two Custodial and two Groundskeeper positions transferred from the General Fund to the Water Fund
- 1/2 of the budget for an Engineering manager transferred from the General Fund to the Water Fund
- elimination of a Water Utilities Manager position
- elimination of a Deputy Water Utilities Manager position

The approval of additional recurring supplemental funding was also added to the Water/Wastewater Fund as follows:

- \$100,000 for air scrubber chemicals
- \$2,000,000 for additional carbon at the Johnny G. Martinez and South Tempe Water Treatment Plants
- \$250,000 for Kyrene Water Reclamation Facility odor control chemicals

**FY 2010-11 Capital Budget Operating Impacts:**

The department also received additional supplemental funding in the amount of \$160,000 to cover additional costs for electricity, waste disposal and ultraviolet equipment and supplies in connection with Water Quality projects under the Capital Budget.

Expenditure by Type	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Personal Services	\$13,615,002	\$14,434,793	\$12,836,788	\$13,054,041
Supplies and Services	14,982,460	18,697,832	17,291,827	22,654,448
Capital Outlay	440,697	429,706	707,765	784,742
Internal Services	4,581,901	4,363,418	4,359,609	3,678,707
<b>Expenditure Total</b>	<b>\$33,620,060</b>	<b>\$37,925,749</b>	<b>\$35,195,989</b>	<b>\$40,171,938</b>
<b>Per Capita</b>	<b>\$199.37</b>	<b>\$223.34</b>	<b>\$207.27</b>	<b>\$234.92</b>

Authorized Personnel	2008-09 Actual			2009-10 Revised			2010-11 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Water Utilities	141	0.50	1.47	139	1.00	0.49	148		0.49
<b>Total</b>	<b>141</b>	<b>0.50</b>	<b>1.47</b>	<b>139</b>	<b>1.00</b>	<b>0.49</b>	<b>148</b>		<b>0.49</b>

**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 60 cents

Measures <i>(Comparative Benchmark)</i>	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Water Treatment Operating and Maintenance Cost	\$7,452,135	\$7,657,714	\$7,851,420	\$9,460,826
Number of customer accounts	42,500	42,800	43,300	43,500
Total gallons treated (Million Gallons)	11,832	17,900	17,900	17,900
<i>Operating and Maintenance Cost per 1,000 gallons treated</i>	<i>\$0.63</i>	<i>\$0.64</i>	<i>\$0.44</i>	<i>\$0.53</i>
Operating and Maintenance Cost per customer account	\$175.34	\$178.92	\$181.33	\$217.49



**Related Strategic Issue: Public Safety and Neighborhood Quality of Life**

**Goal:** To provide water of the highest quality to all residents

**Objective:** 1) To target 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

<b>Measures</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
Overall resident satisfaction with water service*	91%	90%	85%	90%
Taste and odor complaints	14	<420 (1%)	15	<420 (1%)
Hardness complaints	2	<420 (1%)	7	<420 (1%)
Other complaints	10	<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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# Capital Improvements Budget

**The following section covers the City's Capital Improvements Program, including summary schedules, detailed project descriptions, sources of funds, debt management, and operating budget impacts.**

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# Capital Improvements Budget Contents



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## Capital Improvements Program 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) creation or revitalization of a fixed asset with a minimum useful life of five years; (4) systematic asset acquisition over an extended period of time; and (5) 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.

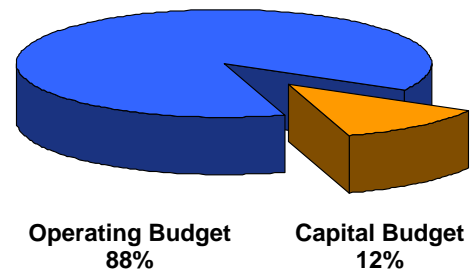
The remaining years within the CIP serve as a guide for future planning and are subject to annual review and modification in subsequent years.

### ANNUAL BUDGET PROGRAM SUMMARY

As shown in the chart below, the City of Tempe's Financial Program for FY 2010-11 totals \$419.7 million. Of this amount, approximately \$48.3 million is for projects included in the Capital Budget.

Comparison of FY 2009-10 and FY 2010-11 Capital Budgets		
Capital Program	FY 2009-10 Budget	FY 2010-11 Budget
<b>Enterprise</b>		
Water	\$31,436,147	\$31,046,338
Wastewater	13,350,000	12,600,000
<b>Special Purpose</b>		
Transit	9,750,000	446,000
Rio Salado	3,225,500	327,000
<b>General Purpose</b>		
Police	2,428,800	890,954
Fire	9,023,863	600,000
Storm Drains	275,000	0
Park Improvements	8,944,875	150,000
General Governmental	5,905,694	1,929,463
<b>Transportation</b>		
Transportation and R.O.W	9,805,341	275,000
Traffic Signals/Street Lighting	2,165,348	0
<b>Total</b>	<b>\$96,310,568</b>	<b>\$48,264,755</b>

FY 2010-11 Total Financial Program	
<b>Operating Budget</b>	<b>\$371.4</b>
<b>Capital Budget</b>	<b>\$ 48.3</b>
<b>Total (\$ millions)</b>	<b>\$419.7</b>





## CIP PROCESS

In September 2009, 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 project submissions were received, a follow-up 'discovery' meeting was held in early December 2009 to discuss changes to previously approved projects and to review new project requests. In the ensuing months, Financial Services staff gathered updated local economic data and held meetings with department managers and other key department representatives to begin sizing the 2010-11 CIP.

Analysis of the more recent economic data, particularly the negative impact the economic downturn has had on local property values, indicated the City's capacity to bond finance capital projects in coming years would be severely compromised (discussed in detail below under CIP Financing). This projection required Financial Services and department representatives to make difficult choices regarding CIP project delays and or cancellations. Once project necessities and available resources were thoroughly evaluated, a balanced five-year capital program was recommended to the City Manager.

On March 25, 2010, the City Council held a public Special Budget Session to examine the recommended capital program including funding sources, debt service implications, operating budget impacts, and project priorities. Recognizing the limited availability of City revenues and financing options resulting from the economic downturn, the City Council held several subsequent meetings in April and May to further evaluate CIP project priorities. The process culminated with Council adoption of the Capital Improvements Program on June 10<sup>th</sup> 2010.

## CAPITAL BUDGET OVERVIEW

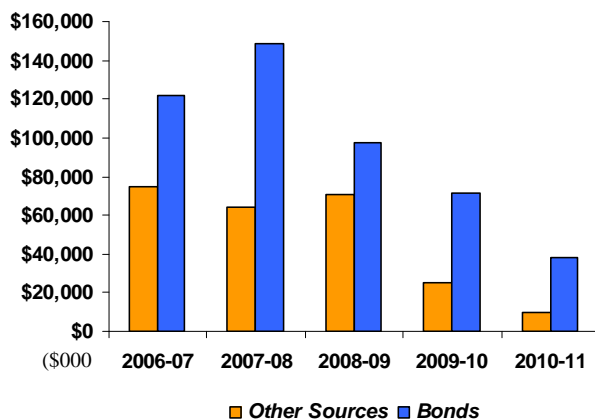
The Capital Budget consists of the following four program areas: Enterprise, General Purpose, Special Purpose, and Transportation projects. The Enterprise program totals \$43.6 million and includes Water and Wastewater projects, which as shown in the table below, account for 90% of the total Capital Budget in FY 2010-11.

The General Purpose program includes Police, Fire, Parks, and General Governmental projects and totals \$3.6 million. The Special Purpose program includes Transit and Rio Salado projects, and represents \$800 thousand or 2%, of funded projects in FY 2010-11.

The Transportation program traditionally includes new funding for a variety of street and sidewalk construction, traffic signals, and lighting projects; however, due to reduced financing capacity, the FY 2010-11 program includes only one (1) project which amounts to less than 1% of the Capital Budget.

FY 2010-11 CIP by Program		
	\$ Millions	% of Total
Enterprise	43.6	90%
General Purpose	3.6	7%
Special Purpose	.8	2%
Transportation	.3	1%
<b>Total</b>	<b>\$48.3</b>	

**CIP Funding Source Comparison - Last Five Years**



## CAPITAL IMPROVEMENTS PROGRAM FINANCING

As shown in the chart on the left, Tempe's capital program has historically been funded through a combination of bonds and other sources, including pay-as-you-go financing, outside revenues, grants and capital project fund balances.

The availability of these various revenue sources and the capacity to use them are principal factors in determining the overall size of each annual Capital Budget and has contributed to the decreasing size of the Capital Budget over the past three years for various reasons.

Because FY 2008-09 included the final phase of large appropriations of City transit tax and federal grants as the main funding sources for the completion of the



City's share of the metropolitan Light Rail system, CIP funding sources other than bonds saw a sharp decline between FY 2008-09 and 2009-10. Bond appropriations between the same two years also decreased as a result of project progress and completions in the Enterprise Program which translated into declining funding requirements.

The most significant factor decreasing FY 2010-11 capital funding availability, and the overall size of the Capital Budget, is the steep decline in local property values resulting from the economic downturn. The City estimates property values will have declined 35% over three years as of FY 2010-11. As a result, property tax collections in FY 2010-11 are anticipated to decrease \$3 million from FY 2009-10; falling from \$25.2 million to \$22.2 million. Additionally, due to an approximate two year lag between when property is valued, and when property tax is collected based on that value, annual property tax revenue collections are projected to continue to decrease to approximately \$13.5 million in FY 2012-13.

Since the majority of property tax revenue the City collects is the source of funding used to pay debt service on bonds, the City's ability to bond finance new projects under the General Governmental and Transportation Programs in FY 2010-11 is critically diminished. This is the primary reason the FY 2010-11 Capital Budget is 50% smaller than the Capital Budget in FY 2009-10.

In contrast, the City maintains the capacity to issue bonds to finance ongoing and new projects under the Enterprise Program because the funding source used to pay debt service on these bonds is revenue collected from user fees for water and wastewater services; not property tax revenue. Of the \$38.4 million in general obligation bonds shown in the table to the right, only \$1.6 million is appropriated to finance projects under the General Governmental Program; the remainder is for water and wastewater projects.

FY 2010-11 Sources of Funds		
	\$ Millions	% of Total
General Obligation Bonds	\$38.4	79%
Capital Projects Fund Balance	7.8	16%
Outside Revenue	1.7	4%
Pay-as-You-Go Financing	.4	1%
<b>Total</b>	<b>\$48.3</b>	

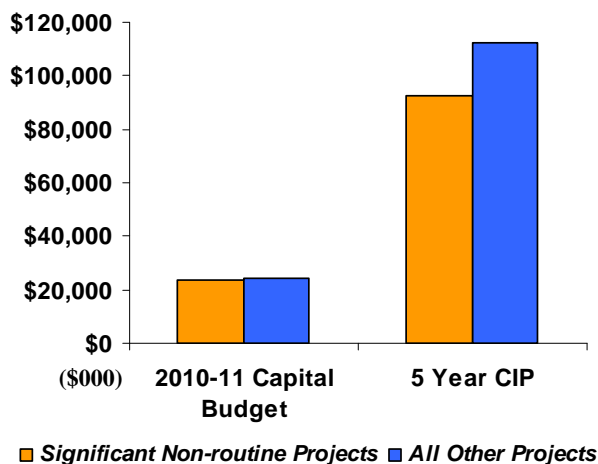
FY 2010-11 Capital Budget funding sources other than bonds total \$10 million which is approximately 60% less than were appropriated in FY 2009-10. This year over year decrease is almost solely attributable to reduced receipts and associated appropriations of federal grants and other outside revenue. Due to tremendous economy related Operating Budget problems faced over the last two years, pay-as-you-go financing remains anemic.

The FY 2010-11 funding sources are identified 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.

**CAPITAL BUDGET PROJECT COMPOSITION and HIGHLIGHTS**

The total 5 year CIP provides for 49 projects within the four major program areas discussed in the CIP Overview. Out of the 49 projects, nine projects totaling \$92,803,780 are considered to be significant and non-routine.

**Three of 32 Projects Account for 50% of the FY 2010-11 Capital Budget**



The adopted FY 2010-11 Capital Budget provides appropriations for 32 projects; 3 of which are considered significant and non-routine and total \$23,894,780. The other 6 major projects are planned for construction in the out years of the 5 year CIP.

These major projects and associated funding sources are listed separately on page 197 for reference in the Operating Impacts section of this document, and are also listed under their respective program area in the complete CIP project listings and descriptions section.

The City considers projects requiring significant non-routine capital expenditures to be projects that are typically "one time" in nature and involve the construction or expansion of new facilities or City infrastructure, or extensive renovation of existing facilities.

All other projects included in the CIP provide for periodic, ongoing or routine expenditures to maintain and repair City's facilities, water infrastructure, streets, and parks; and for the gradual replacement of various capital assets.



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***Below are project highlights from the Capital Budget for FY 2010-11:***

**Enterprise Program**

**City Water system projects (\$31 million) including:**

- Continued bond funding for required water quality improvements to meet current and future water quality regulations at the South Tempe Water Treatment Plant (STWTP) (\$18.7 million)
- Continued bond funding for the design and construction of a new Environmental Laboratory Facility (\$5 million).

**City Wastewater system projects (\$12.6 million) including:**

- Continued bond funding for 91<sup>st</sup> Avenue Wastewater Treatment Plant capacity expansion (\$12.5 million)

**General Purpose Program**

**Funding for the City's Police and Fire Protection Programs (\$1.5 million) including:**

- Continued bond funding for the Police / City Radio System Replacement (\$890 thousand)
- Continued bond funding for the Fire Department's federally mandated radio conversion to 800 Megahertz. (\$600 thousand)

**Funding for the General Governmental Program (\$1.9 million) including:**

- Continued bond funding to complete the Tempe Public Library renovation (\$115 thousand)
- Continued pay-as-you go funding for the Municipal Arts Program (\$440 thousand)
- Continued pay-as-you go funding for the repair, replacement and maintenance of various City facilities (\$510 thousand)
- New federal grant funding to enhance the City's Energy Conservation Program (\$375 thousand)

**Special Purpose Program**

**Funding for the Transit program (\$446 thousand) including:**

- New federal grant funding for the design and construction of a new section of the Tempe Rio Salado multi-use path system (\$446 thousand)

**Funding for the Rio Salado Program (\$327 thousand) including:**

- Continued funding to complete repairs to the Town Lake's downstream dam area as required by Arizona Department of Water Resources (\$227 thousand).

**DEBT MANAGEMENT PLAN**

In addition to the management of existing debt and associated reserves, the City also forecasts future debt within a framework of policy priorities and financial capacity. Current and anticipated capital improvement objectives, available operating revenue, tax base fluctuations, and reserve levels are all evaluated on an ongoing basis to estimate the extent to which the City may issue additional tax supported debt.

This active debt management ensures the City can efficiently analyze information such as declining property tax revenues and assess the long term implications for our debt portfolio in order to make proactive decisions about how much new debt capacity is available today.



Debt management led to the decision to dramatically reduce the FY 2010-11 Capital Budget as projections indicated our current debt portfolio does not have the capacity to take on new property tax supported debt service. Consequently, in accordance with the City's debt management projections, the five year Capital Improvements Program allows for only \$5.8 million of new property tax supported debt through FY 2014-15. The City will continue to monitor this condition as the economy improves.

<b><i>Fitch</i></b>	<b>AAA</b>
<b><i>Moody's</i></b>	<b>Aaa</b>
<b><i>Standard &amp; Poor's</i></b>	<b>AAA</b>

Debt management is also a key financial practice contributing to the maintenance of the City's favorable bond ratings. Tempe's current G.O. bond ratings are shown below.

Notable is the recent May 2010 upgrade in Moody's rating of the City's creditworthiness from Aa1 to Aaa. The AAA rating from each rating agency is the highest credit rating possible 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 continue to be carefully composed to ensure the City's capital needs are met in a timely fashion while ensuring the City maintains financial stability.

## Capital Budget Impact on the Operating Budget



Though the City of Tempe prepares a Capital Budget separate from the Operating Budget, the two budgets are linked. These links include ongoing operating, maintenance and repair costs associated with new or renovated facilities and infrastructure, debt service payments for new debt financed projects, and pay-as-you-go financing from operating revenues. CIP projects also often necessitate the addition of new personnel / positions required to staff or maintain new buildings or outdoor recreational areas. On the other hand, CIP projects may produce new revenue streams in the form of fees paid for the use of new or expanded facilities, or new operating revenue generated from infrastructure enhancements that promote new economic development and activity within the City.

As part of each annual CIP development process, departments are asked to identify those capital projects that have an impact on the operating budget, and quantify the impact in terms of operations and maintenance, and / or new revenue.

To facilitate this process, and in an effort to ensure accuracy, departments are provided designated staff contacts in relevant partner departments who serve as expert consultants regarding various operating costs that may be associated with a specific project.

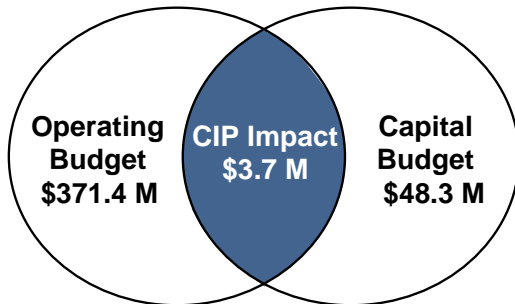
Examples of these department consultants include a *Sr. Civil Engineer*, a *Deputy Parks and Recreation Director*, the *Vehicle Fleet Administrator*, *Facilities Maintenance* and *Custodial Services Administrators*, and an *Information Technology Analyst*. Through consultation with these personnel, departments identify CIP project operating impacts such as new annual costs associated with building maintenance, electricity, and landscape maintenance.

Departments are also provided an annual "Price Guide" which details the price / cost of equipment and associated ongoing usage which may be purchased to support a new CIP project. A few examples of equipment and associated usage costs included in the annual Price Guide are shown to the right.

Excerpts From FY 2010-11 Price Guide	
<b>• Telephones</b>	
Single Line Telephone	\$144
Multi-line display phone	\$595
Base telephone service	\$240
Long distance calling	\$132 - \$252
<b>• Portable Radio (5 year life)</b>	
Annual maintenance	\$3,004
<b>• Personal Computer with 17" monitor (4 year life)</b>	
Annual maintenance	\$600
Annual maintenance	\$1,100
Annual maintenance	\$275
<b>• Desk 30" x 60"</b>	
Annual maintenance	\$745
<b>• Chair, ergonomic, executive</b>	
Annual maintenance	\$545 - \$715
<b>• Paving Machine</b>	
Fuel	\$170,000
Annual maintenance	\$1,907
Annual maintenance	\$3,905
<b>• Riding Rotary Lawn Mower</b>	
Fuel	\$29,700
Annual maintenance	\$1,191
Annual maintenance	\$2,610
<b>• Patrol Car</b>	
Fuel	\$34,000
Annual maintenance	\$5,040
Annual maintenance	\$3,870
<b>• Truck, pickup, 3/4 ton</b>	
Fuel	\$26,500
Annual maintenance	\$1,638
Annual maintenance	\$1,727

### CAPITAL BUDGET INCREMENTAL IMPACT ON THE FY 2010-11 OPERATING BUDGET

As shown in the diagram below and the table on the following page, the incremental impact of the FY 2010-11 Capital Budget on the Operating Budget totals \$3.7 million.



Due to the severe adverse impact the economy has had on the City's Operating Budget, the City continued to engage in extensive Operating Budget balancing efforts throughout FY 2009-10. This process not only coincided with the Capital Budget development process, but had a direct influence on the extent to which additional operating budget impacts from capital projects could be considered. This translated into whether or not a particular capital project could / would be approved based on whether or not it entailed additional operating budget impacts.

Just as important in determining which projects would be approved for inclusion in the FY 2010-11 CIP was the negative effect the economy had on property tax revenue collections (as discussed earlier under CIP Financing) and the projected negative impact those declining revenues will have on the City's ability to bond finance projects.



The combination of the stress the economic downturn caused to the City's Operating Budget, along with reduced property tax revenue projections, resulted in the approval of very few new CIP projects with related operating budget impacts, except under the Enterprise CIP program. As is mentioned earlier, bonds used to finance the Enterprise program, consisting solely of water and wastewater projects, are repaid with user fees collected for water and wastewater services provided by the City; not property tax revenue. Similarly, because the Water Utilities Division of the Public Works Department conducts an annual update to its long range Utilities Rate Study, projected increases to operating and debt service costs are factored into, and paid for with future utility rate increases.

Accordingly, as summarized in the chart to the right, with the exception of a relatively small amount of debt service budgeted to support a modest amount of planned property tax supported bonds to pay for new projects under the General Purpose CIP program, all new FY 2010-11 CIP operating impacts are budgeted in the Water / Wastewater Fund (W / WW).

Incremental Impact of Capital Budget on Operating Budget	
	FY 2010-11
<b>New Debt Service</b>	
Enterprise	\$2,940,600
General Purpose	128,870
<b>New Operations and Maintenance</b>	
Water / Wastewater Fund	160,000
<b>New Pay-As-You-Go Financing</b>	
Water / Wastewater Fund	436,463
<b>Total</b>	<b>\$3,665,933</b>

The table below lists the projects with identified FY 2010-11 operating impacts by major CIP Program area. The table also shows that none of the projects are expected to produce new revenues or new expenditure reductions, and do not require new positions.

It is worth noting that there are no Capital Budget appropriations for the Johnny G. Martinez Water Treatment Plant (JGMWTP) Water Quality Upgrades project in FY 2010-11 (please see the complete Project Listings and Descriptions section). This project received just over \$9 million in appropriations in FY 2009-10, and due to ongoing project progress, this project is not projected to require additional funding until FY 2011-12. The new FY 2010-11 operating budget appropriations were requested to cover additional costs for electricity, waste disposal and ultraviolet equipment, also associated with ongoing project progress.

The South Tempe Water Treatment Plant (STWTP) Improvements project received its first year (\$7.3 million) of Capital Budget appropriations in FY 2009-10, and is appropriated an additional \$18.7 million in FY 2010-11, and \$2.5 million in appropriations are projected for FY 2011-12. The FY 2010-11 operating budget appropriation shown below is provided to address increased electricity costs.

Although the JGMWTP and STWTP projects are both considered major and non-routine, the budgeted operating impacts are anticipated to become permanent. Additional projected operating budget impacts associated with these projects are discussed below in the Future Operating Impacts section along with all other capital projects that are anticipated to have impacts on future operating budgets.

FY 2010-11 Operating and Maintenance, and Pay-As-You-Go Impacts by CIP Project							
Program and Project Name	Fund	Total Cost	Cost Category	New Revenue	Expenditure Reductions	Net Fiscal Effect	FTE
<b>Enterprise</b>							
JGMWTP Water Quality Upgrades*	W / WW	\$110,000	Supplies and Services	-	-	\$110,000	-
STWTP Improvements*	W / WW	50,000	Supplies and Services	-	-	50,000	-
<b>General Purpose</b>							
Municipal Arts program	W / WW	436,463	Supplies and Services	-	-	436,463	-
<b>Total Operating Impacts</b>		<b>\$596,463</b>		<b>\$0</b>	<b>\$0</b>	<b>\$596,463</b>	<b>0</b>

\*Indicates project designated as significant non-routine.

Finally as shown above, it should be noted that while the Municipal Arts Program is a project included under the General Purpose CIP Program, it is funded with Pay-As-You-Go financing from the Water / Wastewater Fund. Per City Council direction, the Water / Wastewater Fund contributes annual funding equal to 1% of the combined total dollar amount of all water and wastewater projects in each new fiscal year's Capital Budget. As such, the annual contribution is not a recurring, cumulative operating budget impact, but rather is determined by the amount of the annual Enterprise Program Capital Budget. The anticipated future annual Water / Wastewater Fund contributions to the Municipal Arts Program are also shown in the next section.



## FUTURE OPERATING BUDGET IMPACTS

In addition to current year operating budget 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. Since the City Council only formally adopts Operating and Capital Budgets on an annual basis, the 'out-year' impacts 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 below, a total of five CIP projects are projected to produce \$3 million in operating budget impacts between FY 2011-12 and FY 2014-15. With the exception of the Water / Wastewater Fund annual contribution to the Municipal Arts Program, the operating budget amounts associated with each project represent new incremental recurring / permanent operating costs in addition to the current appropriated budget. Notably, the operating impacts are all projected to occur in the Water / Wastewater Fund, and as mentioned earlier, will be built into and paid for by the City's water and wastewater user rates.

Capital Improvements Plan Net Operating Impact Forecast: FY 2011-12 to FY 2014-15							
Program and Project Name	Fund	Cost Category	2011-12	2012-13	2013-14	2014-15	Total
<b>Enterprise</b>							
Environmental Laboratory Facility*	W / WW	Supplies and Services	-	(285,000)	-	-	(285,000)
JGMWTP Water Quality Upgrades*	W / WW	Supplies and Services	-	-	885,000	-	885,000
STWTP Security Lighting	W / WW	Supplies and Services	-	10,000	-	-	10,000
STWTP Water Quality Improvement*	W / WW	Supplies and Services	875,000	250,000	-	-	1,125,000
<b>General Purpose</b>							
Municipal Arts program	W / WW	Supplies and Services	234,890	364,140	194,680	241,048	1,034,758
<b>Total Operating Impacts</b>			<b>\$1,109,890</b>	<b>\$339,140</b>	<b>\$1,079,680</b>	<b>\$241,048</b>	<b>\$2,769,758</b>

\*Indicates project designated as significant non-routine.

Among the five projects, three are considered to be significant non-routine projects and are projected to produce 62% or \$1.7 million of the total estimated future operating budget impacts. Please see page 197 for a list of all significant non-routine projects and associated funding sources, and the complete CIP Project Listings and Descriptions section for additional project detail.

The water quality enhancement projects at the JGMWTP and STWTP are the primary drivers of the future operating budget impacts shown above. The projected operating budget increases will provide for anticipated future requirements for additional chemicals, increasing electricity costs, and additional waste disposal costs all to support the plants' expanded water treatment operations.

As reflected in the table above, the operating budget impacts associated with the construction of the new Environmental Laboratory Facility are estimated to generate a net savings to the Water / Wastewater Fund. Although the current laboratory operating budget will transfer to the new lab once it is complete, water utilities staff estimate annual replacement costs for lab supplies will increase by \$15,000 over and above annual costs at the current facility. On the other hand, water utilities staff predict new technology and equipment at the new facility will allow the department to save approximately \$300,000 annually because more water testing will be performed "in house" rather than by outside laboratories. As a result, the combined operating impacts associated with the project are expected to decrease the annual operating budget by \$285,000.

