



ANNUAL

JULY 1, 2011 - JUNE 30, 2012

BUDGET



About the Cover

Artist's Rendition: Tempe Town Lake Pedestrian Bridge

A new pedestrian bridge will be located atop the existing downstream dam at the west end of the Tempe Town Lake connecting the south and north shores near the western dam at the Tempe Center for the Arts. The bridge will connect existing bike and pedestrian multiuse paths on the north and south sides of the lake and provide a link to Tempe Center of the Arts, Scottsdale's Indian Bend Wash path system, as well as the Mill Avenue District.

Tempe Mayor & City Council



Hugh Hallman
Mayor



Joel Navarro
Vice Mayor



Robin Arredondo-Savage
Council Member



Shana Ellis
Council Member



Mark Mitchell
Council Member



Onnie Shekerjian
Council Member



Corey Woods
Council Member





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Annual Budget FY 2011/12

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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, 2010.

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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Purpose...

Tempe creates outstanding value for those we serve through shared vision, superior service 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.

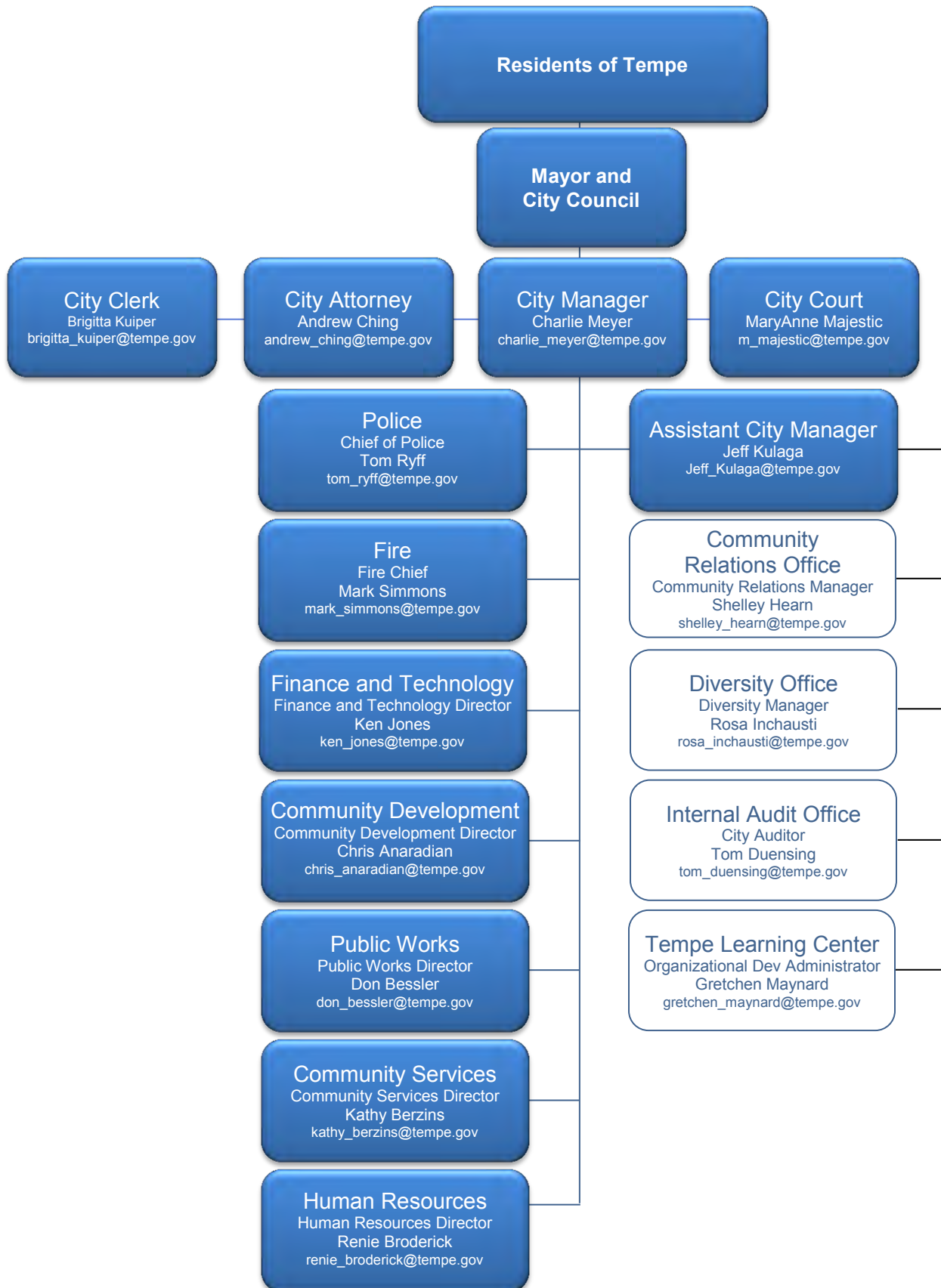
Diversity

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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City Organizational Chart





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August 29, 2011

To the Honorable Mayor and City Council:

Transmitted herein is the City of Tempe's (City) Fiscal Year (FY) 2011-12 financial program. While the City continues to face fiscal challenges due to the uncertain pace of the economic recovery, the FY 2011-12 adopted budget reflects only moderate expenditure reductions and targeted revenue increases while maintaining the levels of service anticipated by our residents. The financial program represents a reasonable approach to balancing the City's budget and positioning the City for long-term financial stability.

Addressing the Continued Challenge

In May, 2010, Tempe voters approved a four-year increase to the city sales tax to avoid further cuts to the General Fund, including occupied Police and Fire positions. The additional 0.2% temporary tax went into effect July 1, 2010, increasing the sales tax rate from 1.8% to 2.0% on all taxable items except groceries. At the time of the increase, the City Council directed that the City plan for the June 30, 2014 expiration of the additional 0.2% sales tax component.

In order to meet the goal, General Fund budget adjustments will be implemented in each of the next several fiscal years to avoid deficits when the temporary sales tax expires. Citywide, departments were asked to examine departmental reductions, efficiencies, and revenue enhancements. These adjustments for FY 2011-12 are consistent with the long-range plan to stabilize the General Fund and help maintain the fund balance within our current policy of 20% to 30% of annual revenues. That level of cash reserves provides economic stabilization during economic downturns.

Aside from the General Fund, other operating funds have also suffered during the economic downturn. Budget balancing plans have been implemented for the Golf, Transit and Transportation (Highway User) funds. All City operating funds continue to be closely monitored.

In addition to budget balancing measures for the operating funds, the City Council also adopted a new property tax stabilization policy that produces a predictable revenue stream and limits future increases in total City property tax collections to a CPI inflationary index, not to exceed 3.3% annually, plus taxes collected from new property added to the tax rolls. This policy was adopted to deal with the unpredictable nature of assessed property valuations that the City experienced over the last several years and to ensure payment of existing and future planned debt.

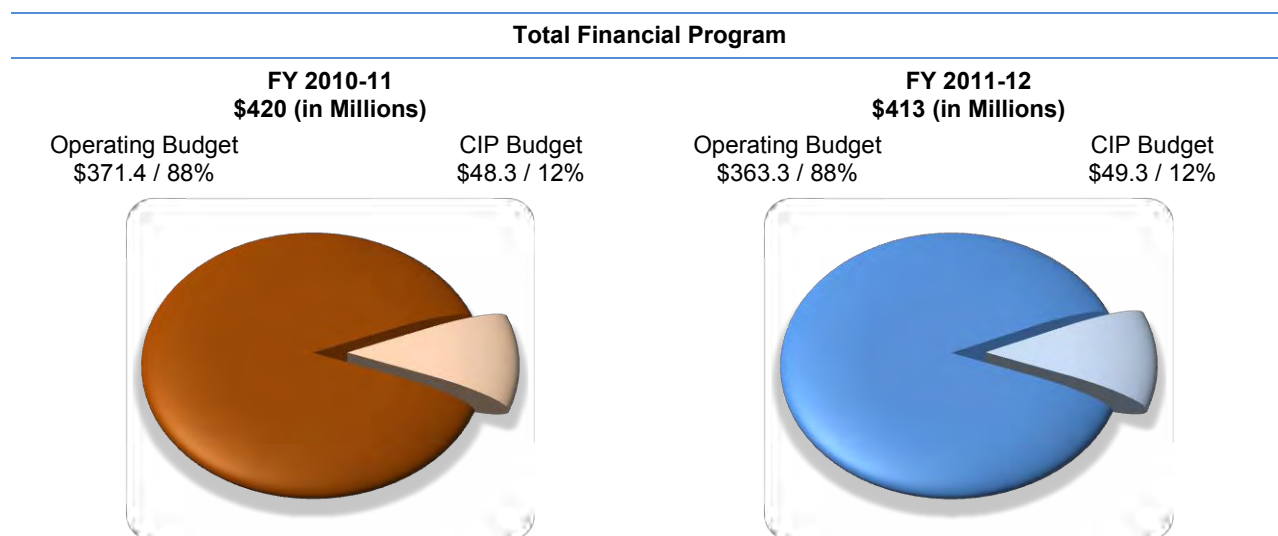
Budget Overview

The financial program for FY 2011-12 approximates \$413 million and includes funding for both operating and capital purposes. This amount represents a \$7.1 million or 1.7% decrease from the prior year and is due to a reduced operating budget. As shown in the following table, the operating budget is projected to decrease by \$8.2 million or 2.2%, while the capital budget increased by \$1.1 million or 2.2% in the upcoming year. The decrease in the Operating Budget is largely due to phased-in budget adjustments for the General Fund and planned budget balancing measures in other operating funds, including the elimination of 18.75 full-time equivalent positions for a savings of \$1.4 million this fiscal year. The slight increase in the Capital Improvements Budget results from a sizable decrease in the Enterprise program, offset by restored funding in the Special, General, and Transportation programs.

Total Financial Program		
	FY 2010-11 Budget	FY 2011-12 Budget
Operating Budget	\$371,433,189	\$363,257,449
Percent Change		(2.2%)
Capital Improvements Budget	\$48,264,755	\$49,337,804
Percent Change		2.2%
Total Financial Program	\$419,697,944	\$412,595,253
Percent Change		(1.7%)

FINANCIAL PROGRAM SUMMARY

The graphs below illustrate the relative shares of operating and capital appropriations in FY 2010-11 and FY 2011-12.



OPERATING BUDGET

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

Operating Budget Summary			
	FY 2010-11 Budget	FY 2011-12 Budget	Percent Change
General Fund	\$156,701,101	\$159,357,645	1.7%
Special Revenue Funds			
Transportation	11,667,658	9,297,186	(20.3%)
Transit	64,026,251	53,863,809	(15.9%)
Performing Arts	8,511,128	8,565,287	0.6%
CDBG/Section 8	16,417,949	17,001,929	3.6%
Debt Service Fund	22,111,500	21,548,322	(2.5%)
Enterprise Funds			
Water/Wastewater	75,772,343	75,985,498	0.3%
Solid Waste	14,114,556	15,166,357	7.5%
Golf	1,731,353	2,290,553	32.3%
Cemetery	379,350	180,863	(52.3%)
Total Operating Budget	\$371,433,189	\$363,257,449	(2.2%)

Operating Budget Highlights

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

- Continued freezes of employees' compensation at FY 2008-09 levels resulting in an estimated \$4.2 million savings
- Continued employee furloughs resulting in \$5.0 million in savings
- Base budget reductions of \$1.7 million
- Increased health care prescription co-pays resulting in approximately \$240,000 in savings
- Additional revenues projected at \$600,000
- Final year of deferring the advanced funding of retiree defined-benefit health plans

The General Fund budget includes the following increases:

- Higher retiree health care premiums (\$1.0 million) for increased benefit costs and additional retirees added to the plan
- Rio Salado Fund merged into the General Fund (\$600,000)
- Fuel budget (\$500,000) for higher gas and diesel costs
- Retirement System contributions (\$300,000)
- Water, sewer, and refuse expenses (\$230,000)
- Contractual increases to software costs (\$216,000)

After application of the policy changes, the General Fund reserve is projected to approximate 25% of revenues as of June 30, 2012.

CAPITAL BUDGET

The City's five-year Capital Improvements Program (CIP) covering FY 2011-12 through FY 2015-16 totals \$216.4 million.

The first year of the five-year CIP, which is formally adopted by the City Council, totals \$49.3 million for FY 2011-12.

The City Council adopted a levy-based approach versus a rate driven approach to fund the five-year CIP. The property tax levy approach will develop a stable and predictable revenue stream to pay existing and future planned debt and stabilize the property tax levy.

Capital Budget Highlights

The Capital Budget for FY 2011-12 primarily consists of major projects that are already underway or that are ongoing in nature. Instances of new project funding will occur primarily in programs with a specialized funding source. The following are some highlights of the Capital Budget:

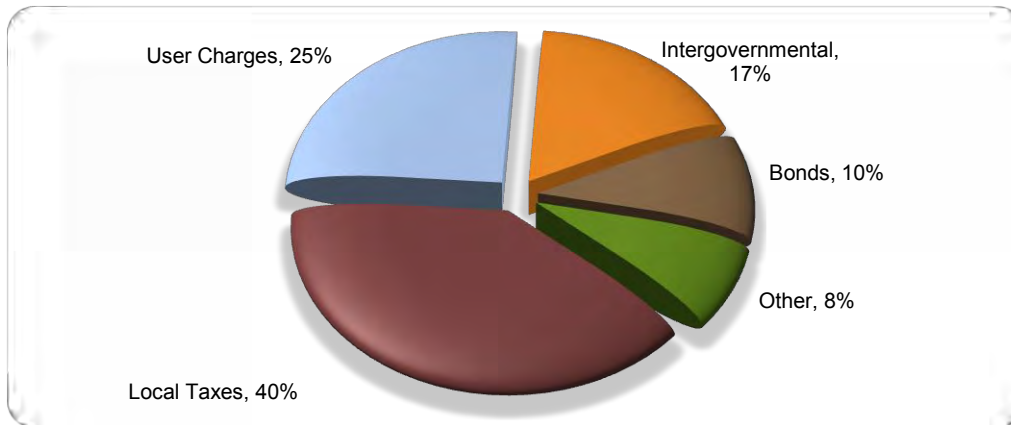
- Continued bond funding for Water and Wastewater projects(\$30.2 million) including:
 - Continued funding for improvements to the South Tempe Water Treatment Plant (STWTP) (\$12.1 million)
 - Continued funding for improvements at the Johnny G. Martinez Water Treatment Plant (\$4.1 million)
 - Continued funding in the Wastewater program for ongoing modifications to the 91st Avenue Wastewater Treatment Plant (\$7.5 million)
- Continued funding for transportation and rights-of way improvements (\$4.8 million)
- New design and engineering for replacement of the Rio Salado Town Lake Downstream Dam (\$4.0 million)

INCOME/OUTGO

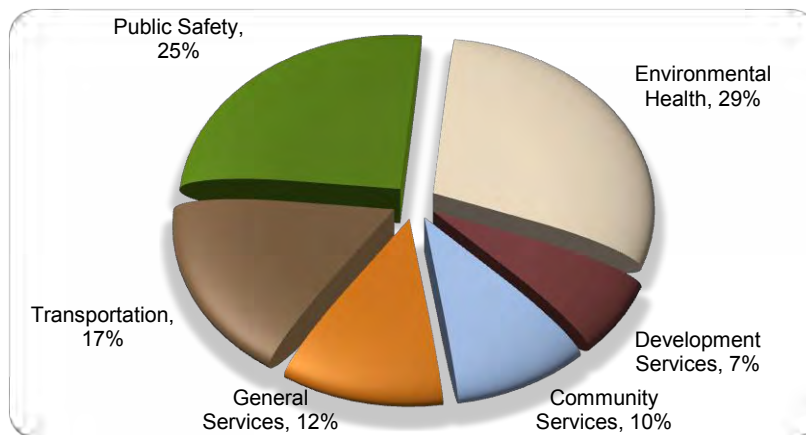
The following pie charts represent the City's income and outgo. Revenues are grouped by major category, while expenditures are shown by program area and by type of expenditure (such as personal services). Local taxes (e.g., city sales tax and property tax) continue to be the largest City revenue sources, representing 40% of the FY 2011-12 total revenue budget. Other major revenue sources include user charges (such as water service and solid waste fees), intergovernmental revenue, and bond proceeds. The Environmental and Public Safety programs represent the greatest areas of appropriation, accounting for 54% of the total financial program in 2011-12.

Comparison of FY 2010-11 and FY 2011-12 Capital Budgets		
Capital Program	FY 2010-11 Budget	FY 2011-12 Budget
Enterprise		
Water	\$31,046,338	\$19,161,000
Wastewater	12,600,000	10,999,000
Special Purpose		
Transit	446,000	2,789,099
Rio Salado	327,000	4,000,000
General Purpose		
Police	890,954	2,500,246
Fire	600,000	849,800
Storm Drains	0	278,000
Park Improvements	150,000	1,415,000
General Governmental	1,929,463	1,613,600
Transportation		
Transportation and R.O.W.	275,000	4,765,888
Traffic Signals/Street Lighting	0	966,171
Total	\$48,264,755	\$49,337,804

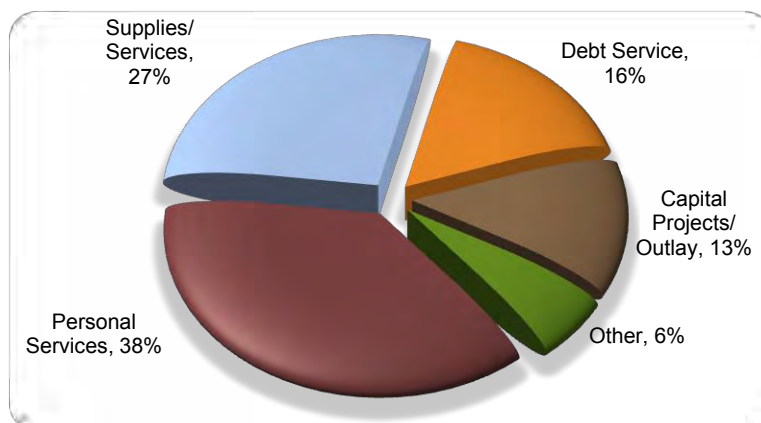
Where the Money Comes From by Source of Funds



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

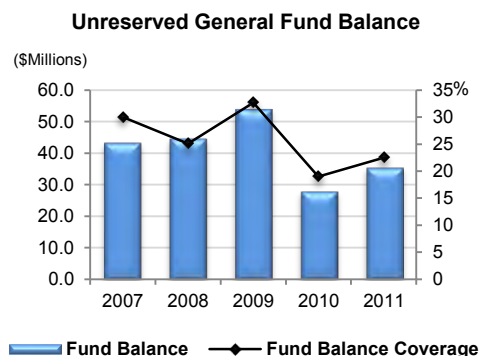
Tempe has developed and maintained a strong financial position through conservative financial management and adherence to sound fiscal analysis and policies.

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 unreserved fund balance in the General Fund is projected to be \$35.4 million as of June 30, 2011, assuming departments spend all appropriated funds. The increase from 2010 to 2011 is due to a slowly improving local sales tax base, largely fueled by the 0.2% temporary increase in the sales tax rate. As shown by the line in the graph to the right, the projected balance represents 22.5% of FY 2010-11 General Fund revenue. Our adopted policy for General Fund unreserved fund balance coverage ranges between 20-30% of General Fund revenue. The City's Water/Wastewater fund has an estimated fund balance of \$27.5 million, while the remaining Enterprise funds (Golf, Solid Waste, and Cemetery programs) will have a combined fund balance of approximately \$5.2 million as of June 30, 2011.



Financial Reserves

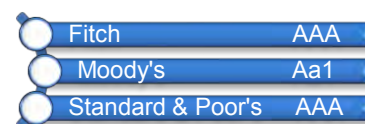
Another indicator of a city's financial strength is the level of its financial reserves. The City has established financial reserves to absorb unforeseen liabilities. The City currently has self-insurance reserves totaling \$8.8 million to protect the City against potential claims. Included in the Water/Wastewater Fund and financed from current revenues is \$1.0 million of contingency funding for unanticipated emergencies. The General Fund's contingency appropriation has been 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, Aa1 by Moody's, and AAA by Standard & Poor's. Having solid financial policies, prudent financial management practices and strong financial reserves are principle reasons for these excellent bond ratings. These high ratings translate directly into lower interest rates on the City's debt.



Development Activity

Tempe is at the geographic center of the Phoenix-Mesa metropolitan area and very competitive when compared to neighboring cities in terms of overall economic development activity. The vacancy rate for Tempe industrial properties as of June 2011 was 9.4%, compared to a rate of 10.5% in second quarter 2010. Similarly, office vacancies as of June 2011 were 14.7%, compared to 17.0% in the second quarter of 2010. The vacancy rate for retail properties decreased by nearly 1.0% during the same period.

In addition to the decreased vacancy rates, there were a number of private sector projects that were under construction or completed in the past fiscal year. These projects include, University of Phoenix at Fountainhead Corporate Center, housing at Fifth and Farmer, the opening of DataSphere Technologies and the location of iQor Inc.

During fiscal year 2010-11 city staff facilitated the retention, expansion and relocation of 13 businesses that employ over 1,900 people and are a vital part to the local economy. These projects generated more than fifteen million dollars in direct capital investment for the local economy.

MAJOR POLICY CONSIDERATIONS

Appropriation decisions, ultimately approved by the City Council, were developed within the context of strategic direction provided by the City's Council Committees and long-range financial policy direction developed during City Council budget sessions.

Council Committees

The City Council committees prepare work plans designed to guide strategic issues, goals and objectives on an annual basis to provide more long-range focus to resource allocation choices. The city's departmental performance goals and objectives are aligned to current Council strategic goals as follows:

- Education Partnerships
- Housing and Social Service Programs
- Neighborhood Quality of Life and Revitalization
- Sports, Tourism, Recreation, Arts and Cultural Development
- Technology, Economic and Community Development
- Transportation

The overarching intention is to delineate long-range goals, formulate a cohesive strategy for each of the defined areas, and develop departmental action plans to advance the city toward those strategic goals.

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

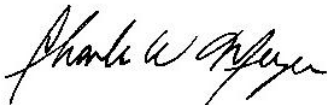
CONCLUSION

Though the economy continues to provide the City with financial challenges, we expect conditions to improve over the long-term. Through sound management of 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.