It is worth noting that in FY 2008-09 an additional chemist position was added in anticipation of the new lab. Annual personnel costs associated with that position have been included in the operating budget since then.

Lastly, the anticipated operating budget increase for the STWTP Security Lighting project will provide annual funding for additional equipment repair and replacement costs associated with additional lighting structures.



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## **CAPITAL BUDGET EXPENDITURES IMPACT ON CITY SERVICES**

Inherent within the CIP is the 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 and routine 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. Service impacts associated with significant non-routine capital projects included in the 5 year CIP, which are listed on the following page, are discussed below under their respective major program area.

### **Enterprise Program**

- The Environmental Laboratory project and Johnny G. Martinez and South Tempe Water Treatment Plant projects will ensure the City's water quality is treated and tested in compliance with current and future environmental regulation under the U.S. Safe Drinking Water Act. According to the City's 2009 Community Attitude Survey, the City's ability to supply reliable, high quality domestic water to its residents resulted in a 85% resident satisfaction rating which is 17% above the national average of 68%.
- The Water Quality Enhancements to the Water Transmission Grid is a fourth project under the Enterprise Program which will help to ensure the delivery of safe high quality water to residents. This project will reduce horizontal water main storage that is prone to development of disinfection byproducts. As a result, the length of time between water disinfection and customer use will be shortened, which significantly improves disinfection byproduct levels.

### **Special Purpose Program**

- I-10 and Alameda Drive Bicycle and Pedestrian Crossing - This project will construct a non-motorized, east-west bicycle and pedestrian bridge over the I-10 Freeway which will essentially connect the Cities of Tempe and Phoenix. The bridge will provide a much-needed link between residential developments and employment destinations by shortening the commute for bicyclists heading to the employment areas, as well as downtown Tempe and Arizona State University.
- Town Lake Rubber Dam Replacement - Tempe Town Lake is a major element of the City's identity, and residents enjoy the many activities and events that take place around the lake throughout the year. Replacement of the lake's dam(s) represents a major investment in the sustainability of this important attraction and ensures the lake will remain a pleasant and safe leisure opportunity destination for residents into the future.

### **General Purpose Program**

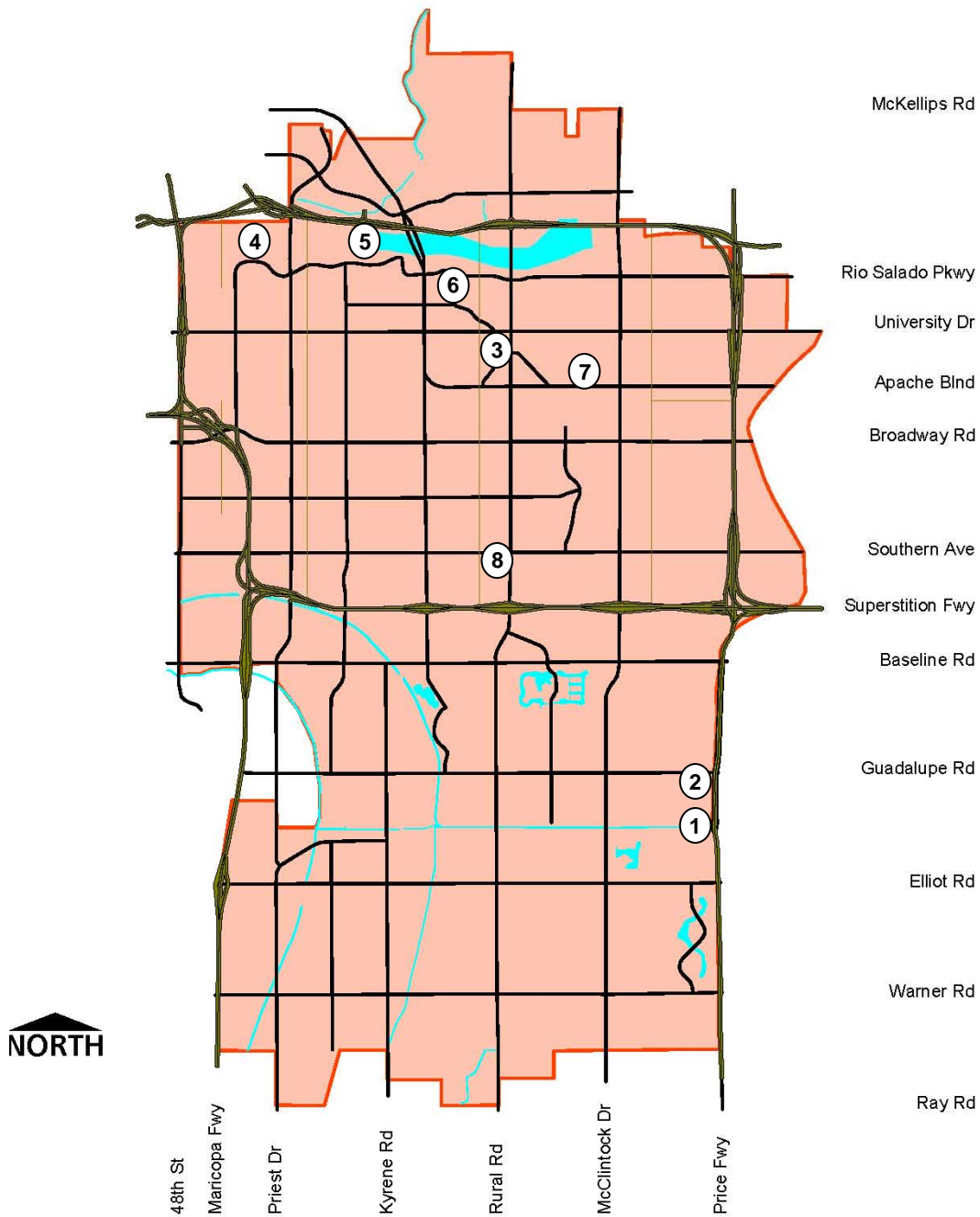
- Tempe Public Library Renovation - The FY 2010-11 Capital Budget includes the last of three years of funding for this project totaling \$8 million. This project will substantially upgrade the library's computer system which will increase computer availability, speed up resident access to information, 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. The project also included a new children's library.

# Significant Non-Routine Capital Project Expenditures by Major Program



Project Name	Funding Source	2010-11	Additional Projected Needs				Total 5-Year Program
		Funded Program	2011-12	2012-13	2013-14	2014-15	
<b>Enterprise Program</b>							
Environmental Laboratory Facility	General Obligation Bonds	5,059,780	540,000	-	-	-	5,599,780
JGMWTP Water Quality Upgrades	General Obligation Bonds	-	300,000	-	-	-	300,000
	Excise Tax Bonds	-	-	6,080,000	-	-	6,080,000
	<b>Project Total</b>	-	300,000	6,080,000	-	-	6,380,000
STWTP Improvements	General Obligation Bonds	15,220,000	1,980,000	-	-	-	17,200,000
	Capital Projects Fund Balance	3,000,000	-	-	-	-	3,000,000
	Development Fees	500,000	500,000	-	-	-	1,000,000
	<b>Project Total</b>	18,720,000	2,480,000	-	-	-	21,200,000
Undergrounding of the Water Aqueduct at the JGMWTP	Excise Tax Bonds	-	-	-	2,107,000	-	2,107,000
Water Quality Enhancements of the Water Transmission Grid	General Obligation Bonds	-	2,725,000	-	-	-	2,725,000
	Excise Tax Bonds	-	-	1,725,000	-	-	1,725,000
	<b>Project Total</b>	-	2,725,000	1,725,000	-	-	4,450,000
Southern Avenue Interceptor (SAI) Rehabilitation	General Obligation Bonds	-	292,000	-	-	-	292,000
	Excise Tax Bonds	-	-	5,550,000	-	-	5,550,000
	City of Mesa	-	292,000	5,550,000	-	-	5,842,000
	<b>Project Total</b>	-	584,000	11,100,000	-	-	11,684,000
<b>Total Enterprise Program</b>		<b>23,779,780</b>	<b>6,629,000</b>	<b>18,905,000</b>	<b>2,107,000</b>	<b>-</b>	<b>51,420,780</b>
<b>Special Purpose Program</b>							
I-10 and Alameda Drive Bicycle and Pedestrian Crossing	Federal Grants	-	-	-	1,200,000	-	1,200,000
	Transit Tax	-	-	-	68,000	-	68,000
	<b>Project Total</b>	-	-	-	1,268,000	-	1,268,000
Town Lake Rubber Dam Replacement	Mondrian Agreement	-	2,000,000	960,000	7,040,000	-	10,000,000
	Federal Grants	-	2,480,000	-	20,000,000	7,520,000	30,000,000
	<b>Project Total</b>	-	4,480,000	960,000	27,040,000	7,520,000	40,000,000
<b>Total Special Purpose Program</b>		<b>-</b>	<b>4,480,000</b>	<b>960,000</b>	<b>28,308,000</b>	<b>7,520,000</b>	<b>41,268,000</b>
<b>General Purpose Program</b>							
Tempe Public Library Renovation	General Obligation Bonds	115,000	-	-	-	-	115,000
<b>Total General Purpose Program</b>		<b>115,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,000</b>
<b>Total All Programs</b>		<b>23,894,780</b>	<b>11,109,000</b>	<b>19,865,000</b>	<b>30,415,000</b>	<b>7,520,000</b>	<b>92,803,780</b>

The nine significant non-routine projects above account for 45% of the City's total \$205 million five year Capital Improvements Program. Because major non-routine projects often translate into an increase in services required to support new or expanded facilities, or new or expanded City programs, they often translate into increased operations and maintenance costs which impact the City's Operating Budget. As discussed earlier, the operations and maintenance budget in the City's Water / Wastewater Fund is estimated to permanently increase by an estimated \$1.9 million over the next five years as a result of the first three projects listed above in the Enterprise Program.



Location	Project Description
1.	South Tempe Water Treatment Plant Improvements
2.	Environmental Laboratory Facility
3.	Water Line Upgrade / Replacement on Rural Rd. (University - Apache)
4.	Rio Salado Multi-use Path: Tempe – Phoenix (Priest Drive to SR 143)
5.	Town Lake Downstream Dam Repairs - ADWR
6.	Police / City Radio System Replacement
7.	Fire Radio Replacement for Conversion to 800 MHZ
8.	Tempe Public Library Renovation

## Capital Improvements Program Summary



Program	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
		2011-12	2012-13	2013-14	2014-15	
<b>Enterprise Program</b>						
Water	31,046,338	8,255,001	11,114,001	7,218,000	6,687,000	64,320,340
Wastewater	12,600,000	15,234,000	25,300,000	12,250,000	17,417,800	82,801,800
<b>Total Enterprise</b>	<b>43,646,338</b>	<b>23,489,001</b>	<b>36,414,001</b>	<b>19,468,000</b>	<b>24,104,800</b>	<b>147,122,140</b>
<b>Special Purpose Program</b>						
Transit	446,000	530,000	1,220,000	2,462,000	-	4,658,000
Rio Salado	327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000
<b>Total Special Purpose</b>	<b>773,000</b>	<b>5,010,000</b>	<b>2,180,000</b>	<b>29,502,000</b>	<b>7,520,000</b>	<b>44,985,000</b>
<b>General Purpose Program</b>						
Police	890,954	1,053,267	879,604	861,316	900,000	4,585,141
Fire	600,000	-	-	-	-	600,000
Park Improvements	150,000	-	-	-	-	150,000
Community Relations	250,000	-	-	-	-	250,000
Community Services	551,463	234,890	364,140	194,680	241,048	1,586,221
Community Development	-	-	-	200,000	1,323,000	1,523,000
Public Works	1,028,000	535,828	-	-	-	1,563,828
Water Utilities	100,000	-	-	-	-	100,000
<b>Total General Purpose</b>	<b>3,570,417</b>	<b>1,823,985</b>	<b>1,243,744</b>	<b>1,255,996</b>	<b>2,464,048</b>	<b>10,358,190</b>
<b>Transportation Program</b>						
Transportation and R.O.W.	275,000	-	-	1,582,400	-	1,857,400
Traffic Signals / Street Lighting	-	425,000	350,000	-	-	775,000
<b>Total Transportation</b>	<b>275,000</b>	<b>425,000</b>	<b>350,000</b>	<b>1,582,400</b>	<b>-</b>	<b>2,632,400</b>
<b>Total General / Transportation</b>	<b>3,845,417</b>	<b>2,248,985</b>	<b>1,593,744</b>	<b>2,838,396</b>	<b>2,464,048</b>	<b>12,990,590</b>
<b>TOTAL PROGRAM</b>	<b>48,264,755</b>	<b>30,747,986</b>	<b>40,187,745</b>	<b>51,808,396</b>	<b>34,088,848</b>	<b>205,097,730</b>

## Capital Improvements Program Source of Funds



Program	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
		2011-12	2012-13	2013-14	2014-15	
<b>Enterprise Supported</b>						
<b>Water/Wastewater</b>						
General Obligation Bonds	36,646,338	22,197,001	2,400,000	-	-	61,243,339
Excise Tax Bonds	-	-	27,464,001	18,468,000	23,104,800	69,036,801
Capital Projects Fund Balance	6,000,000	-	-	-	-	6,000,000
Development Fees	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
City of Mesa	-	292,000	5,550,000	-	-	5,842,000
<b>Total Enterprise Supported</b>	<b>43,646,338</b>	<b>23,489,001</b>	<b>36,414,001</b>	<b>19,468,000</b>	<b>24,104,800</b>	<b>147,122,140</b>
<b>Special Purpose</b>						
<b>Transit</b>						
Capital Project Fund Balance	46,000	-	-	-	-	46,000
Federal Grants	400,000	287,000	1,100,000	2,394,000	-	4,181,000
Transit Tax Revenues	-	243,000	120,000	68,000	-	431,000
Total Transit	446,000	530,000	1,220,000	2,462,000	-	4,658,000
<b>Rio Salado</b>						
Capital Improvements Reserve	327,000	-	-	-	-	327,000
Mondrian Agreement	-	2,000,000	960,000	7,040,000	-	10,000,000
Federal Grants	-	2,480,000	-	20,000,000	7,520,000	30,000,000
Total Rio Salado	327,000	4,480,000	960,000	27,040,000	7,520,000	40,327,000
<b>Total Special Purpose</b>	<b>773,000</b>	<b>5,010,000</b>	<b>2,180,000</b>	<b>29,502,000</b>	<b>7,520,000</b>	<b>44,985,000</b>
<b>General Purpose &amp; Transportation</b>						
General Obligation Bonds	1,605,954	1,173,267	916,604	90,197	-	3,786,022
Unauthorized G.O. Bonds	-	-	70,000	1,061,316	900,000	2,031,316
Capital Projects Fund Balance	425,000	-	-	-	-	425,000
Capital Improvements Reserve	1,038,500	196,328	-	-	-	1,234,828
WWW Fund	436,463	234,890	364,140	194,680	241,048	1,471,221
Federal Grants	339,500	644,500	243,000	1,492,203	1,323,000	4,042,203
<b>Total General / Transportation</b>	<b>3,845,417</b>	<b>2,248,985</b>	<b>1,593,744</b>	<b>2,838,396</b>	<b>2,464,048</b>	<b>12,990,590</b>
<b>TOTAL PROGRAM</b>	<b>48,264,755</b>	<b>30,747,986</b>	<b>40,187,745</b>	<b>51,808,396</b>	<b>34,088,848</b>	<b>205,097,730</b>

## Capital Budget Strategic Focus

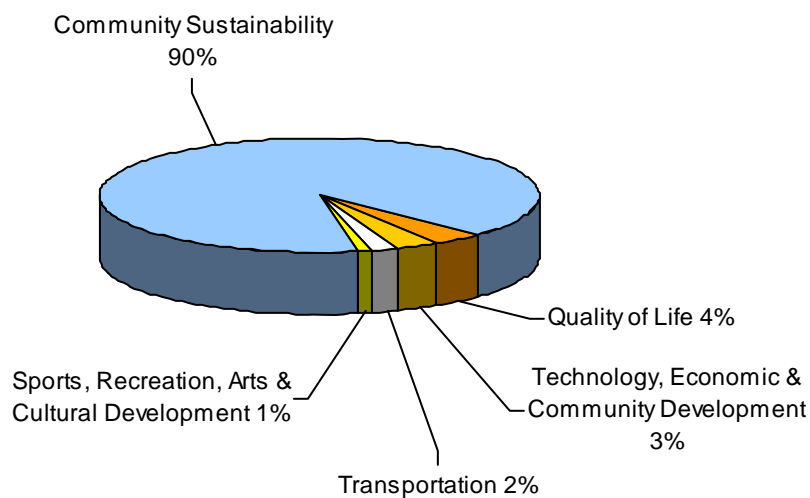


The City establishes strategic issues, goals, and objectives to provide long range focus for resource allocation choices. The strategic issues, goals, and objectives are aligned to Council and community committees as follows:

- Community Sustainability
- Education Partnerships
- Housing
- Mill & Lake District
- Neighborhood Parks Rehabilitation & Maintenance
- Quality of Life
- Sports, Recreation, Arts & Cultural Development
- Technology, Economic & Community Development
- Transportation

The objective of each strategic 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 towards those strategic goals. Detailed descriptions of each committee and their respective strategic focus are presented on page 44.

The FY 2010-11 Capital Program organized by strategic issue is shown in the chart.



Because of the limiting effect the economy has had on the City's capital finance options other than in the Enterprise Program, the FY 2010-11 Capital Budget is almost entirely centered on water and wastewater projects.

Water and wastewater projects fall under the strategic area of Community Sustainability, and as such they dominate all CIP projects by strategic concentration. This is representative of the City's continuing reinvestment in water and sewer infrastructure to support new and existing development.

The Quality of Life strategic area is mainly represented by projects under the General Governmental Program that address the maintenance and appearance of City facilities and neighborhoods.

Continued capital investment in the Police and Fire Departments' radio systems contribute to the Technology, Economic & Community Development strategic area; and continued pay-as-you-go funding for the Municipal Arts program supports the City's focus on Sports, Recreation, Arts & Cultural Development.

## Capital Improvements Changes in Fund Balances



Program	Estimated Fund Bal. 06-30-10	Transfers from Other Funds	Outside Revenue	Bond Proceeds	Appropriation	Estimated Fund Bal. 06-30-11
<b>Enterprise</b>						
Water/Wastewater	9,650,700	-	1,000,000	36,646,338	43,646,338	3,650,700
<b>Subtotal Enterprise</b>	<b>9,650,700</b>	<b>-</b>	<b>1,000,000</b>	<b>36,646,338</b>	<b>43,646,338</b>	<b>3,650,700</b>
<b>Special Purpose</b>						
Transit	140,500	-	400,000	-	446,000	94,500
Rio Salado	(40,300)	327,000	-	-	327,000	(40,300)
<b>Subtotal Special Purpose</b>	<b>100,200</b>	<b>327,000</b>	<b>400,000</b>	<b>-</b>	<b>773,000</b>	<b>54,200</b>
<b>General Purpose</b>						
Police Protection	36,490	-	-	890,954	890,954	36,490
Fire Protection	-	-	-	600,000	600,000	-
Park Improvements	156,000	-	-	-	150,000	6,000
General Governmental	(472,450)	1,474,963	339,500	115,000	1,929,463	(472,450)
<b>Subtotal General Purpose</b>	<b>(279,960)</b>	<b>1,474,963</b>	<b>339,500</b>	<b>1,605,954</b>	<b>3,570,417</b>	<b>(429,960)</b>
<b>Transportation</b>						
Transp. & R.O.W. Improvements	421,300	-	-	-	275,000	146,300
Traffic Signals/Street Lighting	18,500	-	-	-	-	18,500
<b>Subtotal Transportation</b>	<b>439,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275,000</b>	<b>164,800</b>
<b>Total Program</b>	<b>\$9,910,740</b>	<b>\$1,801,963</b>	<b>\$1,739,500</b>	<b>\$38,252,292</b>	<b>\$48,264,755</b>	<b>\$3,439,740</b>



## 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 improvements 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 City may also issue general obligation bonds for any purpose up to an amount not exceeding 6% of the secondary assessed value.
- 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 any purpose up to an amount not exceeding 6% of the secondary assessed value. Bonds issued under the 20% limit are subject to authorization by a majority vote at a city bond election.

### FY 2010-11 Bonded Debt Limits July 1, 2010

	FY 2010-11	
	6%	20%
Bond Limit <sup>(1)</sup>	\$ 150,779,728	\$ 502,599,094
Outstanding Bonded Debt-Previously Issued	(8,215,000)	(469,627,545)
Proposed Bonds to be Sold in FY 2010-11		
Water/Wastewater	36,646,338	-
Park Improvements	-	-
Public Safety / Law Enforcement	-	890,954
Fire and Emergency Services	-	600,000
Transportation	-	-
Community Services	115,000	-
<b>Debt Margin Available</b>	<b>\$ 105,803,390</b>	<b>\$ 31,480,595</b>

<sup>(1)</sup> The FY 2010-11 Bond Limit is based upon an estimated secondary assessed value of \$2,512,995,468 compared to the FY 2009-10 secondary assessed value of \$2,767,488,865.

## Long-Term Debt Summary



	Original Authorization	Prior Issues	2010-11 Issue	Remaining Authorization
<b>2006 Program</b>				
Water / Wastewater	172,000,000	172,000,000	-	-
Police Protection	14,000,000	14,000,000	-	-
Fire Protection	2,500,000	1,620,000	600,000	280,000
Community Services / Park Improvements / Library	14,000,000	14,000,000	-	-
Streets / Transportation	8,000,000	7,765,000	-	235,000
<b>Subtotal</b>	<b>210,500,000</b>	<b>209,385,000</b>	<b>600,000</b>	<b>515,000</b>
<b>2008 Program</b>				
Water / Wastewater	113,300,000	52,025,302	36,646,338	24,628,360
Police Protection	10,900,000	5,855,000	890,954	4,154,046
Fire Protection	21,110,000	-	-	21,110,000
Community Services / Park Improvements / Library	51,800,000	14,910,000	115,000	36,775,000
Streets / Transportation / Storm Drains	44,200,000	75,000	-	44,125,000
<b>Subtotal</b>	<b>241,310,000</b>	<b>72,865,302</b>	<b>37,652,292</b>	<b>130,792,406</b>
<b>TOTAL</b>	<b>\$451,810,000</b>	<b>\$282,250,302</b>	<b>\$38,252,292</b>	<b>\$131,307,406</b>

## Long-Term Outstanding Debt Summary

	June 30			
	2007	2008	2009	2010
<b>General Obligation Bonds</b>				
Water / Wastewater	\$243,265,000	\$282,520,000	\$285,735,000	\$305,177,545
Police Protection	29,255,000	32,085,000	43,675,000	49,120,000
Fire Protection	8,855,000	8,695,000	11,010,000	10,785,000
Storm Drains	3,970,000	3,775,000	3,600,000	3,495,000
Park Improvements	25,665,000	27,575,000	32,960,000	36,688,500
Library/Museum	1,455,000	1,395,000	4,940,000	11,721,500
Streets/Transportation	47,300,000	51,550,000	60,080,000	60,855,000
<b>Total G.O. Debt Outstanding</b>	<b>359,765,000</b>	<b>407,595,000</b>	<b>442,000,000</b>	<b>477,842,545</b>
<b>Tempe Sports Authority Corp. Bonds / COP</b>				
Certificates of Participation (COP)	1,220,000	625,000	-	-
<b>Total Tempe Sports Authority Corp. Bonds/COP</b>	<b>1,220,000</b>	<b>625,000</b>	<b>-</b>	<b>-</b>
<b>Excise Tax Bonds</b>				
Water / Wastewater	-	-	16,720,000	16,175,000
Performing Arts	50,895,000	47,340,000	43,640,000	39,780,000
Transit	109,785,000	138,065,000	135,480,000	132,745,000
Rio Salado	33,810,000	32,320,000	30,760,000	29,130,000
General Governmental	23,990,000	23,400,000	29,680,000	28,815,000
Cemetery Enterprise	2,130,000	2,050,000	1,965,000	1,875,000
<b>Total Long-Term Outstanding Debt</b>	<b>\$581,595,000</b>	<b>\$651,395,000</b>	<b>\$700,245,000</b>	<b>\$726,362,545</b>

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



Fiscal Year	Budgeted Capital Improvements Program	Outstanding Principal FY End	Debt Service Requirements P & I	Net Secondary Assessed Value	% Change in Secondary Assessed Valuation	Property Tax Rate (\$)		
						Primary	Secondary	Total
2001-02	85,541,430	205,950,000	26,675,235	1,456,361,617	7.4	.53	.82	1.35
2002-03	95,318,794	252,480,000	23,996,164	1,556,492,294	6.9	.52	.83	1.35
2003-04	117,968,707	280,525,000	27,243,978	1,688,452,415	8.5	.55	.80	1.35
2004-05	177,118,222	362,225,000	27,696,707	1,768,877,385	4.8	.53	.82	1.35
2005-06	189,971,703	452,490,000	35,620,916	1,904,426,188	7.7	.52	.88	1.40
2006-07	196,728,491	581,595,000	44,105,855	2,006,703,332	5.4	.52	.88	1.40
2007-08	212,706,469	651,395,000	52,988,091	2,401,898,465	19.7	.51	.89	1.40
2008-09	168,033,325	700,245,000	59,795,499	2,656,948,194	10.6	.51	.89	1.40
2009-10	96,310,568	726,362,545	68,975,861	2,767,488,865	4.2	.49	.91	1.40
2010-11	48,264,755	730,950,082	69,753,500	2,512,995,468	(9.2)	.52	.88	1.40

The budgeted CIP reached a historical peak in FY 2007-08 primarily due to increased spending in the Transit Program to fund the City's portion of design and construction of the metropolitan area Light Rail transit system. The FY 2008-09 CIP included the City's final contribution to Light Rail funding as the project was completed in December 2008.

While the reduction in the FY 2009-10 CIP is largely due to the decreased spending in the Transit Program, bond appropriations between FYs 2008-09 and 2009-10 also decreased as a result of project progress in the Enterprise program which reduced funding requirements.