Quality of Life

Special Events

*More than 150 special events throughout the City annually
Tempe Music Festival brings a weekend of world-renowned acts to Tempe Town Lake*

Spring and Fall Festival of the Arts

Juried outdoor art shows with more than 300 artists and 300,000 art lovers

Insight Bowl and Block Party

150,000 people come for football and New Year's Eve revelry

New Times 10K

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, Sun Devil Football and other Arizona State University sports

Minutes away from Phoenix Suns Basketball, Diamondbacks Baseball, Phoenix Coyotes Hockey and Cardinals Football, Ironman Arizona, PF Chang Rock-N-Roll Marathon and many other pro-am sporting events

Parks and Golf Courses

50 parks and sports complexes in 40 square miles, 1,550 acres of park and open space

Papago Park is one of the nation's largest natural parks

Town Lake offers five miles of water recreation and park land in Tempe's downtown

Four golf courses, including ASU Karsten, a Pete Dye championship course, 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 161,719

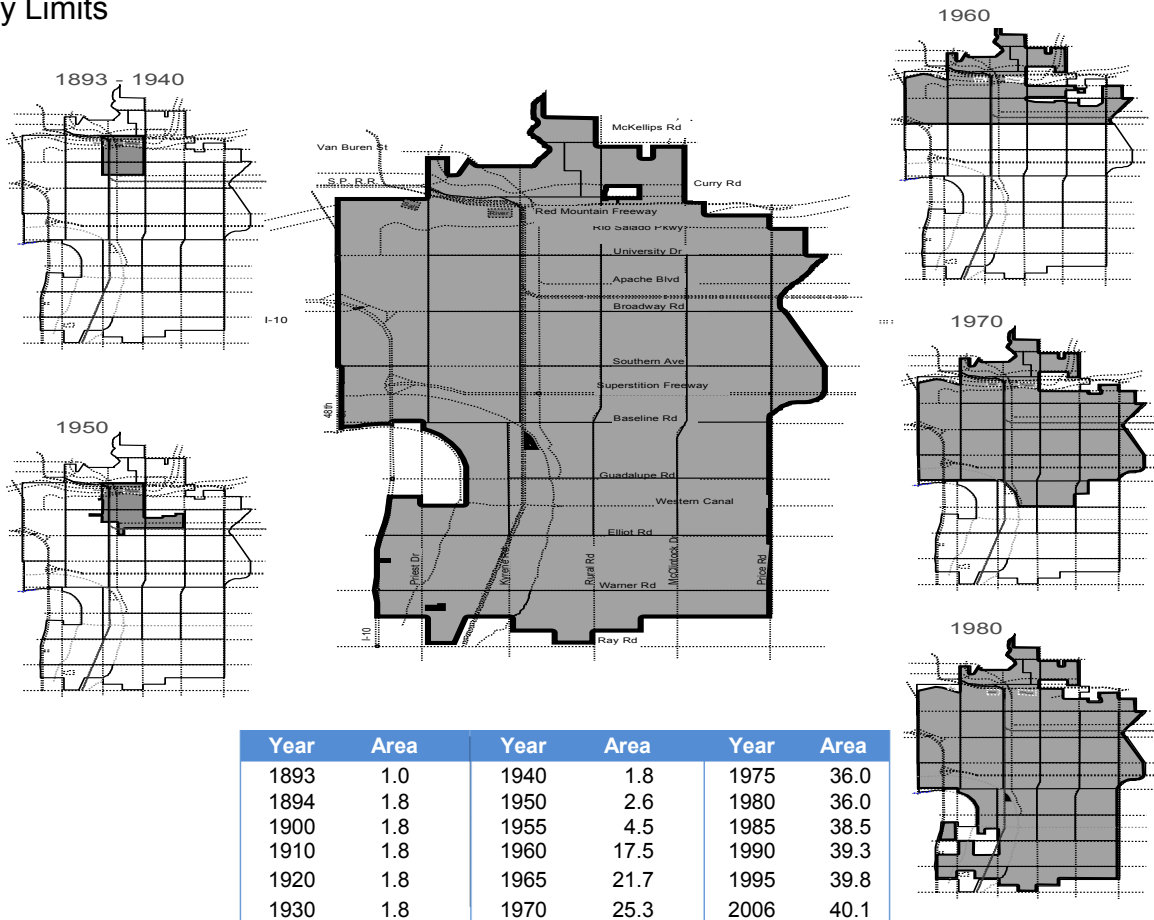
With Bachelor's Degree or higher 39%

Median Age 29

Median Household Income \$49,173

Median Home Value \$264,000

City Limits



Demographics

Population (Census)

2010	U.S. Census	161,719
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

Population by Sex/Age

Male	84,200
Female	77,519
Under 18	27,208
18 & over	134,511
20 - 24	30,009
25 - 34	29,327
35 - 49	26,089
50 - 64	23,723
65 & over	13,660

Population by Ethnicity

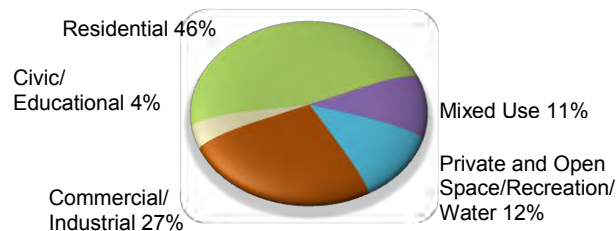
Hispanic or Latino	34,092
Non Hispanic or Latino	127,627

Population by Race

White	117,457
African American	9,551
Asian	9,217
American Indian and Alaska Native	4,671
Native Hawaiian and Pacific Islander	645
Other	13,793
Identified by two or more	6,385

Building Permits (Calendar Year Data)

	Number	Value (\$000)
2010	778	172,684
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

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%

School Registration

Tempe Elementary District	11,966
Tempe Union High School District	13,762
ASU (Fall 2010) Tempe Campus	58,371

Bond Rating

Fitch	AAA
Standard and Poor's	AAA
Moody's	Aa1

Employment Trends

	Employment	Unemployment Rate
2010	97,360	8.0%
2009	96,916	7.8%
2008	100,640	4.5%
2007	100,809	2.8%
2006	99,381	3.0%

Major Employers

Arizona State University	10,089
Maricopa Community College	4,703
Wells Fargo and Company	4,236
Safeway	3,996
Salt River Project	3,331
Motorola	3,000
Honeywell International	3,000
Kyrene Elementary School District	2,559
JP Morgan Chase	2,377
US Airways	1,898

City Sales Tax

General	1.4%
Transit	0.5%
Performing Arts	0.1%
Total	2.0%

Property Tax Rate

Primary	0.6572
Secondary	1.1291
Total	\$1.7863

Largest Property Taxpayers

Arizona Mills LLC	1.56%
Arizona Public Service Company	0.87%
Qwest Corporation	0.76%
Honeywell International, Inc.	0.66%
Tempe Fountainhead Corporate LLC	0.56%
State Farm Mutual Auto Insurance Company	0.54%
Verizon Wireless	0.48%
St. Paul Properties Inc.	0.45%
Fly (CD) LLC/ AWHQ LLC	0.41%

Police

Sworn Personnel	341
Non-Sworn Personnel	150
Total	491
Avg. Emergency Response Time (min.)	5:19
Crime Index (CY 2009)	9,303
Part I Crime Per 1,000 Capita (CY 2009)	58

Fire

Sworn Personnel	153
Non-Sworn Personnel	29
Total	182
Fire Stations	6
Avg. Emergency Response Time (min.)	4:18
Response to emergency medical incidents	16,260
Total number of calls	19,653

Solid Waste

Residential Accounts Serviced	33,775
Commercial Accounts Serviced	3,644
Solid Waste Collected (tons)	141,455

Water/Wastewater

Active Accounts Serviced	42,500
Water Treated (billions of gallons)	16.8
Sanitary Sewers (miles)	549

Community Comparisons

Tempe is part of the greater Phoenix metropolitan area, which is the economic, political, and population center of the state. Popularly referred to as the Valley of the Sun, this area includes a number of adjacent communities with distinct municipal jurisdictions. The following section provides a perspective on the relative populations of the largest cities in the Valley as well as key comparative cost of service data. This information was obtained from city Budget Offices, as well as printed and online budget documents.

Population (2010 Decade Census)		Operating Budget (FY 2011-12)	Million \$
Phoenix	1,445,632	Phoenix	4,646.5
Mesa	439,041	Mesa	885.8
Chandler	236,123	Scottsdale	607.8
Glendale	226,721	Chandler	546.1
Scottsdale	217,385	Glendale	493.8
Gilbert	208,453	Peoria	460.0
Tempe	161,719	Gilbert	396.2
Peoria	154,065	Tempe	363.3

Property Tax (as of July 1, 2011)	(per \$100 assessed Value)	Incorporated City Limits	sq. miles
Phoenix	\$1.82	Phoenix	515.0
Glendale	1.60	Scottsdale	185.0
Peoria	1.44	Peoria	170.5
Tempe	1.79	Mesa	136.9
Chandler	1.27	Chandler	63.3
Gilbert	1.15	Glendale	58.5
Scottsdale	1.09	Gilbert	68.0
Mesa	0.45	Tempe	40.1

Sales Tax (as of July 1, 2011)	
Glendale	2.20%
Phoenix	2.00%
Tempe	2.00%
Peoria	1.80%
Mesa	1.75%
Scottsdale	1.65%
Chandler	1.50%
Gilbert	1.50%

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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 2011-12 estimated General Fund operating revenue (\$160.1 million) to expenditures (\$160.1 million) Ratio 1:1*

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

- **Status:** *Financial Services maintains ongoing monitoring systems with quarterly reviews including an 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 the Comprehensive Financial Plan (2011 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 maintain a fund balance between 4% and 8% of total outstanding general purpose debt at the end of each fiscal year.

- **Status:** *FY 2011-12 16.2%: Debt Service Reserve is scheduled to gradually spend down to policy levels within a ten year forecast horizon*

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 2011-12 with debt amortization terms ranging from 5 to 20 years: \$5.9 million for police, fire, park improvement, and general governmental projects; \$29.2 million for water and wastewater projects and \$5.4 million for transportation 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 2011-12 Annual CIP budget of \$49.3 million adopted representing the first year of a 5-year, \$216.4 million CIP program*

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

- **Status:** *FY 2011-12 operating and maintenance impacts of new capital projects is estimated at \$1,053,306: the estimated net operating and maintenance impacts of new capital projects between FYs 2012-13 and 2015-16 is \$717,500*

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 water and sewer line replacement and repair, beginning phases of replacement of the town lake dam, City radio system replacement, fire apparatus replacement, City facilities rehabilitation, local and major street maintenance, and neighborhood park equipment replacements*

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 2011-12
Water / Wastewater Bonds	\$29.2
General Obligation Bonds	11
Outside Revenue	4.1
Fund Balances	4.2
Pay-As-You-Go Financing	0.8
Total Sources of Funds	\$49.3

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 10*	Revenue FY 2009-10	Unreserved Fund Balance Coverage
\$30.0 M	\$149.2 M	20.1%
Estimated Unreserved Fund Balance FYE 11*	Revenue FY 2010-11	Unreserved Fund Balance Coverage
\$35.4 M	\$157.2 M	22.5%
Estimated Unreserved Fund Balance FYE 12	Revenue FY 2011-12	Unreserved Fund Balance Coverage
\$36.3 M	\$160.1 M	22.7%

* For comparative purposes, the amounts listed include the Rio Salado Fund as this fund was merged into the General Fund effective 2011-12.

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 10	Revenue FY 2009-10	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$34.4 M	\$62.3 M	55.2%	202
Solid Waste	\$5.6 M	\$15.4 M	36.3%	133
Golf	(\$0.4) M	\$1.6 M	(25.0%)	0

	Estimated Unreserved Fund Balance FYE 11	Revenue FY 2010-11	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$30.0 M	\$66.5 M	45.1%	165
Solid Waste	\$6.3 M	\$15.1 M	41.7%	152
Golf	(\$0.7) M	\$1.4 M	(50.0%)	0

	Estimated Unreserved Fund Balance FYE 12	Revenue FY 2011-12	Unreserved Fund Balance Coverage	Days Coverage
Water/Wastewater	\$24.6 M	\$71.0 M	34.6%	126
Solid Waste	\$6.4 M	\$15.2 M	42.1%	154
Golf	(\$0.7) M	\$2.3 M	(30.4%)	0

The Water/Wastewater Unrestricted Fund Balance is projected to fall below the policy goal due to a planned drawdown of retained earnings to partially support water/wastewater bond debt service payments which will 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.

The Golf Fund is transitioning to a new business model involving the payment of a management fee to a private vendor for golf operations.

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

- **Status:** *FY 2011-12 \$8.8 million in self-insurance reserves which adequately indemnifies the City's assets*

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*

Property Tax Policy

Annual property tax levy increase for existing property shall not exceed the lesser of inflation or 3.3%.

- **Status:** *FY 2011-12 levy (0.8%)*

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; semiannual forecast updates will commence in FY 2011-12.
- Developed **Financial Policies** for long-term financial stability; General Fund policy established minimum and maximum fund reserve levels to be maintained over the course of the five-year financial planning horizon; and debt policy provided a long-term planned strategy to predict revenue stream and stabilize property tax levy.
- Provide partial funding of the annual required contribution for **Other Post Employment Benefits (OPEB)**.
- Building on the existing **Benchmarking Program**, developed a comprehensive citywide performance management system that executes, measures and tracks performance aligned with most important goals; system will assure constructive, two-way communication, continuous improvement and sustained productivity.
- **Strategic Issues Program** implemented to align purpose and provide strategic direction, 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. Provided City funded Health Reimbursement Accounts (HRA's) for pre Medicare retirees rather than participating in the City's self-insured health care plans.

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 2011-12 fiscal year. Beginning balances approximate \$135.2 million and the ending fund balances are estimated at \$122.5 million. The decreases in fund balances reflect planned drawdowns to address projected budget shortfalls between revenues and expenditures resulting from the continued impact of the economic downturn.

General Fund

The fund balance in the General Fund will increase as continued long-term efforts are underway to maintain the fund balance to a range of 20% to 30% of General Fund revenue, per our current policy.

Special Revenue Funds

Fund balances in certain Special Revenue funds (Transit and Performing Arts) will be applied to assist the operating funds that have also been negatively impacted. The Transit Fund will continue to utilize fund balance to sustain operations pending planned adjustments to revenues and expenditures. The Performing Arts Fund will also continue to use fund balance to support operations until a significant amount of the fund's debt obligations are retired in FY 2015-16.

Debt Service

The Debt Service fund is expected to increase by year end. The increasing fund balance coincides with a long-term planned strategy to develop a stable and predictable revenue stream by stabilizing the property tax levy, and minimizing the amount of taxpayer funds held in fund balance. In accordance with the City's Debt management policies, the debt service fund will be utilized to pay down outstanding debt until the balance is maintained at an amount equal to between four and eight percent of outstanding property tax supported debt.

Enterprise Funds

Within the Enterprise Funds, the Cemetery and Golf funds have presented significant financial challenges, requiring special attention. The General Fund will cover the Cemetery's debt service payments which reflect the only expenditures remaining in the fund. The new business model involving the payment of a management fee for golf operations and food and beverage services is expected to achieve financial sustainability for the Golf Fund. The drawdown of fund balance for the operation of the Water/Wastewater Program is consistent with the financial plan involving a period of steady increases to user charges to increase revenue to cover all operations and replenish the fund balance.

Capital Improvements Fund Balances

Capital Improvements fund balances account for dedicated residual revenue sources associated with completed projects, and newly received revenue sources for use toward specific project purposes. Balances are held in individual capital program funds for use toward the specific project purposes for which the original revenue sources were intended. With City Council approval, underutilized appropriations are re-appropriated for alternative or future capital projects coinciding with the purposes of each capital program fund. Currently the City does not maintain general purpose pay-as-you-go balances designated for the Capital Improvements Program. The City plans to accumulate reserves for pay-as-you-go capital financing as the economy recovers and sufficient revenues are generated.

FY 2011-12

Fund	Estimated Fund Balance		Total Financial Resources	Budgeted Expenditures	Adjusted Financial Resources	Interfund Transfer		Estimated Fund Balance
	06/30/2011	Revenue				In	(Out)	
General (inc Rio)	\$35,412,168	\$160,081,122	\$195,493,290	\$159,357,645	\$36,135,645	\$186,435		\$36,322,080
Special Revenue:								
HURF/LTAF	4,709,180	9,369,469	14,078,649	9,297,186	4,781,463		(1,550,000)	3,231,463
CDBG/Section 8	1,541,478	17,001,929	18,543,407	17,001,929	1,541,478			1,541,478
Performing Arts	4,022,423	6,776,100	10,798,523	8,565,287	2,233,236			2,233,236
Transit	8,376,126	47,324,887	55,701,013	53,863,809	1,837,204		(366,643)	1,470,561
Debt Service	42,672,352	22,282,656	64,955,008	21,548,322	43,406,686	1,550,000	(49,000)	44,907,686
Enterprise:								
Cemetery	(626,542)	113,100	(513,442)	180,863	(694,305)			(694,305)
Golf	(698,627)	2,294,828	1,596,201	2,290,553	(694,352)			(694,352)
Solid Waste	6,345,175	15,231,809	21,576,984	15,166,357	6,410,627			6,410,627
Water Utilities	30,045,580	71,017,104	101,062,684	75,985,498	25,077,186		(429,600)	24,647,586
TOTAL OPERATING	131,799,313	351,493,004	483,292,317	363,257,449	120,034,868	1,736,435	(2,395,243)	\$119,376,060
Capital Improvements	3,439,740	48,332,261	51,772,001	49,337,804	2,434,197	796,243	(137,435)	3,093,005
TOTAL FUNDS	\$135,239,053	\$399,825,265	\$535,064,318	\$412,595,253	\$122,469,065	\$2,532,678	(\$2,532,678)	\$122,469,065

Financial Program Summary

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

FY 2011-12

	General Governmental	Special Revenue	Enterprise	Capital Budget	Total Financial Program
Revenues					
Local Taxes, Licenses & Permits	125,049,607				125,049,607
Intergovernmental	31,231,933				31,231,933
Charges for Service	10,257,097				10,257,097
Fines and Forfeitures	8,427,007				8,427,007
Other	7,398,134				7,398,134
Transit		47,324,887			47,324,887
Highway User Revenue		9,369,469			9,369,469
CDBG / Section 8 Housing		17,001,929			17,001,929
Performing Arts		6,776,100			6,776,100
Water / Wastewater			71,017,104		71,017,104
Solid Waste			15,231,809		15,231,809
Golf			2,294,828		2,294,828
Cemetery			113,100		113,100
Water / Wastewater G.O. Bonds				29,160,000	29,160,000
Tax Supported G.O Bonds				11,011,865	11,011,865
Outside Revenue				4,160,396	4,160,396
Fund Balances				4,209,300	4,209,300
Pay-As-You-Go Financing				796,243	796,243
Total Revenues	\$182,363,778	\$80,472,385	\$88,656,841	\$49,337,804	\$400,830,808
Expenditures					
Public Safety	95,160,339			3,350,046	98,510,385
General Governmental Services	25,478,739			1,891,600	27,370,339
Community Services	26,780,609			1,415,000	28,195,609
Debt Service	21,548,322				21,548,322
Development Services	11,152,134				11,152,134
Transportation (Maintenance of Effort)	785,824				785,824
Transit		53,863,809		2,789,099	56,652,908
Highway User / Transportation		9,297,187		5,732,059	15,029,246
Performing Arts		8,565,287			8,565,287
Section 8 Housing		10,344,964			10,344,964
CDBG		6,656,965			6,656,965
Water / Wastewater			75,985,498	4,000,000	79,985,498
Solid Waste			15,166,357	30,160,000	45,326,357
Golf			2,290,553		2,290,553
Cemetery			180,863		180,863
Total Expenditures	\$180,905,967	\$88,728,212	\$93,623,271	\$49,337,804	\$412,595,254

Financial Program Summary for Revenues and Expenditures/Expenses

Total budgeted revenue in the FY 2011-12 Financial Program is approximately \$401 million, reflecting an increase of approximate \$14.4 million over the FY 2010-11 revenue budget. This increase is primarily attributable to projections for very modest improvement in local sales tax collections produced by the slowly recovering economy. Increased local sales tax collections impact the General Fund, and the Transit and Performing Arts Funds which fall under the Special Revenue Funds category below.

Increases in user fee revenues generated by utility rate increases in the Water/Wastewater Fund produce the \$5 million revenue increase in the Enterprise Fund shown below.

Budgeted expenditures for FY 2011-12 total \$412.6 million, representing a \$7.1 million decrease from total budgeted expenditures in FY 2010-11. Total budgeted expenditures have decreased during this period largely due to significant economy related budget reductions in the Transit Fund, which is included under Special Revenue Funds below. On the other hand, the total budget reduction is partially offset by budget increases in the General Fund, and Water/Wastewater Fund which is included in the Enterprise Funds category.

The 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

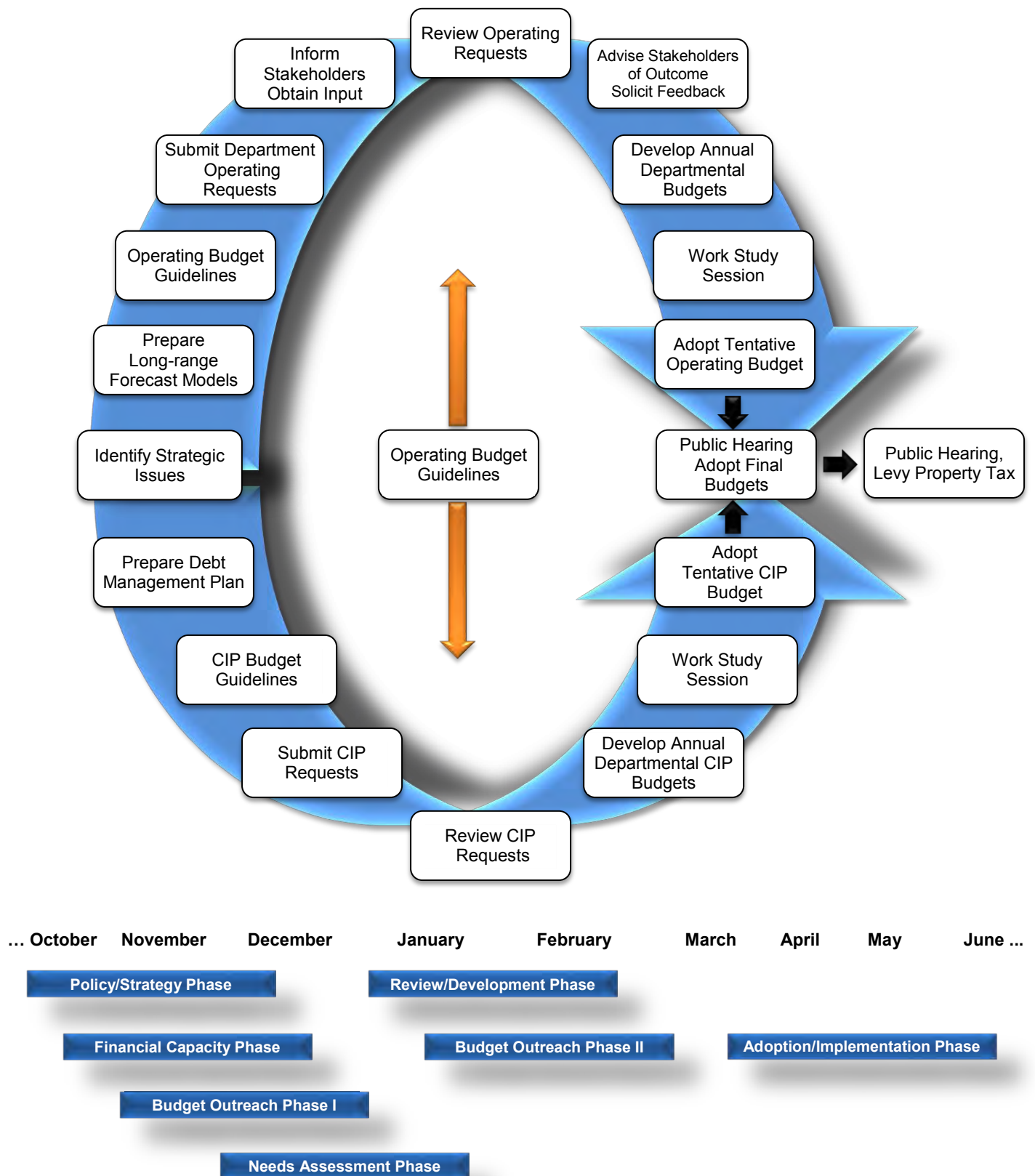
Revenues/Sources	FY 2009-10 Actual	FY 2010-11 Budget	% Change	FY 2010-11 Revised	% Change	FY 2011-12 Budget	% Change
General Fund	\$149,173,440	\$156,018,885	5%	\$157,246,687	1%	\$160,081,122	2%
Special Revenue Funds	75,637,791	76,408,931	1%	79,354,749	4%	80,472,385	1%
Enterprise Funds	79,334,900	83,554,952	5%	83,053,692	(1%)	88,656,841	6%
Debt Service Fund	25,761,830	22,191,192	(13.9%)	22,030,533	(1%)	22,282,656	1%
Capital Projects Fund	96,310,568	48,264,755	(50%)	48,264,755	0%	49,337,804	2%
Total	\$426,218,529	\$386,438,715	(9%)	\$389,950,416	1%	\$400,830,808	3%

Expenditures

Expenditures/Uses	FY 2009-10 Actual	FY 2010-11 Budget	% Change	FY 2010-11 Revised	% Change	FY 2011-12 Budget	% Change
General Fund	\$174,749,469	\$154,811,302	(11%)	\$151,531,573	(2%)	\$159,357,645	5%
Special Revenue Funds	90,860,240	102,512,785	13%	89,708,422	(14%)	88,728,211	(1%)
Enterprise Funds	85,798,161	91,997,602	7%	86,599,413	(6%)	93,623,271	8%
Debt Service Fund	22,249,625	22,111,500	(1%)	20,443,097	(8%)	21,548,322	5%
Capital Projects Fund	96,310,568	48,264,755	(50%)	48,264,755	0%	49,337,804	2%
Total	\$469,968,063	\$419,697,944	(11%)	\$396,547,260	(6%)	\$412,595,253	4%

Budget Process Flowchart

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



Budget Process Summary

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 twenty 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 Phase

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 Finance and Technology 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**).

Budget Calendar

Text in blue indicates CIP related items; black text indicates Operating Budget items.