Severe local property value declines caused by the economic downturn are the principal reason the FY 2010-11 CIP is 50% less than the 2009-10 CIP. The City estimates property values will have declined 35% as of FY 2010-11.

Because of an approximate two year lag between when property is valued, and when property tax is collected based on that value, the -9.2% decline in secondary assessed property valuation in FY / Tax Year 2010-11 (shown in the table above) represents the first of three fiscal years in which the City is projecting the property value declines which will negatively impact property tax revenue collections. Collections in FY 2010-11 are anticipated to be approximately \$3 million less than the prior year; falling from \$25.2 million to \$22.2 million.

Since revenue collected through the secondary component of the property tax is the source of funding to pay debt service on General Obligation bonds, the City's capacity to issue new property tax supported bonds to finance capital projects is projected to be extremely compromised for several years.

On the other hand, the City retains the ability to issue bonds for water and wastewater projects (Enterprise program bonds) because the funding source used to pay these bonds is revenue collected from user fees for water and wastewater services; not property tax revenue.

Outstanding Principal includes all forms of City debt, including general obligation, excise, and enterprise supported debt. Assuming minimal property tax supported bond sales in the next few years, and depending on the amount of new bonds issued to finance Enterprise program projects; annual outstanding principal may begin to decline for the first time in twelve years due to the scheduled repayment of existing obligations.

### Debt Service Appropriations by Fund

	FY 2010-11			
	Principal	Interest	Fiscal Agent Fees	Total
Debt Service Fund	\$12,462,500	\$9,300,000	\$300,000	\$22,062,500
Transit Fund	2,900,000	5,800,000	850,000	9,550,000
Water/Wastewater Fund	17,600,000	14,000,000	300,000	31,900,000
Performing Arts Fund	4,050,000	2,000,000	10,000	6,060,000
Cemetery Fund	91,000	89,000	1,000	181,000
<b>Total</b>	<b>\$37,103,500</b>	<b>\$31,189,000</b>	<b>\$1,461,000</b>	<b>\$69,753,500</b>



## Enterprise Program



*Water and Wastewater projects total \$43.6 million in FY 2010-11  
and  
account for 90% of the 2010-11 appropriated CIP budget*



The Enterprise component of the Capital Improvements Program consists of the Water and Wastewater programs. Combined, they constitute \$43.6 million of the \$48.3 million Capital Improvements Program for FY 2010-11. The City's Capital Budget for this area is driven largely by federal and state compliance requirements and associated plant capacity expansions. A total of \$36.6 million of Water / Wastewater Bonds will be sold to fund these projects in FY 2010-11. These bonds are repaid by user charges for service delivery in both programs. The remaining program funding will come from development fees and fund balances.

Major Water Program projects in FY 2010-11 include continued upgrades at the South Tempe Water Treatment Plant (STWTP), the design and construction of a new Environmental Laboratory Facility, and numerous waterline improvements. Funding for continued expansion at the 91st Avenue Wastewater Treatment Plant dominates the FY 2010-11 Wastewater Program.

## 2010-11 CIP Projects - Water Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Distribution System Fittings:</b>							
<b>3299999</b>	General Obligation Bonds	400,000	230,000	-	-	-	630,000
	Excise Tax Bonds	-	-	230,000	230,000	230,000	690,000
	<b>Project Total</b>	<b>400,000</b>	<b>230,000</b>	<b>230,000</b>	<b>230,000</b>	<b>230,000</b>	<b>1,320,000</b>
<b>Environmental Laboratory Facility:</b>							
<b>3203499</b>	General Obligation Bonds	5,059,780	540,000	-	-	-	5,599,780
<b>HVAC Replacement at all Three Water Wastewater Plants: 3209369</b>							
	General Obligation Bonds	28,000	51,000	-	-	-	79,000
<b>JGMWTP Capital Equipment Replacement: 3200089</b>							
	General Obligation Bonds	250,000	250,000	-	-	-	500,000
	Excise Tax Bonds	-	-	250,000	250,000	250,000	750,000
	<b>Project Total</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>1,250,000</b>
<b>JGMWTP Water Quality Upgrades:</b>							
<b>3201099</b>	General Obligation Bonds	-	300,000	-	-	-	300,000
	Excise Tax Bonds	-	-	6,080,000	-	-	6,080,000
	<b>Project Total</b>	<b>-</b>	<b>300,000</b>	<b>6,080,000</b>	<b>-</b>	<b>-</b>	<b>6,380,000</b>
<b>New Production Wells: 3200019</b>							
	General Obligation Bonds	376,998	377,001	-	-	-	753,999
	Excise Tax Bonds	-	-	377,001	279,000	1,855,000	2,511,001
	<b>Project Total</b>	<b>376,998</b>	<b>377,001</b>	<b>377,001</b>	<b>279,000</b>	<b>1,855,000</b>	<b>3,265,000</b>
<b>SCADA Field Site Improvements Phase II: 3202031</b>							
	General Obligation Bonds	875,000	-	-	-	-	875,000
<b>Small Meter Replacement Program 2" and under: 3209319</b>							
	General Obligation Bonds	100,000	100,000	-	-	-	200,000
	Excise Tax Bonds	-	-	100,000	-	-	100,000
	<b>Project Total</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>300,000</b>
<b>STWTP Capital Equipment Replacement: 3200079</b>							
	General Obligation Bonds	250,000	250,000	-	-	-	500,000
	Excise Tax Bonds	-	-	250,000	250,000	250,000	750,000
	<b>Project Total</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>1,250,000</b>
<b>STWTP Improvements: 3203219</b>							
	General Obligation Bonds	15,220,000	1,980,000	-	-	-	17,200,000
	Capital Projects Fund Balance	3,000,000	-	-	-	-	3,000,000
	Development Fees	500,000	500,000	-	-	-	1,000,000
	<b>Project Total</b>	<b>18,720,000</b>	<b>2,480,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,200,000</b>
<b>STWTP Security Lighting: 3204149</b>							
	General Obligation Bonds	2,378,900	-	-	-	-	2,378,900
<b>Undergrounding of the Water Aqueduct at the JGMWTP: NA</b>							
	Excise Tax Bonds	-	-	-	2,107,000	-	2,107,000
<b>Water Line Replacement and Repair: 329989</b>							
	General Obligation Bonds	850,000	850,000	-	-	-	1,700,000
	Development Fees	-	-	500,000	500,000	500,000	1,500,000
	Excise Tax Bonds	-	-	1,500,000	3,500,000	3,500,000	8,500,000
	<b>Project Total</b>	<b>850,000</b>	<b>850,000</b>	<b>2,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>11,700,000</b>
<b>Water Quality Enhancements of the Water Transmission Grid: 3203529</b>							
	General Obligation Bonds	-	2,725,000	-	-	-	2,725,000
	Excise Tax Bonds	-	-	1,725,000	-	-	1,725,000
	<b>Project Total</b>	<b>-</b>	<b>2,725,000</b>	<b>1,725,000</b>	<b>-</b>	<b>-</b>	<b>4,450,000</b>
<b>Waterline Upgrade / Replacement Rural Rd. (University - Apache): 3203539</b>							
	General Obligation Bonds	1,655,660	-	-	-	-	1,655,660
<b>Well Rehabilitation: 3203549</b>							
	General Obligation Bonds	102,000	102,000	-	-	-	204,000
	Excise Tax Bonds	-	-	102,000	102,000	102,000	306,000
	<b>Project Total</b>	<b>102,000</b>	<b>102,000</b>	<b>102,000</b>	<b>102,000</b>	<b>102,000</b>	<b>510,000</b>
<b>Program Total</b>		<b>32,046,338</b>	<b>8,255,001</b>	<b>11,114,001</b>	<b>7,218,000</b>	<b>6,687,000</b>	<b>64,320,340</b>

## Distribution System Fittings



### Project Description

This Project provides for the acquisition, assembly and installation of water works infrastructure including meters, valves, fire hydrants and water lines. This project assures that all water distribution appurtenances are maintained and replaced in accordance with all State, Federal and Industry Standards. This will make certain our residents' health and well being is protected and that we are realizing all possible revenue from our meters.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,320,000
<b>Total</b>	<b>\$1,320,000</b>

**Project Number:** 3299999  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

### 2010-11 Source of Funds

General Obligation Bonds \$400,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$400,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,320,000

## Environmental Laboratory Facility



### Project Description

This project involves the design and construction of a Leadership in Energy and Environmental Design (LEED) certified environmental laboratory facility necessary to continue to analyze the quality of drinking water and reclaimed water supplies as required under federal and state environmental laws, and to ensure the safest possible water supply. Rapidly emerging regulations governing drinking water and reclaimed water supplies have created a nearly 5-fold increase in the last eight years in the number of analyses that Tempe must conduct to ensure compliance with Clean Water Act and Safe Drinking Water Act requirements. Technological changes necessary to detect pollutants at much lower concentrations have also increased our laboratory footprint.

Once the lab is fully operational, the department anticipates a recurring operating budget decrease of approximately \$300,000 as a result of more water testing performed in house rather than by outside laboratories. The annual operating budget for lab supplies is anticipated to increase by \$15,000, for a net operating decrease of \$285,000.

### Estimated Project Costs

Legal / Administration	\$46,420
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$324,940
Furnishings / Equipment	\$540,000
Construction / Improvement	\$4,642,000
Geotech / Material Testing	\$46,420
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$5,599,780</b>

**Project Number:** 3203499  
**Estimated Start Date:** 07/01/09  
**Estimated Completion Date:** 06/30/12

### 2010-11 Source of Funds

General Obligation Bonds \$5,059,780

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$5,059,780	\$540,000	\$0	\$0	\$0	\$5,599,780

## HVAC Replacement at all three of the Water/Wastewater Facilities



### Project Description

This project replaces City owned air conditioning equipment and carpet located within the three water and wastewater plants that has been identified as being ineffective, inefficient or has exceeded its life span according to the Public Works Facility Maintenance division.

Replacement schedule is as follows:

2009-10: replace 14 air conditioning units and heat pumps at Johnny G. Martinez Water Treatment Plant (JGMWTP), South Tempe Water Treatment Plant (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.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$79,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$79,000</b>

**Project Number: 3209369**

**Estimated Start Date: 07/01/08**

**Estimated Completion Date: Ongoing**

### 2010-11 Source of Funds

General Obligation Bonds \$28,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$28,000	\$51,000	\$0	\$0	\$0	\$79,000

## JGMWTP Capital Equipment Replacement



### Project Description

This project provides an annual funding mechanism to address equipment failures at the Johnny G. Martinez Water Treatment Plant (JGMWTP) that 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. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$1,250,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$1,250,000</b>

**Project Number: 3200089**

**Estimated Start Date: Ongoing**

**Estimated Completion Date: Ongoing**

### 2010-11 Source of Funds

General Obligation Bonds \$250,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

## JGMWTP Water Quality Upgrades



### Project Description

This project addresses additional improvements required to meet water quality regulations at the Johnny G. Martinez Water Treatment Plant (JGMWTP). This project includes improvements to solids handling facilities (plate settlers and sludge holding tank), chemical feed systems and sedimentation basin improvements. Treatment alternatives to GAC (Granular Activated Carbon) for control of disinfection byproducts will be studied and implemented.

To address projected electricity and waste disposal cost increases resulting from additional plant improvements, a recurring \$110,000 increase to the plant's Operating Budget was also approved for FY 2010-11. Additional future operating budget impacts are also anticipated to accommodate increased chemical use costs.

### 2010-11 Source of Funds

NA

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$300,000
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$6,030,000
Geotech / Material Testing	\$50,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$6,380,000</b>

**Project Number: 3201099**

**Estimated Start Date: In Progress**

**Estimated Completion Date: 06/30/11**

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$300,000	\$6,080,000	\$0	\$0	\$6,380,000

## New Production Wells



### Project Description

This project will connect three Salt River Project wells located along the Western Canal and drill and outfit one new City of Tempe well. The SRP wells will be connected during FY's 09-10, 10-11 and 11-12. The new Tempe well will be permitted during FY 12-13 and constructed during FYs 13-14 and 14-15.

These additional wells provide groundwater as a backup supply during drought or plant shut down and for blending to improve water quality for the City of Tempe municipal service area.

### 2010-11 Source of Funds

General Obligation Bonds \$376,998

### Estimated Project Costs

Legal / Administration	\$26,000
Land Acquisition	\$0
Permit Fees	\$75,000
Design and Engineering	\$480,000
Survey / Staking	\$26,000
Construction Management	\$150,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,500,000
Geotech / Material Testing	\$8,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$3,265,000</b>

**Project Number: 3200019**

**Estimated Start Date: Ongoing**

**Estimated Completion Date: Ongoing**

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$376,998	\$377,001	\$377,001	\$279,000	\$1,855,000	\$3,265,000

# SCADA Field Site Improvements Phase II



Project Description		Estimated Project Costs	
<p>The Water Utilities Department continuously monitors the entire water and wastewater system for storage, flow, pressure, and quality using a network of remote telemetry units at remote facilities throughout the city as well as at the treatment plants. Replacement and upgrades to monitoring and control equipment in the treatment plants have been completed in other projects. To ensure the reliability of the equipment at the field sites (wells, pump stations, metering stations, etc.) and to keep pace with changes in technology, the control systems located at these sites must be replaced. Existing Remote Terminal Units (RTU) and radios at remote Water and Wastewater sites have been in service for over 15 years. Replacement parts are no longer available and technological advancements have rendered our equipment obsolete. As these units fail, we can no longer monitor facilities that include wells, reservoir sites, sanitary sewer metering stations and wastewater pump stations. Phase I of this project covered 8 of the 19 sites that require new equipment. Phase II will replace the RTU's and radio network at the remaining 11 sites.</p>		Legal / Administration	\$10,000
		Land Acquisition	\$0
		Permit Fees	\$15,000
		Design and Engineering	\$50,000
		Survey / Staking	\$0
		Construction Management	\$0
		Furnishings / Equipment	\$0
		Construction / Improvement	\$800,000
		Geotech / Material Testing	\$0
		Utility Relocation Fees	\$0
		Utility Undergrounding	\$0
		ITD / Telecommunications	\$0
		Other Project Costs	\$0
		<b>Total</b>	<b>\$875,000</b>
		<b>Project Number:</b>	<b>3202031</b>
		<b>Estimated Start Date:</b>	<b>07/01/08</b>
		<b>Estimated Completion Date:</b>	<b>12/31/10</b>

### 2010-11 Source of Funds

General Obligation Bonds \$875,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$875,000	\$0	\$0	\$0	\$0	\$875,000

# Small Meter Replacement Program - 2" and under



Project Description		Estimated Project Costs	
<p>This Project provides for the replacement of revenue generating water meters that are 15 years or older. This will help increase water conservation through accurate metering.</p> <p>By replacing these meters the City will realize increased revenue and accurate water accounting from meters that have reached the end of their useful life</p> <p>Replace approximately 11,000 small meters that are 15 years or older:                      Year 1: 5,500 meters                      Year 2: 5,500 meters</p> <p>Ongoing replacement program:                      Year 3: 850 meters                      Year 4: 850 meters                      Year 5: 850 meters</p>		Legal / Administration	\$0
		Land Acquisition	\$0
		Permit Fees	\$0
		Design and Engineering	\$0
		Survey / Staking	\$0
		Construction Management	\$0
		Furnishings / Equipment	\$0
		Construction / Improvement	\$300,000
		Geotech / Material Testing	\$0
		Utility Relocation Fees	\$0
		Utility Undergrounding	\$0
		ITD / Telecommunications	\$0
		Other Project Costs	\$0
		<b>Total</b>	<b>\$300,000</b>
		<b>Project Number:</b>	<b>3209319</b>
		<b>Estimated Start Date:</b>	<b>07/01/08</b>
		<b>Estimated Completion Date:</b>	<b>07/01/13</b>

### 2010-11 Source of Funds

General Obligation Bonds \$100,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$100,000	\$100,000	\$0	\$0	\$300,000

# South Tempe Water Treatment Plant Capital Equipment Replacement



## Project Description

This project provides an annual funding mechanism to address equipment failures at the South Tempe Water Treatment Plant (STWTP) that 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. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$1,250,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$1,250,000</b>

**Project Number:** 3200079  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

General Obligation Bonds \$250,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

# South Tempe Water Treatment Plant Improvements



## Project Description

This project includes improvements required to replace aging equipment, and to meet current and future water quality regulations. This project includes a comprehensive study of treatment alternatives. Improvements include enhanced coagulation, new powdered activated carbon system, improved coagulant dosing, reservoir chlorine dosing system, additional sludge drying beds, well water discharge structures, reservoir drains and replacement of the finished water pump station.

To address projected electricity cost increases resulting from additional plant improvements, a recurring \$50,000 increase to the facility's Operating Budget was also approved for FY 2010-11. Additional future operating budget impacts are also anticipated to accommodate increased chemical use and waste disposal costs.

## Estimated Project Costs

Legal / Administration	\$400,000
Land Acquisition	\$0
Permit Fees	\$200,000
Design and Engineering	\$1,100,000
Survey / Staking	\$600,000
Construction Management	\$1,200,000
Furnishings / Equipment	\$0
Construction / Improvement	\$17,500,000
Geotech / Material Testing	\$200,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$21,200,000</b>

**Project Number:** 3203219  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** 12/31/11

## 2010-11 Source of Funds

General Obligation Bonds \$15,220,000  
 Capital Projects Fund Balance \$3,000,000  
 Development Fees \$500,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$18,720,000	\$2,480,000	\$0	\$0	\$0	\$21,200,000

# South Tempe Water Treatment Plant Security Lighting



## Project Description

This project is a continuation of the security improvements as recommended by the assessors who conducted the vulnerability assessment per the Department of Homeland Security. The lighting proposed for this site would be of both free standing poles and wall mounted fixtures that would provide sufficient illumination for deterrence and detection of unauthorized persons. The primary focus of lighting would be along the southern, western and northern perimeters of the site where there is minimal to nonexistent lighting. The southern portion of the property becomes more critical for security lighting with the newly established multi use path along the canal bank immediately adjacent to our property. The wall mounted fixtures would replace and supplement existing lighting on critical structures inside the perimeter. The project would also be replacing metal halide lighting with high pressure sodium. The high pressure sodium is a less intrusive lighting system for the environment.

Once the project is complete, a recurring \$10,000 operating budget increase is anticipated for additional equipment repair and replacement costs.

### 2010-11 Source of Funds

General Obligation Bonds	\$2,378,900
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## Estimated Project Costs

Legal / Administration	\$21,000
Land Acquisition	\$0
Permit Fees	\$39,900
Design and Engineering	\$50,000
Survey / Staking	\$21,000
Construction Management	\$126,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,100,000
Geotech / Material Testing	\$21,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$2,378,900</b>

**Project Number: 3204149**  
**Estimated Start Date: 07/01/10**  
**Estimated Completion Date: 06/30/11**

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$2,378,900	\$0	\$0	\$0	\$0	\$2,378,900

# Undergrounding of Water Aqueduct at the JGMWTP



## Project Description

This project will replace the water aqueduct or flume that supplies raw water to the Johnny G. Martinez Water Treatment Facility with an underground pipe.

The vulnerability assessment of the Water Utilities Department indicated that this piece of infrastructure needed addressing. Recently extensive repairs to the leaking joints in the flume have been performed and the expected life of these repairs is 7-10 years. The project need should be addressed within this parameter.

### 2010-11 Source of Funds

NA

## Estimated Project Costs

Legal / Administration	\$17,000
Land Acquisition	\$0
Permit Fees	\$33,000
Design and Engineering	\$206,000
Survey / Staking	\$17,000
Construction Management	\$103,000
Furnishings / Equipment	\$0
Construction / Improvement	\$1,714,000
Geotech / Material Testing	\$17,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$2,107,000</b>

**Project Number: NA**  
**Estimated Start Date: 07/01/15**  
**Estimated Completion Date: 03/31/17**

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$2,107,000	\$0	\$2,107,000

## Water Line Replacement and Repair



### Project Description

The Water Utilities 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.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$11,700,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$11,700,000</b>

**Project Number:** 3299989  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

### 2010-11 Source of Funds

General Obligation Bonds \$850,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$850,000	\$850,000	\$2,000,000	\$4,000,000	\$4,000,000	\$11,700,000

## Water Quality Enhancements of the Water Transmission Grid



### Project Description

Water quality modeling will be used to evaluate transmission pipe size and flow control strategies necessary for optimizing water quality in the transmission network. Modifications to system main sizes and interconnections are to be made in various locations throughout the distribution system. In some locations new distribution main, valves and fire hydrants are to be constructed.

More stringent water quality parameters relating to disinfection byproducts (DBPs) will become a reality in 2012. One method of DBP control is limiting the time from water disinfection to customer. Many of the City's existing water transmission mains were installed per a water master plan circa 1960. The system demand based on projected planning at that time has not occurred. As a result, in a number of locations transmission lines are significantly larger than required to meet projected flows according to current planning. Eliminating unnecessary volume in the transmission system and / or modifying flow patterns can be a useful means to control the formation of DBPs in the system.

### Estimated Project Costs

Legal / Administration	\$50,000
Land Acquisition	\$0
Permit Fees	\$100,000
Design and Engineering	\$100,000
Survey / Staking	\$50,000
Construction Management	\$100,000
Furnishings / Equipment	\$0
Construction / Improvement	\$4,000,000
Geotech / Material Testing	\$50,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$4,450,000</b>

**Project Number:** 3203529  
**Estimated Start Date:** 04/01/09  
**Estimated Completion Date:** 01/01/12

### 2010-11 Source of Funds

NA

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$2,725,000	\$1,725,000	\$0	\$0	\$4,450,000

## Waterline Upgrade / Replacement Rural Rd. (University - Apache)



### Project Description

This water line will replace / upgrade the existing 14 inch cast iron pipe between University and Apache. Approximately 2,600 feet of 16 inch ductile iron pipe will be tied to the 30 inch transmission main at University and Apache. New fire hydrants, gate valves, onsite fire suppression system connections, services / meters, and connections to the distribution system will be included.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$19,480
Construction Management	\$116,700
Furnishings / Equipment	\$0
Construction / Improvement	\$1,500,000
Geotech / Material Testing	\$19,480
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$1,655,660</b>

**Project Number:** 3203539  
**Estimated Start Date:** 07/01/09  
**Estimated Completion Date:** 09/30/10

### 2010-11 Source of Funds

General Obligation Bonds \$1,655,660

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$1,655,660	\$0	\$0	\$0	\$0	\$1,655,660

## Well Rehabilitation



### Project Description

This project involves rehabilitation and major structural repair of City supply wells. Two wells will be selected each year to be inspected by video camera, brushed and redeveloped. This will be on-going, with the goal of rehabilitating each well once every four years.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$10,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$510,000</b>

**Project Number:** 3203549  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

### 2010-11 Source of Funds

General Obligation Bonds \$102,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$510,000

## 2010-11 CIP Projects - Wastewater Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>91st Avenue WWTP: 3200129</b>	General Obligation Bonds	9,000,000	12,500,000	2,400,000	-	-	23,900,000
	Capital Projects Fund Balance	3,000,000	-	-	-	-	3,000,000
	Development Fees	500,000	500,000	500,000	500,000	500,000	2,500,000
	Excise Tax Bonds	-	-	9,100,000	9,500,000	9,500,000	28,100,000
	<b>Project Total</b>		12,500,000	13,000,000	12,000,000	10,000,000	10,000,000
<b>Kyrene Water Reclamation Plant Equipment Replacement: 3209409</b>	General Obligation Bonds	100,000	150,000	-	-	-	250,000
	Excise Tax Bonds	-	-	200,000	250,000	250,000	700,000
	<b>Project Total</b>		100,000	150,000	200,000	250,000	250,000
<b>Sewer Line Replacement and Repair: 3299969</b>	General Obligation Bonds	-	1,500,000	-	-	-	1,500,000
	Excise Tax Bonds	-	-	2,000,000	2,000,000	2,000,000	6,000,000
	<b>Project Total</b>		-	1,500,000	2,000,000	2,000,000	2,000,000
<b>Sewer Replacement / Upsize - 5th Street Price to Smith: NA</b>	Excise Tax Bonds	-	-	-	-	2,574,750	2,574,750
<b>Sewer Replacement / Upsize Smith Rd. Apache to University: 3209389</b>	Excise Tax Bonds	-	-	-	-	2,593,050	2,593,050
<b>Southern Avenue Interceptor (SAI) Rehabilitation: 3200589</b>	General Obligation Bonds	-	292,000	-	-	-	292,000
	Excise Tax Bonds	-	-	5,550,000	-	-	5,550,000
	City of Mesa	-	292,000	5,550,000	-	-	5,842,000
	<b>Project Total</b>		-	584,000	11,100,000	-	-
<b>Program Total</b>		<b>12,600,000</b>	<b>15,234,000</b>	<b>25,300,000</b>	<b>12,250,000</b>	<b>17,417,800</b>	<b>82,801,800</b>

# 91st Avenue Wastewater Treatment Plant



## Project Description

The 91st Avenue Wastewater Treatment Plant (WWTP) is a regional treatment facility that is jointly owned by five valley cities and is operated by the City of Phoenix. The 91st Avenue WWTP represents the majority of Tempe's wastewater treatment program. This project represents Tempe's share of all capital activities at the 91st Avenue WWTP including treatment 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 purpose of this project is to provide wastewater treatment and transmission capacities to treat and convey the majority of Tempe's wastewater flows to the 91st Avenue WWTP, including solids discharge from our Kyrene Water Reclamation Facility.