2010	
October 25	CIP Kickoff Meeting a. CIP calendar b. Review / discuss CIP process / changes c. Distribute Materials – Online at Budget intranet site
October 25 - November 19	Departments / Finance and Technology Departments work with Engineering, Facilities, Fleet, Custodial, Community Development and Information Technology; Departments submit CIP Forms to Budget Office; Budget Staff review CIP sources of funds
November 16	Budget Office/Departments Budget kick-off meeting with departments; review budget policies and calendar; budget forms made available on the intranet; distribute and explain allocation targets and budget manuals Group training session with departments; department training provided on entering base budget data, preparing supplemental requests, and program sunset forms
November 19	Departments Final due date for CIP Forms to Budget Office
November-December	Budget Office Begin update of Comprehensive Financial Plan (CFP) of revenues and expenditures for all operating funds
December 6 - January 7	Budget Office & Accounting Meet with Department Representatives Discuss individual department requests
December 9	City Council/City Manager/Budget Office Hold budget workshop with City Council
December 31	Budget Office Complete Preliminary Comprehensive Financial Plan
2011	
January 7	Departments PeopleSoft base budget data entry completed; Supplemental request forms completed and transmitted to assigned budget analyst via e-mail; other required budget forms (Revenue, Consulting Fees, Contracted Services, Travel, and Training) completed and transmitted to Budget Office
Week of January 17	CIP Discovery Meeting Review all requests with department representatives
January 18	Budget Office Final CFP transmitted to City Clerk
January 27	Budget Office Present Final Comprehensive Financial Plan to the Council at the Issue Review Session
January – February	Budget Office Complete payroll projections; meet with Departments to review payroll projections, base budget allocations, and other budget forms as necessary
February 1	Budget Office Distribute all Department CIP requests to City Council and Staff
February 10 IRS	City Manager/Departments/Budget Office– IRS and Formal Council meetings City Manager's Office / Budget Office / Department Representatives Review of proposed CIP requests with City Council
Week of February 21	Final Review of Proposed CIP with Department Representatives Develop recommended program and sources of funds for 5-year CIP
February – Week of March 14	City Manager/Departments/Budget Office Conduct meetings and develop recommendations; evaluate requests/proposals based on strategic priorities; finalize recommendations; begin preliminary work on City Manager's recommended budget (Budget Review Session Book)
Week of March 21	City Manager/Finance and Technology Director Review recommendations; finalize Budget Review Session Book
March 15	Budget Office Finalize CIP for Council work session, transmit to City Clerk Distribute recommended CIP to City Council and Staff

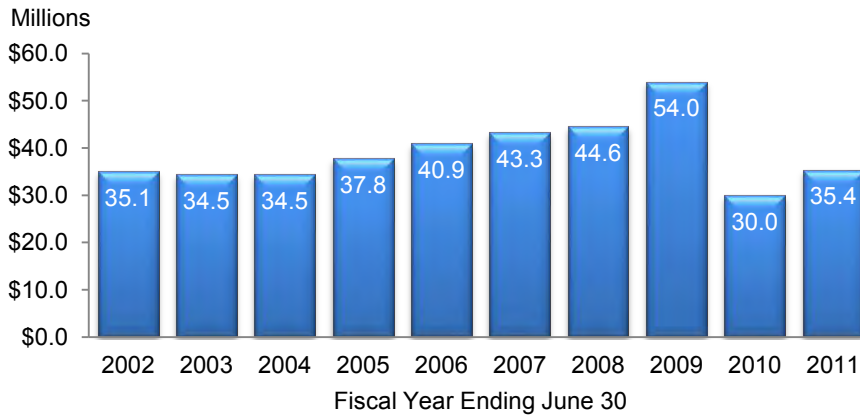
March 24 - IRS	City Council / Departments Per City Charter (Tempe City Charter, Section 5.06, Capital Program), submission to council not later than three (3) months prior to the close of the fiscal year. a. Conduct CIP Work Session
March 29	Budget Office Budget Review Session Book complete and transmitted to City Clerk
April 4	Budget Office Distribute benchmarking data request forms to departments. The data request forms will contain prior year Goal and Objective statements and will reflect benchmarks appearing in the next fiscal year's budget book.
April 7	Budget Office Special Budget Review Session (IRS) Conduct CIP follow up (if necessary)
April 11	City Clerk/Community Relations <u>Publish first Truth in Taxation hearing notice (must be published at least 14 days but not more than 20 days prior to April 28 hearing; may be combined with final budget adoption hearing notice as long as Truth in Taxation notice requirements are met); issue a press release with the same information that is included in the hearing notice</u>
April 19	City Clerk <u>Publish second Truth in Taxation hearing notice (must be published at least 7 days but not more than 10 days prior to April 28 hearing)</u>
April 28	City Council Special Budget Session <u>Truth in Taxation Hearing (must occur on or before final budget adoption; hearings may be combined per A.R.S. §42-17104) but must have a roll call vote</u>
April 29	Budget Office Within three days of the hearing, mail a copy of the truth in taxation notice, a statement of its publication and the result of the Council's vote to the Property Tax Oversight Commission
May 6	Departments Benchmark data forms completed and returned (hardcopy) to Budget
Week of May 9	Budget Office / City Clerk Per City Charter (Tempe City Charter, Section 5.07a and b), publish summary of capital program in newspaper, and notice stating availability of copies for inspection by public, and the time and place, not less than fourteen (14) days nor more than thirty (30) days after such publication, for public hearing.
May 10	Budget Office Tentative Budget Resolution and Schedules complete and transmitted to City Clerk
May 19	City Council Adopt Tentative Operating Budget and Adopt Final CIP Budget City Clerk Publish for two consecutive weeks the adopted tentative budget per A.R.S. §42-17103; indicate in public notice the dates and places in which the budget documents will be available for public inspection
May 24	Budget Office <u>Final</u> Budget Resolution and Schedules complete and transmitted to City Clerk Property tax ordinance and Staff Summary Report for <u>introduction</u> and first public hearing complete and transmitted to City Clerk
June 2 - Formal Council	City Council a. Public Hearing b. Final Adoption of the CIP
June 2	City Council Final Budget adoption; property tax ordinance introduced and first public hearing held
June 7	Budget Office Property tax ordinance and Staff Summary Report for <u>final adoption</u> complete and transmitted to City Clerk
June 16	City Council Public hearing; convene special meeting for final adoption of property tax ordinance

Components of Total Financial Program

FY 2011-12 Total Financial Program						
\$412,595,253						
Operating Budget			Capital Budget			
\$363,257,449			\$49,337,804			
General Governmental	Enterprise	Special Revenue	General Purpose	Enterprise	Transportation	Special Purpose
\$180,905,967	\$93,623,271	\$88,728,211	\$6,656,646	\$30,160,000	\$5,732,059	\$6,789,099
Public Safety	Water/ Wastewater	Transit	Police	Water	Streets	Rio Salado
\$95,160,339	\$75,985,498	\$53,863,809	\$2,500,246	\$19,161,000	\$4,766,588	\$4,000,000
Community Services	Solid Waste	Section 8 Housing	General Governmental	Wastewater	Signals	Transit
\$26,780,609	\$15,166,357	\$10,344,964	\$1,613,600	\$10,999,000	\$966,171	\$2,789,099
General Services	Golf	Highway User	Park Improvements			
\$25,478,739	\$2,290,553	\$9,297,186	\$1,415,000			
Debt Service	Cemetery	Performing Arts	Fire			
\$21,548,322	\$180,863	\$8,565,287	\$849,800			
Development Services		CDBG	Storm Drains			
\$11,152,134		\$6,656,965	\$278,000			
Transportation (Maintenance of Effort)						
\$785,824						

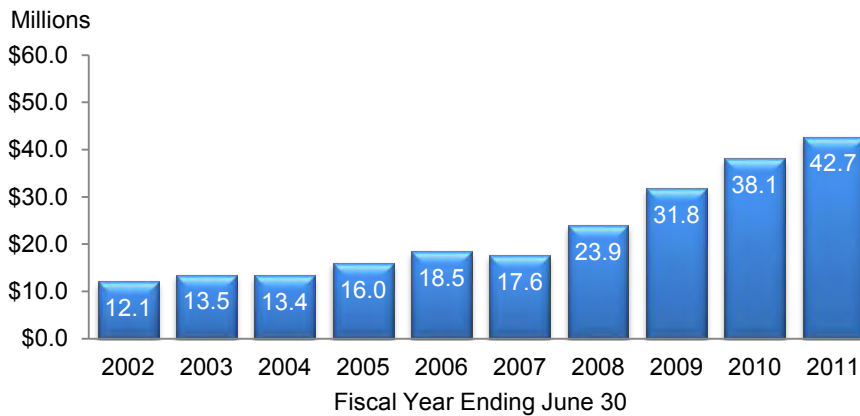
Governmental Funds: Ten Year Fund Balance Trends

General Fund Unreserved Fund Balance



Over the ten year period, unreserved fund balances in the General Fund have exceeded the policy guideline of 20-30% of revenue. At FYE 2011, the General Fund unreserved fund balance is estimated at \$35.4 million, which is within the 20-30% policy threshold.

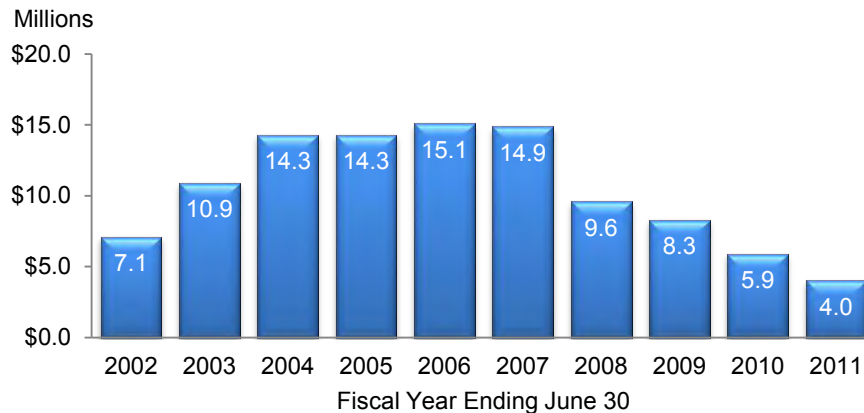
Debt Service Fund Balance



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.

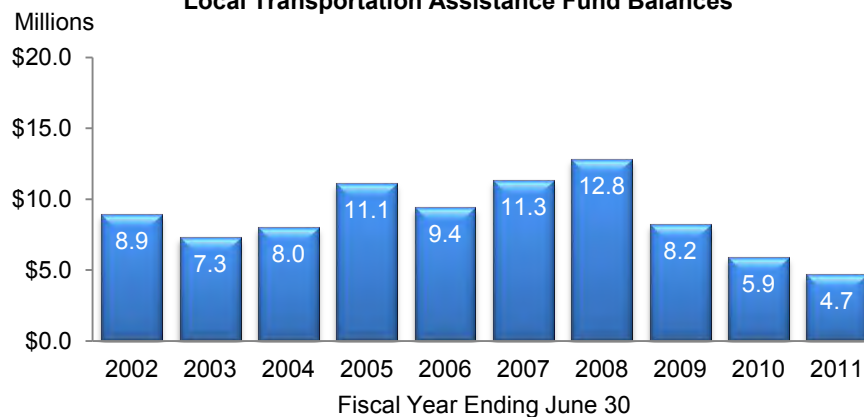
Special Revenue Funds: Ten Year Fund Balance Trends

Performing Arts Fund Balance



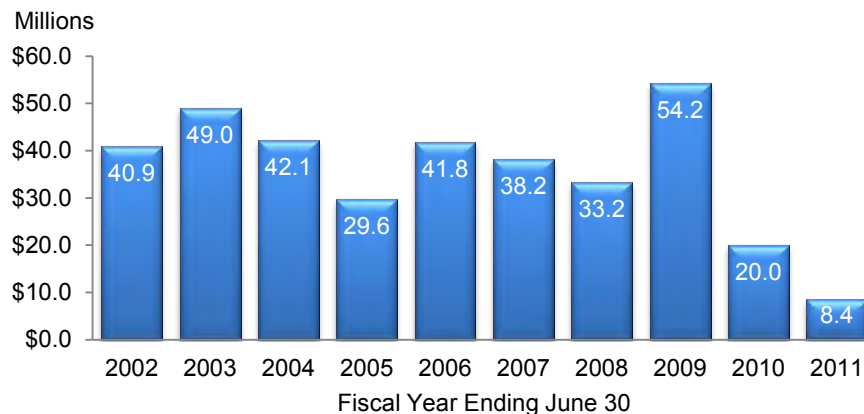
Since the fund's inception in FY 2001-02, the fund balance steadily grew through FY 2005-06. Beginning in FY 2006-07, the fund has been tapped to cover differences between revenues and expenditures. Use of fund balance for operations during this period is consistent with the original financing plan; 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.

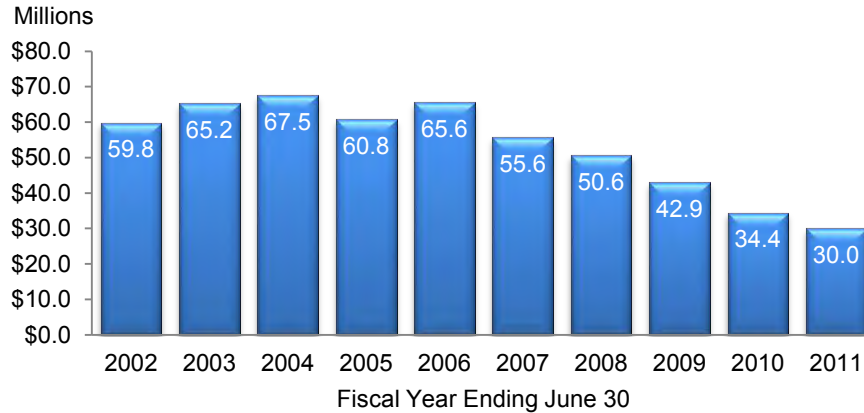
Transit Fund Balance



During the late 1990's, the Transit Fund balance was built up in preparation for the construction and operation of the light rail transit system. Near term draw downs of fund balance have been partially offset by federal reimbursements for light rail construction costs.

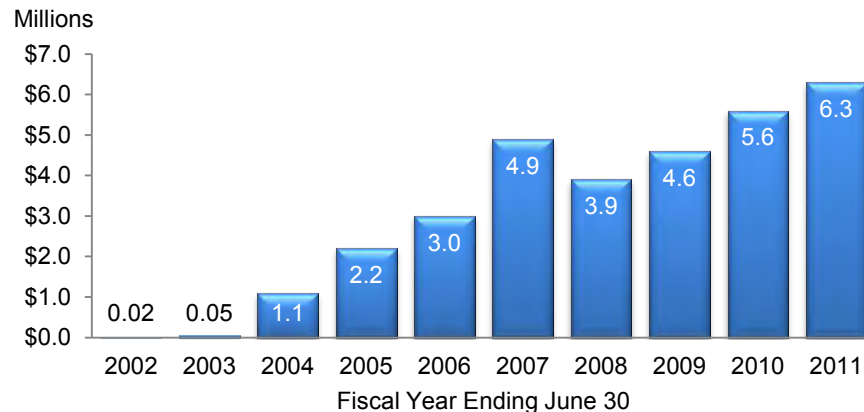
Enterprise Funds: Ten Year Fund Balance Trends

Water/Wastewater Fund Unreserved Retained Earnings



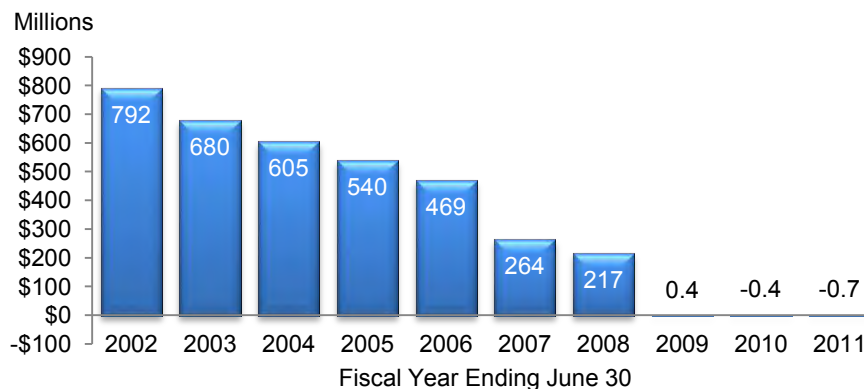
In FY 2005-06 the City began drawing down retained earnings to finance capital improvements. Gradual planned increases to user rates are projected to build the fund balance back to the policy target level of an amount equal to one year of operating revenue.

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 has been posting negative retained earnings as of FYE 2010. A new business model involving the payment of a management fee by a private vendor for golf operations is expected to achieve financial sustainability.

Operating Budget Overview

The citywide operating budget for FY 2011-12 totals \$363.3 million. This operating budget amount represents a decrease of 2.2% from the prior fiscal year. The number of full-time employees for FY 2011-12 totals 1,583 which represents a (1.2%) decrease from the prior year.

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. Total budgeted revenue for FY 2011-12 is \$160.3 million.

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 72.7% or \$116.4 million of the total \$160.3 million FY 2011-12 General Fund revenue.

- **Local Taxes** Local Taxes consist of both local sales taxes and transient lodging sales taxes. Combined Local Taxes contribute \$85.1 million, or 53.1% of total General Fund revenue. Local sales tax revenue is estimated at \$81.0 million in FY 2011-12. Local General Fund 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.

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.

Major Revenue Sources	FY 2011-12
Local Taxes	53.1%
Intergovernmental	19.6%
Property Tax	8.0%
All Other	7.7%
Charges for Service	6.0%
Fines & Forfeitures	5.6%

Tempe's single largest revenue source is highly responsive to changes in economic activity. As the national economy has slowly recovered from the national downturn, so too has the City's economy.

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 \$4.1 million in FY 2011-12.

- **Intergovernmental Revenue** This revenue category is derived from three sources of state revenue sharing: state sales tax, state income tax, and vehicle license taxes. Intergovernmental revenue represents \$31.2 million or 19.6% of total General Fund revenue in FY 2011-12.

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 2010 Census, Tempe's share of total statewide incorporated population is 3.2%.

State sales tax

State sales tax distributions are estimated at \$12.2 million in FY 2011-12. 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 \$380.0 million.

State income tax

Total estimated state-shared income tax revenue to be distributed to Arizona cities and towns is estimated at \$424.4 million. Tempe's share in FY 2011-12 is estimated at \$13.6 million.

Vehicle license tax

The remaining state-shared revenue of \$5.3 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.

- **Property Tax** Tempe's property tax rate is \$1.79 per \$100 of assessed valuation, consisting of a primary tax rate of \$0.66 per \$100 of assessed valuation and a secondary tax rate of \$1.13 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 \$12.8 million in FY 2011-12.
- **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 \$12.3 million or 7.7% of General Fund revenue in FY 2011-12.
- **Charges for Services** Charges for services are budgeted at \$10.3 million in FY 2011-12. Of this amount, recreation and social services programs contribute \$5.7 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 \$8.4 million in FY 2011-12. Traffic Fines represent \$2.2 million or 26% 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 2011-12 totals \$159.4 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, Performing Arts, Debt Service and CDBG/Section 8.

Major Expenditure Categories	FY 2011-12
Personal Services	78.8%
Fees and Services	15.2%
Materials and Supplies	4.8%
Capital Outlay/All Other	1.2%

For FY 2011-12, Personal Services (salaries, wages and benefits) account for \$125.5 million or 78.8% of the total General Fund operating budget. The remaining appropriations consist of \$24.2 million or 15.2% for Fees and Services, \$7.7 million or 4.8% for Materials and Supplies, and 1.2% 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 Personal Services represent the largest proportion of total expenditures. Of the total amount budgeted for Personal Services in FY 2011-12, salaries and wages account for \$90.4 million, or 72.1% and fringe benefits represent \$35.1 million, or 27.9%.
- **Fees and Services** Fees and Services expenditures comprise 15.2% of the FY 2011-12 General Fund appropriation. The largest single portion of this expenditure category is for contracted services, accounting for 25.7% of total Fees and Services. Utilities (electricity, water, solid waste, and sewer) comprise the second largest share at 10.2% 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 2011-12 include software maintenance agreements, 10.2%, county jail costs, 8.8%, and equipment rental and repair, 3.9%.
- **Materials and Supplies** Totalling \$7.7 million in FY 2011-12, expenditures for Materials and Supplies account for 4.9% of the General Fund operating budget. Of these expenditures, 41.9% 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/Other expenditures account for \$1.9 million or 1.2% of the total General Fund operating budget in FY 2011-12. Major items item of expenditure include vehicles, 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.

Major Services

The General Fund consists of the following major functions:

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

General Services Program The General Services Program provides for the overall policy-making, management, legal, financial and other technical advisory functions that benefit all other city programs. General Services operating appropriations account for 15.6% of the General Fund budget in FY 2011-12. Specific departments included in the budgeted appropriation include the Mayor and Council, City Manager, City Clerk, Human Resources, City Attorney, Fleet Services, Facilities, Finance and Technology, and other departments. Funding for General Services increased to \$25.4 million in FY 2011-12, a 5.8% increase from FY 2010-11.

Development Services Program The Development Services program provides for the planning, regulation, and engineering review of construction activities in the City. Approximately 7.0% 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 2011-12 budget represents a \$195 thousand, or 1.8%, increase from FY 2010-11.

Program	FY 2011-12
Public Safety	\$95,160,339
General Services	25,478,739
Community Services	26,780,609
Development Services	11,152,134
Transportation	785,824
Total	\$159,357,645

Public Safety Program The Public Safety program provides for enforcement and adjudication of law and fire protection in the city. Public Safety continues to represent the largest appropriations area, accounting for 59.7% or \$95.2 million of the General Fund operating budget in FY 2010-12. It includes appropriations for Police and Fire Departments and the City Court. The FY 2011-12 budget represents no increase from the FY 2010-11 budgeted amount.

Community Services The Community Services program provides for recreational, social, and cultural services in the city. The appropriations in the program provide for operations of the Community Services Department. Community Services represent 16.8% or \$26.8 million of General Fund appropriations for FY 2011-12.

Maintenance of Effort This transfer of local revenue funding fulfills a statutory requirement to maintain expenditures of locally generated revenue for streets. This obligation represents \$785,824, or 1.2% of General Fund appropriations in FY 2011-12.

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 91% of the fund's revenue in FY 2011-12. 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 2011-12 is \$1.13 per \$100 of assessed valuation and is expected to generate \$22.1 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 \$1.6 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 interest assumptions, tax base growth, and current levels of debt principal. Projected outstanding long-term governmental general obligation bonds at June 30, 2011 totaled \$166.7 million.

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 2011-12, the transit tax is expected to generate \$29.1 million in revenue, or 61.4% of total Transit Fund revenue.
- **Intergovernmental Revenue** Intergovernmental revenue represents \$13.5 million, or 28.4% of total Transit Fund revenues in FY 2011-12.

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.

- **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 2011-12, Fees and Services are estimated to account for \$41.1 million or 75.7% of the Transit Fund operating budget.

- **Debt Service** Debt service represents 9.3% of the budget in FY 2011-12. As of June 30, 2011, there is \$130 million of outstanding excise tax debt supported by Transit Tax revenues.

Major Expenditure Categories	FY 2011-12
Fees and Services	75.7%
Debt Service	9.3%
Capital Outlay/All Other	6.1%
Personal Services	5.4%
Internal Services	3.5%

- **Capital Outlay/All Other** Within this category are budgeted amounts for capital outlay, travel and other contributions. These uses represent 6.1% of the Transit Fund budget in FY 2011-12.
- **Internal Services** Indirect cost allocations to the Transit Fund account for 3.5% of the FY 2011-12 budget. This amount represents the Transit Fund's share of certain administrative costs funded by the General Fund.
- **Personal Services** Personal Services account for 5.4%, or \$2.9 million of the total FY 2011-12 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 2011-12, the performing arts tax is expected to generate \$6.1 million in revenue, or 90% 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 9.3% 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. The total appropriation from the Performing Arts Fund is \$8.6 million in FY 2011-12.

Major Expenditure Categories	FY 2011-12
Debt Service	70.4%
Personal Services	18.2%
Supplies and Services	8.3%
Internal Services/All Other	3.1%

- **Personal Services** Personal Services account for 18.2%, or \$1.6 million of the total FY 2011-12 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 70.4% of the budget in FY 2011-12. As of June 30, 2011, there is \$35.7 million of outstanding excise tax debt supported by Performing Arts Tax revenues.
- **Supplies and Services** Supplies and Services are estimated to account for \$710,040 or 8.3% 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 3.1% 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 (37.9%) from the \$0.18 per gallon fuel tax levied by the state, with the remainder from vehicle license taxes (26.7%), motor carrier fees (3.0%), vehicle registration fees (13.0%), and other transportation-related fees (4.6%). Estimates for the total pool of HURF revenue to be shared by cities will be \$275.9 million in FY 2011-12, with Tempe's share at \$8.1 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 2011-12.

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 35.8% or \$3.3 million in FY 2011-12 of the total Transportation budget.
- **Fees and Services** The second largest budgeted expenditure category in the Transportation Fund is Fees and Services, which accounts for 22.2% or \$2.1 million in FY 2011-12 of the total Transportation budget.
- **Internal Services** Additional expenditure demands in the Transportation funds are for Internal Services. Internal Services costs (communications, information systems and vehicle maintenance) represent 17.6% or \$1.6 million of the FY 2011-12 budget.

Major Expenditure Categories	FY 2011-12
Personal Services	35.8%
Transfers	16.7%
Fees and Services	22.2%
Internal Services	17.6%
Materials and Supplies	6.7%
All Other	1.0%

The remaining expenditures are for Capital Outlay, Materials and Supplies and Contracted Services. These costs constitute the remaining 7.7% of FY 2011-12 budgeted expenditures.

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
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
2011-12	6,656,965	10,344,964

Expenditure Structure

Pursuant to federal requirements, most CDBG and Section 8 funding is expended on property rehabilitation and rental subsidies. These items represent 86.8% of the FY 2011-12 budget. Of the remaining budget, 6.7% is earmarked for salaries and benefits and 6.4% 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

- **Commercial Solid Waste User Fees** Commercial solid waste fees are expected to generate \$6.3 million in FY 2011-12 or 41.4% 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 3,644.

Expense Structure

Solid Waste estimated expenses for FY 2011-12 total \$15.2 million.

- **Personal Services** As with many labor intensive operations, Personal Services represent a major expense in the Solid Waste Fund, accounting for \$5.4 million or 35.5% of the \$15.2 million budget in FY 2011-12.

Major Expense Categories	FY 2011-12
Personal Services	35.5%
Landfill Usage Charges	25.3%
Internal Services	27.1%
Capital Outlay/All Other	12.1%

- **Landfill Usage Charges** Landfill usage charges are estimated at \$3.8 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 27.1% or \$4.1 million of the FY 2011-12 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, (54.7%), 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 \$513,754 for other miscellaneous operating expenses.

Summary

The Solid Waste Fund budget of \$15.2 million represents a 7% increase from the FY 2010-11 budget. This is primarily due to a new \$350,000 transfer to the Highway User Revenue Fund and a \$393,000 increase in capital outlay costs.

Golf Fund

Fund Structure Description

The Golf Fund is a self-supporting enterprise fund that provides for operation of two municipal golf courses, 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 2011-12, accounting for 64.4% 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.
- **Rental Charges** Rental charges are anticipated to generate \$635,000 in FY 2011-12. This amount constitutes 27.7% 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 84.2% of total Golf Fund expenses in FY 2011-12.

- **Personal Services** Personal Services account for \$757,909 or 33.1% of FY 2011-12 expenses.

Major Expense Categories	FY 2011-12
Personal Services	33.1%
Supplies and Services	51.1%
Internal Services	9.1%
Capital Outlay	6.7%

- **Supplies and Services** Supplies and Services expenses account for 51.1% of expenses in FY 2011-12, and primarily fund irrigation water and electricity.

- **Internal Services** Golf operation internal service costs are primarily vehicle maintenance and fuel, and represent \$207,491 or 9.1% of budgeted expenses in FY 2011-12.

Summary

Golf Fund appropriations for FY 2011-12 increased by \$446,707 from FY 2010-11. The bulk of the increase is due to capital outlay expenses.

Citywide Overview

Total Operating Budget and Debt Service

Budget Data	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
Operating Budget	\$350,219,093	\$349,321,689	\$328,886,068	\$341,709,127
Cost Per Capita	\$2,170	\$2,160	\$2,033	\$2,109
% Change (cost per capita)		-0.4%	-5.9%	3.7%
Property Tax-Supported Debt Service	\$19,188,131	\$22,111,500	\$20,443,097	\$21,548,322
Cost Per Capita	\$119	\$137	\$126	\$133
% Change (cost per capita)		1.5%	-8.0%	5.5%

Total Operating Revenue by Source

Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
General Fund	\$149,173,440	\$156,018,885	\$157,246,687	\$160,081,122
Debt Service Fund	25,761,830	22,191,192	22,030,533	22,282,656
Transportation/Transit Funds	57,340,677	54,194,614	56,049,491	56,694,356
CDBG/Section 8 Funds	11,782,994	16,417,949	16,804,371	17,001,929
Performing Arts Fund	6,514,120	5,796,368	6,500,887	6,776,100
Solid Waste Fund	15,391,681	15,189,163	15,074,701	15,231,809
Water/Wastewater Fund	62,250,988	66,510,174	66,501,664	71,017,104
Golf Fund	1,579,227	1,711,195	1,360,227	2,294,828
Cemetery Fund	113,004	144,420	117,100	113,100
Total	\$329,907,961	\$338,173,960	\$341,685,661	\$351,493,004

Staffing Summaries Citywide: Full-Time Authorized Positions

Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
Total Personnel	1,756	1,602	1,596	1,583
Employees/1,000 Population	10.9	9.9	9.9	9.8
% Change (Employees/1,000 Population)		(8.8%)	0.0%	(1.0%)

Council Committees

The City Council identifies strategic direction 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.