## Estimated Project Costs

Legal / Administration	\$464,000
Land Acquisition	\$0
Permit Fees	\$882,000
Design and Engineering	\$5,568,000
Survey / Staking	\$464,000
Construction Management	\$3,248,000
Furnishings / Equipment	\$0
Construction / Improvement	\$46,400,000
Geotech / Material Testing	\$474,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$57,500,000</b>

**Project Number:** 3200129  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

General Obligation Bonds	\$9,000,000
Capital Projects Fund Balance	\$3,000,000
Development Fees	\$500,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$12,500,000	\$13,000,000	\$12,000,000	\$10,000,000	\$10,000,000	\$57,500,000

# Kyrene Water Reclamation Plant Equipment Replacement



## Project Description

This project provides an annual funding mechanism to address equipment failures that have not been specifically budgeted. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, and structural failure. Comprehensive preventative maintenance programs and procedures are in place to help minimize equipment failures.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$950,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$950,000</b>

**Project Number:** 3209409  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

General Obligation Bonds	\$100,000
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## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$150,000	\$200,000	\$250,000	\$250,000	\$950,000

# Sewer Line Replacement and Repair



## Project Description

The WUD Integrated Master Plan (IMP) identified 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.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$7,500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

**Total** \$7,500,000

**Project Number:** 3299969

**Estimated Start Date:** Ongoing

**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

NA

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$7,500,000

# Sewer Replacement / Upsize - 5th Street (Price to Smith)



## Project Description

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

## Estimated Project Costs

Legal / Administration	\$19,875
Land Acquisition	\$0
Permit Fees	\$19,875
Design and Engineering	\$238,500
Survey / Staking	\$19,875
Construction Management	\$119,250
Furnishings / Equipment	\$0
Construction / Improvement	\$1,987,500
Geotech / Material Testing	\$19,875
Utility Relocation Fees	\$150,000
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

**Total** \$2,574,750

**Project Number:** NA

**Estimated Start Date:** 07/01/13

**Estimated Completion Date:** 09/30/14

## 2010-11 Source of Funds

NA

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$0	\$2,574,750	\$2,574,750

## Sewer Replacement / Upsize Smith Rd (Apache to University)



### Project Description

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

### Estimated Project Costs

Legal / Administration	\$20,025
Land Acquisition	\$0
Permit Fees	\$20,025
Design and Engineering	\$240,300
Survey / Staking	\$20,025
Construction Management	\$120,150
Furnishings / Equipment	\$0
Construction / Improvement	\$2,002,500
Geotech / Material Testing	\$20,025
Utility Relocation Fees	\$150,000
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$2,593,050</b>

**Project Number:** 3209389  
**Estimated Start Date:** 07/01/11  
**Estimated Completion Date:** 09/30/12

### 2010-11 Source of Funds

NA

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$0	\$2,593,050	\$2,593,050

## Southern Avenue Interceptor (SAI) Rehab



### Project Description

The project entails the rehabilitation of the Southern Avenue Interceptor (SAI) within the limits of the City of Tempe. The SAI is a jointly owned regional sewer that runs through Tempe. A November 2005 engineering study revealed severe corrosion of this unlined concrete sewer line. The study recommended a phased rehabilitation or replacement of this line to protect it from eventual collapse. This project combines all of the phases of the multi-year rehabilitation of the SAI into a single project. Phase I was completed in 2006. Phase II will be completed in the first half of 2010. Phase III is included in this CIP. The project will be jointly funded by both Tempe and the City of Mesa.

### Estimated Project Costs

Legal / Administration	\$14,000
Land Acquisition	\$0
Permit Fees	\$20,000
Design and Engineering	\$500,000
Survey / Staking	\$50,000
Construction Management	\$700,000
Furnishings / Equipment	\$0
Construction / Improvement	\$10,000,000
Geotech / Material Testing	\$400,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$11,684,000</b>

**Project Number:** 3200589  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** 12/31/12

### 2010-11 Source of Funds

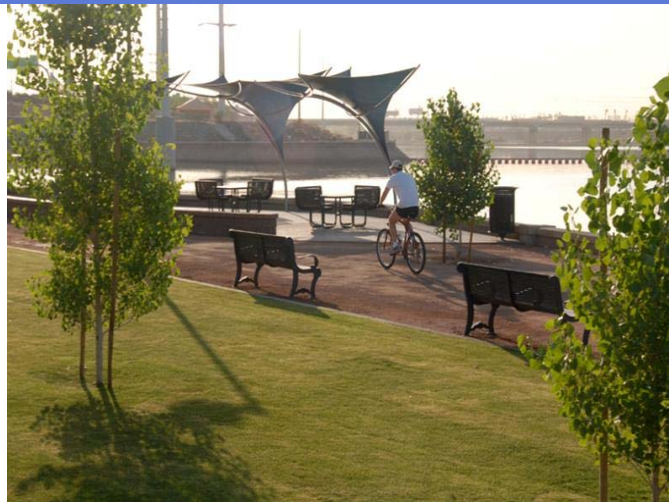
NA

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$584,000	\$11,100,000	\$0	\$0	\$11,684,000



*Transit and Rio Salado projects total \$773 thousand in FY 2010-11  
and  
account for 2% of the total 2010-11 appropriated CIP budget*



The Special Purpose component of the Capital Improvements Program includes the Transit and Rio Salado capital programs. Combined, they account for \$773,000 of the \$48.3 million Capital Budget for FY 2010-11.

As was the case in FY 2009-10, federal grants remain the primary funding source for the Transit Program in FY 2010-11. A Federal Congestion Mitigation and Air Quality grant will be used for the design and construction of a continuation of the Tempe Rio Salado multi-use path system which will extend the regional multi-use path system between the Cities of Tempe and Phoenix.

The Rio Salado capital program relates to projects constructed within the special district established around the Tempe Town Lake. The FY 2010-11 budget includes use of the City's Capital Improvements Reserve for repairs to the Town Lake downstream dam as required by the Arizona Department of Water Resources, and for various ongoing maintenance activities.

## 2010-11 CIP Projects - Transit Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Hardy Drive Pedestrian Street Improvement: NA</b>	Federal Grants	-	-	-	1,194,000	-	1,194,000
	Transit Tax	-	-	120,000	-	-	120,000
	<b>Project Total</b>	-	-	120,000	1,194,000	-	1,314,000
<b>I-10 and Alameda Drive Bicycle and Pedestrian Crossing: NA</b>	Federal Grants	-	-	-	1,200,000	-	1,200,000
	Transit Tax	-	-	-	68,000	-	68,000
	<b>Project Total</b>	-	-	-	1,268,000	-	1,268,000
<b>Install CCTV monitoring stations - LRT Signal Intersections: NA</b>	Federal Grants	-	287,000	-	-	-	287,000
	Transit Tax	-	123,000	-	-	-	123,000
	<b>Project Total</b>	-	410,000	-	-	-	410,000
<b>Rio Salado Multi-use Path: Tempe-Phoenix (Priest Dr to SR 143): 6004139</b>	Federal Grants	400,000	-	-	-	-	400,000
	Capital Projects Fund Balance	46,000	-	-	-	-	46,000
	<b>Project Total</b>	446,000	-	-	-	-	446,000
<b>University Drive Street Improvement - Priest / Mill: NA</b>	Federal Grants	-	-	1,100,000	-	-	1,100,000
	Transit Tax	-	120,000	-	-	-	120,000
	<b>Project Total</b>	-	120,000	1,100,000	-	-	1,220,000
<b>Program Total</b>		<b>446,000</b>	<b>530,000</b>	<b>1,220,000</b>	<b>2,462,000</b>	-	<b>4,658,000</b>

# Hardy Drive Street Improvement



## Project Description

This project is approximately one mile in length between Broadway Road and University Drive. The project consists of pedestrian and bicycle facility improvements along a collector street fronted primarily by single family residential units. The proposed project area has a high volume of pedestrian and bicycle travel due to its proximity to ASU, Downtown Tempe, Rio Salado and the high industrial and office employment area south of the project.

Area residents are advocating retaining the neighborhood character of the street to reflect the residential uses on this stretch of road. Project elements include striping for bike lanes, widening of sidewalks and providing bulb-outs at critical intersections, reduction of existing travel lane widths, construction of planted medians, protection from intrusion of commercial truck traffic, improved pedestrian safety, reduction of speed limits, construction of mid-block crossings and providing transit, bicycle and pedestrian amenities.

## 2010-11 Source of Funds

NA

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$120,000	\$1,194,000	\$0	\$1,314,000

## Estimated Project Costs

Legal / Administration	\$10,000
Land Acquisition	\$0
Permit Fees	\$18,000
Design and Engineering	\$234,000
Survey / Staking	\$10,000
Construction Management	\$67,000
Furnishings / Equipment	\$0
Construction / Improvement	\$950,000
Geotech / Material Testing	\$10,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$15,000
<b>Total</b>	<b>\$1,314,000</b>

**Project Number:** NA  
**Estimated Start Date:** 10/01/13  
**Estimated Completion Date:** 07/31/15

# I-10 Alameda Drive Bicycle and Pedestrian Crossing



## Project Description

This project is located at Alameda Drive and the I-10 Freeway. The project will provide a non-motorized bridge over the I-10 Freeway which will provide east-west bicycle and pedestrian connectivity that will link residential developments with employment destinations and regional recreational facilities. The project will also provide a much needed link that will shorten the commute for bicyclists heading to downtown Tempe and ASU.

Work to be performed includes design and acquisition of ramp easements as needed. The project will be constructed with the I-10 Corridor improvements as programmed in the Regional Transportation Plan. Additional funding for completion of the bridge crossing will be requested from the state and federal government.

## 2010-11 Source of Funds

NA

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$1,268,000	\$0	\$1,268,000

## Estimated Project Costs

Legal / Administration	\$9,000
Land Acquisition	\$0
Permit Fees	\$17,000
Design and Engineering	\$108,000
Survey / Staking	\$9,000
Construction Management	\$63,000
Furnishings / Equipment	\$0
Construction / Improvement	\$900,000
Geotech / Material Testing	\$9,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$153,000
<b>Total</b>	<b>\$1,268,000</b>

**Project Number:** NA  
**Estimated Start Date:** 10/01/13  
**Estimated Completion Date:** 12/31/14

## Install CCTV Monitoring Stations - LRT Signal Intersections



### Project Description

This project will install Closed Circuit Television (CCTV) monitoring at traffic signals along the Tempe portion of the light rail corridor. The project will be used to monitor and adjust signal timing to improve traffic flow along the light rail corridor.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$410,000
<b>Total</b>	<b>\$410,000</b>

**Project Number:** NA  
**Estimated Start Date:** 07/01/11  
**Estimated Completion Date:** 06/30/12

### 2010-11 Source of Funds

NA

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$410,000	\$0	\$0	\$0	\$410,000

## Rio Salado Multi-use Path: Tempe-Phoenix (Priest Dr to SR 143)



### Project Description

The Project provides funding for the design and construction of a continuation of the Tempe Rio Salado multi-use path system. This segment would extend from Priest Drive to State Route 143 on the western city limit of Tempe. The path will be on the south bank of the river channel. The project will be completed in concert with a joint project with Phoenix Rio Salado Project. The project will extend the regional multi-use path system between the City of Tempe and Phoenix.

### Estimated Project Costs

Legal / Administration	\$4,000
Land Acquisition	\$0
Permit Fees	\$7,000
Design and Engineering	\$42,000
Survey / Staking	\$4,000
Construction Management	\$25,000
Furnishings / Equipment	\$0
Construction / Improvement	\$350,000
Geotech / Material Testing	\$4,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$10,000
Other Project Costs	\$0
<b>Total</b>	<b>\$446,000</b>

**Project Number:** 6004139  
**Estimated Start Date:** 10/01/10  
**Estimated Completion Date:** 07/31/12

### 2010-11 Source of Funds

Federal Grants	\$400,000
Capital Projects Fund Balance	\$46,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$446,000	\$0	\$0	\$0	\$0	\$446,000

# University Drive Street Improvement - Priest / Mill



## Project Description

The University Drive improvement Project is approximately 1 mile between Mill Ave and Priest Drive. The project consists of designing and constructing pedestrian and bicycle facility improvements along an arterial street. Work could include: acquisition of sidewalk easements as needed; demolition of some existing sidewalk; curb and gutter; construction of new sidewalk; curb ramps, on-street parking areas; installation and relocation of pedestrian scale street lights; and, installation of landscaping and providing transit and pedestrian amenities.

The goal of the project is to enhance travel options for people of all ages and non-motorized users including: middle school students, elementary school children, seniors, professionals and college students accessing commercial centers, local parks, downtown Tempe, and ASU. The project fulfills the Tempe General Plan 2030 objective of increasing mode share for non-motorized travel.

## 2010-11 Source of Funds

NA

## Estimated Project Costs

Legal / Administration	\$9,000
Land Acquisition	\$0
Permit Fees	\$17,000
Design and Engineering	\$226,000
Survey / Staking	\$9,000
Construction Management	\$62,000
Furnishings / Equipment	\$0
Construction / Improvement	\$880,000
Geotech / Material Testing	\$9,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$8,000
<b>Total</b>	<b>\$1,220,000</b>

**Project Number:** NA

**Estimated Start Date:** 10/01/12

**Estimated Completion Date:** 07/31/14

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$120,000	\$1,100,000	\$0	\$0	\$1,220,000

2010-11 CIP Projects - Rio Salado Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Rio Salado Ancillary Projects:</b>							
656931A	Capital Improvements Reserve	100,000	-	-	-	-	100,000
<b>Town Lake Dam Replacement:</b>							
6503069	Mondrian Agreement	-	2,000,000	960,000	7,040,000	-	10,000,000
	Federal Grants	-	2,480,000		20,000,000	7,520,000	30,000,000
	<b>Project Total</b>	-	4,480,000	960,000	27,040,000	7,520,000	40,000,000
<b>Town Lake Downstream Dam Repairs:</b>							
ADWR: 6503599	Capital Improvements Reserve	227,000	-	-	-	-	227,000
<b>Program Total</b>		<b>327,000</b>	<b>4,480,000</b>	<b>960,000</b>	<b>27,040,000</b>	<b>7,520,000</b>	<b>40,327,000</b>

## Rio Salado Ancillary Projects



### Project Description

Rio Salado ancillary projects often include new signs, emergency warning system upgrades, tree & vegetation planting, holiday lighting, fencing, damage due to vandalism, and buoy replacement or repair. The project also provides for improvements to the Splash Playground at Tempe Beach Park, as well as any other unforeseen project that becomes necessary at Tempe Town Lake, Tempe Beach Park, and the linear park system.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$100,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$100,000</b>

**Project Number:** 656931A  
**Estimated Start Date:** 06/17/99  
**Estimated Completion Date:** 06/30/14

### 2010-11 Source of Funds

Capital Improvements Reserve \$100,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$0	\$0	\$0	\$0	\$100,000

## Town Lake Dam Replacement



### Project Description

New technology for replacement of the dams has been proposed (pending City Council concurrence and approval). The hybrid technology will allow the use of the existing piers and foundation to replace approximately 840 lineal feet of dam, but may require changes to the mechanical systems. Tempe Town Lake provides the economic benefit for continued growth of the community, and replacement of the dam will help to secure public and private investment in development at Town Lake.

### Estimated Project Costs

Legal / Administration	\$320,000
Land Acquisition	\$0
Permit Fees	\$608,000
Design and Engineering	\$3,840,000
Survey / Staking	\$320,000
Construction Management	\$2,240,000
Furnishings / Equipment	\$0
Construction / Improvement	\$32,000,000
Geotech / Material Testing	\$320,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$352,000
<b>Total</b>	<b>\$40,000,000</b>

**Project Number:** 6503069  
**Estimated Start Date:** 07/01/14  
**Estimated Completion Date:** 12/31/15

### 2010-11 Source of Funds

NA

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$4,480,000	\$960,000	\$27,040,000	\$7,520,000	\$40,000,000

# Town Lake Downstream Dam Repairs - ADWR



### Project Description

This project provides funding for repairs to the Town Lake's downstream dam area as required by ADWR (Arizona Department of Water Resources). Dam repairs include replacement of the rip-rap that is placed for scour control, completing some concrete patch work (also an ADWR requirement) and replacing piezometer cables so that groundwater level reading can resume.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$1,500
Design and Engineering	\$8,500
Survey / Staking	\$1,000
Construction Management	\$8,000
Furnishings / Equipment	\$0
Construction / Improvement	\$200,000
Geotech / Material Testing	\$1,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$7,000
<b>Total</b>	<b>\$227,000</b>

**Project Number:** 6503599  
**Estimated Start Date:** 11/01/09  
**Estimated Completion Date:** 04/30/11

### 2010-11 Source of Funds

Capital Improvements Reserve \$227,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$227,000	\$0	\$0	\$0	\$0	\$227,000



*General Purpose projects total \$3.6 million in FY 2010-11 and account for 7% of the 2010-11 appropriated CIP budget*



The General Purpose component of the Capital Improvements Program includes Police Protection, Fire Protection, Park Improvements, and General Governmental programs. Combined, they constitute \$3.6 million of the \$48.3 million Capital Improvements Budget for FY 2010-11. A total of \$1.6 million in General Obligation bonds will be sold primarily to provide funding for Police and Fire projects. The balance will come from the City's Capital Improvements Reserve, the Park Improvements capital projects fund balance, and a transfer from the Water / Wastewater fund.

Major projects in FY 2010-11 include continued improvements to both the Police and Fire Departments' radio systems, and under the General Governmental program: continued funding for the renovation of the Tempe Public Library, the Municipal Arts Program, and numerous ongoing facilities repair and replacement programs.

Historically, the annual Park Improvements program has been almost completely funded by bonds which are repaid by City property tax revenues. Dramatically declined local property values resulting from the economic downturn are projected to severely decrease property tax revenues for years to come; which has critically diminished the City's capacity to bond finance capital projects. Consequently, with the exception of a modest use of existing capital projects fund balance, funding for FY 2010-11 Park Improvement capital projects has been delayed.

## 2010-11 CIP Projects - Police Protection Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Police / City Radio System Replacement : 5501989	General Obligation Bonds	890,954	1,053,267	809,604	-	-	2,753,825
	Unauthorized G.O Bonds	-	-	70,000	861,316	900,000	1,831,316
	<b>Project Total</b>	890,954	1,053,267	879,604	861,316	900,000	4,585,141

# Police / City Radio System Replacement



## Project Description

This ongoing project provides for the replacement of outdated radio equipment for the Police Department and other City radio users, allowing Tempe to participate in the establishment of long-term public safety interoperability in the Phoenix metro area. The Police/City Radio System is an 800Mhz digital trunk system that allows day-to-day, real time communication over a single radio system in partnership with thirteen other agencies.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$4,585,141
Other Project Costs	\$0
<b>Total</b>	<b>\$4,585,141</b>

**Project Number:** 5501989  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

General Obligation Bonds \$890,954

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$890,954	\$1,053,267	\$879,604	\$861,316	\$900,000	\$4,585,141

## 2010-11 CIP Projects - Fire Protection Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
Radio Replacement for Conversion to 800 MHz: 566947	General Obligation Bonds	600,000	-	-	-	-	600,000

# Radio Replacement for Conversion to 800 Megahertz



## Project Description

This project continues the federally mandated radio conversion to 800 MHz. The conversion ensures the Fire Department will remain on track in its partnership with the other metropolitan area cities in the Automatic Aide System.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$600,000
Other Project Costs	\$0
<b>Total</b>	<b>\$600,000</b>

**Project Number:** 566947  
**Estimated Start Date:** 07/01/08  
**Estimated Completion Date:** 06/30/10

## 2010-11 Source of Funds

General Obligation Bonds \$600,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$600,000	\$0	\$0	\$0	\$0	\$600,000

**2010-11 CIP Projects - Park Improvements / Recreation Program**



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Neighborhood Park Improvements:</b>							
<b>6399829</b>	Capital Projects Fund Balance	150,000	-	-	-	-	150,000

# Neighborhood Park Improvements



## Project Description

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

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$150,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$150,000</b>

**Project Number:** 6399829  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

Capital Projects Fund Balance \$150,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$150,000	\$0	\$0	\$0	\$0	\$150,000

## 2010-11 CIP Projects - General Governmental Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Community Development</b>							
El Paso Natural Gas Easement Multi-use Path Improvements Phase III: NA	Federal Grants	-	-	-	-	1,323,000	1,323,000
	Unauthorized G.O. Bonds	-	-	-	200,000	-	200,000
	<b>Project Total</b>	-	-	-	200,000	1,323,000	1,523,000
<b>Community Relations</b>							
Maryanne Corder Neighborhood Improvement Program: 676556	Capital Improvements Reserve	250,000	-	-	-	-	250,000
<b>Community Services</b>							
Municipal Arts Program: 6699799	Water / Wastewater Fund	436,463	234,890	364,140	194,680	241,048	1,471,221
Tempe Public Library Renovation: 6702499	General Obligation Bonds	115,000	-	-	-	-	115,000
<b>Public Works</b>							
City Facilities Rehabilitation: 6799779	Capital Improvements Reserve	510,000	161,328	-	-	-	671,328
Energy Conservation Program: 6703659	Federal Grants	339,500	339,500	-	-	-	679,000
	Capital Improvements Reserve	35,000	35,000	-	-	-	70,000
	<b>Project Total</b>	374,500	374,500	-	-	-	749,000
Historic Properties Preservation: 676809	Capital Improvements Reserve	50,000	-	-	-	-	50,000
HVAC Equipment Replacement: 676873	Capital Improvements Reserve	33,500	-	-	-	-	33,500
Microbial Remediation (Mold, Asbestos Removal): 6709269	Capital Improvements Reserve	30,000	-	-	-	-	30,000
Roof Maintenance Program: 6702519	Capital Improvements Reserve	30,000	-	-	-	-	30,000
<b>Water Utilities</b>							
General Purpose Irrigation Improvements: 6704049	Capital Improvements Reserve	100,000	-	-	-	-	100,000
<b>Program Total</b>		<b>1,929,463</b>	<b>770,718</b>	<b>364,140</b>	<b>394,680</b>	<b>1,564,048</b>	<b>5,023,049</b>

# El Paso Natural Gas Easement Multi-use Path Improvements Phase III



## Project Description

The project is a 1/2 mile multi-use path extension of the existing El Paso Gas Easement path from Rural Road to Kiwanis Park. The project will extend the multi-use path system from Price Road to Kiwanis Park, a major regional destination. The project will allow and promote non-motorized access to Kiwanis Park.

The project will provide east-west bicycle and pedestrian connectivity that will link major residential areas with a regional recreational facility. The project will also shorten the commute for bicyclists heading to the Kiwanis Park and also to industrial areas abutting the park, and will also encourage less experienced bike commuters by providing them safer and less congested routes to recreational and employment destinations. Regionally, the project will also allow bike commuters from Chandler, Mesa and Tempe easier access to Tempe. The project will connect at Kiwanis Park to the Western Canal Multi-use Path. Reducing automobile trips will benefit Tempe's and the Valley's air quality.

## 2010-11 Source of Funds

NA

## Estimated Project Costs

Legal / Administration	\$11,000
Land Acquisition	\$0
Permit Fees	\$99,000
Design and Engineering	\$200,000
Survey / Staking	\$11,000
Construction Management	\$74,000
Furnishings / Equipment	\$0
Construction / Improvement	\$1,050,000
Geotech / Material Testing	\$11,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$67,000
<b>Total</b>	<b>\$1,523,000</b>

**Project Number:** NA  
**Estimated Start Date:** 07/01/14  
**Estimated Completion Date:** 06/30/15

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$200,000	\$1,323,000	\$1,523,000

# Maryanne Corder Neighborhood Grant Program



## Project Description

The Neighborhood Grant Program is an annual program that provides funding for small neighborhood initiated projects (\$15,000 or less per individual association project and one \$50,000 grant). The selection of recipients and the amounts awarded are determined by City Council based on recommendations from staff after a review of requests by neighborhood and homeowners associations. Environmental benefits from projects include turf conversion, energy efficient lighting, drought tolerant planting and recyclable materials used for art pieces.

The grant program is a direct investment in neighborhoods. Residents work together collaboratively to identify smaller projects that meet a community need. The program requires extensive community involvement and support in the selection of what project to apply for, so that the project represents the neighborhood's needs and desires.

## 2010-11 Source of Funds

Capital Improvements Reserve \$250,000

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$250,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$250,000</b>

**Project Number:** 676556  
**Estimated Start Date:** Varies  
**Estimated Completion Date:** Varies

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$250,000	\$0	\$0	\$0	\$0	\$250,000

# Municipal Arts Program



## Project Description

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

The Municipal Arts Program serves to advise the Mayor and City Council on all art and cultural development, encourage arts organizations and artists in their continuing search for artistic excellence in Tempe, and to encourage and support the contribution of cultural diversity to the richness of the community's artistic life.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$1,471,221
<b>Total</b>	<b>\$1,471,221</b>

**Project Number:** 6699799  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

Water / Wastewater Fund \$436,463

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$436,463	\$234,890	\$364,140	\$194,680	\$241,048	\$1,471,221

# Tempe Public Library Renovation



## Project Description

This additional funding for this project will complete the \$8 million renovation of the Tempe Public Library which opened to the public in 1989. The completed renovation upgrades the Library's computer network, replaces the furniture and remodels the Library to accommodate new usage patterns and technology.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$115,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$115,000</b>

**Project Number:** 6702499  
**Estimated Start Date:** 07/01/06  
**Estimated Completion Date:** 06/30/11

## 2010-11 Source of Funds

General Obligation Bonds \$115,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$115,000	\$0	\$0	\$0	\$0	\$115,000

## City Facilities Rehabilitation



### Project Description

This project rehabilitates and repairs public facilities and related building systems. Rehabilitation and repairs include: fire alarm upgrades and repairs, roof repairs, replacements of floor covering, painting, repair and upgrades to building automation systems, ice machine replacements and general building repairs as needed. As items are replaced with new items that consume less energy and are more efficient therefore reducing carbon footprint and sustaining a more environmentally friendly community. Also, planned maintenance extends the life of equipment and systems therefore reduces costly repairs and building closures.

Some of the anticipated projects include floor coverings at the following locations: Fire Station #1, Escalante Center, Senior Citizen Center and Pyle Adult Center. Plans are to upgrade lighting automation at the 525 Building, City Hall garden level offices, Fire Admin Building and at the Library. The Facilities Master Plan will be used to identify and prioritize what particular locations will have ice machines replaced.

### 2010-11 Source of Funds

Capital Improvements Reserve	\$510,000
------------------------------	-----------

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$510,000	\$161,328	\$0	\$0	\$0	\$671,328

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$671,328
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

<b>Total</b>	<b>\$671,328</b>
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<b>Project Number:</b>	<b>6799779</b>
<b>Estimated Start Date:</b>	<b>07/01/10</b>
<b>Estimated Completion Date:</b>	<b>Ongoing</b>

## Energy Conservation Program



### Project Description

This project replaces substandard and inefficient lighting systems (replacing T-12 lighting with T-8, LED upgrades), replaces or adds new EMS (Energy Management Systems), and allows for performing building audits and adding programmable thermostats. This program allows staff to review facility needs and determine where we can achieve sustainable savings in energy costs and consumption. This program will be used to provide matching funds of \$35,000 each year for two years to obtain grant funding of \$679,000 from the EECBG (Energy Efficiency & Conservation Block Grant) Program.

The grant funding assists the City in expanding our energy conservation efforts and will be used for HVAC and/or lighting retrofits at the following locations: Kiwanis Rec. Center, North PD building, Pyle Adult Recreation Center, Edna Vihel Arts Facility, City Hall, and Fire Training Center. It is anticipated that there will be a savings of 21,000 kwh over the two year period resulting from the grant funding and the Energy Conservation Program CIP.

### 2010-11 Source of Funds

Federal Grants	\$339,500
Capital Improvements Reserve	\$35,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$374,500	\$374,500	\$0	\$0	\$0	\$749,000

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$749,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0

<b>Total</b>	<b>\$749,000</b>
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<b>Project Number:</b>	<b>6703659</b>
<b>Estimated Start Date:</b>	<b>07/01/10</b>
<b>Estimated Completion Date:</b>	<b>06/30/11</b>

# Historic Properties Preservation



## Project Description

This project rehabilitates and repairs aging historic facilities, infrastructure and systems. The scope of the rehabilitation includes roofing repairs / replacements, floor covering, painting, security lighting, repairs/upgrades of building automation systems, fire alarms and damaged equipment. Plans for this next year include adding security lighting to the Hackett and Peterson houses.

The preservation of City owned historic properties is essential to prolong the sustainability of historic public properties. Taking a proactive approach to repairs will often reduce future expenditure costs. The Hackett House recently had a new HVAC system added therefore reducing energy consumption and energy costs. The other properties will be reviewed and analyzed during this budget period.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$50,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$50,000</b>

**Project Number:** 676809  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** 06/30/11

## 2010-11 Source of Funds

Capital Improvements Reserve	\$50,000
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## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$50,000	\$0	\$0	\$0	\$0	\$50,000

# HVAC Equipment Replacement



## Project Description

This project replaces air conditioning systems in public facilities that are no longer performing adequately, or are beyond their recommended life cycle and require constant maintenance. It has been determined that there are approximately 140 units that have exceeded their useful life which is 12 years. Some of the facilities where the HVAC systems are planned to be replaced include: Fire Station # 3, Fire station # 5, and Vihel Community Center. By being more proactive in replacing these units, we will be reducing our energy consumption and reduce our carbon footprint.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$33,500
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$33,500</b>

**Project Number:** 676873  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** 06/30/11

## 2010-11 Source of Funds

Capital Improvements Reserve	\$33,500
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## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$33,500	\$0	\$0	\$0	\$0	\$33,500

## Microbial Remediation (Mold and Asbestos Removal)



### Project Description

This project provides funding to hire trained remediation contractors for mold and asbestos removal as needed and in accordance with state and federal environmental requirements.

Remodeling a city facility will require an asbestos assessment before work can commence. In the event of detecting asbestos, specially trained technicians will perform the necessary remediation. If mold has been identified in a work area, a mold assessment and abatement actions will be performed by trained microbial remediation specialists to ensure a healthy environment.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$30,000
<b>Total</b>	<b>\$30,000</b>

**Project Number:** 6709269  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** Ongoing

### 2010-11 Source of Funds

Capital Improvements Reserve \$30,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$30,000	\$0	\$0	\$0	\$0	\$30,000

## Roof Maintenance Program



### Project Description

The scope of this project provides for annual maintenance and ongoing replacement of City facilities roof structures. Proper assessments, maintenance, repairs and replacement of roof structures will prolong performance and usefulness. A comprehensive program will prolong the life-cycle costs while reducing the frequency of leaks and emergency repairs. It is planned that roof replacement projects that will take place in 2010-11 are Diablo Stadium weight room and a portion of Kiwanis Recreation Center. Specific replacement projects are being evaluated in conjunction with the City Facilities Master Plan.

### Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$30,000
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$30,000</b>

**Project Number:** 6702519  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** 06/30/11

### 2010-11 Source of Funds

Capital Improvements Reserve \$30,000

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$30,000	\$0	\$0	\$0	\$0	\$30,000

# General Purpose Irrigation Improvements



## Project Description

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.

Environmental benefits of Flood Irrigation Service: The distribution system is gravity fed and does not require power to motors and pumps. Also, unlike domestic tap water, surface water used for flood irrigation requires no pre-treatment prior to delivery, which makes it a much more cost effective resource for flood irrigation.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$100,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$100,000</b>

**Project Number:** 6704049  
**Estimated Start Date:** 07/01/08  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

Capital Improvements Reserve \$100,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$100,000	\$0	\$0	\$0	\$0	\$100,000



*Transportation projects total \$275 thousand in  
FY 2010-11  
and  
account for less than 1% of the 2010-11  
appropriated CIP budget*



The Transportation element of the Capital Improvements Program includes all new and ongoing improvements put into service under the City's Transportation and Right-of-Way, and Traffic Signal and Street Lighting programs.

Historically, the annual Transportation program has been almost completely funded by bonds which are repaid by City property tax revenues. Dramatically declined local property values resulting from the economic downturn are projected to severely decrease property tax revenues for years to come; which has critically diminished the City's capacity to bond finance capital projects. Consequently, with the exception of a modest use of existing capital projects fund balance, funding for FY 2010-11 transportation capital projects has been delayed. Projects are planned within the five year program when federal grant subsidies are anticipated.

**2010-11 CIP Projects - Transportation & R.O.W. Improvements Program**



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Holdeman Alley Improvement</b>							
<b>Project: NA</b>	General Obligation Bonds	-	-	-	32,102	-	32,102
	Federal Grants	-	-	-	531,098	-	531,098
	<b>Project Total</b>	-	-	-	563,200	-	563,200
<b>North Tempe Alley Improvement: NA</b>							
	General Obligation Bonds	-	-	-	58,095	-	58,095
	Federal Grants	-	-	-	961,105	-	961,105
	<b>Project Total</b>	-	-	-	1,019,200	-	1,019,200
<b>Residential Street Surface</b>							
<b>Treatments: 5499951</b>	Capital Projects Fund Balance	275,000	-	-	-	-	275,000
<b>Program Total</b>		<b>275,000</b>	-	-	<b>1,582,400</b>	-	<b>1,857,400</b>

## Holdeman Alley Improvement Project



### Project Description

The City of Tempe has an ongoing alley reconstruction / stabilization program which includes removing soil fines and old soil material and replacing with recycled asphalt (RAP) from wall to wall in alleys. This project would stabilize approximately 4.25 miles of alleys in the area from University to Broadway and Priest to Hardy. The primary environmental benefit derived from the project is a reduction in dust emissions due to activity in the alley. The project is approximately 94% federal grant funded.

This project will allow Tempe to continue its stabilization program in order to reduce PM 10 emissions. The Holdeman Neighborhood area was identified in the city's Congestion Mitigation Air Quality (CMAQ) funding request through the Maricopa Association of Governments (MAG) in the Paving Unpaved Road Projects category for its regional proximity to Phoenix and to County air quality monitoring stations in South Scottsdale. Additionally, traffic counts in the northern segment of the area yielded higher than average number of trips per day for alley use.

### 2010-11 Source of Funds

NA

### Estimated Project Costs

Legal / Administration	\$5,000
Land Acquisition	\$0
Permit Fees	\$9,000
Design and Engineering	\$54,000
Survey / Staking	\$5,000
Construction Management	\$32,000
Furnishings / Equipment	\$0
Construction / Improvement	\$450,000
Geotech / Material Testing	\$5,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$3,200
<b>Total</b>	<b>\$563,200</b>

**Project Number:** NA  
**Estimated Start Date:** 08/01/13  
**Estimated Completion Date:** 11/30/13

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$563,200	\$0	\$563,200

## North Tempe Alley Improvement



### Project Description

The City of Tempe has an ongoing alley reconstruction/stabilization program which includes removing soil fines and old soil material and replacing with recycled asphalt (RAP) from wall to wall in alleys. This project would stabilize approximately 10.5 miles of alleys in the area from approximately Miller Rd. to Crosscut Canal, Curry Rd. to Continental Dr. The primary environmental benefit derived from the project is a reduction in dust emissions due to activity in the alley. The project is approximately 94% federal grant funded.

Funding this project will allow the city of Tempe to continue its stabilization program in order to reduce PM 10 emissions. The North Tempe Neighborhood area was identified in the City's Congestion Mitigation Air Quality (CMAQ) funding request through the Maricopa Association of Governments (MAG) in the Paving Unpaved Road Projects category for its regional proximity to Phoenix and Scottsdale, and due to the fact that it is very close - approximately 2 miles - to the County's PM-10 air quality monitoring station in South Scottsdale.

### 2010-11 Source of Funds

NA

### Estimated Project Costs

Legal / Administration	\$8,000
Land Acquisition	\$0
Permit Fees	\$15,000
Design and Engineering	\$96,000
Survey / Staking	\$8,000
Construction Management	\$56,000
Furnishings / Equipment	\$0
Construction / Improvement	\$800,000
Geotech / Material Testing	\$8,000
Utility Relocation Fees	\$25
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$28,175
<b>Total</b>	<b>\$1,019,200</b>

**Project Number:** NA  
**Estimated Start Date:** 08/01/13  
**Estimated Completion Date:** 11/30/13

### New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$0	\$1,019,200	\$0	\$1,019,200

# Residential Street Surface Treatments



## Project Description

This project will provide the ongoing preventative maintenance of local / residential streets throughout the city in accordance with the City's pavement management program. Examples of the various types of treatments include; slurry seal, cape seal, smooth seal, seal coat and crack seal. Allocating funds and effort now will prevent future reconstruction costs that can be 10 times higher than routine maintenance costs. The streets to be maintained in the fiscal year of 2010-11 are bounded by All American Way to McClintock and Baseline to Guadalupe, Guadalupe to the Western Canal and Rural to Price, and Guadalupe to Elliot and Kyrene to Rural.

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$275,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
<b>Total</b>	<b>\$275,000</b>

**Project Number:** 5499951  
**Estimated Start Date:** Ongoing  
**Estimated Completion Date:** Ongoing

## 2010-11 Source of Funds

Capital Projects Fund Balance \$275,000

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$275,000	\$0	\$0	\$0	\$0	\$275,000

## 2010-11 CIP Projects - Traffic Signals and Street Lighting Program



Project Name & Number	Funding Source	2010-11 Funded Program	Additional Projected Needs				Total 5-Year Program
			2011-12	2012-13	2013-14	2014-15	
<b>Design and Install Fiber Optic Communications: NA</b>	General Obligation Bonds	-	-	107,000	-	-	107,000
	Federal Grants	-	-	243,000	-	-	243,000
	<b>Project Total</b>	-	-	350,000	-	-	350,000
<b>Video Traffic Detection: NA</b>	General Obligation Bonds	-	120,000	-	-	-	120,000
	Federal Grants	-	305,000	-	-	-	305,000
	<b>Project Total</b>	-	425,000	-	-	-	425,000
<b>Program Total</b>		-	<b>425,000</b>	<b>350,000</b>	-	-	<b>775,000</b>

# Design and Install Fiber Optic Communications



## Project Description

This project will install fiber optic communications media to each signalized intersection along University from Mill to McClintock utilizing existing fiber conduits. This upgrade will require minimal design and construction due to conduits already being in place and the close proximity of the terminating traffic signal control cabinets to the ADOT fiber optic backbone. As a result, one-quarter of the signal system will be on fiber.

Utilizing the existing conduits and the state-owned infrastructure will eliminate the need for leased telephone service to the intersections and increase bandwidth to allow for installation of real-time video detection (data gathering) and CCTV monitoring. The City will be able to monitor traffic conditions and adjust traffic signal timing through centralized command and control strategies designed to minimize congestion. Additionally, this project mitigates congestion through enhanced regional multi-agency signal coordination and maximizes the use of existing communications infrastructure.

## 2010-11 Source of Funds

NA

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$350,000
<b>Total</b>	<b>\$350,000</b>

**Project Number:** NA  
**Estimated Start Date:** 07/01/12  
**Estimated Completion Date:** 06/30/13

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$0	\$350,000	\$0	\$0	\$350,000

# Video Traffic Detection



## Project Description

The project will utilize video detection and CCTV monitoring at arterial traffic signals to obtain real-time turning movement count data. The project will be used to monitor and adjust signal timing to improve traffic flow along the city's major travel corridors.

## 2010-11 Source of Funds

NA

## Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$425,000
<b>Total</b>	<b>\$425,000</b>

**Project Number:** NA  
**Estimated Start Date:** 07/01/10  
**Estimated Completion Date:** 06/30/11

## New Appropriations by Fiscal Year

2010-11	2011-12	2012-13	2013-14	2014-15	Total 5 Year
\$0	\$425,000	\$0	\$0	\$0	\$425,000

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# Schedules and Summaries

**This section includes the City's budget resolution, property tax information, budgetary units, and budget concepts along with personnel schedules and miscellaneous statistical data.**

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# Schedules and Summaries Contents



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# Property Tax Ordinance



## ORDINANCE NO. 2010.18

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, 2011.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2010-2011 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 \$12,238,972, resulting in a primary tax rate of \$0.5176 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 of \$0.8824 per \$100 of assessed value.

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.

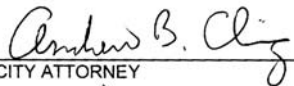
Section 6: This ordinance shall become effective upon adoption.

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 24th day of June, 2010.

  
\_\_\_\_\_  
Vice Mayor

ATTEST:  
  
\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
CITY ATTORNEY

  
\_\_\_\_\_  
FINANCIAL SERVICES MANAGER



RESOLUTION 2010.74

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

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

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

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

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

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

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

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY

  
FINANCIAL SERVICES MANAGER



## Summary Schedule of Estimated Revenue and Expenditures/Expenses

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

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

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



Summary of Tax Levy and Tax Rate Information

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

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



## Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2009-10	Estimated Revenue FY 2009-10*	Budgeted Revenue FY 2010-11
<b>General Fund</b>			
Local Taxes			
City Sales Tax	\$74,005,000	\$62,700,000	\$68,550,872
Hotel Bed Tax	3,000,000	2,168,700	3,559,916
Franchise Taxes	3,927,281	3,724,281	3,727,000
Licenses and Permits			
Business Licenses	1,497,750	1,564,864	1,567,696
Intergovernmental Revenue			
State Shared	34,715,155	33,416,962	28,871,873
Vehicle License Tax	6,275,500	5,768,161	6,166,164
Charges for Services	10,645,611	10,008,079	11,200,441
Fines and Forfeitures	9,880,662	9,558,931	10,322,095
Interest on Investments	3,000,000	1,790,340	1,500,000
Voluntary Contributions			
SRP In-Lieu Tax	1,394,846	1,394,846	1,376,393
Miscellaneous Revenue	3,417,119	2,690,669	4,995,333
<b>Total General Fund</b>	<b>151,758,924</b>	<b>134,785,833</b>	<b>141,837,783</b>
<b>Special Revenue Funds</b>			
Highway Users Revenue Fund			
Intergovernmental	10,019,765	9,219,300	9,495,879
Maintenance of Effort/Other	1,035,000	785,824	785,824
Barricading Fees	180,000	32,000	75,000
<b>Total Highway Users Revenue Fund</b>	<b>11,234,765</b>	<b>10,037,124</b>	<b>10,356,703</b>
Local Transportation Assistance Fund (LTAF)			
Intergovernmental	472,645	232,766	
<b>Total LTAF</b>	<b>472,645</b>	<b>232,766</b>	
Transit Fund			
Transit Tax	29,957,000	26,328,500	25,012,100
State Lottery Proceeds	232,794	184,119	
ASU-Flash Transit	676,790	676,790	773,045
Interest Earned-Trust Investments	212,386	212,386	212,386
Federal and State Funding	44,301,699	10,836,699	14,470,874
Miscellaneous Revenue	813,220	3,032,220	3,369,506
<b>Total Transit Fund</b>	<b>76,193,889</b>	<b>41,270,714</b>	<b>43,837,911</b>



### Summary by Fund of Revenue Other Than Property Taxes

Source of Revenue	Budgeted Revenue FY 2009-10	Estimated Revenue FY 2009-10*	Budgeted Revenue FY 2010-11
<b>Special Revenue Funds (Continued)</b>			
Rio Salado Fund			
City Sales Tax	1,250,000	1,175,900	1,329,200
Hotel Bed Tax	300,000	208,600	410,000
Interest on Investments	130,000	95,000	95,000
Miscellaneous Revenue	163,601	86,361	107,930
<b>Total Rio Salado Fund</b>	<b>1,843,601</b>	<b>1,565,861</b>	<b>1,942,130</b>
Performing Arts			
Performing Arts Tax	6,295,038	5,868,886	5,175,519
Fees and Admissions	351,000	547,750	575,500
Interest on Investments	185,039	75,000	45,349
<b>Total Performing Arts Fund</b>	<b>6,831,077</b>	<b>6,491,636</b>	<b>5,796,368</b>
Community Development Block Grant (CDBG)	3,197,782	1,926,196	5,794,897
Section 8 Housing	8,949,041	8,994,784	10,623,052
Total CDBG / Section 8 Funds	12,146,823	10,920,980	16,417,949
<b>Total Special Revenue Funds</b>	<b>108,722,800</b>	<b>70,519,081</b>	<b>78,351,061</b>
<b>Debt Service Fund</b>			
Intergovernmental	185,458	185,458	16,520
<b>Total Debt Service Fund</b>	<b>2,955,458</b>	<b>185,458</b>	<b>16,520</b>
<b>Enterprise Funds</b>			
Cemetery	147,186	144,420	144,420
Golf	2,001,283	1,715,004	1,711,195
Water/Wastewater	61,572,480	60,844,647	66,510,174
Solid Waste	15,828,588	14,989,166	15,189,163
<b>Total Enterprise Funds</b>	<b>79,549,537</b>	<b>77,693,237</b>	<b>83,554,952</b>
<b>TOTAL ALL FUNDS</b>	<b>\$342,986,719</b>	<b>\$283,183,609</b>	<b>\$303,760,316</b>

\* 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 2010-11	Interfund Transfers FY 2010-11	
		In	Out
<b>General Fund</b>	\$724,712	\$186,4356	
<b>Special Revenue Funds</b>			
Rio Salado Fund	7,262		
HURF/LTAF			(2,770,000)
<b>Total Special Revenue Funds</b>	<b>7,262</b>		<b>(2,770,000)</b>
<b>Debt Service Fund</b>		<b>2,770,000</b>	<b>(49,000)</b>
<b>Capital Projects Funds</b>		436,463	(137,435)
Bond/Note Proceeds	38,252,292		
CIP-Other Funding	1,739,500		
CIP-Fund Balance Applied	7,586, 500		
<b>Total Capital Projects Funds</b>	<b>47,578,292</b>	<b>436,463</b>	<b>(137,435)</b>
<b>Enterprise Funds</b>			
Water/Wastewater	4,611,941		(436,463)
<b>TOTAL ALL FUNDS</b>	<b>\$52,922,207</b>	<b>\$3,392,898</b>	<b>\$(3,392,898)</b>



## Summary by Department of Expenditures/Expenses Within Each Fund

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

\* 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); and 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.

## Personnel Summary



The number of full-time employees for FY 2010-11 totals 1,818.43 full-time equivalents (FTE), including 1,602 full-time, 13.85 permanent full-time equivalents, and 202.58 temporary full-time equivalent employees. This total translates to a 10.65% decrease over the 2,035.25 full-time equivalents budgeted in FY 2009-10.

Department	2008-09 Actual			2009-10 Budget			2009-10 Revised			2010-11 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			3			3			4		
City Attorney	27	1.75	0.62	24	1.75		24	1.75		23	1.75	
City Clerk	4		0.58	4		0.58	4		0.58	4		0.58
City Court	41	0.65	4.20	40		4.06	38		4.06	38		4.06
Community Development	109		11.95	101	2.60	9.01	95	2.10	9.01	84	1.60	4.01
Community Relations	18		1.83	23		1.83	25		1.83	22		1.34
Community Services	147	11.40	180.62	144	9.15	165.69	136	5.65	165.69	120	5.50	165.69
Diversity Program	4	0.50		3	0.50		3	0.50		2	1.00	
Finance and Technology	147	0.50	1.25	147	0.50	0.63	138	0.50	0.63	132	0.50	
Fire	186	1.00		184	1.00		184	1.00		181	1.00	
Human Resources	23	0.50		23			20			20		
Internal Audit	4			4			4			3		0.45
Police	575		6.25	562		6.25	562		6.25	493		6.25
Public Works	556	3.00	19.69	542	3.50	17.20	514	3.50	17.20	469	2.50	20.20
Sub Total	1,851	19.30	226.99	1,811	19.00	205.25	1,757	15.00	205.25	1,602	13.85	202.58
<b>Total Personnel</b>	<b>2,097.29</b>			<b>2,035.25</b>			<b>1,977.25</b>			<b>1,818.43</b>		

# Personnel Schedules



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
1110	<b>MAYOR &amp; COUNCIL</b>					
	Mayor	Gen	1	1	1	1
	Vice Mayor	Gen	1	1	1	1
	Council Member	Gen	5	5	5	5
	<b>Mayor &amp; Council Total Full-Time</b>		<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
	<b>CITY MANAGER</b>					
1210	Administration					
	City Mgr	Gen	1	1	1	1
	Asst City Mgr	Gen	1	1	1	1
	Sr Exec Asst City Admin+	Gen	1	1	1	1
	<b>Total Full-Time</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
1231	EECBG					
	Energy & Grants Project Mgr <i>(Position is funded through 6-30-12)</i>	Grant	0	0	0	1
	<b>Total Full-Time</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>City Manager Total Full-Time</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>
	<b>CITY ATTORNEY</b>					
1710	Legal Services					
	City Attorney	Gen	1	1	1	1
	Dep City Attorney	Gen	2	2	2	2
	Sr Asst City Attorney	Gen	1	1	1	1
	Police Legal Advisor	Gen	1	1	1	1
	Asst City Attorney	Gen	9	8	8	8
	Paralegal II+	Gen	1	1	1	1
	Sr Exec Asst City Admin+	Gen	1	1	1	0
	Administrative Support Supvr	Gen	1	1	1	1
	Paralegal I+	Gen 60% Grants 40%	1	1	1	1
	Legal Specialist II+	Gen	1	1	1	1
	Legal Assistant	Gen	5	3	3	3
	Paralegal**	Gen	0.75	0.75	0.75	0.75
	Assistant City Attorney**	Gen	1.00	1.00	1.00	1.00
	Law Intern*	Gen	0.62	0.00	0.00	0.00
	<b>Total Full-Time</b>		<b>24</b>	<b>21</b>	<b>21</b>	<b>20</b>
	<b>Total Perm FTE**</b>		<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>
	<b>Total Temp FTE*</b>		<b>0.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
3115	City Attorney/Water					
	Sr Asst City Attorney	W/WW	1	1	1	1
	Asst City Attorney	W/WW	1	1	1	1
	Legal Specialist II+	W/WW	1	1	1	1
	<b>Total Full-Time</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
	<b>City Attorney Total Full-Time</b>		<b>27</b>	<b>24</b>	<b>24</b>	<b>23</b>
	<b>City Attorney Total Perm FTE**</b>		<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>
	<b>City Attorney Total Temp FTE*</b>		<b>0.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
1310	<b>CITY CLERK</b>					
	City Clerk	Gen	1	1	1	1
	Dep City Clerk	Gen	1	1	1	1
	Executive Assistant	Gen	2	2	2	2
	COE *	Gen	0.58	0.58	0.58	0.58
	<b>City Clerk Total Full-Time</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
	<b>City Clerk Total Temp FTE*</b>		<b>0.58</b>	<b>0.58</b>	<b>0.58</b>	<b>0.58</b>
	<b>CITY COURT</b>					
1410	Administration/Judicial Division					
	Presiding City Judge	Gen	1	1	1	1
	Court Mgr	Gen	1	1	1	1
	City Judge	Gen	2	2	2	2
	Court Commissioner	Gen	2	2	2	2
	Dep Court Admin	Gen	2	2	2	1
	Court Svcs Supvr	Gen	1	1	1	1
	Court Training Coord	Gen	1	0	0	0
	Court Interpreter	Gen	1	0	0	0
	<b>Total Full-Time</b>		<b>11</b>	<b>9</b>	<b>9</b>	<b>8</b>
1411	Criminal Division					
	Court Svcs Supvr	Gen	2	2	1	1
	Lead Court Svcs Spec	Gen	0	0	0	1
	Court Svcs Spec II+	Gen	9	9	9	8
	COE*	Gen	2.10	1.96	1.96	1.96
	<b>Total Full-Time</b>		<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
	<b>Total Temp FTE*</b>		<b>2.10</b>	<b>1.96</b>	<b>1.96</b>	<b>1.96</b>
1412	Civil Division					
	Court Svcs Supvr	Gen	2	1	1	2
	Lead Court Svcs Spec	Gen	1	1	1	0
	Court Svcs Spec II+	Gen	16	14	13	13
	COE*	Gen	2.10	2.10	2.10	2.10
	<b>Total Full-Time</b>		<b>19</b>	<b>16</b>	<b>15</b>	<b>15</b>
	<b>Total Temp FTE*</b>		<b>2.10</b>	<b>2.10</b>	<b>2.10</b>	<b>2.10</b>
4710	Court Enhancement Fund					
	Deputy Court Admin	Dsg Fund	0	0	0	1
	<b>Total Full-Time</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
4720	Fill the Gap Fund					
	Court Interpreter	Grant	0	1	1	1
	Court Interpreter**	Grant	0.65	0.00	0.00	0.00
	<b>Total Full-Time</b>		<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>
	<b>Total Perm FTE**</b>		<b>0.65</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4730	Local JCEF					
	Court Svcs Supvr	Grant	0	1	1	0
	Court Svcs Spec II+	Grant	0	1	1	2
	Court Training Coord	Grant	0	1	1	1
	<b>Total Full-Time</b>		<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>



Reflects all personnel changes/reductions approved by City Council through 6/30/2010