Education Partnerships

Advance partnerships among the city, educational entities (Arizona State University, Maricopa Community College District, Tempe Union High School District, Tempe Elementary District, Kyrene District, and charter schools), and education non-profits, in order to enhance the quality and delivery of education within Tempe.

Housing and Social Service Programs

Explore regulatory-based incentives for developing affordable housing and implementing inclusionary housing programs, developing an affordable housing strategy to guide the city's overall efforts, creating new affordable housing programs and evaluating existing programs, and providing a forum for dialog with the community to understand the needs of affordable housing throughout the city. The committee also encourages additional funding and continued support of the HOPE program, and builds partnerships that increase access to permanent affordable housing for homeless individuals and families.

Neighborhood Quality of Life and Revitalization

Address park rehabilitation and maintenance efforts through a collaborative effort between citizen input and feedback and City staff responsible for oversight of park design and maintenance.

Sports, Tourism, 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.

Technology, Economic and Community Development

Address technology application and implementation in Tempe, economic development issues and opportunities, and community development and redevelopment strategies and efforts.

Transportation

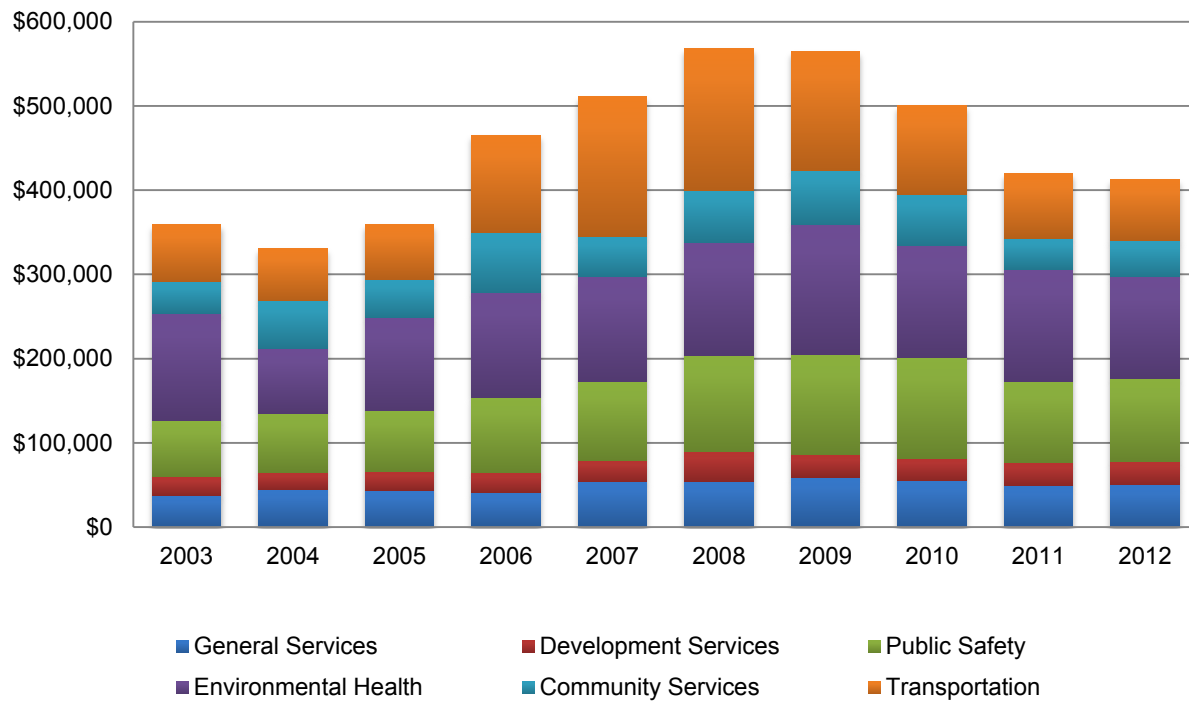
Mitigate noise impacts on neighborhoods under the flight paths for Phoenix Sky Harbor International Airport, encourage the implementation of noise reduction measures for new developments in redevelopment areas around Town Lake, assure the safe and efficient movement of people and vehicles along the street system, and recognize and encourage pedestrian and bicycle travel as an important part of the transportation system

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 2011-12, Environmental Health constitutes the largest share with 29% 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.

Thousands

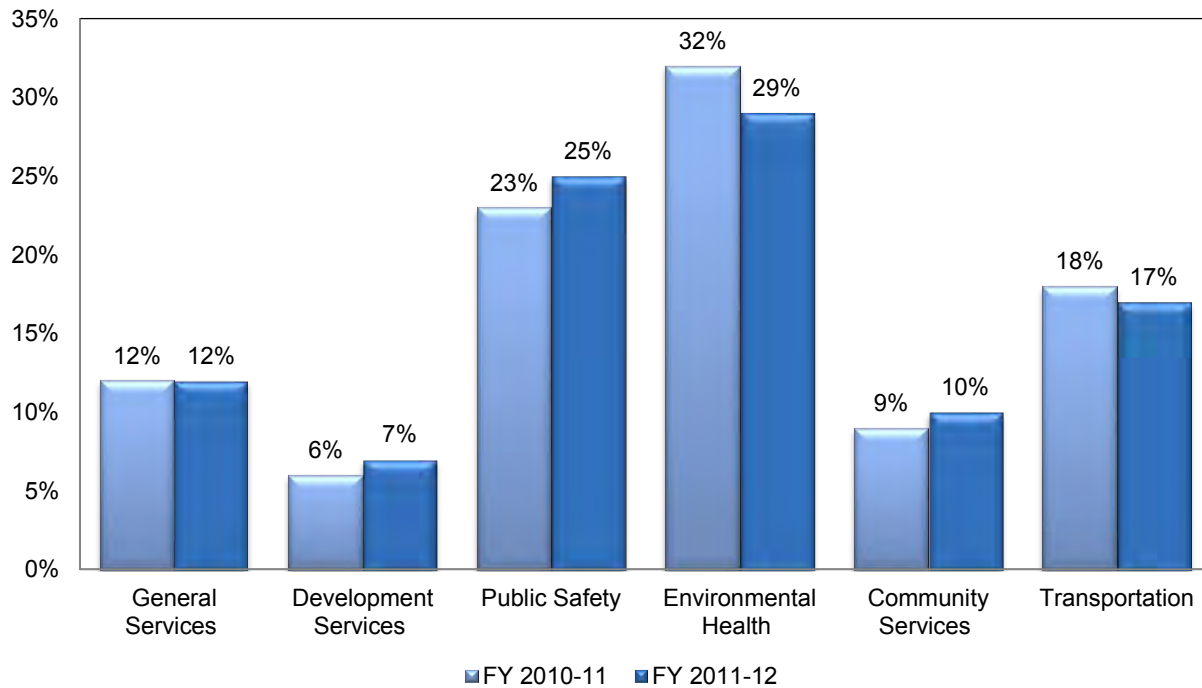


Program (Thousands)	FYE 03	FYE 04	FYE 05	FYE 06	FYE 07	FYE 08	FYE 09	FYE 10	FYE 11	FYE 12
General Services	\$37,819	\$44,547	\$43,779	\$40,785	\$53,773	\$54,462	\$59,380	\$54,785	\$49,135	\$50,002
Development Services	21,958	20,287	21,659	23,454	25,767	34,719	26,254	27,013	27,067	28,154
Public Safety	66,618	70,515	72,421	89,998	92,868	115,092	119,006	119,339	96,903	98,510
Environmental Health	127,686	76,678	110,865	124,395	125,421	133,574	154,684	133,658	133,082	120,861
Community Services	37,544	56,500	45,126	70,547	46,713	61,942	64,572	59,499	36,896	43,086
Transportation	67,055	62,389	65,461	116,090	166,302	168,204	140,576	106,441	76,615	71,982
Total	\$358,680	\$330,916	\$359,311	\$465,269	\$510,844	\$567,993	\$564,472	\$500,735	\$419,698	\$412,595

Per Capita Expenditures by Program

In FY 2011-12, the total financial program per capita cost is \$2,457, representing a 2% decrease from FY 2010-11. In this fiscal year, for every \$1 of expenditure, 29¢ is earmarked for Environmental Health, 25¢ for Public Safety, 12¢ for General Services, and the remainder for Community Services, Development Services, and Transportation. In relation to the prior year, there is a sizable decrease in Transportation, primarily due to the completion of the transit light rail project and significant reductions to capital improvement funding.

Per Capita Spending by Program as a Percent of Total Spending



Per Capita Expenditures

Program	FY 2010-11	Percentage of Total	FY 2011-12	Percentage of Total
General Services	\$304	12%	\$309	12%
Development Services	167	6%	174	7%
Public Safety	599	23%	608	25%
Environmental Health	823	32%	746	29%
Community Services	228	9%	266	10%
Transportation	474	18%	444	17%
Total Per Capita Expenditures	\$2,595	100%	\$2,547	100%

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 60% of the General Fund budget.

FY 2011-12

Fund	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
General	\$25,478,739	\$11,152,134	\$95,160,339		\$26,780,609	\$785,824	\$159,357,645
HURF				31,970		9,265,216	9,297,186
Transit	454,452					53,409,357	53,863,809
Debt Service	21,548,322						21,548,322
Performing Arts	447,413				8,117,874		8,565,287
Golf					2,290,553		2,290,553
Solid Waste				15,166,357			15,166,357
Water/Wastewater	761,102			75,224,396			75,985,498
CDBG / Section 8 Housing		17,001,929					17,001,929
Cemetery					180,863		180,863
Total Operating	\$48,690,028	\$28,154,063	\$95,160,339	\$90,422,723	\$37,369,899	\$63,460,397	\$363,257,449
Capital Improvements	1,312,000		3,350,046	30,438,000	5,716,600	8,521,158	49,337,804
TOTAL PROGRAM	\$50,002,028	\$28,154,063	\$98,510,385	\$120,860,723	\$43,086,499	\$71,981,555	\$412,595,253

Program by Department Summary

FY 2011-12

Department	General Services	Development Services	Public Safety	Environmental Health	Community Services	Transportation	Total
Mayor and Council	\$322,621						\$322,621
City Manager	281,445						281,445
Community Relations	2,752,985						2,752,985
City Clerk	917,783						917,783
City Court			3,787,780				3,787,780
Human Resources	2,041,178						2,041,178
City Attorney	2,904,115						2,904,115
Finance and Technology	3,543,888			2,338,035			5,881,923
Diversity Program	449,752						449,752
Internal Audit	405,502						405,502
Tempe Learning Center	538,177						538,177
Community Development		26,506,531				932,870	27,439,401
Police			65,018,285				65,018,285
Fire			26,354,274				26,354,274
Community Services					20,290,204		20,290,204
Public Works	7,241,160	1,647,532		53,484,033	10,871,044	56,671,703	129,915,472
TOTAL DEPT	21,398,606	28,154,063	95,160,339	55,822,068	31,161,248	57,604,573	289,300,897
Non-Departmental	5,743,100					785,824	6,528,924
Debt Service	21,548,322			33,600,655	6,208,651	5,070,000	66,427,628
Contingency				1,000,000			1,000,000
TOTAL OPERATING	48,690,028	28,154,063	95,160,339	90,422,723	37,369,899	63,460,397	363,257,449
Capital Improvements	1,312,000		3,350,046	30,438,000	5,716,600	8,521,158	49,337,804
TOTAL PROGRAM	\$50,002,028	\$28,154,063	\$98,510,385	\$120,860,723	\$43,086,499	\$71,981,555	\$412,595,253

Residential Cost of Service

The City maintains three utility services for water, wastewater, and solid waste. For FY 2011-12, no rate increase is planned for solid waste services. The most recent water and wastewater rate increase was effective November 1, 2010. In September 2011, the City Council will hold a public hearing to discuss proposed rate increases for both water and wastewater services that would take effect on November 1, 2011.

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 2011-12 will increase to 1.79/\$100 assessed valuation. The primary tax rate is \$0.66 and the secondary tax rate is \$1.13. 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/Wastewater

Water and wastewater rates were last increased in November 2010. Residential water rates were increased by 12.5% and wastewater rates increased by 6.8%. The proposed rate increase effective November 1, 2011, pending Council approval, would increase residential water rates will increase by 9.9% and wastewater rates by 7.0%.

Water and wastewater 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

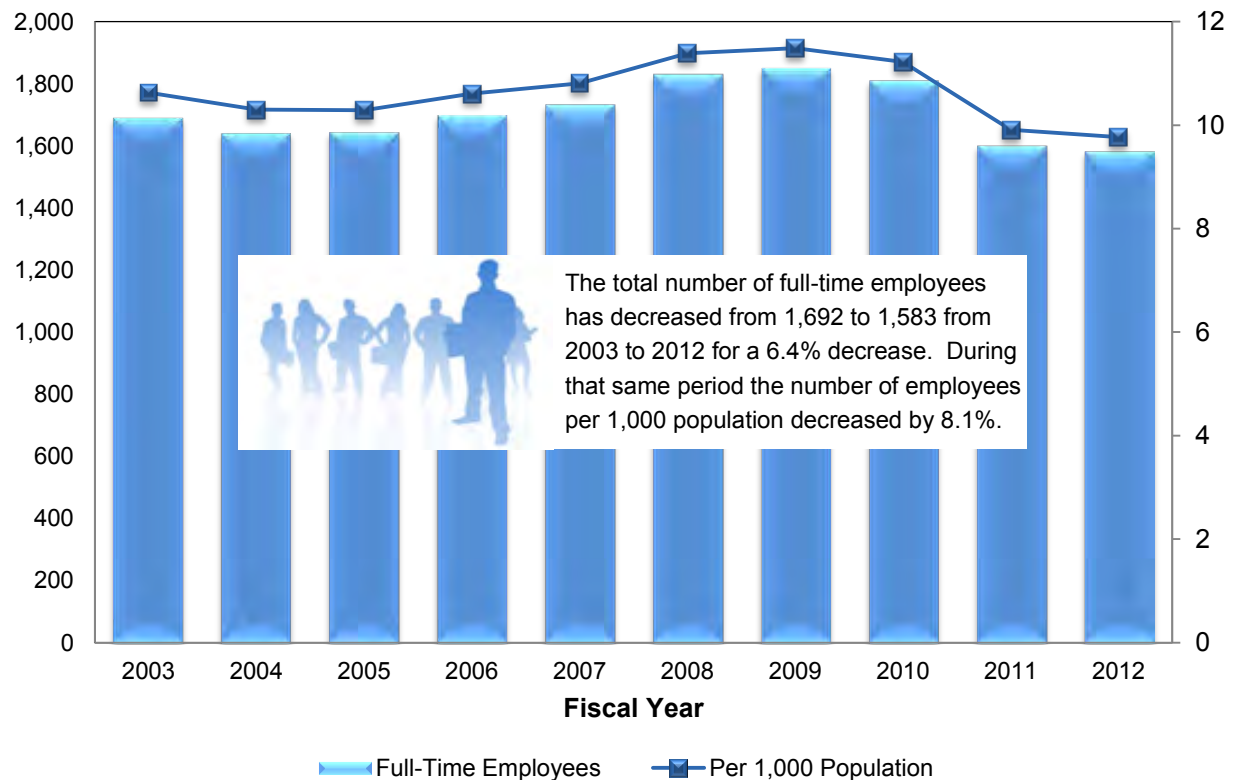
Solid Waste rates were last increased in the fall of 2009. Although no increases are planned for FY 2011-12, solid waste rates are annually reviewed to fully recover all operating, maintenance and debt service costs to provide residential, commercial, recycling and roll-off refuse services.

Fiscal Year	Local Taxes		Average Utility Charges for Services (monthly) ¹		
	Sales Tax	Property Tax	Water	Sewer	Solid Waste
2010-11	2.0%	\$1.40	\$30.29	\$23.68	\$19.98
2011-12	2.0%	\$1.79	\$29.32	\$23.51	\$19.98

¹ Charges reflect the water and wastewater rate increases effective November 1, 2009 and November 1, 2010. While rates have increased, the estimated average residential monthly water consumption decreased from 15,000 gallons per month to 12,000 gallons per month from FY 2010-2011 to FY 2011-12. For wastewater, the estimated average monthly inflow rates decreased from 10,400 gallons to 9,600 gallons from FY 2010-11 to FY 2011-12.

Personnel Summary: Ten Year History

The number of full-time employees for FY 2011-12, excluding part-time and temporary employees, totals 1,583 a 1.2% decrease from FY 2010-11. Total employees per 1,000 population for FY 2011-12 is estimated at 9.77, a 1.4% 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, Cemetery, HURF and Transit funds as well as reductions in the number of employees in the CDBG/Section 8 funded programs.



Fiscal Year End	Budgeted Full-Time Employees	Employees Per 1,000 Population
2003	1,692	10.63
2004	1,643	10.30
2005	1,645	10.29
2006	1,700	10.61
2007	1,734	10.81
2008	1,831	11.39
2009	1,851	11.49
2010	1,811	11.22
2011	1,602	9.91
2012	1,583	9.77

Note: The results of the 2010 decennial census conducted by the U.S. Census Bureau were released in early 2011. Prior to release of the census data, the City's population was based on an estimate. The census results showed that Tempe's population grew from 158,625 from the 2000 decennial census to 162,028 in 2010. The annual population figures used to calculate the employees per 1,000 population from 2003 to 2010 have been adjusted to reflect this gradual increase in population.



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Comprehensive Financial Plan Overview

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 2010-11 through FY 2014-15. 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 2011 and provided five-year perspectives that were representative of the City's projected financial position at that time, based on policies in place at that time prior to any budget adjustments; the FY 2011-12 operating budget was formulated using this forecast as a starting point. As such, the forecast provides the long-term context used as the foundation for budget development rather than a prospective look at the future impacts of current year budget choices.

The Comprehensive Financial Plan covers all major operating funds, including:

Governmental Funds

- General Fund
- Transit Fund
- Transportation Fund
- Performing Arts Fund
- Debt Service Fund

Enterprise Funds

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

The City's finances are recovering from the deepest economic downturn since the Great Depression. Consequently, the City continues to deal with significant financial challenges. 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 as of January 2011, the **General Fund** was projected to experience a deficit of \$1.9 million in FY 2011-12. Due largely to increasing public safety retirement system contribution rate increases, shortfalls in departmental revenues, and the expiration of the temporary sales tax increase, the deficit was projected to grow to \$18 million by FY 2014-15.

The **Transit Fund** was projected to experience annual deficits continuing through the forecast period. The annual deficit for FY 2011-12 was estimated at \$12.2 million, declining to \$9.2 million by FY 2014-15.

The **Performing Arts Fund** had a projected operating deficit condition throughout the forecast period. The annual deficit for FY 2011-12 was estimated at \$1.8 million, declining to \$800 thousand by FY 2014-15.

An increasing deficit was projected in the **Transportation Fund** through the end of the forecast. The deficit for this fund was estimated at \$1.0 million in FY 2011-12 and it was projected to grow to \$2.0 million by FY 2014-15. The complete drawdown of all available fund balances was projected by FY 2013-14.

The **Rio Salado/Community Facilities District (CFD)** was projected to experience deficits ranging from \$290 thousand to \$629 thousand during the forecast period.

The **Water/Wastewater Fund** was projected to experience operating deficits through FY 2010-11. Thereafter, operating surpluses were projected. These surpluses were largely the result of projected rate adjustments.

The **Solid Waste Fund** was projected to experience a \$325 thousand deficit in FY 2012-13, growing to \$725 thousand by FY 2014-15.

The **Golf Fund** has been experiencing an operating deficit for years, and given current operations, the forecast was that this trend will continue. The fund balance has been depleted and the fund receives intra-fund loans.

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

Forecast Methodology

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 or not, 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 or not 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 Phoenix metropolitan 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, 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.

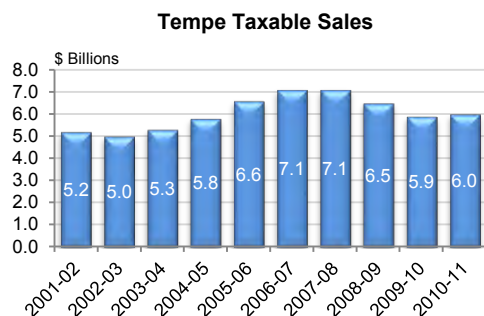
Expenditure growth is most closely linked to three major factors in our models: 1) inflation (including general inflation, fuel and utility inflation, market adjustments to salaries, and changes in benefits costs), 2) City financial policies related to the amount of new funding added each year for new 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).

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 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 revenues are affected by 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 2001-02 national downturn in the economy. These increases were from both base growth as well as the addition of new businesses. As the graph below shows, taxable sales in FY 2006-07 were \$7.1 billion, 42% higher than the level seen at the lowest point of the 2001-02 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. Over the ensuing years, taxable sales dropped 16.9% in total, until stabilizing at \$6 billion in FY 2010-11. This trend is shown in the graph at left.

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 2010-11 estimates) are retail (51%), real and personal rent (19%), utility and communications sales (9%), contracting (5%), and restaurant sales (8%). Overall taxable sales are expected to increase in FY 2011-12 and 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 0.2% 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.

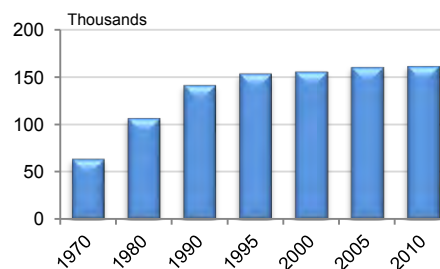
Statewide population growth is assumed to average 2.5% per year over the next five years. The disparity between growth in local and state populations is significant since several major revenue categories are dependent upon Tempe's population as a percentage of the state. For example, if the populations of other municipalities in the state continue to grow at a faster rate than Tempe's population, Tempe's relative share of state shared revenue decreases. Every five years the sharing formula is recalculated and the differences in growth rates inevitably impacts Tempe's share of the total revenue pool. This initial year of this impact in the forecast is FY 2011-12.

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 caused by the increase in the amount of State Highway User Revenue Fund appropriations to the state Department of Public Safety and the Department of Transportation. These increases resulted in a subsequent decrease in the amount available for revenue sharing with local governments from HURF in FY 2011-12.

Tempe Population



It is impossible to predict the actions of future Legislatures, and therefore the forecast assumes status quo with regard to future state shared revenue formulae.

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.

Construction has slowed 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. The decline in taxable value places strict limits on the City's ability to support General Obligation bonds in the city's Capital Budget, given a fixed property tax rate.

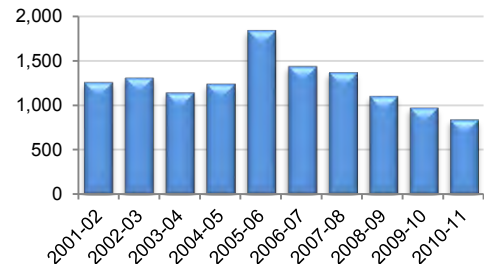
Interest Rates/Cash Balances

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

Economic Outlook

Following the mild recession in 2001 to 2002, both the local and state economies enjoyed a prolonged robust period. The Phoenix metropolitan 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. Adverse 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.

Building Permits



Major Expenditure Assumptions

The following major expenditure assumptions drive the expenditure forecasts for all major operating funds, with the exception of the Debt Service Fund, which is only used for the repayment of bonded debt. Other fund-specific assumptions are detailed within the individual fund discussions.

Salaries and Wages

On the expenditure side, we have assumed a general freeze on salary and wage adjustments 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 against peer municipalities. 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 for the next five years. Market forces, the movement towards managed care, excellent claims history, and the un-blending of retiree and active employee premiums allowed the City's active employee health care costs per employee to decline in FY 2010-11, however growth of approximately 10% 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. As part of the approved financial balancing plans, the forecast assumes a suspension of advanced funding of OPEB costs until FY 2012-13.

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 anticipated rates are as follows:

	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>
Arizona State Retirement System	10.75%	11.20%	11.55%	11.75%
Public Safety Retirement - Fire	27.21%	31.32%	36.06%	41.51%
Public Safety Retirement - Police	24.22%	27.88%	32.10%	36.95%
Elected Officials Retirement	32.9%	32.9%	32.9%	32.9%

These rates are grown during the forecast period based on information provided from the respective retirement system governing board, as each rate is dependent on the investment decisions of the relevant retirement system as well as the compensation and retirement policies for the system members. The respective systems only publish a formal rate for one year in advance; therefore these projections represent merely the best guess based on available information.

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 3.3% annually through the forecast period, and motor fuel inflation is expected to be higher in the near term (5.6% in FY 2011-12) and gradually slow in the out years (2.7% by FY 2014-15).

Limits on Discretionary Budget Increases

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.

General Fund Forecast Discussion

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, Tempe's 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 experienced a sharp reversal of that trend. Local taxes, including sales taxes, bed taxes, and property taxes are the primary revenue source for the General Fund, constituting 61% of revenue in FY 2011-12. These revenue sources are highly susceptible to economic fluctuations. Projected General Fund local tax revenues for FY 2011-12 are at approximately the same level as the peak collections year of FY 2006-07. However, this is entirely due to voter-approved increases in the bed tax rate from 3% to 5% and a temporary four year increase in the General Fund sales tax rate from 1.2% to 1.4%. Adjusting for these factors, underlying economic activity is 16% below the peak in FY 2006-07. Recent collections and economic reports point to a stabilizing in the local economy, and support moderate growth over the next four years, which translates into commensurate growth in local tax collections. Beginning in FY 2014-15, the expiration of the temporary sales tax results in a projected \$11.6 million revenue decline.