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>City Court Total Full-Time</b>			<b>41</b>	<b>40</b>	<b>38</b>	<b>38</b>
<b>City Court Total Perm FTE**</b>			<b>0.65</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>City Court Total Temp FTE*</b>			<b>4.20</b>	<b>4.06</b>	<b>4.06</b>	<b>4.06</b>
<b>COMMUNITY DEVELOPMENT</b>						
2710	Administration					
	Community Development Dir	Gen 67% Grants 33%	0	0	0	1
	Community Development Dir	Gen	1	1	1	0
	Management Assistant II+	Gen	1	1	1	0
	Executive Assistant	Gen	1	1	1	1
	Total Full-Time		3	3	3	2
<b>Building Safety</b>						
2721	Building Safety Inspections and Permits					
	Dep Dev Svcs Mgr-Bldg Safe Per	Gen	1	1	1	1
	Plan Review Administrator	Gen	1	1	1	1
	Bldg Inspection Admin	Gen	1	1	1	1
	Development Project Coord	Gen	1	1	1	1
	Sr Plan Check Engineer+	Gen	6	6	6	6
	Sr Bldg Inspector	Gen	1	1	1	1
	Management Assistant II+	Gen	0	0	0	0
	Bldg Code Complaint Invest	Gen	1	1	1	0
	Plans Examiner	Gen	1	1	0	0
	Permit Center Supervisor	Gen	1	1	1	1
	Bldg Inspector II+	Gen	8	7	7	5
	Code Inspector II+	Gen	1	1	0	0
	Development Svcs Spec II+	Gen	6	6	4	4
	Administrative Assistant II+	Gen	4	4	4	3
	Building Inspector I/II+ *	Gen	2.00	0.66	0.66	0.66
	Total Full-Time		33	32	28	24
	Total Temp FTE*		2.00	0.66	0.66	0.66
<b>Code Compliance</b>						
2727	Code Compliance					
	Code Enforcement Administrator	Gen	0	0	0	0
	Sr Code Inspector Spec	Gen	0	0	1	1
	Code Inspector II+	Gen	0	0	5	3
	Administrative Assistant II+	Gen	0	0	0	0
	Unclassified Temporary*	Gen	0	0	5.00	1.00
	Total Full-Time		0	0	6	4
	Total Temp FTE*		0	0	5.00	1.00
2736	EECBG - IED Code Im					
	Bldg Inspector II+	Grant	0	0	0	1
	(Position is funded through 6-30-12)					
	Total Full-Time		0	0	0	1
2811	Neighborhood Enhancement					
	Code Enforcement Administrator	Gen	1	1	0	0
	Sr Code Inspector Spec	Gen	1	1	0	0



Reflects all personnel changes/reductions approved by City Council through 6/30/2010

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Code Inspector II+	Gen	8	8	0	0
	Administrative Assistant II+	Gen	1	1	0	0
	Unclassified Temporary*	Gen	5.00	5.00	0.00	0.00
	Total Full-Time		11	11	0	0
	Total Temp FTE*		5.00	5.00	0.00	0.00

**Economic Development**

2810	Economic Development Admin					
	Community Development Mgr	Gen 67% Grants 33%	0	1	1	0
	Community Development Mgr	Gen	1	0	0	0
	Principal Architect	Gen	1	1	1	1
	Sr Architect+	Gen	1	1	1	1
	Technology Development Spec	Gen	1	1	1	1
	Economic Development Spec	Gen	1	1	1	1
	Neighbor Enhance Prog Coord	Gen	1	1	0	0
	Executive Assistant	Gen	1	0	0	0
	Administrative Assistant II+	Gen	1	1	2	1
	COE*	Gen	1.00	1.00	1.00	0.00
	Total Full-Time		8	7	7	5
	Total Temp FTE*		1.00	1.00	1.00	0.00

**Housing**

2814	Neighborhood Enhancement					
	Homeless Outreach Coordinator**	Gen	0.00	1.60	1.60	1.60
	Unclassified Temporary*	Gen	1.60	0.00	0.00	0.00
	Total Perm FTE**		0.00	1.60	1.60	1.60
	Total Temp FTE*		1.60	0.00	0.00	0.00

2772 -	Section 8 Housing					
2778	Housing Svcs Administrator	Grant	1	1	1	1
	Housing Svcs Supvr	Grant	1	1	1	1
	Affordable Housing Rehab Specialist	Grant	2	2	2	2
	Family Self Sufficiency Spec	Grant	1	1	1	1
	Housing Services Spec II+	Grant	6	6	6	6
	Administrative Assistant II+	Grant	1	1	1	1
	Total Full-Time		12	12	12	12

2863- 2774	CDBG/Home					
	Housing Services Supvr	Grant	1	1	1	1
	Housing Svcs Mgmt Accountant	Grant	1	1	1	1
	Homeless Coordinator	Grant	1	1	1	1
	Family Self Sufficiency Spec	Grant	1	1	1	1
	Principal Planner	Grant	0	0	0	1
	(Funded for FY10/11 only)					
	Administrative Assistant II+	Grant	1	1	1	1
	Total Full-Time		5	5	5	6

**Planning**

2731	Planning					
	Dep Dev Svcs Mgr-Planning	Gen	1	1	1	1
	Code Enforcement Administrator	Gen	1	1	1	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Principal Planner	Gen	1	1	1	1
	Development Svcs Liaison	Gen	0	0	1	1
	Sr Planner	Gen	7	6	4	4
	Sr Transportation Planner	Gen	0	0	0	1
	Planner II+	Gen	4	3	3	0
	Planner II+**	Gen	0.00	1.00	0.50	0.00
	Tech Planner	Gen	0	0	0	1
	Sr Code Inspector Spec	Gen	1	1	1	1
	Code Inspector II+	Gen	3	3	3	2
	Administrative Assistant II+	Gen	3	2	2	2
	COE*	Gen	1.86	1.86	1.86	1.86
	Total Full-Time		21	18	17	15
	Total Perm FTE**		0.00	1.00	0.50	0.00
	Total Temp FTE*		1.86	1.86	1.86	1.86

**Redevelopment**

2812	Redevelopment/Special Projects					
	Dep Comm Dev Mgr - Redev & Rev	50% Gen 50% Grants	1	0	0	0
	Principal Planner	Gen	2	2	1	1
	Sr Planner	Gen	3	3	3	3
	Planner II+	Gen	3	3	1	0
	Total Full-Time		9	8	5	4

**Tempe Town Lake**

4410	Community Dev - Rio Salado Administration					
	Dep Comm Dev Mgr - Econ Dev	Rio	1	1	1	1
	Rio Salado Mgr	Rio	1	1	1	1
	Rio Salado Financial Analyst	Rio	1	1	1	1
	Sr Planner	Rio	1	1	1	1
	Administrative Project Coord	Rio	1	0	0	0
	Community Relations Coord	Rio	1	0	0	0
	Administrative Assistant II+	Rio	1	1	1	1
	COE*	Rio	0.49	0.49	0.49	0.49
	Total Full-Time		7	5	5	5
	Total Temp FTE *		0.49	0.49	0.49	0.49

4413	Community Dev - Rio Salado Operations					
	Administrative Project Coordinator	Rio	0	1	0	0
	Administrative Assistant II+	Rio	2	2	0	0
	Total Full-Time		2	3	0	0

**Transportation Planning**

3923	Planning & Project Review					
	Dep PW Mgr - Light Rail Div	Transit	0	0	1	0
	Dep PW Mgr - Light Rail Div	Gen 67% Transit 33%			0	1
	Principal Planner	Transit	0	0	2	2
	Sr Transportation Planner+	Transit	0	0	3	3
	Management Assistant II+	Transit	0	0	1	0
	Total Full-Time		0	0	7	6



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>Community Development Total Full-Time</b>			<b>111</b>	<b>104.00</b>	<b>95.00</b>	<b>84</b>
<b>Community Development Total Perm FTE*</b>			<b>0.00</b>	<b>2.60</b>	<b>2.10</b>	<b>1.60</b>
<b>Community Development Total Temp FTE*</b>			<b>11.95</b>	<b>9.01</b>	<b>9.01</b>	<b>4.01</b>
<b>COMMUNITY RELATIONS OFFICE</b>						
<b>Administration</b>						
1219	Administration					
	Community Relations Mgr	Gen	1	1	1	1
	Mayor's Chief of Staff	Gen	1	1	1	0
	Asst to the Mayor	Gen	0	0	0	1
	Sr Exec Asst City Admin+	Gen	2	2	1	0
	Sr Mayoral/City Council Aide+	Gen	4	4	3	2
	Asst to the City Council	Gen	0	0	0	1
	Executive Assistant	Gen	0	0	0	1
	Administrative Assistant I+	Gen	1	1	2	0
	Administrative Intern*	Gen	0.49	0.49	0.49	0.00
	COE*	Gen	0.49	0.49	0.49	0.49
	Total Full-Time		9	9	8	6
	Total Temp FTE*		0.98	0.98	0.98	0.49
1216	Government Relations					
	Government Relations Dir	Gen	1	1	1	0
	Total Full-Time		1	1	1	0
<b>Communication/Media Relations</b>						
1214	Communication & Media Relations					
	Comm and Media Relations Dir	Gen	1	1	1	1
	Media Svcs Admin	Gen	1	1	1	1
	Community Outreach Mktg Coord II+	Gen	0	1	1	1
	Community Relations Coord	Gen	2	2	2	2
	Management Assistant II	Arts	0	1	1	0
	Management Assistant II	W/WW	0	1	1	0
	Media Svcs Producer II+	Gen	2	2	2	1
	Media Svcs Producer II+	CIP	0	0	0	1
	<i>(Position funded through 6-30-12)</i>					
	Call Center Supervisor	Gen	0	1	1	0
	Media Services Assistant *	Gen	0.19	0.19	0.19	0.19
	Media Services Intern*	Gen	0.66	0.66	0.66	0.66
	Total Full-Time		6	10	10	7
	Total Temp FTE*		0.85	0.85	0.85	0.85
1220	Customer Relations Center					
	Customer Relations Supvr	Gen	0	0	0	1
	Administrative Assistant II	Gen	0	0	0	1
	Administrative Assistant II	W/WW	0	0	0	1
	Total Full-Time		0	0	0	3
3916	Marketing and Public Information					
	Community Outreach Mktg Supvr	Transit	0	0	1	1
	Comm Outreach/Mktg Coord II+	Transit	0	0	2	2
	Total Full-Time		0	0	3	3



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
4418	Rio Salado Marketing					
	Community Relations Coord	Rio	0	1	1	1
	Total Full-Time		0	1	1	1
<b>Neighborhood Program</b>						
1215	Neighborhood Program					
	Neighbor Program Dir	Gen	1	1	1	1
	Neighborhood Svcs Spec	Gen	1	1	1	1
	Total Full-Time		2	2	2	2
<b>Community Relations Total Full-Time</b>			<b>18</b>	<b>23</b>	<b>25</b>	<b>22</b>
<b>Community Relations Total Temp FTE*</b>			<b>1.83</b>	<b>1.83</b>	<b>1.83</b>	<b>1.34</b>
<b>COMMUNITY SERVICES</b>						
<b>Administration</b>						
2410	Administration					
	Community Svcs Dir	Gen 85% Arts 15%	1	1	1	1
	Sr Social Svcs Coord+	Gen	1	1	1	1
	Management Assistant II+	Gen	1	1	1	0
	Unclassified Temporary*	Gen	0.52	0.52	0.52	0.52
	Total Full-Time		3	3	3	2
	Total Temp FTE*		0.52	0.52	0.52	0.52
<b>Arts and Library</b>						
2440	Library					
	Dep Comm Svcs Mgr-Library	Gen	1	1	1	0
	Library Supvr	Gen	4	4	3	3
	Sr Social Svcs Coord+	Gen	1	1	1	1
	Librarian I/II+	Gen	11	11	11	11
	Library Ops Supvr	Gen	1	1	1	1
	Circulation Svcs Coord	Gen	1	1	1	1
	Library Spec II+	Gen	9	9	7	5
	Administrative Assistant II+	Gen	1	1	1	0
	Library Asst	Gen	5	5	4	4
	Librarian I/II+**	Gen	0.50	0.50	0.50	0.00
	Library Spec II+**	Gen	1.00	1.00	0.00	0.00
	Library Assistant**	Gen	2.50	2.50	2.00	2.00
	Unclassified Temp - Office*	Gen	9.84	7.44	7.44	7.44
	Total Full-Time		34	34	30	26
	Total Perm FTE**		4.00	4.00	2.50	2.00
	Total Temp FTE*		9.84	7.44	7.44	7.44
2481	Cultural Services - Administration					
	Dep Comm Svcs Mgr-Cultural Svc	Gen 50% Arts 50%	1	1	1	1
	Arts Administrator	Gen	1	1	0	0
	Arts Coord	Gen	1	1	1	1
	Arts Coord	Perfor Arts	1	1	1	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost	Funding	2008-09	2009-10	2009-10	2010-11
Center Position	Source	Actual	Budget	Revised	Budget
Administrative Assistant II+	Gen 80% Perfor Arts 20%	1	1	1	1
Recreation Leader III*	Gen	0.95	0.95	0.95	0.95
Recreation Leader IV*	Gen	0.36	0.36	0.36	0.36
Unclassified Temporary*	Gen	6.01	6.01	6.01	6.01
Total Full-Time		5	5	4	4
Total Temp FTE*		7.32	7.32	7.32	7.32
<b>2484 Historical Museum</b>					
Museum Administrator	Gen	1	1	1	1
Sr Museum Curator+	Gen	4	4	3	3
Museum Registrar	Gen	1	1	1	0
Administrative Assistant II+	Gen	1	1	1	0
Museum Aide**	Gen	0.50	0.50	0.00	0.00
Unclassified Temp - Office*	Gen	0.70	0.65	0.65	0.65
Total Full-Time		7	7	6	4
Total Perm FTE**		0.50	0.50	0.00	0.00
Total Temp FTE*		0.70	0.65	0.65	0.65
<b>3610 Performing Arts - Administration</b>					
Cultural Facilities Admin	Arts	1	1	1	1
Management Assistant II+	Arts	1	0	0	1
Arts Coordinator	Arts	4	4	4	4
Arts Specialist	Arts	4	4	4	3
Administrative Assistant II+	Arts	1	1	1	0
Box Office Assistant	Arts	1	1	1	0
Unclassified Temp*	Arts	13.27	13.27	13.27	13.27
Total Full-Time		12	11	11	9
Total Temp FTE*		13.27	13.27	13.27	13.27
<b>Social Services</b>					
<b>2415 Social Services/North Side Multigenl Center</b>					
Sr Social Svcs Coord+	Gen	2	2	2	2
Administrative Assistant II+	Gen	1	1	1	1
Total Full-Time		3	3	3	3
<b>2451 Social Services/Diversion</b>					
Social Svcs Supvr	Gen	1	1	0	1
Social Svcs Counselor II+	Gen	3	3	3	3
Social Services Counselor**	Gen	0.65	0.65	0.65	0.00
Diversion Counselor*	Gen	0.40	0.00	0.00	0.00
Home Detention Monitor*	Gen	0.20	0.00	0.00	0.00
Administrative Assistant+*	Gen	0.80	0.43	0.43	0.43
Total Full-Time		4	4	3	4
Total Perm FTE**		0.65	0.65	0.65	0.00
Total Temp FTE*		1.40	0.43	0.43	0.43
<b>2457 Social Services/KID ZONE</b>					
Kid Zone Prog Admin	Gen	1	1	1	1
Community Svcs Supvr	Gen	1	1	1	1



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Sr Social Svcs Coord+	Gen	4	4	4	4
	Social Services Specialist	Gen	5	5	5	5
	Asst Recreation Coord	Gen	9	7	7	6
	Asst Rec Coord (Program Mgr)**	Gen	3.00	0.75	0.00	0.00
	Unclassified Temporary*	Gen	65.93	58.60	58.60	58.60
	Total Full-Time		20	18	18	17
	Total Perm FTE**		3.00	0.75	0.00	0.00
	Total Temp FTE*		65.93	58.60	58.60	58.60
2485	Social Services/Partnerships					
	Social Svcs Supvr	Gen	2	2	2	1
	Sr Social Svcs Coord+	Gen	2	2	2	2
	Social Svcs Counselor II+	Gen	1	1	1	1
	Crisis Intervention Spec	Gen	3	3	3	3
	Unclassified Temporary *	Gen	7.43	3.60	3.60	3.60
	Total Full-Time		8	8	8	7
	Total Temp FTE*		7.43	3.60	3.60	3.60
2486	Social Services/Administration					
	Dep Comm Svcs Mgr-Soc Svcs	Gen	1	1	1	1
	Community Svcs Supvr	Gen	1	1	1	1
	Administrative Assistant II+	Gen	3	3	3	2
	Administrative Assistant II+**	Gen	1.00	1.00	1.00	1.50
	Unclassified Temporary*	Gen	0.85	0.85	0.85	0.85
	Total Full-Time		5	5	5	4
	Total Perm FTE**		1.00	1.00	1.00	1.50
	Total Temp FTE*		0.85	0.85	0.85	0.85
2487	Social Services/Escalante					
	Social Svcs Administrator	Gen	1	1	1	1
	Sr Social Svcs Coord+	Gen	4	4	4	3
	Administrative Assistant II+	Gen	1	1	1	1
	Social Services Coordinator**	Gen	0.75	0.75	0.75	0.75
	Administrative Assistant II+**	Gen	0.75	0.75	0.00	0.00
	Unclassified Temporary*	Gen	7.28	7.28	7.28	7.28
	Total Full-Time		6	6	6	5
	Total Perm FTE**		1.50	1.50	0.75	0.75
	Total Temp FTE*		7.28	7.28	7.28	7.28
<b>Recreation Centers and Programs</b>						
2521	Recreation - Administration					
	Parks & Rec Mgr	Gen	1	1	1	0
	Dep Parks & Rec Mgr	Gen	1	1	1	1
	P&G Course Supvr	Gen	0	0	0	0
	Sr Recreation Coord+	Gen	1	0	0	0
	Sr Recreation Coord+	CIP	0	1	1	1
	Sr Mgmt Asst	Gen	0	0	0	0
	Executive Assistant	Gen	1	1	1	1
	Asst Recreation Coord	Gen	1	1	1	1
	Administrative Assistant II+	Gen	2	2	2	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Unclassified Temporary*	Gen	0.22	1.22	1.22	1.22
	Total Full-Time		7	7	7	5
	Total Temp FTE*		0.22	1.22	1.22	1.22
2522	Special Events					
	Parks & Rec Admin	Gen	1	1	1	1
	Sr Recreation Coord+	Gen	2	2	2	2
	Recreation Leader*	Gen	1.00	1.00	1.00	1.00
	Unclassified Temporary*	Gen	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+	Gen	2	2	2	2
	Asst Recreation Coord	Gen	1	1	1	1
	Administrative Assistant II	Gen	1	1	1	1
	Unclassified Temporary*	Gen	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
2524	Special Interest and Boating					
	Parks & Rec Admin	Gen	1	1	1	1
	Sr Recreation Coord+	Gen	2	2	2	2
	Recreation Leader III*	Gen	1.93	1.93	1.93	1.93
	Unclassified Temporary*	Gen	4.72	4.72	4.72	4.72
	Total Full-Time		3	3	3	3
	Total Temp FTE*		6.65	6.65	6.65	6.65
2525	Adult Sports					
	Sr Recreation Coord+	Gen	1	1	1	1
	Unclassified Temporary*	Gen	3.84	3.84	3.84	3.84
	Total Full-Time		1	1	1	1
	Total Temp FTE*		3.84	3.84	3.84	3.84
2526	Youth Sports					
	Parks & Rec Admin	Gen	1	1	1	1
	Sr Recreation Coord+	Gen	2	2	2	2
	Unclassified Temporary*	Gen	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
2529	Diablo Stadium					
	Sr Recreation Coord+	Gen	1	1	1	1
	Unclassified Temporary*	Gen	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	Gen	1	1	1	1
	Sr Recreation Coord+	Gen	2	2	2	2



Reflects all personnel changes/reductions approved by City Council through 6/30/2010

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Administrative Assistant II+	Gen	2	2	2	1
	Administrative Assistant II+**	Gen	0.75	0.75	0.75	1.25
	Recreation Leader I*	Gen	0.75	0.75	0.75	0.75
	Recreation Worker*	Gen	0.50	0.50	0.50	0.50
	Unclassified Temporary*	Gen	20.29	20.29	20.29	20.29
	Total Full-Time		5	5	5	4
	Total Perm FTE**		0.75	0.75	0.75	1.25
	Total Temp FTE*		21.54	21.54	21.54	21.54
2532	Kiwanis Concessions					
	Unclassified Temporary*	Gen	1.99	1.99	1.99	1.99
	Total Temp FTE*		1.99	1.99	1.99	1.99
2533	Aquatics					
	Sr Recreation Coord+	Gen	1	1	1	1
	Swimming Pool Maint Mechanic	Gen	1	1	1	1
	Swimming Pool Maint Tech	Gen	1	1	1	1
	Unclassified Temporary*	Gen	18.08	16.73	16.73	16.73
	Total Full-Time		3	3	3	3
	Total Temp FTE*		18.08	16.73	16.73	16.73
2534	Adapted Recreation					
	Sr Recreation Coord+	Gen	1	1	1	1
	Total Full-Time		1	1	1	1
2535	Kiwanis Batting Cage					
	Sr Recreation Coord+	Gen	1	1	1	1
	Unclassified Temp*	Gen	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+	Gen	1	1	1	1
	Asst Recreation Coord	Gen	1	1	0	0
	Total Full-Time		2	2	1	1
2537	Community Outreach/Marketing					
	Parks & Rec Admin	Gen	1	1	1	1
	Comm Outreach/Mktg Coord II+	Gen	1	0	0	0
	Total Full-Time		2	1	1	1
4411	Rio Salado Special Events					
	Asst Recreation Coord	Rio	1	1	1	1
	Total Full-Time		1	1	1	1
4412	Rio Salado Events Marketing					
	Asst Recreation Coord	Rio	1	1	1	1
	Total Full-Time		1	1	1	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
4413	Community Development - Rio Salado Ops					
	Administrative Project Coordinator	Rio	0	0	1	0
	Administrative Assistant II+	Rio	0	0	2	2
	Total Full-Time		0	0	3	2
	<b>Community Services Total Full-Time</b>		<b>145</b>	<b>141</b>	<b>136</b>	<b>120</b>
	<b>Community Services Total Perm FTE**</b>		<b>11.40</b>	<b>9.15</b>	<b>5.65</b>	<b>5.50</b>
	<b>Community Services Total Temp FTE*</b>		<b>180.62</b>	<b>165.69</b>	<b>165.69</b>	<b>165.69</b>
1212	<b>DIVERSITY OFFICE</b>					
	Diversity Mgr	Gen	1	1	1	1
	Sr Diversity Spec	Gen	1	1	1	1
	Diversity Dept Liaison	Gen	1	0	0	0
	Administrative Assistant II	Gen	1	1	1	0
	Administrative Assistant II**	Gen	0.00	0.00	0.00	0.50
	ADA Compliance Specialist**	Gen	0.50	0.50	0.50	0.50
	<b>Diversity Total Full-Time</b>		<b>4</b>	<b>3</b>	<b>3</b>	<b>2</b>
	<b>Diversity Total Perm FTE**</b>		<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
	<b>FINANCE AND TECHNOLOGY</b>					
	<b>Financial Services</b>					
1810	Administration					
	Finance & Tech Dir	Gen	1	1	1	1
	Executive Assistant	Gen	1	1	1	1
	Total Full-Time		2	2	2	2
1812	Budget					
	Dep Financial Svcs Mgr	Gen	1	1	1	1
	Lead Budget & Finance Analyst	Gen	1	1	1	1
	Sr Budget & Finance Analyst+	Gen	2	2	2	2
	Total Full-Time		4	4	4	4
1831	Accounting					
	Controller	Gen	1	1	1	1
	Accounting Supvr	Gen	1	1	1	1
	Financial Mgmt Accountant	Gen	1	1	1	1
	Payroll Supervisor	Gen	1	1	1	1
	Accountant	Gen	1	1	1	1
	Transportation Financial Analyst	Transit	0	1	1	1
	Payroll Specialist	Gen	1	1	1	1
	Financial Svcs Tech II+	Gen	4	4	4	4
	Accounting Assistant*	Gen	0.63	0.63	0.63	0.00
	Total Full-Time		10	11	11	11
	Total Temp FTE*		0.63	0.63	0.63	0.00
1832	Tax and Licensing					
	Tax & License Admin	Gen	1	0	0	0
	License & Collections Supvr	Gen	1	1	1	1
	Tax Audit Supvr	Gen	1	1	1	1
	Tax Auditor II+	Gen	5	5	5	6



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Rental Property Spec	Gen	1	1	1	1
	Specialty Licenses Coord	Gen	1	1	1	0
	Tax Analyst	Gen	1	1	1	1
	Revenue Compliance Officer II+	Gen	3	3	3	3
	Financial Svcs Tech II+	Gen	4	3	3	3
	Total Full-Time		18	16	16	16
1841	Customer Services					
	Dep Financial Svcs Mgr	W/WW	1	1	1	1
	Customer Svcs Admin	W/WW	1	1	1	1
	Customer Svcs Office Supvr	W/WW	1	1	1	1
	Customer Svcs Field Supvr	W/WW	1	1	1	1
	Sr Financial Svcs Tech	W/WW	1	1	1	1
	Financial Svcs Tech II+	W/WW	8	8	8	8
	Water Meter Reader II+	W/WW	7	7	7	7
	Water Meter Reader I+	W/WW	1	1	1	1
	Total Full-Time		21	21	21	21
1851	Central Services/Purchasing					
	Central Svcs Administrator	Gen	1	1	1	1
	Procurement Officer	Gen	3	3	3	3
	Financial Svcs Tech II+	Gen	3	3	3	3
	Administrative Assistant II+	Gen	1	1	0	0
	Unclassified Temporary-Office*	Gen	0.62	0.00	0.00	0.00
	Total Full-Time		8	8	7	7
	Total Temp FTE*		0.62	0.00	0.00	0.00
1852	Central Services/Duplicating & Supplies					
	Reprographics Supvr	Gen	2	2	0	0
	Reprographics Operator	Gen	1	1	0	0
	Distribution Clerk	Gen	1	1	0	0
	Total Full-Time		4	4	0	0
2613	Safety & Training					
	Safety & Risk Coord	W/WW	0	1	1	1
	Industrial Hygienist	W/WW	0	1	1	1
	Safety & Training Coord	W/WW	0	2	2	1
	Safety & Training Coord**	W/WW	0	0	0	1
	Total Full-Time		0	4	4	3
	Total Temp FTE*		0	0	0	0
	Total Perm FTE**		0	0	0	1
2621	Risk Management					
	Risk Mgr	Risk	1	1	1	1
	Safety & Risk Coord	Risk	1	0	0	0
	Risk Mgmt Claims Adjuster	Risk	1	1	1	1
	Risk Mgmt Spec	Risk	1	1	1	1
	Administrative Assistant II**	Risk	0.50	0.50	0.50	0.00
	Total Full-Time		4	3	3	3
	Total Perm FTE**		0.50	0.50	0.50	0.00