The next largest source of General Fund revenues is intergovernmental, which is comprised of state sales, income, and vehicle license taxes. This category represents 19% of revenue in FY 2011-12. As with local sales taxes, each of these categories has been 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 between collection and distribution. Running counter to the positive near term trends in this category is the effect the 2010 Census will have on collections in FY 2011-12 and thereafter. This is due to the projected decline in Tempe's share of the state's urban population that is expected to occur based on the Census results.

From an expenditure perspective, employee compensation and benefit costs have traditionally been the largest component of expenditures, representing 78% of the projected total in FY 2011-12. 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 10% 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.

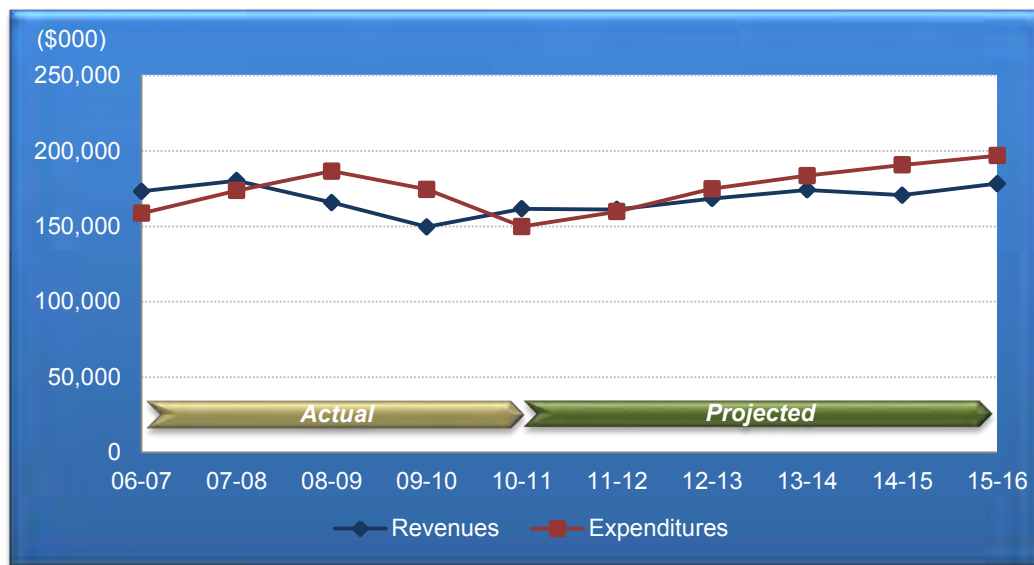
A series of budget reductions and revenue increases were implemented for FY 2009-10 and FY 2010-11 to address projected budget deficit for those years. In light of the ongoing deficits projected by this forecast, further budget measures will be necessary to achieve long-term balance between revenues and expenditures.

Unreserved Fund Balance

The General Fund's unreserved fund balance hit a high point of \$54 million at FYE 2009. Due to a planned drawdown of fund balance to allow for a phase-in of budget reductions, the fund balance stands at \$29 million at FYE 2010. 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
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
10	29,048,415

General Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Local Taxes	86,570	95,863	93,057	84,375	79,640	92,113	95,749	102,290	107,562	101,267
Intergovernmental	40,946	41,453	45,225	44,048	39,134	33,545	30,252	31,830	33,870	35,880
Bldg & Trades/Plan & Zoning	5,506	5,969	6,479	5,681	4,633	3,853	4,151	4,395	4,610	4,827
Cultural and Recreation	4,961	5,294	6,157	6,244	5,441	5,623	5,676	5,822	5,978	6,138
Fines, Fees and Forfeitures	7,288	7,219	8,616	9,201	7,109	7,986	8,354	8,571	8,802	9,040
Business Licenses	1,202	1,331	1,333	1,546	1,538	1,393	1,425	1,462	1,501	1,542
Interest Income	4,794	7,437	9,839	4,932	1,820	1,100	1,090	1,500	1,500	1,500
Franchise Fees	1,867	2,693	3,425	3,981	3,560	3,336	3,570	3,570	3,666	3,765
Other Revenue Sources	5,418	4,462	4,011	4,991	4,895	5,731	5,189	5,189	5,189	5,189
Total Revenues	158,553	171,722	178,143	164,998	147,768	154,681	155,455	164,628	172,678	169,147
Expenditures (\$000)										
Personal Services	109,416	120,972	137,189	147,244	144,082	122,231	123,517	136,278	144,006	150,349
Materials and Supplies	7,866	8,783	9,180	8,646	7,907	7,083	7,269	7,461	7,633	7,812
Fees and Services	21,576	21,721	23,598	24,124	21,302	24,796	25,415	26,176	27,372	27,796
Travel and Training	720	824	799	426	384	419	427	436	445	455
Non-Deprmtl/Loan Repayment	1,760	2,412	2,653	2,888	2,537	2,780	2,593	2,648	2,706	2,766
Capital Outlay	3,116	4,670	2,721	4,012	2,071	1,443	1,600	1,600	1,600	1,600
Transportation Mtnc of Effort	0	1,035	955	786	761	786	786	786	786	786
Tourism and Convention Bureau	1,892	2,019	2,007	1,802	1,500	2,000	2,036	2,079	2,124	2,171
Internal Services/Adjustments	(6,511)	(6,224)	(8,492)	(7,034)	(7,718)	(6,085)	(6,195)	(6,325)	(6,464)	(6,606)
Total Expenditures	139,836	156,211	170,611	182,893	172,826	155,453	157,448	171,139	180,208	187,127
Net Operating Surplus/(Deficit)	18,718	15,511	7,533	(17,895)	(25,058)	(772)	(1,994)	(6,511)	(7,530)	(17,980)

Special Revenue Funds: Projected Revenues and Expenditures

Transit Fund Forecast Discussion

The primary revenue source to the Transit Fund is the Transit Tax, which makes up 63% of fund revenue in FY 2011-12. This specific tax, approved in September 1996 and effective January 1997, represents 0.5% of the City's total 2.0% sales tax. As a component of overall City sales tax, the trend projected in General Fund sales tax revenue is mirrored in the Transit Fund. However, since the temporary sales tax increase is dedicated to the General Fund, there will be no impact on the Transit Fund from its expiration.

The second largest revenue source to the Transit Fund is out of jurisdiction service payments, which contributes 20% of fund revenue in FY 2011-12. This revenue source represents payments from other cities to the Transit Fund for services provided on bus routes that extend outside of Tempe. The growth in this revenue source is projected to be 2.6% per year on average, based on estimates from the Transit division's bus service model.

The Transit Fund expenditure model is different from most other City funds in that the largest component of expenditures is not personal services. Due to the use of intergovernmental agreements and contractual arrangements for transit service provision, the largest expenditure category is fees and services, which makes up 72% of projected expenditures in FY 2011-12. The pattern of growth reflected in the expenditure estimates for fees and services relies on 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 operation of the light rail system. Average growth in this category is projected to be 2.6% per year on average through the end of the four year forecast period.

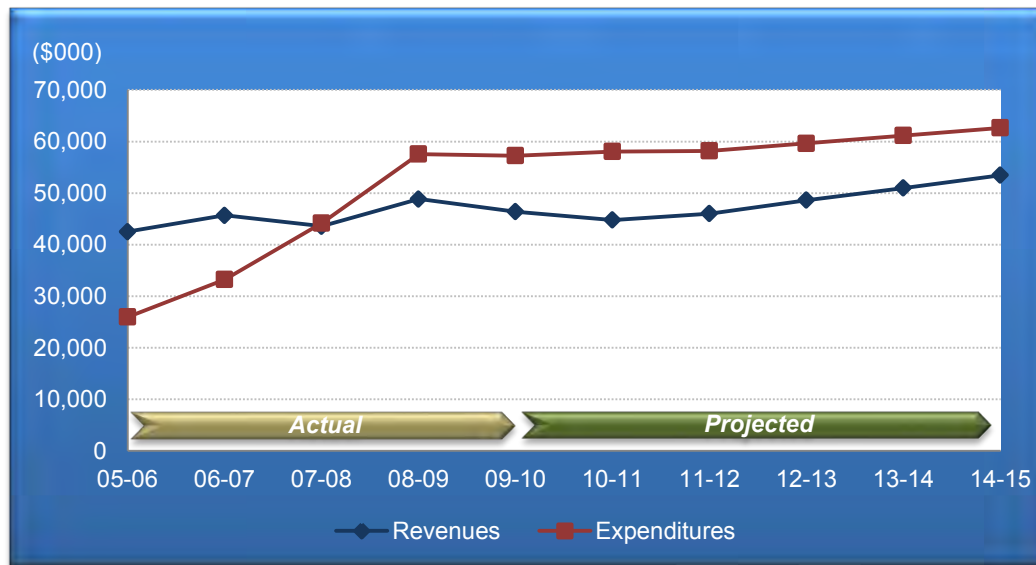
Given projected revenue growth and operating profile, the forecast is for the fund to be in a deficit condition through the end of the forecast. In light of this, a three-year phased in budget balancing effort is being employed, with cuts and additional revenue measures being proposed for FY 2010-11 through FY 2012-13.

Unreserved Fund Balance

The Transit Fund's unreserved fund balance has grown from \$29.3 million in FY 2000-01 to \$72.2 million at the end of FY 2009-10. Receipt of federal reimbursements for prior year expenditures 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
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
10	72,170,247

Transit Fund: Projected Revenues and Expenditures



	05/06 Actual	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Actual	10/11 Projected	11/12 Projected	12/13 Projected	13/14 Projected	14/15 Projected
Revenues (\$000)										
Transit Tax	32,440	34,971	32,450	29,851	27,891	28,136	29,124	31,407	33,498	35,469
Lottery Transfer In	266	257	254	278	184	0	0	0	0	0
ASU-Flash Transit	496	529	581	603	721	891	920	950	980	1,010
Interest Income	1,320	1,142	960	180	404	212	210	67	0	0
Light-Rail Fares	0	0	0	964	2,603	2,662	2,410	2,490	2,560	2,640
Out of Jurisdiction Svc Revenue	6,536	7,897	8,674	11,298	10,473	8,846	9,120	9,390	9,520	9,820
PTF Funding	0	0	0	2,305	2,241	2,476	2,675	2,756	2,838	2,923
Miscellaneous Revenue	1,462	888	641	3,376	1,891	1,575	1,580	1,588	1,596	1,604
Total Revenues	42,521	45,684	43,561	48,854	46,408	44,798	46,040	48,647	50,992	53,466
Expenditures (\$000)										
Personal Services	2,294	2,543	3,292	3,841	4,027	3,345	3,380	3,600	3,780	3,910
Materials and Supplies	1,870	2,082	3,251	6,451	3,670	3,754	3,820	3,900	3,990	4,080
Fees and Services	19,986	23,231	30,844	39,811	42,892	40,364	41,200	42,330	43,550	44,800
Travel and Training	36	43	29	28	11	13	10	10	10	10
Capital Outlay	190	140	123	250	61	18	20	20	20	20
Debt Service	594	4,045	5,518	6,019	5,186	9,550	8,564	8,558	8,557	8,557
Internal Svc Chgs/Adjustments	314	310	317	531	751	387	390	400	410	420
Contingency	0	0	0	0	0	0	187	192	197	202
Indirect Cost Allocations	696	847	808	650	656	633	640	650	660	670
Total Expenditures	25,979	33,241	44,183	57,581	57,255	58,064	58,210	59,659	61,174	62,669
Net Operating Surplus/(Deficit)	16,542	12,444	(622)	(8,727)	(10,847)	(13,265)	(12,171)	(11,012)	(10,182)	(9,202)

Performing Arts Fund Forecast Discussion

The Performing Arts Fund receives its primary revenue from the Performing Arts Tax, which represents 91% of fund revenue in FY 2011-12. This specific tax, approved in May 2000 and effective January 2001, represents 0.1% of the City's total 2.0% sales tax. Monies received from this tax are dedicated to the operating expenses of the Tempe Center for the Arts, and the debt service associated with the center's original construction. Authorization for this tax expires in 2020.

Since the Performing Arts Tax is a component of the overall City sales tax, the trend projected for General Fund sales tax revenue is mirrored in the Performing Arts Fund. However, since the temporary sales tax increase is dedicated to the General Fund, there will be no impact on the Performing Arts Fund from its expiration in FY 2013-14.

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 projected to grow 3.25% on average through the end of the forecast period, and represents 9% of fund revenue.

The historical 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.

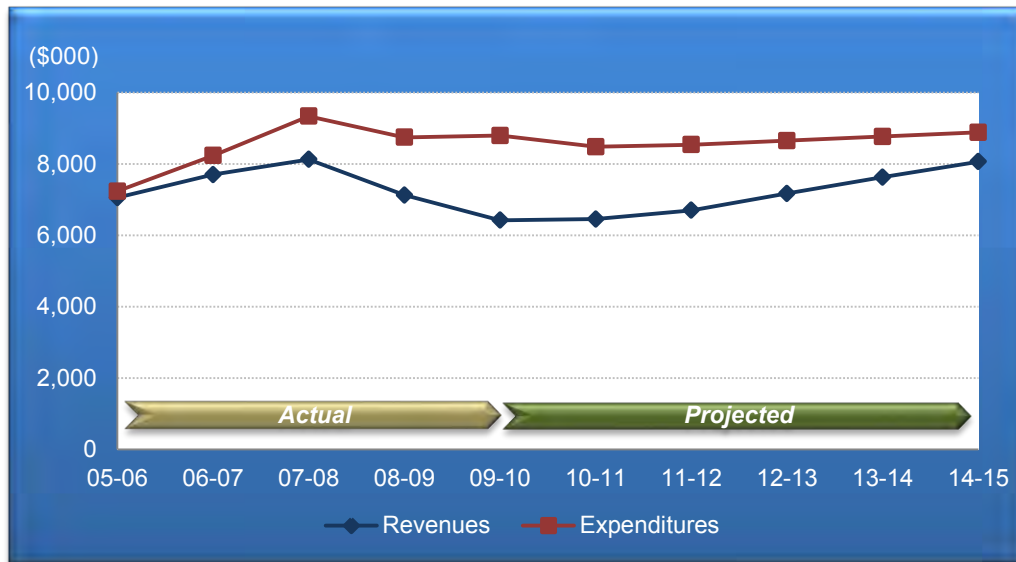
As a result of the ongoing expenditure growth outpacing the sales tax base, the forecast is for ongoing operating deficits and for balances to be zero by FY 2013-14. In light of this, efforts will be necessary to adjust expenditures to ensure future fund solvency.

Unreserved Fund Balance

The Performing Arts Fund's reserved balance grew steadily from the fund's inception in FY 2001-02 until the middle of the decade. 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
10	5,937,646

Performing Arts Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Performing Arts Tax	6,480	7,008	6,820	6,159	5,750	5,831	6,082	6,559	6,995	7,407
Facility Revenue	0	0	662	745	562	576	594	614	633	654
Interest Income	574	692	645	224	108	45	24	0	0	0
Total Revenues	7,054	7,700	8,127	7,128	6,420	6,452	6,700	7,172	7,629	8,061
Expenditures (\$000)										
Personal Services	337	545	1,579	1,871	1,970	1,535	1,571	1,663	1,756	1,837
Materials and Supplies	65	853	797	99	78	126	129	131	134	137
Fees and Services	84	538	754	514	452	511	525	539	555	571
Travel and Other	9	9	4	2	1	3	3	3	3	3
Capital Outlay	158	108	38	0	0	0	0	0	0	0
Debt Service	6,295	6,059	6,014	6,017	6,008	6,026	6,028	6,025	6,023	6,034
Internal Service Charges	287	123	150	242	286	277	282	288	294	300
Total Expenditures	7,235	8,235	9,335	8,746	8,794	8,477	8,536	8,649	8,765	8,882
Net Operating Surplus/(Deficit)	(180)	(535)	(1,208)	(1,618)	(2,374)	(2,025)	(1,836)	(1,477)	(1,136)	(821)

Transportation Fund Forecast Discussion

The primary revenue source to this fund is the intergovernmental distribution from the state Highway User Revenue Fund. This funding source represents 88% of revenue in FY 2011-12. This fund derives the bulk of its monies from an 18¢ per gallon charge on gasoline consumption and from Vehicle License Taxes. Based on a statutory formula, each fiscal year 27.5% of this fund is distributed to local governments with less than 300,000 populations. Consistent with the impact of the recession on gasoline consumption, it is expected that gasoline sales will be moderate over the forecast period. As with other intergovernmental resources, this revenue is distributed based on relative population ratios. Tempe's share is expected to decline due to our stable population relative to growth statewide.

One recent change to the fund revenue structure is the abolishment of the transfer of State Lottery revenue into the fund for local transportation assistance purposes. This transfer was abolished in Chapter 12, Laws 2010, 7th Special Session as part of legislative efforts to balance the state General Fund. This transfer had historically generated approximately \$500 thousand for local transportation purposes.

Personal Services and Debt Service expenditures make up the majority of fund expenditures, representing 30% and 24% of expenditures respectively. The debt service amounts are capped at \$2.7 million for the remainder of the forecast period, and represent a contribution from the Transportation Fund to repay a portion of outstanding debt issued for Street, Signs and Signal construction. Any excess transportation-related General Obligation debt service requirements beyond this cap will be absorbed by the Debt Service Fund during the five-year period.

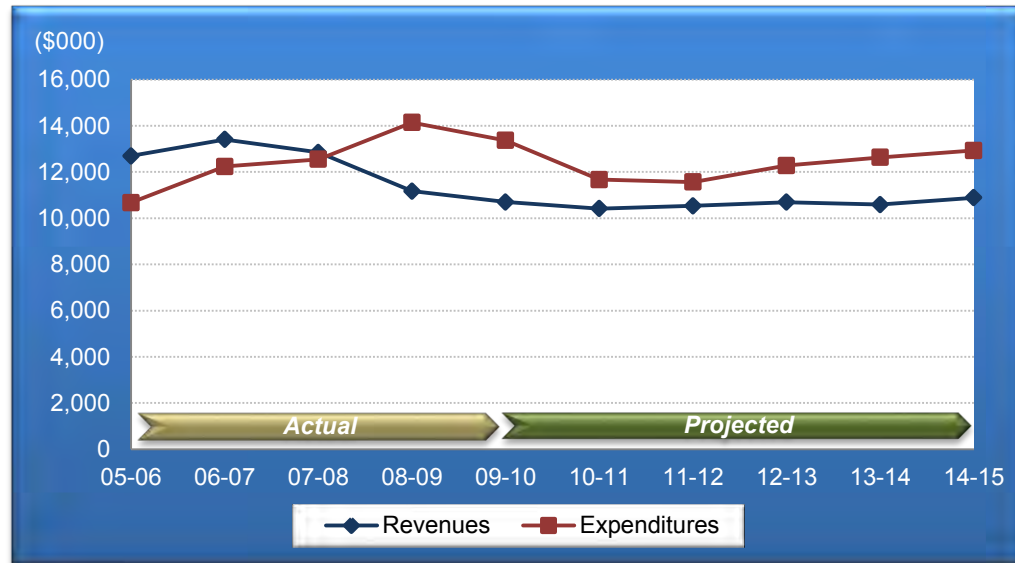
In light of the structural deficit in this fund, budget balancing efforts will be necessary to bring future revenues and expenditures into balance. At the current pace the fund balance will be depleted by FY 2013-14.

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, the balance has declined drastically recently in light of the projected operating deficits.

FYE	Unreserved Fund Balance
01	\$5,828,406
02	5,730,635
03	4,404,944
04	4,591,847
05	7,260,747
06	8,784,878
07	10,237,638
08	11,199,716
09	7,119,128
10	4,644,399

Transportation Funds: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Highway User Revenue Tax	11,224	11,854	11,387	9,945	9,422	9,158	9,275	9,430	9,681	9,978
State Lottery Proceeds	799	771	762	709	0	0	0	0	0	0
Miscellaneous	68	10	1	7	516	475	475	475	125	125
Maintenance of Effort Transfer	870	1,035	955	786	761	786	786	786	786	786
Lottery Transfer to Transit	(266)	(257)	(254)	(278)	0	0	0	0	0	0
Total Revenues	12,694	13,413	12,851	11,169	10,700	10,419	10,536	10,691	10,592	10,889
Expenditures (\$000)										
Personal Services	4,107	4,112	4,821	5,081	5,245	3,506	3,536	3,874	4,094	4,255
Materials and Supplies	533	513	537	670	465	621	632	646	660	674
Fees and Services	1,736	1,897	1,901	1,977	2,052	2,205	2,271	2,340	2,411	2,485
Travel and Training	0	24	47	26	17	24	25	25	26	26
Capital Outlay	330	361	140	1,269	549	256	325	576	576	576
Debt Service	2,000	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770
Loan Repayment	310	310	310	310	310	310	0	0	0	0
Internal Service Charges	1,036	1,226	1,212	1,354	1,035	1,122	1,142	1,166	1,191	1,218
Indirect Cost Allocations	619	1,025	813	692	927	854	869	888	907	927
Total Expenditures	10,670	12,237	12,551	14,147	13,369	11,668	11,570	12,283	12,634	12,931
Net Operating Surplus/(Deficit)	2,024	1,176	300	(2,978)	(2,670)	(1,249)	(1,034)	(1,592)	(2,042)	(2,042)

Rio Salado and Community Facilities District (CFD) Funds Forecast Discussion

The Rio Salado Fund and the Community Facilities District are two separate fiscal entities with a common purpose: to provide a reliable funding source to pay for the cost of the annual operations and maintenance of the lake, and the debt service associated with its construction.

The primary revenue source to the Rio Salado/Community Facilities District (CFD) Fund is the Sales Tax, which makes up 43% of fund revenue in FY 2011-12. The Rio Salado enterprise zone is a special district developed around the Tempe Town Lake project to account for all revenues and expenditures within the district. The trend projected in General Fund sales tax revenue is largely mirrored in the Rio Salado/CFD Fund with exceptions for particular differences between activity within the district and the city as a whole. Revenues generated by the temporary 0.2¢ sales tax that occur within the Rio Salado area are restricted to use for Rio Salado purposes. The other major component of revenue is Community Facilities District property tax assessment collections from property owners, which represents 29% of revenues.

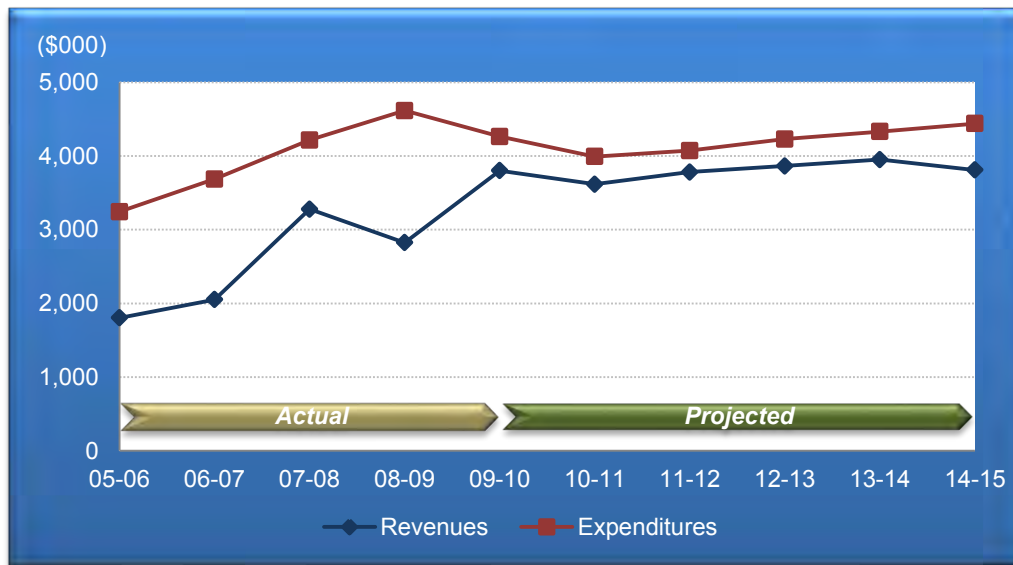
The largest expenditure category in the fund is for CFD operating and maintenance. This includes all administrative, project management, maintenance, and water quality activities in and around the Tempe Town Lake. This category represents 59% of fund expenditures in FY 2011-12.

Unreserved Fund Balance

The variation depicted in the unreserved fund balance is due to planned drawdowns to fund capital and land purchase costs.

FYE	Unreserved Fund Balance
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
10	979,634

Rio Salado and Community Facilities District (CFD) Funds: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Sales Tax	580	797	1,397	1,333	1,336	1,576	1,628	1,682	1,737	1,563
Property Tax	66	74	122	114	200	175	245	255	266	277
Transient Lodging Tax	219	240	275	247	267	471	486	499	514	530
Interest Revenue	171	200	204	101	80	95	130	130	130	130
Other Revenue	128	160	169	147	16	247	223	223	223	223
CFD Revenue	639	579	1,112	882	1,900	1,052	1,071	1,076	1,082	1,087
Total Revenues	1,804	2,051	3,279	2,825	3,801	3,618	3,783	3,865	3,952	3,810
Expenditures (\$000)										
Personal Services	614	793	1,942	2,086	2,179	1,486	1,543	1,673	1,751	1,833
Materials and Supplies	27	17	83	91	57	123	125	128	130	133
Fees and Services	687	828	507	475	506	512	522	533	544	556
Travel and Training	2	5	3	3	2	4	4	4	4	5
Capital Outlay	0	0	0	7	69	0	0	0	0	0
Internal Service Charges	215	414	343	613	579	532	542	553	565	578
CFD Administrative Credit	(419)	(414)	(1,263)	(1,397)	(1,468)	(1,202)	(1,224)	(1,250)	(1,277)	(1,305)
CFD Operating and Maintenance	2,118	2,042	2,602	2,737	2,340	2,537	2,562	2,588	2,614	2,640
Total Expenditures	3,244	3,686	4,216	4,615	4,263	3,992	4,073	4,229	4,331	4,439
Net Operating Surplus/(Deficit)	(1,441)	(1,635)	(937)	(1,790)	(462)	(374)	(290)	(364)	(380)	(629)

Enterprise Funds: Projected Revenues and Expenditures

Water/Wastewater Fund Forecast Discussion

Nearly all revenue to the Water/Wastewater Fund is from User Charges for water and sewer services, which account for 99% of fund revenue in FY 2011-12. 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.

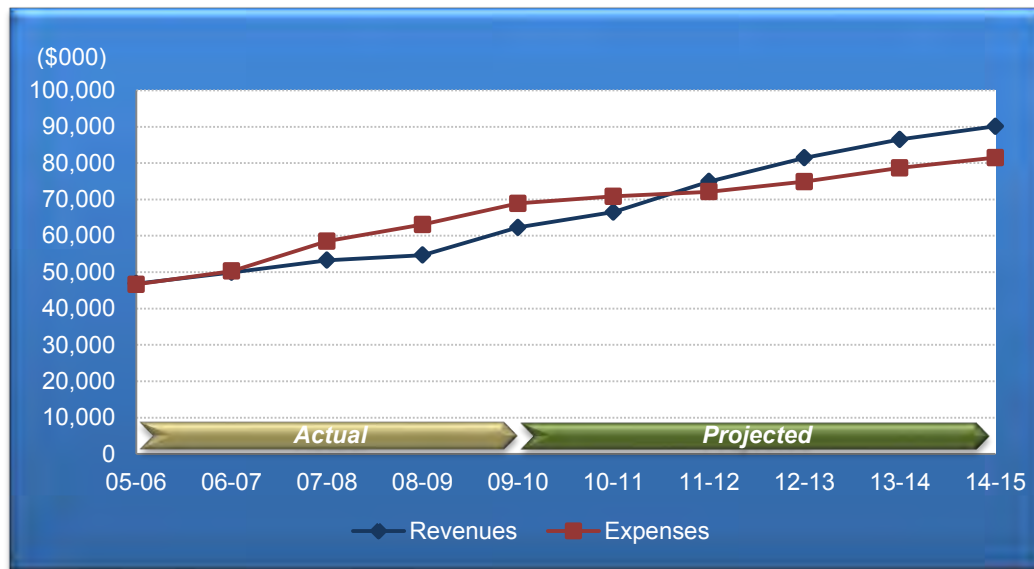
The largest expense of the fund is for Debt Service, representing 46% of expenses in FY 2011-12. The growth pattern for this expense is due to current amortization schedules as well as projected new debt issuance in future years. These factors result in an average growth rate of 5.7% for this category. The Water/Wastewater Fund is projected to experience an operating surplus beginning in FY 2011-12; however this is due entirely to future planned rate increases.

Unreserved Fund Balance

In FY 2006-07 planned drawdowns of Water/Wastewater Fund balance were initiated to partially support water/wastewater bond debt service payments to facilitate the phasing in of new user rate increases which began in 2008. The fund balance stands at \$34.4 million at FYE 10.

FYE	Unreserved Fund Balance
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
10	34,402,741

Water/Wastewater Fund: Projected Revenues and Expenses



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Charges for Service-Water	26,367	26,714	28,146	29,071	32,813	34,361	38,445	42,779	45,512	47,364
Charges for Service-Wastewater	18,025	19,462	20,933	23,330	27,512	30,360	35,380	37,494	39,734	41,357
Interest Income	1,609	2,485	3,355	1,523	789	672	500	564	667	790
Land and Facility Rental	519	520	520	536	520	520	536	542	548	554
Loan Repayment	114	97	79	60	543	543	0	0	0	0
Other Miscellaneous Revenue	241	666	254	178	114	55	55	55	55	56
Total Revenues	46,875	49,943	53,287	54,698	62,292	66,510	74,915	81,434	86,517	90,121
Expenses (\$000)										
Personal Services	12,451	13,265	15,454	15,901	17,849	15,041	15,036	16,165	16,916	17,690
Materials and Supplies	2,811	3,565	3,870	4,111	4,233	5,654	5,710	5,830	5,958	6,066
Fees and Services	14,334	12,441	12,559	13,072	13,304	15,230	14,254	14,473	14,702	14,938
Travel and Training	124	215	173	148	131	136	138	141	144	147
Debt Service	13,200	16,747	22,413	25,867	28,940	31,157	33,327	34,540	37,130	38,738
Internal Service Charges	1,892	2,526	2,208	1,581	2,297	1,754	1,785	1,823	1,863	1,904
Indirect Cost Allocations	1,825	1,516	1,847	2,434	2,146	1,853	1,886	1,926	1,968	2,012
Total Expenses	46,636	50,275	58,524	63,113	68,900	70,824	72,136	74,897	78,681	81,495
Net Operating Surplus/(Deficit)	239	(331)	(5,237)	(8,415)	(6,608)	(4,314)	2,779	6,537	7,836	8,626

Solid Waste Fund Forecast Discussion

Nearly all revenue to the Solid Waste Fund is from User Charges for solid waste services, which account for 99% of fund revenue in FY 2011-12. 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 no rate increase in the future years of the forecast. However, 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.

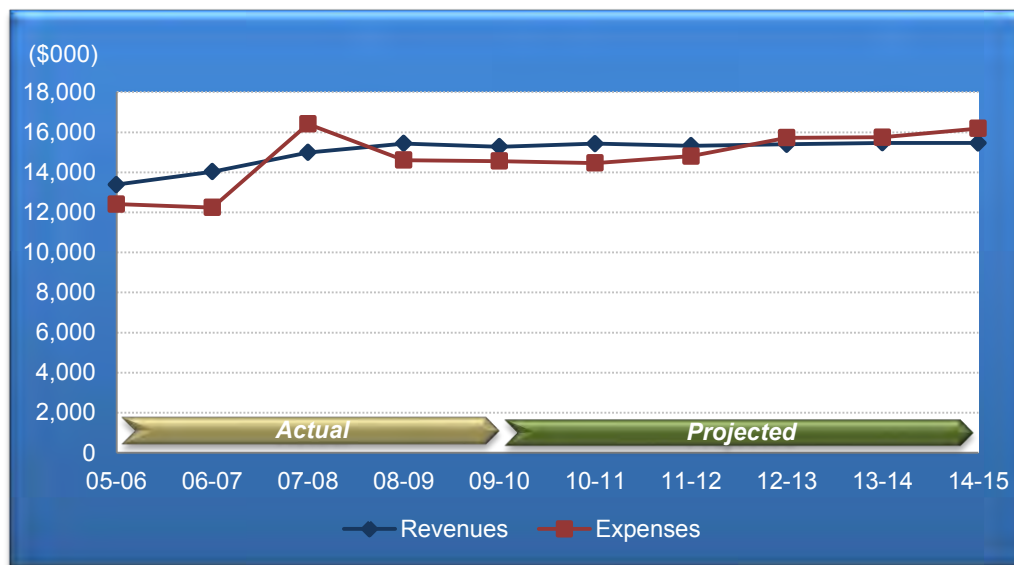
The primary drivers of fund expenses are personal services and fees and services, which represent 36% and 30% of FY 2011-12 expenses respectively. Since Tempe does not own its landfill, the primary component of fees and services, is landfill tipping charges which are expected to grow at the rate of inflation over the next four years.

Unreserved Fund Balance

There is a \$5.6 million fund balance in the Solid Waste Fund at FYE 2010. 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
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
10	5,589,167

Solid Waste Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Charges for Services	12,749	13,626	14,456	14,934	14,958	15,279	15,161	15,235	15,310	15,310
Sludge Disposal	151	62	86	0	0	0	0	0	0	0
Interest Income	83	175	218	106	67	45	66	65	60	54
Other Revenue Sources	399	172	232	400	251	102	100	100	100	100
Total Revenues	13,382	14,035	14,993	15,440	15,275	15,426	15,327	15,400	15,470	15,463
Expenses (\$000)										
Personal Services	4,302	4,611	5,056	5,414	5,729	5,449	5,422	5,845	6,127	6,401
Materials and Supplies	146	206	519	162	93	233	238	243	248	253
Fees and Services	3,414	3,548	3,633	3,697	3,319	4,288	4,380	4,475	4,224	4,317
Capital Outlay	1,559	725	3,431	1,377	2,046	1,310	1,540	1,876	1,808	1,808
Internal Service/Adjustments	2,370	2,505	2,942	3,167	2,594	2,391	2,422	2,462	2,504	2,548
Indirect Cost Allocations	617	646	832	790	782	793	808	825	843	861
Total Expenses	12,408	12,240	16,412	14,607	14,563	14,465	14,809	15,725	15,754	16,188
Net Operating Surplus/(Deficit)	974	1,795	(1,419)	833	712	962	518	(325)	(284)	(725)

Golf Fund Forecast Discussion

The largest component of Golf Fund revenue is Greens Fees, which contribute 81% of revenue in FY 2011-12. 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. As with the City's other self-supporting Enterprise operations, annual rate reviews are conducted of the Golf Fund.

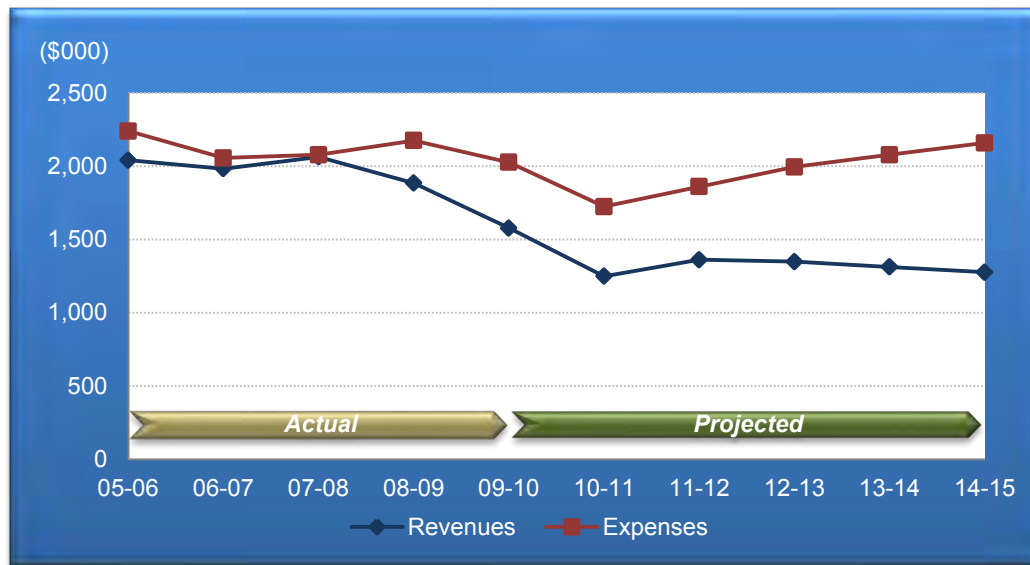
In general, the fund is experiencing growing expenses and declining revenues. As with other funds, budget balancing planning will take place in the coming months to bring expenses in line with revenues. In addition, due to ongoing operating shortfalls, special attention has been given to operating cost reductions and review of contracts with Golf program vendors to ensure future fund viability.

Unreserved Fund Balance

As of FYE 2010, the Golf Fund has a deficit balance. This fund is currently relying on interfund loans to sustain operations.

FYE	Unreserved Fund Balance
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
10	(107,509)

Golf Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Greens Fees	1,750	1,689	1,653	1,562	1,370	1,145	1,106	1,069	1,032	997
Pro Shop/Restaurant	221	223	331	252	204	105	255	280	280	280
Interest Income	16	19	14	5	1	0	0	0	0	0
Other Revenue Sources	55	51	65	66	3	0	0	0	0	0
Total Revenues	2,041	1,983	2,064	1,885	1,578	1,250	1,362	1,349	1,312	1,277
Expenses (\$000)										
Personal Services	988	1,005	1,098	1,225	1,115	785	819	903	941	980
Materials and Supplies	256	249	250	220	198	234	239	244	249	254
Fees and Services	456	307	367	379	448	451	483	519	545	568
Travel and Training	0	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0	0
Debt Service Interest	0	0	0	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0	0	0
Capital Outlay	59	0	5	56	8	0	56	56	56	56
Debt Service	153	152	2	0	0	0	6	11	17	25
Internal Service Charges	141	148	187	157	132	125	127	130	133	136
Indirect Cost Allocations	188	195	170	139	126	129	131	134	137	140
Total Expenses	2,240	2,056	2,078	2,175	2,027	1,724	1,861	1,995	2,078	2,159
Net Operating Surplus/(Deficit)	(199)	(73)	(15)	(291)	(449)	(474)	(499)	(647)	(766)	(882)

Cemetery Fund Forecast Discussion

The largest component of Cemetery fund revenue is lot sales and burial fees, which contribute 95% of revenue in FY 2011-12. Over the forecast period we expect revenue growth to generally follow the historical patterns. Most operating expenses and responsibilities were absorbed by the Public Works budget leaving debt service payments as the only remaining expenditure in this fund. At this point, the General Fund will cover the deficit.

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.

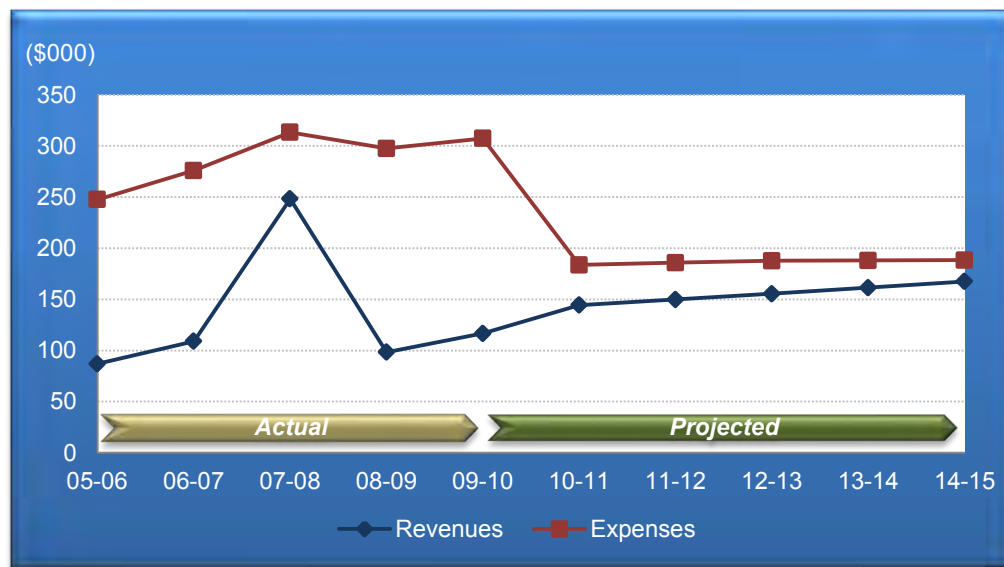
Debt service requirements associated with a FY 2004-05 renovation continue to be the fund's largest annual expense.

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
10	0

Cemetery Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Lot Sales & Burial	10	12	225	91	107	136	142	148	153	160
Lot Care	9	6	7	7	9	8	8	8	8	8
Total Revenues	87	109	248	98	117	144	150	156	161	168
Expenses (\$000)										
Personal Services	23	66	106	90	97	0	0	0	0	0
Materials and Supplies	1	1	13	5	2	0	0	0	0	0
Fees and Services	0	1	7	8	7	0	0	0	0	0
Capital Outlay	0	19	0	0	0	0	0	0	0	0
Debt Service	202	180	177	181	186	184	186	188	188	188
Internal Service Charges	4	1	0	5	5	0	0	0	0	0
Indirect Cost Allocations	17	8	10	9	10	0	0	0	0	0
Total Expenses	248	276	313	298	307	184	186	188	188	188
Net Operating Surplus/(Deficit)	(161)	(167)	(65)	(199)	(191)	(39)	(36)	(32)	(27)	(21)

Debt Service Fund Forecast Discussion

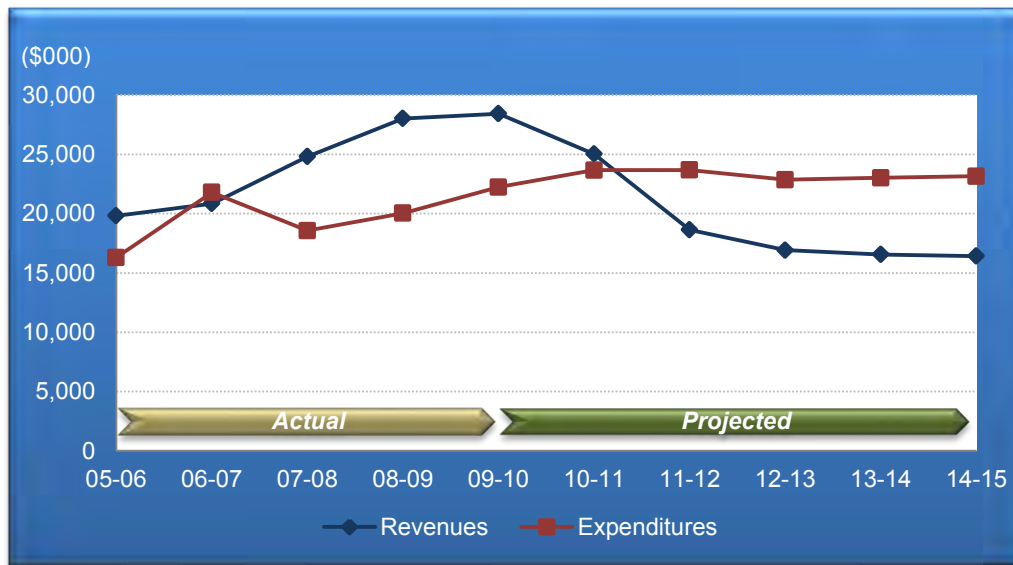
The primary revenue source to the Debt Service Fund is secondary property taxes, which are projected to represent 84% of fund revenue in FY 2011-12. Growth in this revenue stream is predicated on property valuation trends and City property tax policy decisions. Given declining property values coupled with an assumed stable tax rate, the projection is for a steep drop in collections in the near term, with smaller declines thereafter.

The expenditures from the Debt Service fund are restricted to repayment of principal and interest cost associated with long-term debt. Based on current debt amortization schedules in the Debt Management Plan and projected new principal and interest associated with the five-year Capital Improvements Plan, future principal and interest costs are expected to be generally flat through the forecast period.

At FYE 2010, the Debt Service Fund had a restricted balance of \$38.1 million. Due to the projected deficit over the forecast period, it is anticipated that a drawdown of balance will be necessary as a sustainable debt financing model is pursued.

FYE	Reserved Fund Balance
01	\$9,135,690
02	12,123,427
03	13,471,704
04	13,335,706
05	15,991,147
06	18,547,848
07	17,607,767
08	23,858,992
09	31,844,188
10	38,126,393

Debt Service Fund: Projected Revenues and Expenditures



	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Revenues (\$000)										
Secondary Property Tax	16,431	16,465	20,782	23,416	24,913	22,165	15,694	13,497	13,119	12,551
Transfer from HURF	2,000	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770
AZSTA Payment	143	28	273	263	0	103	182	658	678	1,111
SRP In -Lieu Payment	897	919	935	876	0	0	0	0	0	0
Interest Income	74	29	21	8	0	0	0	0	0	0
Bond Proceeds Premium	288	634	0	599	756	0	0	0	0	0
Other Revenue	0	16	48	103	0	0	0	0	0	0
Total Revenues	19,833	20,860	24,828	28,035	28,439	25,038	18,646	16,925	16,567	16,432
Expenditures (\$000)										
G.O. Debt Service	11,180	12,705	13,090	14,061	16,318	17,836	17,847	17,030	17,183	17,311
Excise Tax Debt Service	1,668	1,745	1,733	1,733	2,254	2,259	2,247	2,248	2,258	2,265
Rio Salado Debt Service	3,087	3,047	3,063	3,058	3,058	3,050	3,055	3,056	3,055	3,051
America West Payment	0	0	638	463	288	463	463	463	463	463
Fiscal Agent Fees	377	396	54	735	333	75	75	75	75	75
Debt Service Reserve Transfer	0	3,907	0	0	0	0	0	0	0	0
Total Expenditures	16,311	21,800	18,577	20,050	22,250	23,681	23,687	22,871	23,033	23,164
Net Operating Surplus/(Deficit)	3,521	(940)	6,251	7,985	6,189	1,357	(5,041)	(5,946)	(6,466)	(6,732)

Financial Action Plan

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.

· ***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 91st Avenue Plant. We recommend a financial plan that minimizes sudden spikes in rates and controls expenditure growth.

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

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

· ***Program Sunsetting***

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

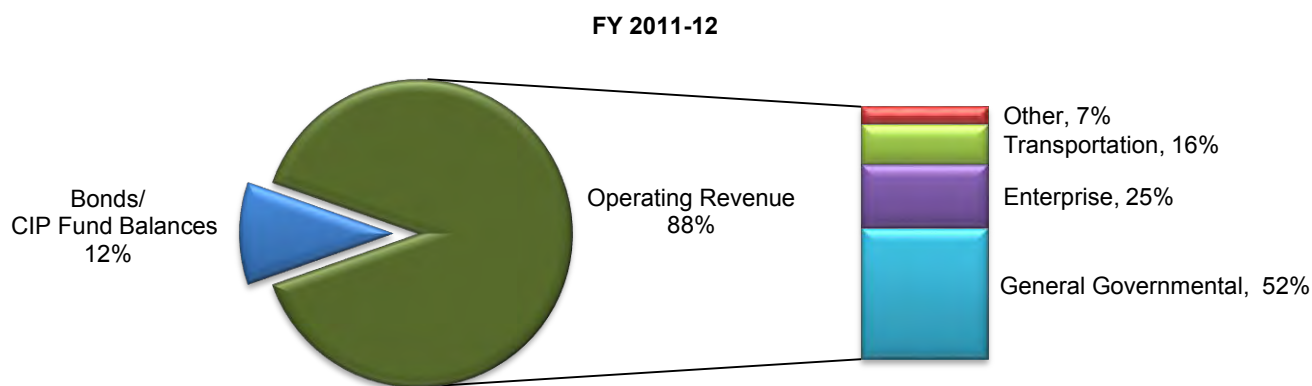
We recommend that the City continue its efforts in benchmarking and performance management. These activities will provide the City with opportunities to evaluate and improve service delivery while enhancing accountability to the residents.

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Total Revenue

Total revenue for FY 2011-12 is \$400.8 million reflecting \$351.5 million in operating revenue and \$49.3 million from bond proceeds, fund balances and other funding sources in the Capital Budget. The FY 2011-12 operating revenue total represents a 3.9% increase from FY 2010-11. The increase in operating revenue sources is primarily in the General Governmental and Transportation/Transit areas and consists largely of an increase in local tax collections.

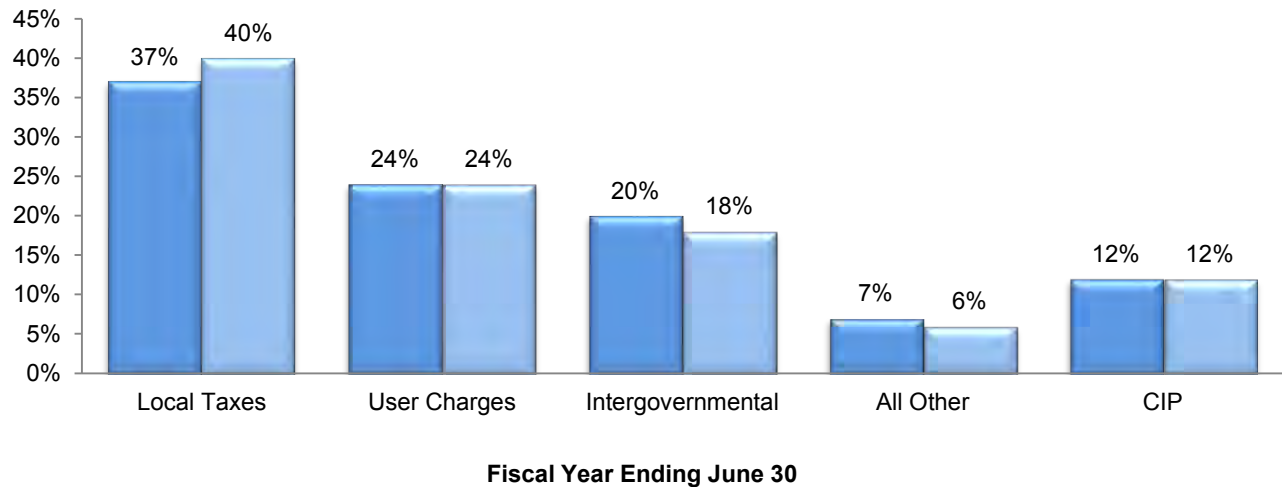


TOTAL REVENUE

	FY 2010-11 Budget	FY 2011-12 Budget
OPERATING REVENUE		
General Governmental		
Local Taxes	\$111,990,632	\$123,481,157
Licenses and Permits	1,567,696	1,568,450
Intergovernmental	35,054,557	31,231,933
Charges for Services	11,200,441	10,257,097
Fees, Fines, and Forfeitures	10,322,095	8,427,007
Miscellaneous	8,074,656	7,398,134
Transportation/Transit	54,194,614	56,694,356
Performing Arts	5,796,368	6,776,100
CDBG/Section 8 Housing	16,417,949	17,001,929
Enterprise	83,554,952	88,656,841
TOTAL OPERATING REVENUE	\$338,173,960	\$351,493,004
Operating Revenue Per Capita	\$2,091	\$2,173
Bond/Note Proceeds	38,252,292	40,171,865
CIP Other Funding	1,739,500	4,160,396
Pay-as-you-go	436,463	796,243
Fund Balances	7,836,500	4,209,300
TOTAL REVENUE	\$386,438,715	\$400,830,808
Total Revenue Per Capita	\$2,390	\$2,474

Total Revenue by Source

Comparative Revenue by Source
FY 2010-11 Budget to FY 2011-12 Budget



Where the Money Comes From

Revenue Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
Local Taxes				
Local Sales Taxes	\$67,369,738	\$69,880,072	\$77,900,797	\$80,951,331
Transit Tax	27,891,084	25,012,100	28,136,095	29,124,332
Other Local Taxes	42,546,426	42,110,560	42,032,698	42,529,826
Performing Arts	5,749,649	5,175,519	5,831,000	6,082,100
User Charges				
Water/Wastewater	60,325,660	64,721,072	64,865,799	69,992,604
Solid Waste	15,107,854	15,187,163	15,044,809	15,076,809
Community Services	7,784,093	9,013,199	7,619,468	7,927,956
Building/Trades & Planning/Zoning	4,633,358	4,618,357	3,742,803	4,556,069
Intergovernmental				
State Shared Revenue	39,133,804	35,038,037	33,788,785	31,231,933
HURF/LTAF	10,023,207	9,495,879	9,157,112	8,142,645
CDBG/Section 8 Housing	11,782,994	16,417,949	16,804,371	17,001,929
Transit State & Federal	15,063,295	15,243,919	13,859,977	14,357,991
All Other				
Interest Revenue	3,269,143	2,524,504	1,850,524	1,983,386
Miscellaneous Revenue	10,581,271	11,845,839	11,928,855	12,538,636
Fines and Forfeitures	7,108,700	10,322,095	7,554,318	8,427,007
Licenses and Permits	1,537,685	1,567,696	1,568,250	1,568,450
Bonds/Note Proceeds	71,483,357	38,252,292	38,252,292	40,171,865
CIP - Outside Revenue	17,318,630	2,175,963	2,175,963	4,956,639
Other - Fund Balance	7,508,581	7,836,500	7,836,500	4,209,300
Total Revenue	\$426,218,529	\$386,438,715	\$389,950,416	\$400,830,808

Components of Total Revenue

FY 2011-12 Total Revenue					
\$400,830,808					
Operating Budget			Capital Budget		
\$351,493,004			\$49,337,804		
General Governmental	Special Revenue	Enterprise	Bond/Note Proceeds	Outside Revenue/PAG	Other – Fund Balances
\$182,363,778	\$80,472,385	\$88,656,841	\$40,171,865	\$4,956,639	\$4,209,300
Local Taxes/ Licenses & Permits	Transit	Water/Wastewater	Water/Wastewater Bonds	Federal Grants	
\$125,049,607	\$47,324,887	\$71,017,104	\$29,160,000	\$2,664,984	
Intergovernmental	Highway User Revenue	Solid Waste	General Purpose Bonds	Development Fees	
\$31,231,933	\$9,369,469	\$15,231,809	\$11,011,865	\$1,000,000	
Charges for Services	CDBG/ Section 8 Housing	Golf		RICO	
\$10,257,097	\$17,001,929	\$2,294,828		\$495,412	
Fines and Forfeitures	Performing Arts Tax	Cemetery		Pay As You Go	
\$8,427,007	\$6,776,100	\$113,100		\$796,243	
Miscellaneous					
\$7,398,134					

General Governmental is the largest operating revenue category. It supports basic functions of the City, which include Police, Fire, Community Services, and Community Development.