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>Information Technology</b>						
1991	Administration					
	IT Mgr	Gen	1	1	1	0
	Dep IT Mgr	Gen	2	2	2	1
	Sr Mgmt Asst	Gen	1	1	1	1
	Sr Tech Support Analyst	Gen	0	0	0	1
	Executive Assistant	Gen	1	1	1	0
	Administrative Assistant II+	Gen	0	0	0	1
	Total Full-Time		5	5	5	4
1992	Applications Support					
	IT Mgr	Gen	0	0	0	1
	IT Project Mgr	Gen	0	0	0	1
	Business Analyst	Gen	0	0	0	3
	Business Analyst	W/WW	0	0	0	1
	Sr Programmer Analyst	Gen	0	0	0	5
	Sr Programmer Analyst	W/WW	0	0	0	2
	PC Svcs Supvr	Gen	1	1	0	0
	Sr PC Svcs Conslt	Gen	2	1	0	0
	PC Svcs Consultant II+	Gen	5	1	0	0
	Total Full-Time		8	3	0	13
1993	Network Operations					
	IT Mgr	Gen	0	0	0	1
	Network Ops Supvr	Gen	1	1	1	1
	Sr Enterprise Network Eng	Gen	2	2	2	2
	Enterprise Network Eng II+	Gen	7	6	5	4
	Enterprise Network Tech II+	Gen	1	1	1	1
	Lead Enterprise Network Tech	Gen	1	1	1	1
	Total Full-Time		12	11	10	10
1994	Enterprise Applications					
	IT Mgr	Gen	0	0	0	1
	Applications Dir	Gen	1	1	1	0
	IT Support Analyst Supvr	Gen	1	0	0	0
	Business Analyst	Gen	7	7	7	2
	Business Analyst	W/WW	1	1	1	0
	IT Project Mgr	Gen	2	2	2	1
	Database Administrator	Gen	3	3	3	3
	Webmaster	Gen	2	2	2	2
	Sr Programmer Analyst	Gen	10	10	9	4
	Sr Programmer Analyst	W/WW	1	1	2	0
	Programmer Analyst II+	Gen	4	4	0	0
	Programmer Analyst II+	W/WW	1	1	0	0
	IT Trng Coord	Gen	1	1	1	0
	IT Support Analyst II+	Gen	4	0	0	0
	Eng GIS Supvr	Gen	0	1	1	0
	Total Full-Time		38	34	29	13
1995	System Administration					
	Systems Admin Supvr	Gen	1	1	1	1



**Reflects all personnel changes/reductions approved by City Council through 6/30/2010**

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Sr Technical Support Analyst	Gen	2	1	1	0
	Sr PC Svcs Conslt	Gen	0	0	1	1
	Sr Data Center Support Spec	Gen	0	0	0	1
	Data Center & Net Ops Supvr	Gen	0	0	0	1
	Data Center Support Spec	Gen	0	0	0	3
	Technical Support Analyst II+	Gen	4	4	4	4
	Total Full-Time		7	6	7	11
1996	Training and Automation					
	Sr Data Center Support Spec	Gen	1	1	1	0
	Data Center Support Spec	Gen	3	3	3	0
	Production Control Coord	Gen	1	1	0	0
	Data Center & Net Ops Supvr	Gen	1	1	1	0
	IT Trng Coord	Gen	0	0	0	1
	Reprographics Supvr	Gen	0	0	0	2
	Reprographics Oper	Gen	0	0	0	1
	Distribution Clerk	Gen	0	0	0	1
	Total Full-Time		6	6	5	5
1997	Customer Support					
	IT Support Analyst Supvr	Gen	0	1	1	1
	IT Support Analyst II+	Gen	0	3	3	3
	Sr PC Svcs Conslt	Gen	0	1	1	1
	PC Svcs Consultant II+	Gen	0	4	5	4
	Total Full-Time		0	9	10	9
1852	Central Services/Duplicating & Supplies					
	Reprographics Supvr	Gen	0	0	2	0
	Reprographics Operator	Gen	0	0	1	0
	Distribution Clerk	Gen	0	0	1	0
	Total Full-Time		0	0	4	0
<b>Finance and Information Technology Total Full-Time</b>			<b>147</b>	<b>147</b>	<b>138</b>	<b>132</b>
<b>Finance and Information Technology Total Perm FTE**</b>			<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b>Finance and Information Technology Total Temp FTE*</b>			<b>1.25</b>	<b>0.63</b>	<b>0.63</b>	<b>0.00</b>

**FIRE**

**Administration/Fire Prevention**

2310	Administration					
	Fire Chief	Gen	1	1	1	1
	Asst Fire Chief	Gen	1	2	2	2
	Fire Deputy Chief	Gen	4	3	3	3
	Fire Budget / Finance Supvr	Gen	1	1	1	1
	Executive Assistant	Gen	1	1	1	1
	Administrative Assistant I/II+	Gen	0	1	1	1
	Total Full-Time		8	9	9	9
2330	Fire Prevention					
	Asst Fire Chief	Gen	1	1	1	1
	Fire Inspector II+	Gen	8	6	6	6
	Fire Education Spec	Gen	2	2	2	2



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		12	10	10	10
2332	Tempe County Island Fire District					
	Fire Inspector II+	Fire District	0	1	1	1
	Total Full-Time		0	1	1	1
<b>Emergency Medical Services</b>						
2340	Fire Emergency Services					
	Fire Captain	Gen	35	33	33	33
	Fire Eng	Gen	36	36	36	36
	Firefighter+	Gen	74	74	74	72
	<i>(66 Firefighter, Engineer or Captain positions are paramedic assignment)</i>					
	Total Full-Time		145	143	143	141
2370	Medical Services					
	Fire Deputy Chief	Gen	1	1	1	1
	Fire Captain Paramedic-Assign	Gen	1	1	1	1
	EMS Coord	Gen	1	1	1	1
	Total Full-Time		3	3	3	3
2374	Ambulance Operations					
	Medical Transp Contract Coord	Contract	1	1	1	0
	Paramedic	Contract	6	6	6	6
	Total Full-Time		7	7	7	6
<b>Support Services/Personnel Safety</b>						
2361	Support Services - Administration					
	Fire Deputy Chief	Gen	1	1	1	1
	Fire Svcs Inventory Tech	Gen	2	2	2	2
	Service Aide **	Gen	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
2363	Fire Apparatus Maintenance					
	Sr Fire Mechanic	Gen	1	1	1	1
	Fire Mechanic	Gen	1	1	1	1
	Fire Svcs Inventory Tech**	Gen	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
<b>Homeland Security/Special Operations</b>						
2380	Special Operations					
	Fire Deputy Chief	Gen	1	1	1	1
	Hazardous Material Prog Spec	Gen	1	1	1	1
	Fire Captain Paramedic-Assign	Gen	1	1	1	1
	Total Full-Time		3	3	3	3



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>Training/Professional Development</b>						
2350	Training/Professional Development					
	Fire Deputy Chief	Gen	1	1	1	1
	Fire Captain Paramedic-Assign	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		3	3	3	3
	<b>Fire Department Total Full-Time</b>		<b>186</b>	<b>184</b>	<b>184</b>	<b>181</b>
	<b>Fire Department Total Perm FTE**</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>HUMAN RESOURCES</b>						
1911	Human Resources -Administration					
	HR Mgr	Gen	1	1	1	1
	Dep HR Mgr	Gen	1	1	1	1
	HR Administrator	Gen	1	1	1	1
	Employee Benefits Admin	Gen	1	1	1	1
	Sr HR Analyst+	Gen	5	5	5	5
	Benefits Prog Coord	Gen 10% Health 90%	1	1	1	1
	HR Spec	Gen	3	3	3	3
	Executive Assistant	Gen	1	1	1	0
	HR Tech II+	Gen	5	5	3	3
	Administrative Assistant II+	Gen	0	0	0	1
	Human Resources Technician I/II+**	Gen	0.50	0.00	0.00	0.00
	Total Full-Time		19	19	17	17
	Total Perm FTE**		0.50	0.00	0.00	0.00
1920	Tempe Learning Center					
	Org Development Administrator	Gen	1	1	1	1
	Performance Mgmt Designer	Gen	1	1	1	1
	Sr Learning & Org Dev Assoc	Gen	2	2	1	1
	Total Full-Time		4	4	3	3
	<b>Human Resources Department Total Full-Time</b>		<b>23</b>	<b>23</b>	<b>20</b>	<b>20</b>
	<b>Human Resources Department Total Perm FTE**</b>		<b>0.50</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
1213	<b>INTERNAL AUDIT OFFICE</b>					
	City Auditor	Gen	1	1	1	1
	Internal Auditor	Gen	2	2	2	2
	Contract Administrator	Gen	1	1	1	0
	Contract Administrator*	Gen	0.00	0.00	0.00	0.45
	<b>Internal Audit Total Full-Time</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>
	<b>Internal Audit Total Temp FTE*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.45</b>
<b>POLICE</b>						
2210	Office of the Chief					
	Police Chief	Gen	1	1	1	1
	Assistant Police Chief	Gen	1	1	1	1
	Fiscal/Research Administrator	Gen	1	0	0	0
	Police Plan & Research Supvr	Gen	1	0	0	0
	Tactical Intel Crime Analyst Supvr	Gen	1	0	0	0
	Sergeant	Gen	1	1	1	0
	Management Assistant II+	Gen	2	0	0	0



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Community Affairs Spec	Gen	1	1	1	1
	Police Officer	Gen	1	1	1	1
	Crime Analyst II	Gen	4	0	0	0
	Executive Assistant	Gen	1	1	1	1
	Alarm Coordinator	Gen	1	0	0	0
	Administrative Assistant II+	Gen	3	1	1	0
	Crime AnalysisTech	Gen	1	0	0	0
	Total Full-Time		20	7	7	5
<b>Organizational Services</b>						
2231	Detention Bureau					
	Detention Admin	Gen	1	1	1	1
	Detention Section Admin	Gen	1	1	1	0
	Detention Supervisor	Gen	6	6	5	6
	Detention Officer+	Gen	24	24	24	21
	Total Full-Time		32	32	31	28
2251	Professional Dev Bureau					
	Assistant Police Chief	Gen	1	1	1	1
	Commander	Gen	1	0	0	0
	Lieutenant	Gen	2	1	1	1
	Sergeant	Gen	9	9	9	6
	Polygraph Examiner II+	Gen	3	3	2	1
	Management Assistant II+	Gen	1	1	1	1
	Police Officer	Gen	7	7	7	7
	Community Affairs Specialist	Gen	1	1	1	1
	Volunteer Coordinator	Gen	1	1	1	1
	Police Support Svcs Spec	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	0	0
	COE*	Gen	0.70	0.70	0.70	0.70
	Total Full-Time		28	26	24	20
	Total Temp FTE*		0.70	0.70	0.70	0.70
<b>Support Services</b>						
2232	Communications Bureau					
	Communications Administrator	Gen	1	1	1	1
	Communications Deputy Admin	Gen	1	0	0	0
	Communications Supervisor	Gen	6	7	7	6
	Communications Dispatcher II	Gen	37	37	37	37
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		46	46	46	45
2233	Records Bureau					
	Technical Svcs Bureau Admin	Gen	1	1	1	1
	Police Records Section Admin	Gen	1	1	1	0
	Police Records Supvr	Gen	3	3	3	3
	Administrative Assistant II+	Gen	1	1	1	2
	Records Clerk II	Gen	17	15	15	15
	Records Clerk I	Gen	8	8	8	4
	COE*	Gen	1.00	1.00	1.00	1.00
	Total Full-Time		31	29	29	25
	Total Temp FTE*		1.00	1.00	1.00	1.00



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
2235	Identification Unit					
	Identification Supervisor	Gen	1	1	1	1
	Identification Technician	Gen	5	5	5	5
	Fingerprint Technician	Gen	2	2	2	1
	Total Full-Time		8	8	8	7
2246	HIDTA					
	Police Officer	Desig	0	0	1	1
	Total Full-Time		0	0	1	1
2257	Property Unit					
	Property Supervisor	Gen	1	1	1	1
	Property Technician	Gen	5	5	5	5
	Total Full-Time		6	6	6	6
2259	Office of Mgmt/Budget/Research					
	Fiscal/Research Administrator	Gen	0	1	1	1
	Sr Budget & Finance Analyst	Gen	0	0	0	1
	Police Plan & Research Supvr	Gen	0	1	1	1
	Tactical Crim Intel Analyst Suprv	Gen	0	1	1	0
	Police Officer	Gen	0	0	0	1
	Management Assistant II+	Gen	0	2	2	0
	Police Analyst II+	Gen	0	4	5	5
	Alarm Coord	Gen	0	1	1	1
	Crime Analysis Tech	Gen	0	1	1	0
	Administrative Assistant II+	Gen	0	2	2	2
	Total Full-Time		0	13	14	12
<b>Operations</b>						
2236	Crime Prevention Unit					
	Sergeant	Gen	1	1	0	0
	Police Officer	Gen	4	4	3	3
	Crime Prevention Spec	Gen	2	2	2	0
	Administrative Assistant II+	Gen	1	1	1	0
	Total Full-Time		8	8	6	3
2239	Homeland Security Unit					
	Commander	Gen	1	1	1	0
	Sergeant	Gen	1	1	0	0
	Police Officer	Gen	3	3	0	0
	Total Full-Time		5	5	1	0
2241	Criminal Investigations Bureau					
	Assistant Police Chief	Gen	1	1	1	1
	Commander	Gen	1	1	1	1
	Lieutenant	Gen	2	2	2	1
	Sergeant	Gen	7	7	8	8
	Police Officer	Gen	41	41	47	47
	Administrative Support Supvr	Gen	1	1	1	0
	Community Service Officer	Gen	3	2	2	0
	Investigative Assistant	Gen	3	2	2	2



Reflects all personnel changes/reductions approved by City Council through 6/30/2010

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Administrative Assistant II+	Gen	1	1	2	1
	COE*	Gen	1.26	1.26	1.26	1.26
	Total Full-Time		60	58	66	61
	Total Temp FTE*		1.26	1.26	1.26	1.26
2242	Traffic Investigations Bureau					
	Lieutenant	Gen	1	1	1	1
	Sergeant	Gen	5	5	5	5
	Police Officer	Gen	23	23	22	21
	Administrative Assistant II+	Gen	2	2	2	1
	Traffic Enforcement Aide	Gen	7	5	5	2
	Total Full-Time		38	36	35	30
2243	Special Investigations Bureau					
	Commander	Gen	1	0	0	0
	Lieutenant	Gen	0	1	1	1
	Sergeant	Gen	5	5	6	5
	Police Officer	Gen	23	23	26	25
	Police Analyst	Gen	1	1	0	0
	Investigative Assistant	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		32	32	35	33
2248	Central City Bureau					
	Commander	Gen	1	1	1	1
	Lieutenant	Gen	0	2	2	1
	Sergeant	Gen	3	3	3	2
	Police Officer	Gen	15	15	15	14
	Licensing Spec	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	1	0
	Total Full-Time		21	23	23	19
2271	Patrol Administration/South Ops					
	Assistant Police Chief	Gen	1	1	1	0
	Sergeant	Gen	1	1	1	3
	Lieutenant	Gen	2	2	2	2
	Police Officer	Gen	1	1	1	1
	Administrative Assistant II+	Gen	4	4	4	3
	Police Reserves*	Gen	0.16	0.16	0.16	0.16
	Service Aide*	Gen	2.50	2.50	2.50	2.50
	COE*	Gen	0.63	0.63	0.63	0.63
	Total Full-Time		9	9	9	9
	Total Temp FTE*		3.29	3.29	3.29	3.29
2272	Patrol North Operations					
	Commander	Gen	3	3	3	2
	Sergeant	Gen	24	24	24	24
	Lieutenant	Gen	5	4	4	4
	Police Officer	Gen	147	147	142	141
	Community Service Officer	Gen	10	10	10	0
	Total Full-Time		189	188	183	171



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
2273	City Security Team					
	Park Ranger	Gen	9	2	2	0
	Total Full-Time		9	2	2	0
2274	Recruits					
	Police Officer	Gen	7	7	7	0
	Total Full-Time		7	7	7	0
2201	AZ Post					
	Commander	Desg	0	0	1	1
	Total Full-Time		0	0	1	1
2209	Vehicle Impound					
	Police Officer	Desg	0	0	1	2
	Vehicle Impound Specialist	Desg	2	2	2	2
	Records Clerk II	Desg	0	1	1	1
	Administrative Assistant I/II+	Desg	1	1	1	1
	Total Full-Time		3	4	5	6
2222	RICO					
	Police Officer - CIB Detective	Desg Fund	1	1	1	1
	Total Full-Time		1	1	1	1
3913	PD - Security Transportation Center					
	Sergeant	Transit	1	1	1	1
	Security Officer	Transit	7	7	7	0
	Total Full-Time		8	8	8	1
4416	Rio Salado - Sworn					
	Police Officer	Rio	5	5	5	2
	Total Full-Time		5	5	5	2
4417	Rio Salado - Park Rangers					
	Sergeant	Rio	1	1	1	1
	Park Ranger	Rio	8	8	8	6
	Total Full-Time		9	9	9	7
<b>Police Department Total Full-Time</b>			<b>575</b>	<b>562</b>	<b>562</b>	<b>493</b>
<b>Police Department Total Perm FTE**</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Police Department Total Temp FTE*</b>			<b>6.25</b>	<b>6.25</b>	<b>6.25</b>	<b>6.25</b>
<b>PUBLIC WORKS</b>						
3210	Administration					
	PW Mgr	Gen	1	1	1	1
	Sr Mgmt Asst	Gen	1	1	1	1
	Executive Assistant	Gen	1	1	1	0
	Executive Assistant**	Gen	0.00	0.00	0.00	0.50
	COE*	Gen	0.49	0.49	0.49	0.49
	Total Full-Time		3	3	3	2
	Total Perm FTE**		0.00	0.00	0.00	0.50
	Total Temp FTE*		0.49	0.49	0.49	0.49



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<b>Engineering</b>						
3221	Engineering/Admin. Support/Contract Admin.					
	Dep PW Mgr-Engineering	Gen	1	1	1	1
	Eng Contract Compl Auditor	Transit	1	1	1	1
	Eng Services Administrator	Gen	1	1	1	1
	Contract Administrator	Gen	1	1	1	1
	Eng Contract Svcs Spec II+	Gen	2	2	2	2
	Total Full-Time		6	6	6	6
3222	Engineering/Private Development and Utility					
	Asst City Engineer	Gen	1	1	0	0
	Sr Civil Engineer+	Gen	2	2	2	2
	Eng Permit Inspection Supvr	Gen	1	1	1	1
	Util Infrastructure Supvr	Gen	1	1	0	0
	Sr Eng Associate+	Gen	5	5	5	5
	Eng Tech II+	Gen	1	1	1	1
	Total Full-Time		11	11	9	9
3223	Engineering/Capital Improvements					
	Principal Civil Engineer	Gen	2	2	2	1
	Principal Civil Engineer	Transit	0	1	1	1
	Principal Civil Engineer	Gen 50%				
		W/WW 50%	0	0	0	1
	Sr Civil Engineer+	Gen	1	1	1	1
	Sr Civil Engineer+	W/WW	1	1	1	1
	Sr Civil Engineer+	Transit	1	1	1	1
	Sr Construction Project Mgr	W/WW	1	1	1	1
	Sr Eng Associate+	Gen	4	3	3	3
	Total Full-Time		10	10	10	10
3225	Engineering/Information & Technical Services					
	Eng Services Administrator	Gen	1	0	0	0
	Eng GIS Supvr	Gen	1	0	0	0
	Real Estate Prog Coord	Gen	2	2	1	1
	GIS Coord	Gen	1	1	1	0
	Sr Eng Associate+	Gen	1	1	1	2
	GIS Analyst+	Gen	2	1	1	0
	GIS Analyst+	W/WW	0	1	0	0
	Eng Tech II+	Gen	2	2	2	2
	Survey Tech II+	Gen	1	1	1	1
	Total Full-Time		11	9	7	6
<b>Field Operations</b>						
3241	Field Operations/Facility Maintenance Administration					
	Facility Maint Mgr	Gen	1	1	1	1
	Sr Mgmt Asst	Gen	1	0	0	0
	Fac Maint Supvr	Gen	2	2	2	2
	Fac Automation Technician	Gen	1	1	1	1
	Bldg Tech Spec	Gen	1	0	0	0
	Bldg Equip Tech II+	Gen	14	13	12	11
	Fac Electrician	Gen	1	1	1	1



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	
	Administrative Assistant II+	Gen	1	1	1	1	
	Sr Mgmt Asst**	Gen	0.00	0.50	0.50	0.00	
	Building Equipment Technician I/II+ **	Gen	0.50	0.00	0.00	0.00	
	Total Full-Time		22	19	18	17	
	Total Perm FTE**		0.50	0.50	0.50	0.00	
3261	Fleet Services/Fleet Management						
	Fleet Mgr	Gen	1	1	1	1	
	Fleet Analyst	Gen	1	1	1	1	
	Auto Parts Supvr	Gen	1	1	1	1	
	Equip Control Coord	Gen	1	1	0	0	
	Fleet Parts Spec	Gen	3	3	3	3	
	Administrative Assistant II+	Gen	1	0	0	0	
	Parts Messenger*	Gen	0.50	0.50	0.50	0.50	
	Total Full-Time		8	7	6	6	
	Total Temp FTE*		0.50	0.50	0.50	0.50	
3262	Fleet Services/Fleet Maintenance						
	Fleet Supvr	Gen	3	3	3	3	
	Sr Fleet Equip Mechanic	Gen	3	3	3	3	
	Equip Mechanic	Gen	14	13	13	13	
	Equip Mechanic	SW	0	1	1	1	
	<i>(position funded by Solid Waste starting January 2010)</i>						
	Fleet Paint & Body Tech	Gen	1	1	0	0	
	Equip Svcs Wkr II	Gen	4	4	4	4	
	Total Full-Time		25	25	24	24	
3271	Field Services/Custodial 1						
	Custodial Svcs Supt	Gen	1	1	1	1	
	Custodial Supvr	Gen	1	3	2	2	
	Administrative Assistant II+	Gen	1	1	1	0	
	Custodial Team Leader	Gen	1	4	4	2	
	Custodian	Gen	8	30	28	24	
	Custodian	SW	0	0	0	1	
	Total Full-Time		12	39	36	30	
3272	Field Services/Custodial 2						
	Custodial Supvr	Gen	1	0	0	0	
	Custodial Team Leader	Gen	1	0	0	0	
	Custodian	Gen	7	0	0	0	
	Total Full-Time		9	0	0	0	
3273	Field Services/Custodial 3						
	Custodial Supvr	Gen	1	0	0	0	
	Custodial Team Leader	Gen	1	0	0	0	
	Custodian	Gen	9	0	0	0	
	Total Full-Time		11	0	0	0	



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
3274	Field Services/Custodial 4					
	Custodial Supvr	Gen	1	0	0	0
	Custodial Team Leader	Gen	1	0	0	0
	Custodian	Gen	9	0	0	0
	Custodian*	Gen	0.49	0.00	0.00	0.00
	Total Full-Time		11	0	0	0
	Total Temp FTE*		0.49	0.00	0.00	0.00
3612	TCA Facility Management					
	Fac Automation Technician	Arts	1	1	1	0
	Bldg Equip Tech II+	Arts	1	1	1	1
	TCA Maint Supvr	Arts	1	1	1	0
	TCA Maint Supvr	Arts 50% Transit 50%	0	0	0	1
	TCA Maint Worker	Arts	6	6	6	5
	Total Full-Time		9	9	9	7
3720	Hazardous Material Safety					
	Environmental Hlth & Sfty Supv	W/WW	0	1	1	0
	Hazardous Material Safety Spec	W/WW	0	1	1	0
	HPCC Interns*	W/WW	0.00	0.98	0.98	0.00
	Total Full-Time		0	2	2	0
	Total Temp FTE*		0.00	0.98	0.98	0.00
3721	Hazardous Material Safety					
	Environmental Hlth & Sfty Supv	SW	0	0	0	1
	Hazardous Material Safety Spec	SW	0	0	0	1
	HPCC Interns*	SW	0.00	0.00	0.00	0.98
	Total Full-Time		0	0	0	2
	Total Temp FTE*		0.00	0.00	0.00	0.98
2511	Field Services/Rolling Hills Golf					
	P & G Course Maint Coord	Golf	1	1	1	1
	P & G Mechanic	Golf	1	1	1	0
	Sprinkler Systems Maint. Worker/II+	Golf	1	1	1	1
	Equipment Operator II	Golf	1	1	1	0
	Groundskeeper I/II+	Golf	4	4	4	0
	Equipment Operator I	Golf	1	1	1	0
	Groundskeeper I/II*	Golf	1.07	1.07	1.07	4.07
	Total Full-Time		9	9	9	2
	Total Temp FTE*		1.07	1.07	1.07	4.07
2512	Field Services/Ken McDonald Golf					
	P & G Course Supervisor	Golf	1	1	1	0
	P & G Course Supervisor	Gen 50% Golf 50%	0	0	0	1
	P & G Course Maint Coord	Golf	1	1	1	1
	P & G Mechanic	Golf	1	1	1	1
	Sprinkler System Maint. Worker I/II+	Golf	1	1	1	1
	Equipment Operator II	Golf	1	1	1	1
	Groundskeeper I/II+	Golf	6	6	6	4