Comparative Operating Revenue by Major Source and Fund

Revenue Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
General Fund				
Local Taxes				
City Sales Tax	\$67,369,738	\$69,880,072	\$77,900,797	\$80,951,331
Primary Property Tax	11,560,902	12,238,972	12,238,972	12,751,029
Transient Lodging Tax	2,512,518	3,969,916	4,100,214	4,131,600
Franchise Fees	3,559,614	3,727,000	3,766,415	3,547,000
Total Local Taxes	85,002,772	89,815,960	98,006,398	101,380,960
Intergovernmental Revenue				
State Sales Tax	12,167,009	12,732,069	12,263,212	12,235,077
State Income Tax	21,406,004	16,139,804	16,137,402	13,649,749
Vehicle License Tax	5,560,791	6,166,164	5,388,171	5,347,107
Total Intergovernmental	39,133,804	35,038,037	33,788,785	31,231,933
Building & Trades/Planning & Zoning	4,633,358	4,618,357	3,742,803	4,556,069
Cultural and Recreational				
Registration Fees	4,306,089	5,317,493	4,266,009	4,427,826
Recreation Admission Charges	389,852	375,171	419,174	425,174
Library Fines and Fees	173,264	404,000	259,800	259,800
Other Cultural and Recreation Fees	573,459	485,420	574,208	588,228
Total Cultural and Recreational	5,442,664	6,582,084	5,519,191	5,701,028
Fines, Fees and Forfeitures				
Traffic Fines	1,803,383	2,918,181	1,670,053	2,160,679
Criminal Fines	1,255,201	1,231,552	1,192,915	1,129,445
Parking Fines	200,282	314,780	229,173	248,979
Other Fines, Fees and Forfeitures	3,849,834	5,857,582	4,462,177	4,887,904
Total Fines, Fees and Forfeitures	7,108,700	10,322,095	7,554,318	8,427,007
Business/Non-Business Licenses	1,537,685	1,567,696	1,568,250	1,568,450
Other Revenue Sources				
SRP Payment in Lieu of Taxes	1,481,741	1,376,393	1,502,400	1,502,400
Interest Income	1,900,195	1,595,000	998,201	1,159,000
Other Miscellaneous Revenue and Loan	2,932,521	5,103,263	4,566,341	4,554,275
Total Other Revenue	6,314,457	8,074,656	7,066,942	7,215,675
Total General Fund	\$149,173,440	\$156,018,885	\$157,246,687	\$160,081,122
Debt Service Fund				
Secondary Property Tax	\$24,913,392	\$22,174,672	\$21,927,097	\$22,100,197
Other Miscellaneous Revenue	848,438	-	-	-
Intergovernmental	-	16,520	103,436	182,459
Total Debt Service Fund	\$25,761,830	\$22,191,192	\$22,030,533	\$22,282,656

Revenue Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
Transit Fund				
Transit Tax	\$27,891,084	\$25,012,100	\$28,136,095	\$29,124,332
Lottery Transfer In	184,119			
ASU-Flash Transit	720,760	773,045	853,809	905,840
Interest Income	404,197	212,386	212,386	212,386
Federal and State Funding	14,342,535	14,470,874	13,006,168	13,452,151
Miscellaneous Revenue	2,865,496	3,369,506	3,492,097	3,630,178
Total Transit Fund	\$46,408,191	\$43,837,911	\$45,700,555	\$47,324,887
Transportation Funds				
Highway User Revenue Tax	9,422,203	9,495,879	9,157,112	8,142,645
Maintenance of Effort	761,451	785,824	785,824	785,824
State Lottery Proceeds	416,885			
Other Revenue	331,947	75,000	406,000	441,000
Total Transportation Funds	\$10,932,486	\$10,356,703	\$10,348,936	\$9,369,469
Performing Arts				
Performing Arts Tax	5,749,649	5,175,519	5,831,000	6,082,100
Interest Income	108,161	45,349	46,937	57,000
Fees and Admission and Miscellaneous	656,310	575,500	622,950	637,000
Total Performing Arts	6,514,120	\$5,796,368	\$6,500,887	\$6,776,100
Total CDBG/Section 8 Housing Funds	\$11,782,994	\$16,417,949	\$16,804,371	\$17,001,929
Solid Waste Fund				
Residential Service	8,306,913	8,473,903	8,342,352	8,342,352
Commercial Service	5,071,175	5,161,680	5,058,446	5,058,446
Roll-Off Service	1,310,494	1,221,580	1,254,011	1,264,011
Recycling	419,272	330,000	390,000	412,000
Interest Income	66,507		25,000	55,000
Miscellaneous Revenue	217,320	2,000	4,892	100,000
Total Solid Waste Fund	\$15,391,681	\$15,189,163	\$15,074,701	\$15,231,809

Revenue Source	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Revised	FY 2011-12 Budget
Water/Wastewater Fund				
Charges for Service-Water				
Water Consumption	\$22,862,725	\$24,500,000	\$24,825,060	\$28,834,088
Water Service	9,055,176	9,120,000	9,412,159	10,219,644
Irrigation	304,619	304,572	304,572	304,572
Other Water Charges	799,038	586,500	731,066	731,500
Total Charges for Service-Water	33,021,558	34,511,072	35,272,857	40,089,804
Charges for Service-Wastewater				
Sewer Usage	21,853,915	24,200,000	22,765,508	22,895,000
Sewer Service	4,922,099	6,000,000	6,811,888	6,994,800
Other Wastewater Charges	528,088	10,000	15,546	13,000
Total Charges for Service-Wastewater	27,304,102	30,210,000	29,592,942	29,902,800
Interest Income	788,962	671,769	568,000	500,000
Land and Facility Rental	520,000	520,000	520,000	520,000
Loan Repayment from General Fund	501,880	542,833	542,833	
Other Miscellaneous Revenue	114,486	54,500	5,032	4,500
Total Water/Wastewater Fund	\$62,250,988	\$66,510,174	\$66,501,664	\$71,017,104
Golf Fund				
Greens Fees	1,369,815	1,457,000	1,139,943	1,476,828
Pro Shop and Restaurant Revenue	204,266	254,195	220,284	
Interest Income	1,121			
Other Revenue Sources	4,025			818,000
Total Golf Fund	1,579,227	\$1,711,195	\$1,360,227	\$2,294,828
Cemetery Fund				
Lot & Burial Sales	113,004	144,420	117,100	113,100
Total Cemetery Fund	\$113,004	\$144,420	\$117,100	\$113,100
Total Revenue - All Funds	\$329,907,961	\$338,173,960	\$341,685,661	\$351,493,004

General Governmental Revenue: Ten Year Historical Trends

City Sales Tax

Restrictions	Fiscal Year	Amount	Percent Change
Current General Fund rate of 1.4% can be increased only by vote of electorate.	2001-02	\$58,446,759	(9.0)
	2002-03	57,796,826	(1.0)
	2003-04	61,267,731	6.0
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.	2004-05	66,667,254	9.0
	2005-06	74,945,676	12.0
	2006-07	84,457,854	13.0
	2007-08	81,257,842	(4.0)
	2008-09	72,420,832	(11.0)
	2009-10	67,369,737	(7.0)
	2010-11 est.	77,900,797	16.0
	2011-12 est.	80,951,331	4.0

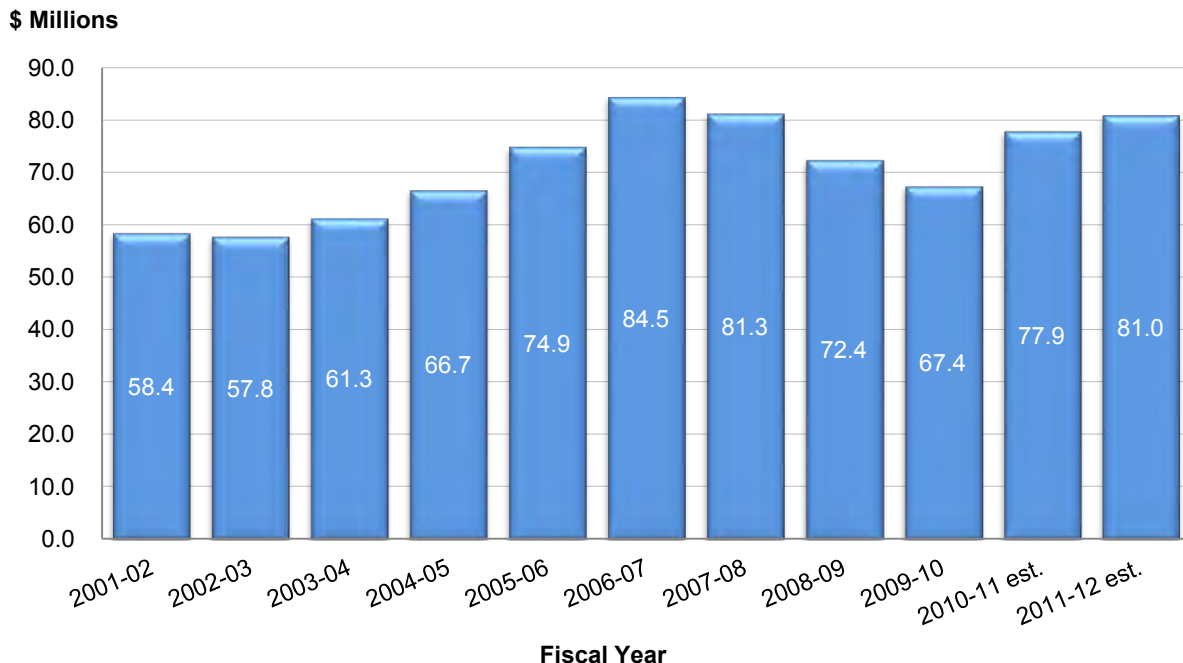
Assumptions

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. Sales of food for home consumption and contracting sales are exempted from the increase. The 0.2% temporary tax expires June 30, 2014.

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 2011-12 budgeted collection amount includes the voter approved tax rate increase and assumes a gradual economic recovery.

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.	2001-02	\$1,544,024	(13.6)
	2002-03	2,034,972	31.8
	2003-04	2,413,099	18.6
	2004-05	2,784,826	15.4
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.	2005-06	3,201,772	15.0
	2006-07	3,439,069	7.4
	2007-08	3,534,640	2.8
	2008-09	2,811,364	(20.5)
	2009-10	2,512,518	(10.6)
	2010-11 est.	4,100,214	63.2
	2011-12 est.	4,131,600	0.8

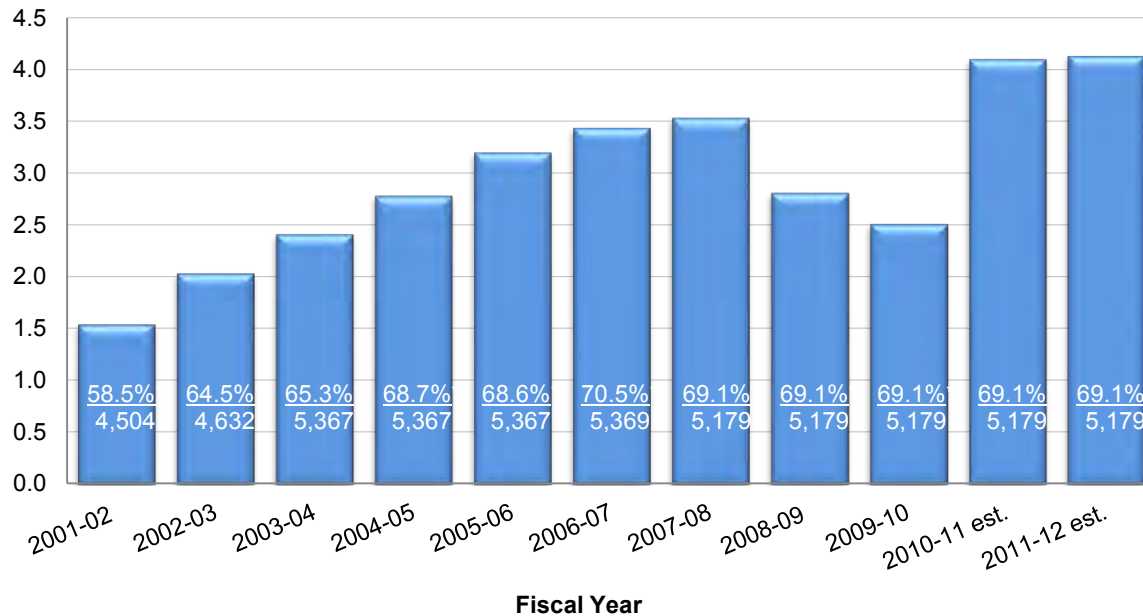
Assumptions

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. The FY 2011-12 budgeted amount includes the voter approved tax rate increase and assumes a gradual economic recovery

Major Influences: Economy, Competition from Hotels Located in Neighboring Cities, and Consumer Price Index

Transient Lodging Tax

\$ Millions



* 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 Collections	Secondary Collections	Total Amount	Percent Change
2001-02	1.35	\$7,169,353	\$11,695,227	\$18,864,580	6.8
2002-03	1.35	7,563,180	12,675,695	20,238,875	7.3
2003-04	1.35	8,313,398	13,059,814	21,373,212	5.6
2004-05	1.35	8,878,734	14,631,500	23,510,234	10.0
2005-06	1.40	9,287,601	16,430,588	25,718,190	9.4
2006-07	1.40	9,076,938	16,465,111	27,515,948	(0.7)
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	1.40	11,560,902	24,913,392	36,474,294	6.5
2010-11 est.*	1.40	12,238,972	22,174,672	34,413,644	(5.6)
2011-12 est.*	1.79	12,751,029	22,100,197	34,851,226	1.3

Assumptions

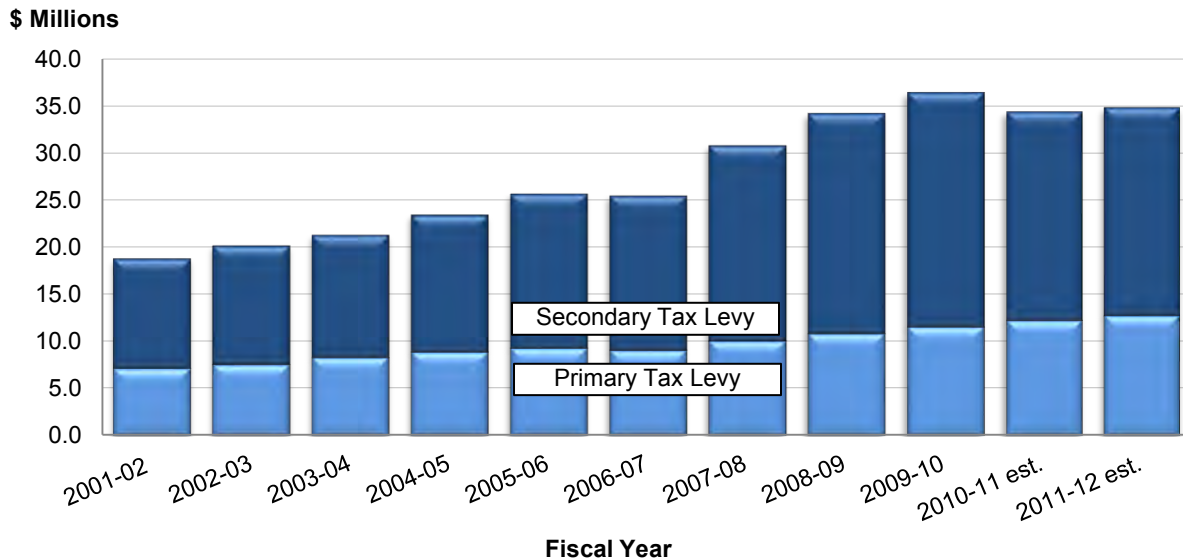
The City's property tax is based on the assessed value of the property as determined by the Maricopa County Assessor, whose office both bills and collects all property taxes. Historical changes in total revenue collected have been the result of state policy affecting assessed valuations and growth, new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

The combined primary and secondary property tax rate for FY 2011-12 will total \$1.79 per \$100 assessed valuation, consisting of \$0.66 per \$100 of the primary assessed valuation for operating and maintenance costs and \$1.13 per \$100 of secondary assessed valuation to fund principal and interest payments on bonded indebtedness.

The primary levy goes to the General Fund and the secondary levy goes to the Debt Service Fund.

Major Influences: Development, Assessor Appraisal Methodology, State Policy, Population Growth, and City Policy Regarding Property Tax Rates

City Property Tax



* Amounts reflect estimated receipts

Salt River Project In-Lieu Tax

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	2001-02	\$1,041,291	7.7
	2002-03	1,110,403	6.6
	2003-04	1,093,665	(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	1,481,741	7.8
	2010-11 est.	1,502,400	1.4
	2011-12 est.	1,502,400	0.0

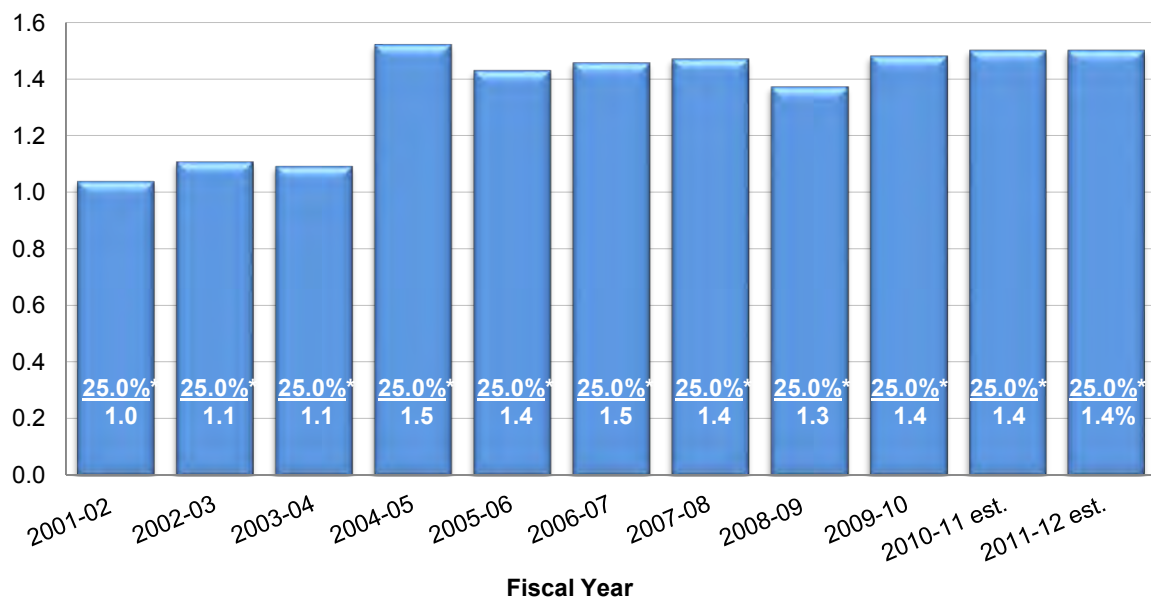
Assumptions

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

\$ Millions



* 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.	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	12,167,009	(7.8)
	2010-11 est.	12,263,212	0.8
	2011-12 est.	12,235,077	(0.2)

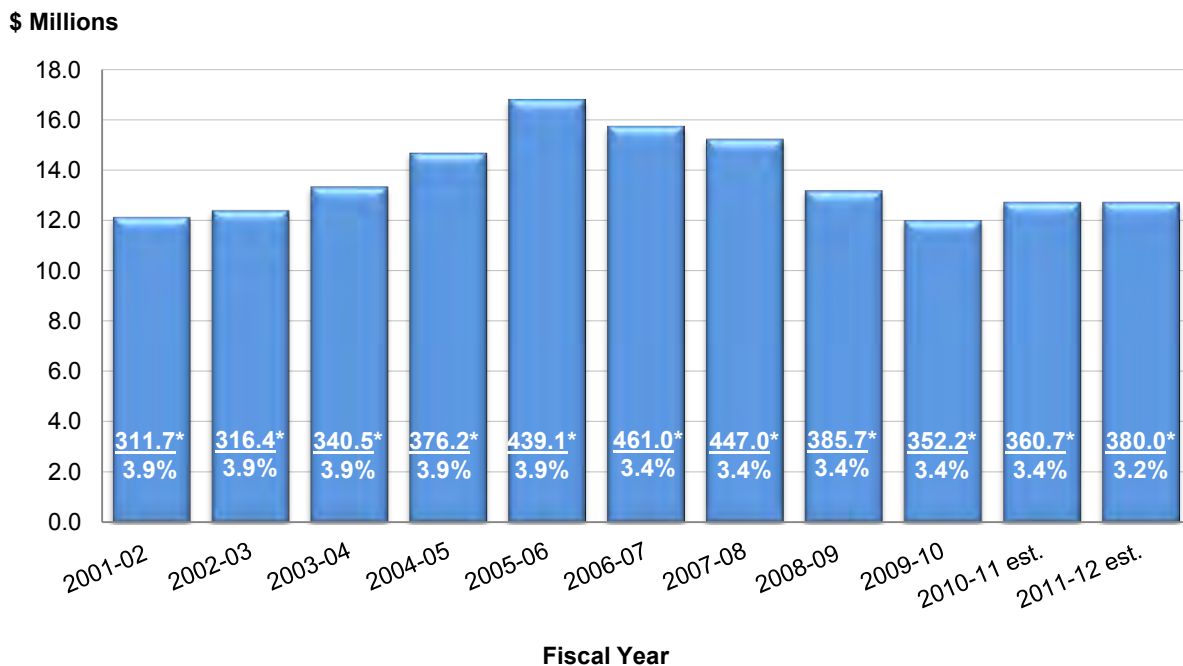
Assumptions

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 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 decrease in the subsequent year. The four year decreased revenue beginning in FY 2006-07 is reflective of the state recession. Based on the results of the 2010 Census, Tempe's share of revenue is set at 3.2% for the next five fiscal years, beginning in FY 2011-12. The mixed impacts of improving state sales taxes and a reduced share of the pool results in a slight decline in revenue budgeted for FY 2011-12.

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.	2001-02	\$5,233,512	(7.1)
	2002-03	6,247,543	19.4
	2003-04	6,427,396	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	5,560,791	(7.7)
	2010-11 est.	5,388,171	(3.1)
	2011-12 est.	5,347,107	(0.8)

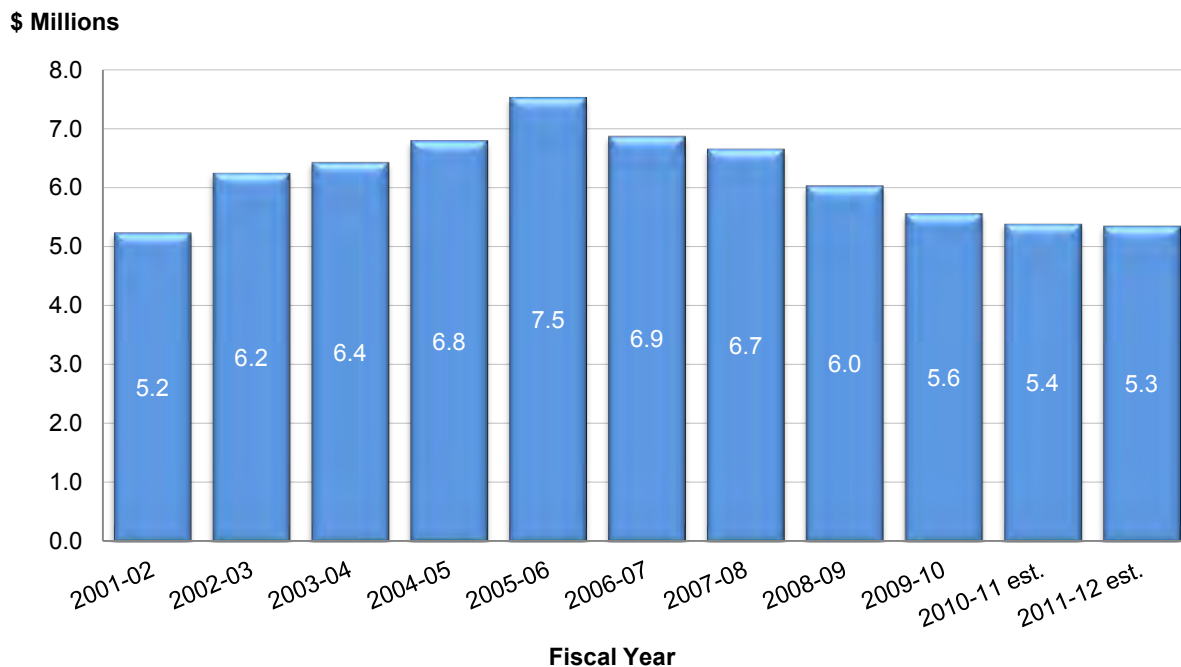
Assumptions

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 2010 Census, this figure declined to 3.2%.