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Equipment Operator I	Golf	1	1	1	0
	Groundskeeper I/II+*	Golf	1.35	1.35	1.35	1.35
	Total Full-Time		12	12	12	9
	Total Temp FTE*		1.35	1.35	1.35	1.35
2527	Facility Resources					
	Sr Recreation Coord+	Gen	2	2	2	2
	Unclassified Temporary*	Gen	4.10	4.10	4.10	4.10
	Total Full-Time		2	2	2	2
	Total Temp FTE*		4.10	4.10	4.10	4.10
2551	Sports Complex Maintenance					
	Sr Groundskeeper	Gen	1	1	1	0
	Groundskeeper I/II+	Gen	2	2	2	0
	Total Full-Time		3	3	3	0
2552	Parks Maintenance					
	Dep Parks & Rec Mgr	Gen	1	1	1	0
	Sr Mgmt Asst	Gen	1	1	1	1
	Total Full-Time		2	2	2	1
2553	Diablo Stadium Maintenance					
	P&G Course Supvr	Gen	1	1	1	0
	P&G Course Maint Coord	Gen	1	1	1	1
	Sr Groundskeeper	Gen	1	1	1	0
	Sprinkler Sys Maint Wkr II+	Gen	1	1	1	1
	Groundskeeper I/II+	Gen	5	5	5	6
	Groundskeeper*	Gen	0.56	0.56	0.56	0.56
	Total Full-Time		9	9	9	8
	Total Temp FTE*		0.56	0.56	0.56	0.56
2555	Landscape Maintenance					
	P&G Course Supvr	Gen	1	1	1	0
	P& G Course Supvr	HURF	0	0	0	1
	Total Full-Time		1	1	1	1
2556	North Parks					
	P&G Course Supvr	Gen	2	2	2	2
	P&G Course Maint Coord	Gen	3	2	2	1
	Parks Fac Maint Wkr II+	Gen	1	1	1	1
	P&G Mechanic	Gen	1	1	1	1
	Sprinkler Sys Maint Wkr II+	Gen	3	3	3	3
	Equip Operator II	Gen	2	2	2	3
	Sr Groundskeeper	Gen	1	1	1	0
	Pest Control Technician	Gen	2	2	0	0
	Groundskeeper I/II+	Gen	7	7	2	3
	Groundskeeper I/II+	SW	0	0	0	1
	Equip Operator I	Gen	1	1	0	0
	Groundskeeper*	Gen	1.75	1.75	1.75	1.75
	Unclassified Temporary*	Gen	1.67	1.67	1.67	1.67



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Total Full-Time		23	22	14	15
	Total Temp FTE*		3.42	3.42	3.42	3.42
2558	Cemetery Maintenance					
	Groundskeeper II+	Gen	1	1	1	0
	Total Full-Time		1	1	1	0
2559	South Parks					
	P&G Course Supvr	Gen	1	1	1	1
	Parks Fac Maint Wkr II+	Gen	1	1	1	1
	P&G Course Maint Coord	Gen	4	4	3	2
	Sr Groundskeeper	Gen	1	1	1	1
	Equip Operator II	Gen	4	4	4	3
	Sprinkler Sys Maint Wkr II+	Gen	3	3	3	3
	Pest Control Technician	Gen	2	2	2	0
	Groundskeeper I/II+	Gen	5	5	5	4
	Groundskeeper*	Gen	0.87	0.87	0.87	0.87
	Unclassified Temporary*	Gen	0.83	0.83	0.83	0.83
	Total Full-Time		21	21	20	15
	Total Temp FTE*		1.70	1.70	1.70	1.70
3310	Cemetery Administration					
	Executive Assistant	Cemetery	1	1	1	1
	Groundskeeper I+	Cemetery	1	1	1	1
	Executive Assistant**	Cemetery	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
3611	Tempe Arts Park					
	Sr Groundskeeper	Arts	1	1	1	0
	Groundskeeper II+	Arts	1	1	1	1
	Unclassified Temporary*	Arts	1.44	1.44	1.44	1.44
	Total Full-Time		2	2	2	1
	Total Temp FTE*		1.44	1.44	1.44	1.44
4414	Rio Salado Maintenance					
	P&G Course Maint Coord	Rio	1	1	1	1
	Groundskeeper II+	Rio	1	1	1	1
	Groundskeeper*	Rio	0.10	0.10	0.10	0.10
	Total Full-Time		2	2	2	2
	Total Temp FTE*		0.10	0.10	0.10	0.10
4415	Rio Salado - Ent. Zone					
	Administrative Project Coord	Rio	0	0	0	1
	Groundskeeper I/II+	Rio	2	2	2	2
	Total Full-Time		2	2	2	3
3712	Field Services/Solid Waste Support Services					
	Solid Waste Svcs Supt	SW	1	1	1	1
	Sr Mgmt Asst	SW	1	0	0	0



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Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Solid Waste/Recycling Supvr	SW	1	1	1	0
	Solid Waste Inspector	SW	3	3	3	3
	Administrative Assistant II+	SW	2	2	2	2
	Sr Mgmt Asst**	SW	0.00	0.00	0.00	0.50
	Total Full-Time		8	7	7	6
	Total Perm FTE**		0.00	0.00	0.00	0.50
3713	Field Services/Solid Waste Residential Refuse					
	Solid Waste/Recycling Supvr	SW	1	1	1	1
	Solid Waste Equip Oper II+	SW	19	19	19	19
	Total Full-Time		20	20	20	20
3714	Field Services/Solid Waste Commercial Refuse					
	Solid Waste/Recycling Supvr	SW	1	1	1	2
	Sr Equip Operator	SW	3	3	3	3
	Solid Waste Equip Oper II+	SW	14	14	14	14
	Total Full-Time		18	18	18	19
3715	Field Services/Roll Off Tilt Frame					
	Solid Waste Equip Oper II+	SW	3	3	3	3
	Total Full-Time		3	3	3	3
3716	Field Services/Solid Waste Support Services					
	Solid Waste Equip Spec	SW	4	4	4	4
	Wash Bay Attendant**	SW	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
3717	Solid Waste Ed & Community Outreach					
	Sr Mgmt Asst	SW	0	1	1	1
	Total Full-Time		0	1	1	1
3718	Field Services/Solid Waste Uncontained Refuse					
	Solid Waste/Recycling Supvr	SW	1	1	1	1
	Solid Waste Equip Oper II+	SW	15	15	15	15
	Total Full-Time		16	16	16	16
<b>Transportation</b>						
3813	Streets & Traffic Ops/Street Maintenance					
	Street Maintenance Supt	HURF	1	1	1	0
	Sr Civil Engineer+	HURF	1	1	1	1
	Sr Eng Associate+	HURF	1	1	1	0
	Streets Supervisor	HURF	1	1	1	1
	Streets Maint Team Leader	HURF	3	3	4	3
	Street Maint Equip Operator II	HURF	13	13	13	8
	Street Maint Equip Operator II	SW	2	2	2	4
	Equip Operator I	WWWW	4	4	4	4
	Administrative Assistant II+	HURF	1	1	1	1
	Total Full-Time		27	27	28	22



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
3814	Street & Traffic Operations/Right-of-Way					
	Streets Maint Team Leader	HURF	1	1	0	0
	Total Full-Time		1	1	0	0
3821	Streets & Traffic Operations/Administration					
	Dep PW Mgr - Field Ops	HURF	1	1	1	0
	Dep PW Mgr-Field Ops	HURF 50%, SW 50%	0	0	0	1
	Dep PW Mgr - Admin & Cust Svcs	HURF	1	1	1	0
	Total Full-Time		2	2	2	1
3822	Transportation/Studies & Design					
	Traffic Eng	HURF	1	1	1	1
	Intelligent Trans System Coord	HURF	1	1	1	0
	Sr Civil Engineer+	HURF	4	3	3	2
	Traffic Control Barricade Supvr	HURF	0	1	1	0
	Traffic Engineering Analyst	HURF	2	2	2	1
	Sr Traffic Eng Tech+	HURF	2	2	2	2
	Administrative Assistant II+	HURF	1	1	1	0
	Total Full-Time		11	11	11	6
3823	Streets & Traffic Operations/Operations					
	Traffic Operations Supt	HURF	1	1	1	1
	Sr Sign Tech	HURF	1	1	1	0
	Traffic Operations Crew Leader	HURF	2	2	2	1
	Traffic Operations Support Spec	HURF	1	1	1	1
	Sign Tech	HURF	1	1	1	1
	Transportation Wkr II+	HURF	4	4	4	3
	Total Full-Time		10	10	10	7
3824	Streets & Traffic Operations/Street Lighting					
	Management Assistant II+	HURF	1	1	1	1
	Lighting Systems Coord	HURF	1	1	1	1
	Total Full-Time		2	2	2	2
3825	Streets and Traffic Operations/Signal System					
	Traffic Signal Supervisor	HURF	1	1	1	1
	Traffic Signal Svcs Crew Lead	HURF	1	1	1	0
	Traffic Signal Tech II+	HURF	3	3	3	3
	Traffic Signal Tech II+	Transit	1	1	1	1
	Traffic Signal Tech Crew Lead	HURF	1	1	1	1
	Traffic Signal Svcs Wkr II+	HURF	4	4	4	2
	Underground Util Coord	HURF	1	1	1	0
	Unclassified Temporary*	HURF	2.00	0.00	0.00	0.00
	Total Full-Time		12	12	12	8
	Total Temp FTE*		2.00	0.00	0.00	0.00
3911	Transportation/Transit					
	Dep PW Mgr-Transit & Transport	Transit	1	1	1	0
	Dep PW Mgr-Transit & Transport	Transit 50% HURF 50%	0	0	0	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Sr Mgmt Asst	Transit	0	0	0	1
	Transportation Financial Anlst	Transit	1	0	0	0
	Management Assistant II+	Transit	1	1	1	0
	Transportation Support Spec	Transit	1	1	1	1
	Administrative Assistant II+	Transit	1	1	1	1
	Administrative Assistant I/II+ *	Transit	1.00	1.00	1.00	1.00
	Total Full-Time		5	4	4	4
	Total Temp FTE*		1.00	1.00	1.00	1.00
3914	Transit Operations					
	Transit Administrator	Transit	1	1	1	1
	Transportation Fac Supvr	Transit	1	1	1	1
	Sr Transportation Planner	Transit	0	1	1	0
	Sr Transit Operations Coord	Transit	1	1	1	1
	Transit Operations Coord II+	Transit	2	2	2	2
	Bldg Equip Tech II+	Transit	1	1	2	1
	Custodian	Transit	3	3	3	3
	Total Full-Time		9	10	11	9
3915	Transportation/Transit Store					
	Bldg Equip Tech II+	Transit	2	2	1	2
	Lead Transit Store Tech	Transit	1	1	1	1
	Financial Svcs Tech II+	Transit	1	1	1	1
	Custodial Supervisor	Transit	0	0	1	0
	Custodian	Transit	3	3	2	2
	Financial Svcs Tech I/II+**	Transit	1.00	1.00	1.00	0.50
	Total Full-Time		7	7	6	6
	Total Perm FTE**		1.00	1.00	1.00	0.50
3916	Marketing and Public Information					
	Community Outreach Mktg Supvr	Transit	1	1	0	0
	Comm Outreach/Mktg Coord II+	Transit	2	2	0	0
	Total Full-Time		3	3	0	0
3917	Transportation/Bus Stop Maintenance					
	Transportation Wkr II+	Transit	5	5	5	3
	Groundskeeper II+	Transit	0	0	0	2
	Total Full-Time		5	5	5	5
3921	CP/EV Light Rail Project					
	Dep PW Mgr - LRT	Transit	1	1	0	0
	Principal Civil Engineer	Transit	1	0	0	0
	Sr Mgmt Asst	Transit	1	1	1	0
	Sr Transportation Planner+	Transit	1	1	0	0
	LRT Transportation Planner	Transit	1	0	0	0
	Management Assistant II+	Transit	1	1	0	0
	Sr Traffic Eng Tech+	Transit	1	1	1	1
	Traffic Signal Tech II+	Transit	0	0	0	0
	Total Full-Time		7	5	2	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
3922	Transportation Systems					
	Sr Civil Engineer+	Transit	1	1	1	1
	ITS Network Engineer	Transit	1	1	1	0
	Total Full-Time		2	2	2	1
3923	Operations/Transportation					
	Principal Planner	Transit	2	2	0	0
	Sr Transportation Planner+	Transit	2	2	0	0
	Total Full-Time		4	4	0	0
<b>Water Utilities</b>						
3002	Water Utilities - Administration					
	Water Utilities Mgr	W/WW	1	1	1	0
	Dep Water Util Mgr-Operations	W/WW	1	2	2	1
	Principal WUD Planning Eng	W/WW	1	1	1	0
	Water Util Administrator	W/WW	1	1	1	1
	Planning & Research Analyst^	W/WW	1	1	1	1
	WUD Safety & Training Coord	W/WW	0	0	0	1
	Environment Quality Spec	W/WW	1	0	0	0
	Management Assistant II+	W/WW	1	0	0	1
	Eng Tech II+	W/WW	1	1	1	0
	Executive Assistant	W/WW	0	1	1	1
	Custodian	W/WW	0	0	0	1
	Custodian	W/WW	0	0	0	1
	Administrative Assistant II+	W/WW	2	3	3	3
	Administrative Assistant II+**	W/WW	0.00	0.50	0.50	0.00
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		10	11	11	11
	Total Perm FTE**		0.00	0.50	0.50	0.00
	Total Temp FTE*		0.49	0.49	0.49	0.49
3003	Water Utilities Warehouse					
	Warehouse Supvr	W/WW	1	1	1	1
	Water Inventory Svcs Spec	W/WW	1	1	1	1
	Total Full-Time		2	2	2	2
3004	Water Utilities Security					
	WUD Security Coordinator	W/WW	1	1	1	1
	WUD Security Officer	W/WW	3	3	3	5
	Water Utility Security Guard**	W/WW	0.50	0.50	0.50	0.00
	Total Full-Time		4	4	4	6
	Total Perm FTE**		0.50	0.50	0.50	0.00
3011	Water Quality - Administration					
	Plant Operations Admin	W/WW	1	1	1	1
	Total Full-Time		1	1	1	1
3012	Control Center Operations					
	Control Center Supvr	W/WW	1	1	1	1
	Instrument & Cntrl Tech (SBP)	W/WW	1	1	1	1



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Control Center Operator	W/WW	4	4	4	4
	Plant Mechanic+ (SBP)	W/WW	0	0	0	1
	Total Full-Time		6	6	6	7
3013	Johnny G. Martinez Water Plant					
	Plant Team Leader	W/WW	1	1	1	1
	Instrument & Cntrl Tech (SBP)	W/WW	1	1	1	1
	Plant Electrician (SBP)	W/WW	1	1	1	1
	Plant Mechanic+ (SBP)	W/WW	2	2	2	1
	Plant Operator I/II+ (SBP)	W/WW	8	7	7	7
	Plant Ops & Maint Trainee+	W/WW	0	1	1	1
	Total Full-Time		13	13	13	12
3014	South Tempe Water Plant					
	Plant Team Leader	W/WW	1	1	1	1
	Instrument & Cntrl Tech (SBP)	W/WW	1	1	1	1
	Plant Electrician (SBP)	W/WW	1	1	1	1
	Plant Mechanic+ (SBP)	W/WW	2	2	2	2
	Plant Operator I/II+ (SBP)	W/WW	6	5	5	5
	Plant Ops & Maint Trainee+	W/WW	0	1	1	1
	Total Full-Time		11	11	11	11
3021	Distribution System Services - Admin					
	Transmission & Collection Admn	W/WW	1	1	0	0
	Water Distribut & Collect Mgr	W/WW	0	0	1	1
	CMMS Tech II+	W/WW	0	0	0	4
	Administrative Assistant II+	W/WW	0	0	0	1
	Total Full-Time		1	1	1	6
3022	Distribution System Maintenance					
	Util Svcs Supvr	W/WW	1	1	1	1
	Util Svcs Team Leader	W/WW	1	1	1	4
	Util Svcs Tech II+ (SBP)	W/WW	10	10	10	18
	Util Svcs Tech I+	CIP	0	0	0	3
	<i>(positions funded through June 30, 2012)</i>					
	Administrative Assistant II+	W/WW	1	1	1	0
	Total Full-Time		13	13	13	26
3024	Irrigation					
	Irrigation Supvr	W/WW	1	1	1	1
	Irrigator	W/WW	7	7	7	7
	Total Full-Time		8	8	8	8
3025	Technical Support Team					
	Principal Civil Eng	W/WW	0	0	0	1
	Management Assistant II+	W/WW	0	0	0	1
	GIS Analyst	W/WW	0	0	1	2
	GIS Coord	W/WW	1	1	1	1
	GIS Tech+	W/WW	1	1	1	1
	CMMS Tech II+	W/WW	4	4	4	0
	TV Truck Tech	W/WW	2	2	2	2



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

Cost Center	Position	Funding Source	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
	Underground Util Coord	W/WW	2	2	2	2
	Administrative Assistant II+	W/WW	1	1	1	1
	Total Full-Time		11	11	12	11
3026	Environmental Administration					
	Environmental Svcs Mgr	W/WW	0	0	0	1
	Water Qual Process/Plan Coord	W/WW	0	0	0	1
	Administrative Assistant II+	W/WW	0	0	0	2
	Total Full-Time		0	0	0	4
3027	Environmental Services					
	Environmental Serv Admin	W/WW	1	1	1	0
	Environmental Program Supvr	W/WW	1	1	1	1
	Environment Quality Spec	W/WW	3	4	4	4
	Water Quality Specialist	W/WW	1	1	1	0
	Cross Connec Control Supvr	W/WW	1	1	1	0
	Cross Connec Control Inspector	W/WW	1	1	1	0
	Total Full-Time		8	9	9	5
3028	Environmental - Wastewater					
	Environmental Compliance Supvr	W/WW	1	1	1	1
	Cross Connec Control Inspector	W/WW	0	0	0	1
	Environmental Compl Insp II+	W/WW	7	7	7	5
	Environmental Compl Insp I+	W/WW	0	0	0	1
	Environmental Tech II+	W/WW	4	4	4	0
	Administrative Assistant II+	W/WW	2	2	2	0
	Total Full-Time		14	14	14	8
3029	Environmental Health & Services					
	Environmental Hlth & Sfty Supv	W/WW	1	0	0	0
	Industrial Hygienist	W/WW	1	0	0	0
	Hazardous Material Safety Spec	W/WW	1	0	0	0
	Wtr Util Dept Sfty & Trng Coord	W/WW	2	0	0	0
	HPCC Interns*	W/WW	0.98	0.00	0.00	0.00
	Total Full-Time		5	0	0	0
	Total Temp FTE*		0.98	0.00	0.00	0.00
3031	Wastewater Services - Administration					
	SROG Program Admin	W/WW	1	1	1	1
	Total Full-Time		1	1	1	1
3033	Wastewater Utility Services					
	Util Svcs Team Leader	W/WW	3	3	3	0
	Util Svcs Tech II+ (SBP)	W/WW	8	8	8	0
	Total Full-Time		11	11	11	0
3034	Kyrene Water Reclamation Plant					
	Plant Team Leader	W/WW	1	1	1	2
	Instrument & Cntrl Tech (SBP)	W/WW	1	1	1	1
	Plant Electrician (SBP)	W/WW	1	1	1	0
	Plant Mechanic+ (SBP)	W/WW	2	2	2	2



**Reflects all personnel changes/reductions approved by City Council through 6/30/2010**

<b>Cost Center</b>	<b>Position</b>	<b>Funding Source</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
	Plant Operator+ (SBP)	W/WW	2	2	2	2
	Total Full-Time		7	7	7	7
3035	Field Facilities - Wastewater					
	Plant Team Leader	W/WW	1	1	1	0
	Plant Electrician (SBP)	W/WW	0	0	0	1
	Plant Mechanic+ (SBP)	W/WW	2	2	2	2
	Total Full-Time		3	3	3	3
3041	Laboratory Services - Administration					
	Laboratory Supervisor	WWW	1	1	1	1
	Chemist II+	WWW	6	6	6	6
	Water Quality Specialist	WWW	0	0	0	1
	Environmental Compl Insp II+	WWW	0	0	0	1
	Environmental Tech II+	WWW	0	0	0	4
	Administrative Assistant II+	WWW	1	1	1	0
	Total Full-Time		8	8	8	13
3051	Water Resources - Administration					
	Water Resources Admin	WWW	1	1	1	1
	Water Resources Hydrologist	WWW	1	1	1	1
	Total Full-Time		2	2	2	2
3052	Water Conservation					
	Water Conservation Coord	WWW	1	1	1	1
	Water Conservation Spec	WWW	1	1	1	1
	Sr Groundskeeper	WWW	0	0	0	1
	Groundskeeper I+	WWW	0	0	0	1
	Total Full-Time		2	2	2	4
	<b>Public Works Total Full-Time</b>		<b>556</b>	<b>542</b>	<b>514</b>	<b>469</b>
	<b>Public Works Total Perm FTE**</b>		<b>3.00</b>	<b>3.50</b>	<b>3.50</b>	<b>2.50</b>
	<b>Public Works Total Temp FTE*</b>		<b>19.69</b>	<b>17.20</b>	<b>17.20</b>	<b>20.20</b>
	<b>Grand Total Full-Time</b>		<b>1,851</b>	<b>1,811</b>	<b>1,757</b>	<b>1,602</b>
	<b>Grand Total Perm FTE**</b>		<b>19.30</b>	<b>19.00</b>	<b>15.00</b>	<b>13.85</b>
	<b>Grand Total Temp FTE*</b>		<b>226.99</b>	<b>205.25</b>	<b>205.25</b>	<b>202.58</b>

**\*\*Permanent Full-Time Equivalent    \*Temporary Full-Time Equivalent**



*Reflects all personnel changes/reductions approved by City Council through 6/30/2010*

<b>Grant Funded Personnel - Permanent FTE (Included in above totals)</b>	<b>Funding Source</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
City Attorney	Victims Rights Grant	0.40	0.40	0.40	0.40
City Court	Fill the GAP Fund	0.65	1.00	1.00	1.00
City Court	Local JCEF	0.00	3.00	3.00	3.00
City Manager	EECBG	0.00	0.00	0.00	1.00
Community Development	Section 8	12.00	12.00	12.00	12.00
Community Development	CDBG/Home	5.50	5.33	5.33	6.33
Community Development	EECBG	0.00	0.00	0.00	1.00
<b>Grand Total</b>		<b>18.55</b>	<b>21.73</b>	<b>21.73</b>	<b>24.73</b>

<b>Personnel by Fund Permanent FTE positions (Full and Part-Time)</b>	<b>2008-09 Actual</b>	<b>2009-10 Budget</b>	<b>2009-10 Revised</b>	<b>2010-11 Budget</b>
General Fund	1,400.90	1,348.92	1,287.92	1,167.54
Enterprise Funds				
Golf	21.00	21.00	21.00	10.50
Cemetery	2.50	2.50	2.50	2.50
Solid Waste	71.50	72.50	72.50	79.50
Water/Wastewater	174.50	180.00	180.00	183.00
Special Revenue Funds				
Health Fund	0.00	0.00	0.00	0.90
HURF	58.00	58.00	58.00	38.00
Performing Arts	23.65	23.65	23.65	17.15
Rio Salado/CFD	29.00	29.00	29.00	24.00
Risk Management Fund	4.50	3.50	3.50	3.00
Transit	54.00	54.00	54.00	41.83
Grants/Designated Funds				
Ambulance Provider	7.00	7.00	7.00	6.00
AZ Post	0.00	0.00	1.00	1.00
Capital Improvement Program	0.00	1.00	1.00	5.00
CDBG/Section 8	17.50	17.33	17.33	18.33
Court Enhancement Fund	0.00	0.00	0.00	1.00
EECBG	0.00	0.00	0.00	2.00
Fill the Gap Fund	0.65	1.00	1.00	1.00
HIDTA	0.00	0.00	1.00	1.00
Local JCEF	0.00	3.00	3.00	3.00
Percent for the Arts	1.20	1.20	1.20	1.20
RICO	1.00	1.00	1.00	1.00
Tempe County Island Fire District	0.00	1.00	1.00	1.00
Vehicle Impound	3.00	4.00	5.00	6.00
Victims Rights Grant	0.40	0.40	0.40	0.40
<b>Grand Total</b>	<b>1,870.30</b>	<b>1,830.00</b>	<b>1,772.00</b>	<b>1,615.85</b>



**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.

**Energy Efficiency and Conservation Block Grants (EECBG)** - This program supports projects to develop, promote, implement, and manage energy efficiency and conservation projects and programs designed to: reduce fossil fuel emissions; reduce the total energy use of the eligible entities; improve energy efficiency in the transportation, building, and other appropriate sectors; and create and retain jobs.

**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).

**Furlough** - Mandatory time off work with no pay. Used as an alternative to a layoff, employee furloughs can occur when revenue or projected revenue fails to match expenses.

**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** - 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.

**Public Forums** - A public meeting involving audience discussion.

**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 reintroduce 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.

**Unauthorized General Obligation (G.O.) Bonds** - General Obligation Bonds that have not been approved by residents via an election, but that are anticipated to be approved by residents via an election prior to their use as a capital project funding source.

**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 Down Payment Initiative  
**ADOT**-Arizona Department of Transportation  
**ADWR**-Arizona Department of Water Resources  
**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  
**EECBG**-Energy Efficiency and Conservation Block Grant  
**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  
**LEED**-Leadership in Energy and Environmental Design  
**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  
**SAFER**-Staffing for Adequate Fire and Emergency Response  
**SAI**-Southern Avenue Interceptor  
**SCADA**-Supervisory Control and Data Acquisition  
**SBP**-Skill Based Pay  
**SROG**-Sub Regional Operating Group  
**SRP**-Salt River Project  
**STWTP**-South Tempe Water Treatment Plant  
**TCA**-Tempe Center for the Arts  
**WUD**-Water Utilities Department



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## Office of Management and Budget Staff



Even though the budget is heard by the Mayor and Council in March and April, its preparation begins months prior, with projections of City funding sources, remaining bond authorization, reserves, revenue, and expenditures. It continues through numerous phases and culminates with adoption in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the fiscal year. Each year, every effort is made to improve both the budget process and the usefulness of budget documents.

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The City of Tempe's budget documents are available online at:

[www.tempe.gov/budget](http://www.tempe.gov/budget)

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