The six year decreased revenue from FY 2006-07 through FY 2010-11 is reflective of the state recession. For FY 2011-12, the decline is due to the reduced revenue sharing percentage.

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.	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	21,406,004	(13.8)
	2010-11 est.	16,137,402	(24.6)
	2011-12 est.	13,649,749	(15.4)

Assumptions

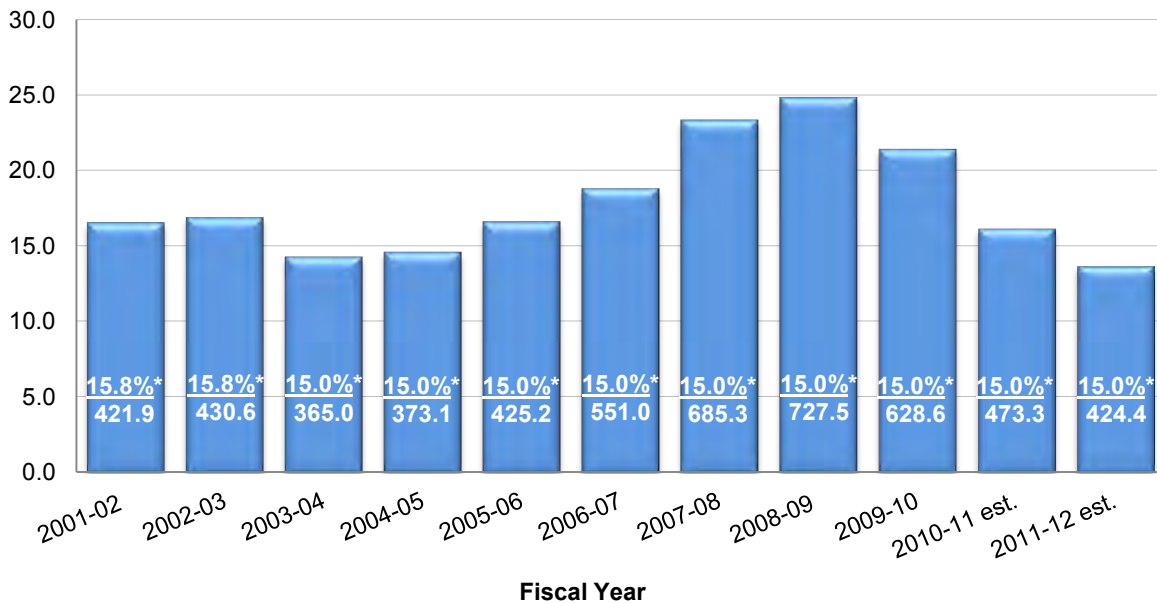
The right to levy income taxes in Arizona is reserved for the state in statute. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the City receives the funds. Under current law, Arizona cities and towns receive 15.0% of the state's income 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. Based on the 2010 Census, the share will be 3.2% for FY 2011-12 to FY 2015-16.

Due to a two year lag between the calculation and distribution of revenue sharing amounts, the estimated revenue for FY 2011-12 exhibits a steep decline. This is because the amount is based on the relatively slower economic activity during FY 2009-10 and due to the lower sharing percentage.

Major Influences: Personal Income, Corporate Net Profits, Population (relative to State) and State Policy

State Shared Income Tax

\$ Millions



* 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

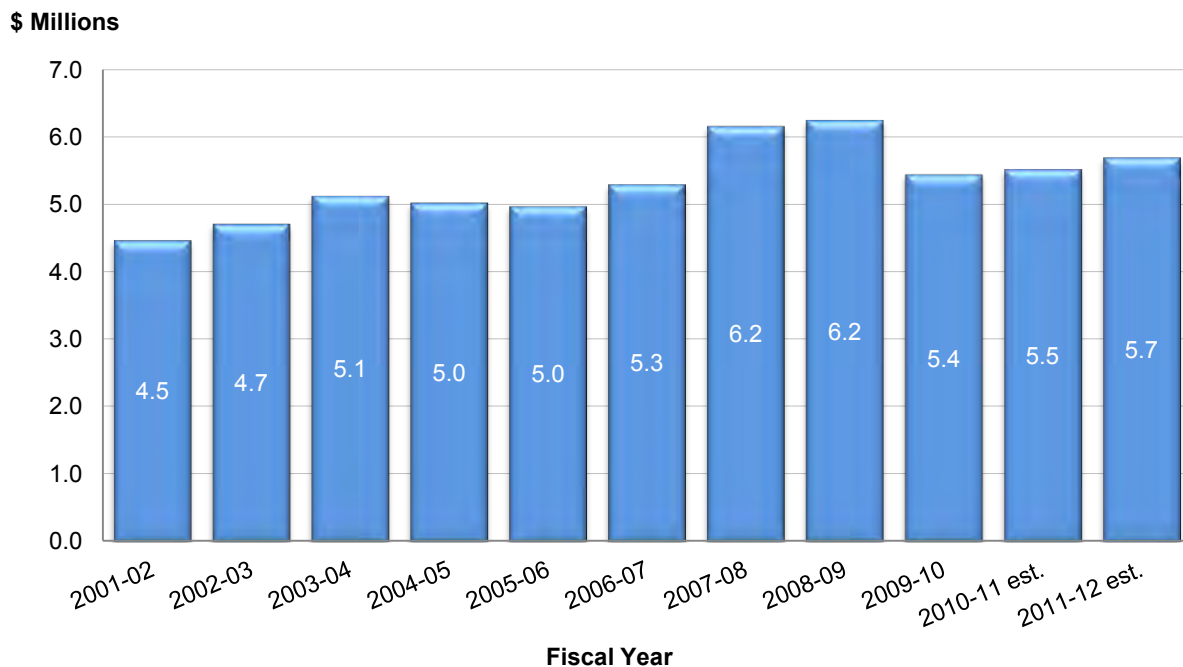
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage, but intended to defray costs of recreation and social service programs.	2001-02	\$4,465,985	4.6
	2002-03	4,705,619	5.4
	2003-04	5,125,630	8.9
	2004-05	5,020,389	(2.1)
	2005-06	4,971,934	(1.0)
	2006-07	5,296,388	6.5
	2007-08	6,158,859	16.3
	2008-09	6,246,518	1.4
	2009-10	5,442,664	(12.9)
	2010-11 est.	5,519,191	1.4
	2011-12 est.	5,701,028	3.3

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.

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

Charges for Services/Recreation and Social Services



Charges for Services/Development Related

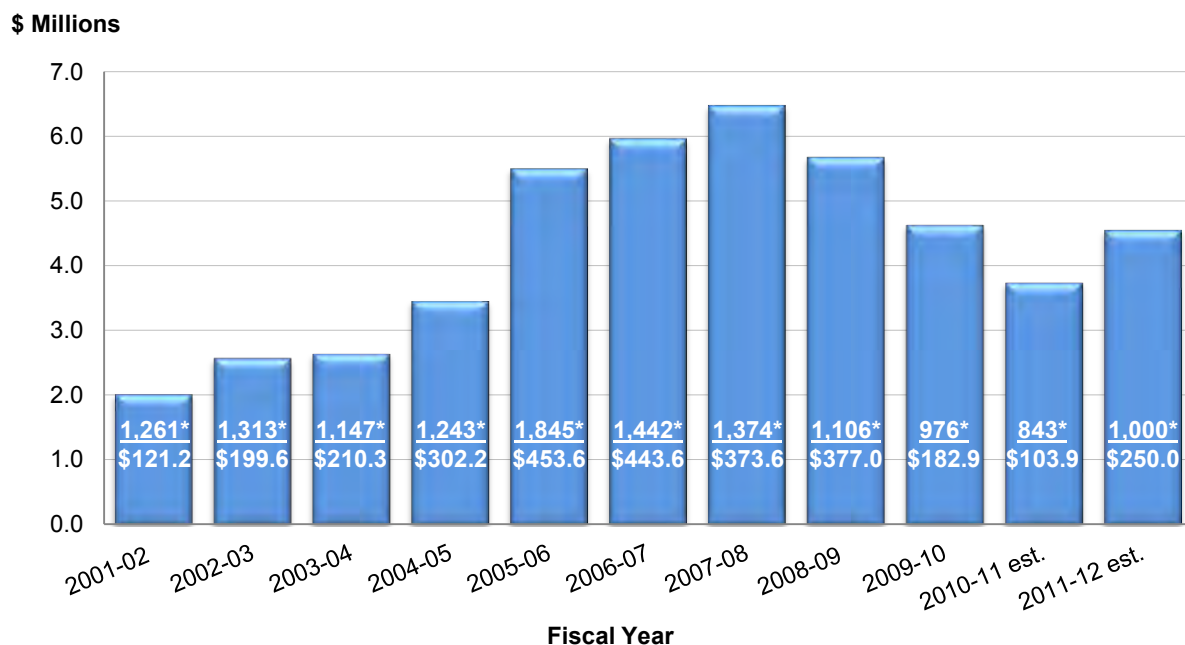
Restrictions	Fiscal Year	Amount	Percent Change
Intended to offset costs related to permitting and planning for residential and commercial development in the City, though there are no restrictions on usage.	2001-02	\$2,016,850	(24.9)
	2002-03	2,570,757	27.5
	2003-04	2,644,489	2.9
	2004-05	3,458,518	30.8
	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	4,633,358	(18.4)
	2010-11 est.	3,742,803	(19.2)
	2011-12 est.	4,556,069	21.7

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 shopping center, 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 and FY 2010-11 dropped further due to a tight credit market and regional oversupply in commercial real estate suppressing the demand for new construction. The FY 2011-12 increase is due primarily to current and projected multifamily residential projects.

Major Influences: Population, Tax Laws, Economy and Development

Charges for Services/Development Related



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

Fines and Forfeitures

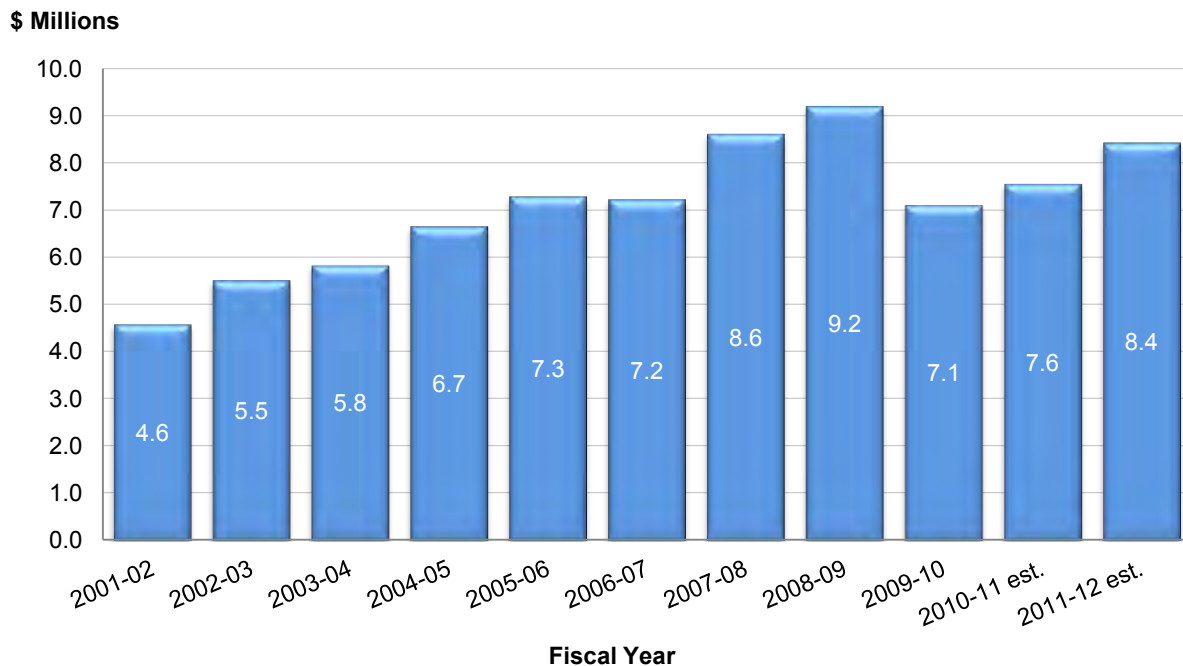
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage.	2001-02	\$4,577,091	1.9
	2002-03	5,510,476	20.4
	2003-04	5,831,134	5.8
	2004-05	6,651,935	14.1
	2005-06	7,287,717	9.6
	2006-07	7,219,328	(0.9)
	2007-08	8,616,319	19.4
	2008-09	9,200,997	6.8
	2009-10	7,108,900	(22.7)
	2010-11 est.	7,554,318	6.3
	2011-12 est.	8,427,007	11.6

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 2009-10 decrease was primarily due to drop in Traffic Fines resulting from the maturation of the photo enforcement program. The increase in FY 2010-11 and FY 2011-12 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



Special Revenue: Ten Year Historical Trends

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.	2001-02	\$25,229,927	(7.6)
	2002-03	25,140,826	(0.2)
	2003-04	26,740,623	6.2
	2004-05	28,88,493	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	27,891,084	(6.6)
	2010-11 est.	28,136,095	0.9
	2011-12 est.	29,124,332	3.5

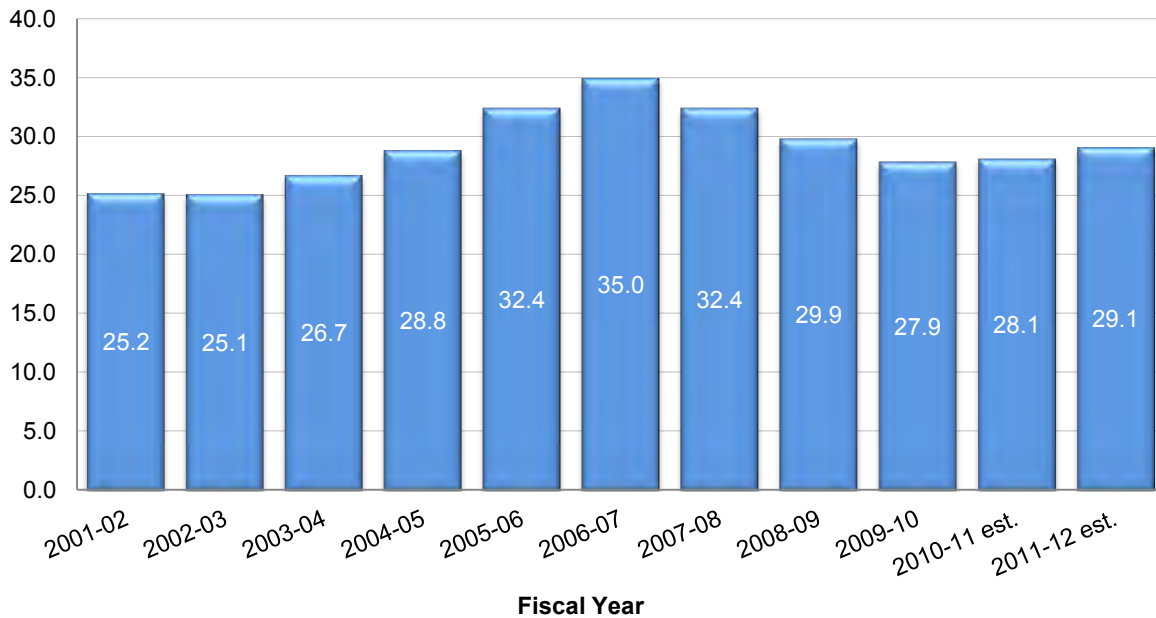
Assumptions

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. The FY 2011-12 growth rate reflects moderate improvement in the local economy.

Major Influences: Taxable Sales, Population and Consumer Price Index

Transit Tax

\$ Millions



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	2001-02	\$5,006,344	92.0
	2002-03	5,010,393	0.1
	2003-04	5,279,580	5.4
	2004-05	5,768,058	9.3
	2005-06	6,480,218	12.3
	2006-07	7,007,790	8.1
	2007-08	6,820,193	(2.7)
	2008-09	6,158,761	(9.7)
	2009-10	5,749,649	(6.6)
	2010-11 est.	5,831,000	1.4
	2011-12 est.	6,082,100	4.3

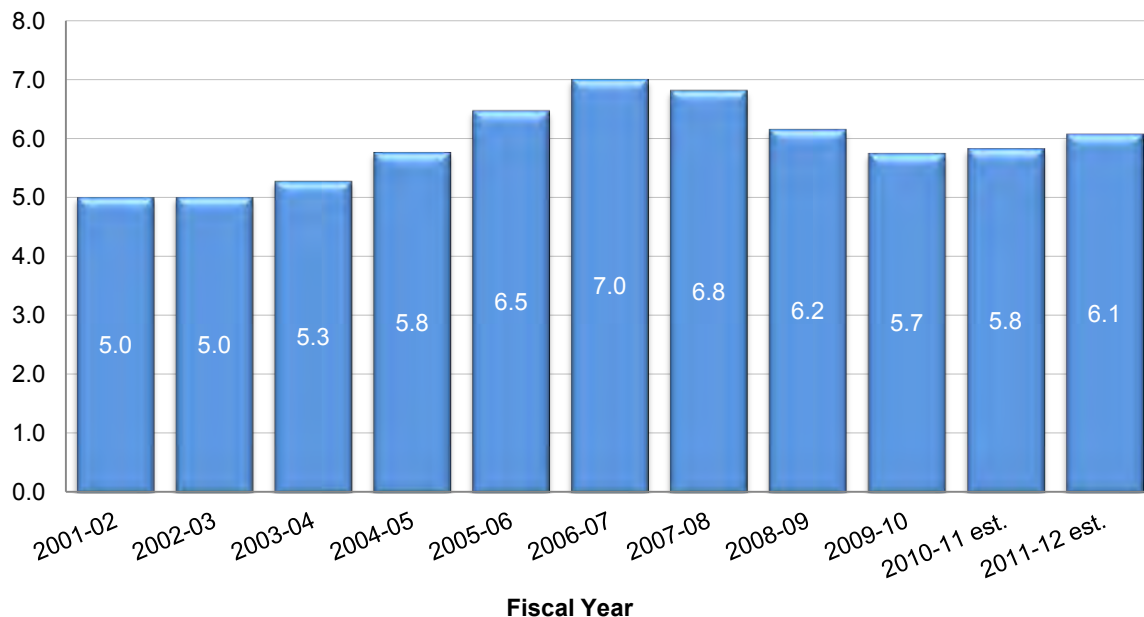
Assumptions

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 2011-12 estimate reflects moderate improvement in the local economy.

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

Performing Arts Tax

\$ Millions



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.	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	9,422,203	(5.3)
	2010-11 est.	9,157,112	(2.8)
	2011-12 est.	8,142,645	(11.1)

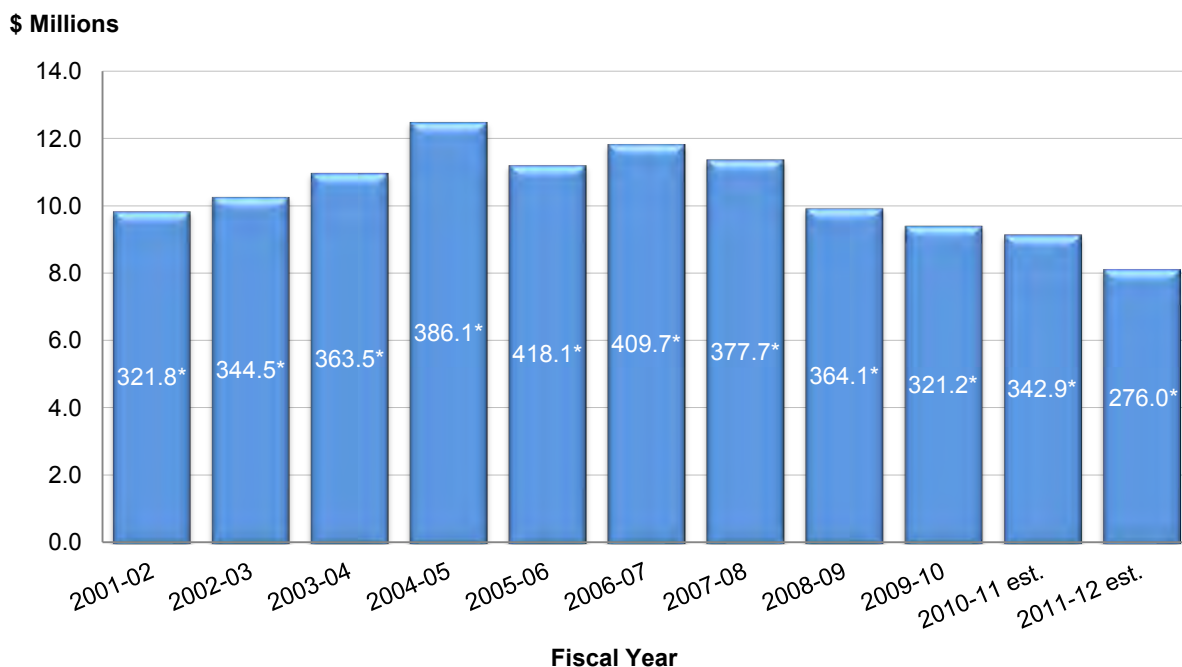
Assumptions

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. HURF revenues are a major source of funding to the state for highway construction, highway maintenance and improvements, and other highway-related expenditures. More than half of the revenue is used for these state purposes.

Of the remaining 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. The large drop in FY 2011-12 is primarily due to an increase in the state budget allocation of HURF funds for the state Department of Public Safety, which reduces the amount available for other statutory distributions.

Major Influences: Population, State Statute, Economy and Gasoline Sales

Highway User Tax



* Total State Shared Highway User Tax Revenue Pool distributed to Cities/Towns

Local Transportation Assistance Fund

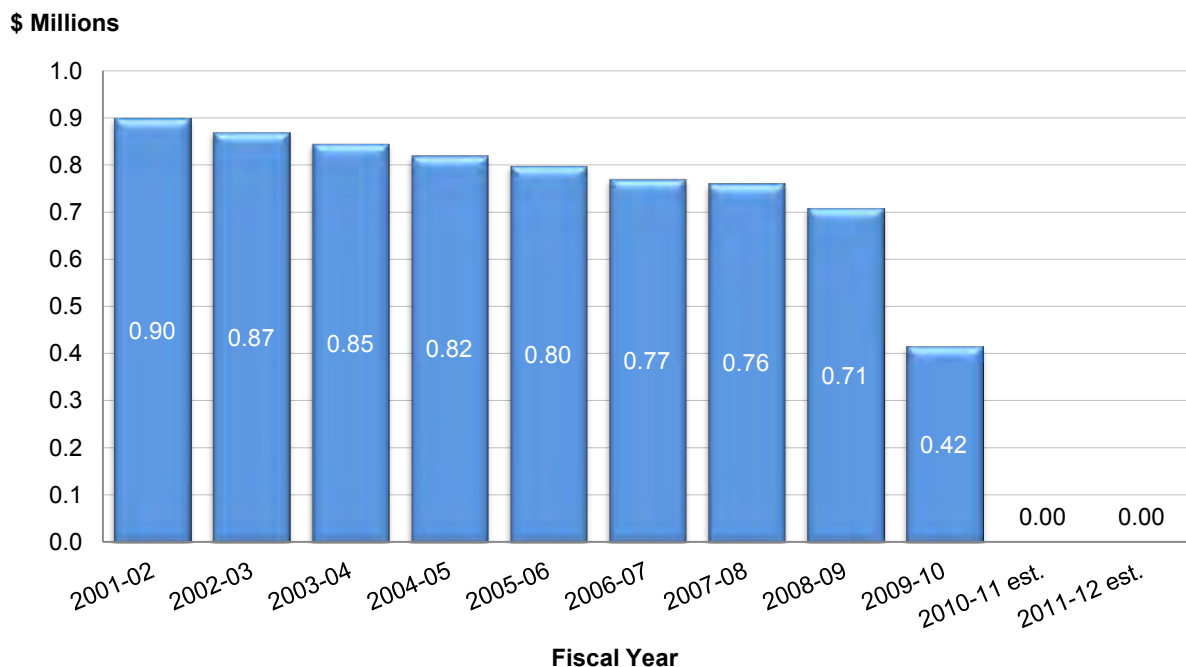
Restrictions	Fiscal Year	Amount	Percent Change
Proceeds can be used only for street and highway projects, for any construction or reconstruction in the public rights-of-way as well as transit programs.	2001-02	\$900,415	(6.0)
	2002-03	870,471	(3.3)
	2003-04	845,814	(2.8)
	2004-05	820,811	(3.0)
	2005-06	798,826	(2.7)
	2006-07	771,039	(3.5)
	2007-08	761,513	(1.2)
	2008-09	709,867	(6.8)
	2009-10	416,885	(41.3)
	2010-11 est.	0	(100.0)
	2011-12 est.	0	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. State legislation passed in 2010 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.

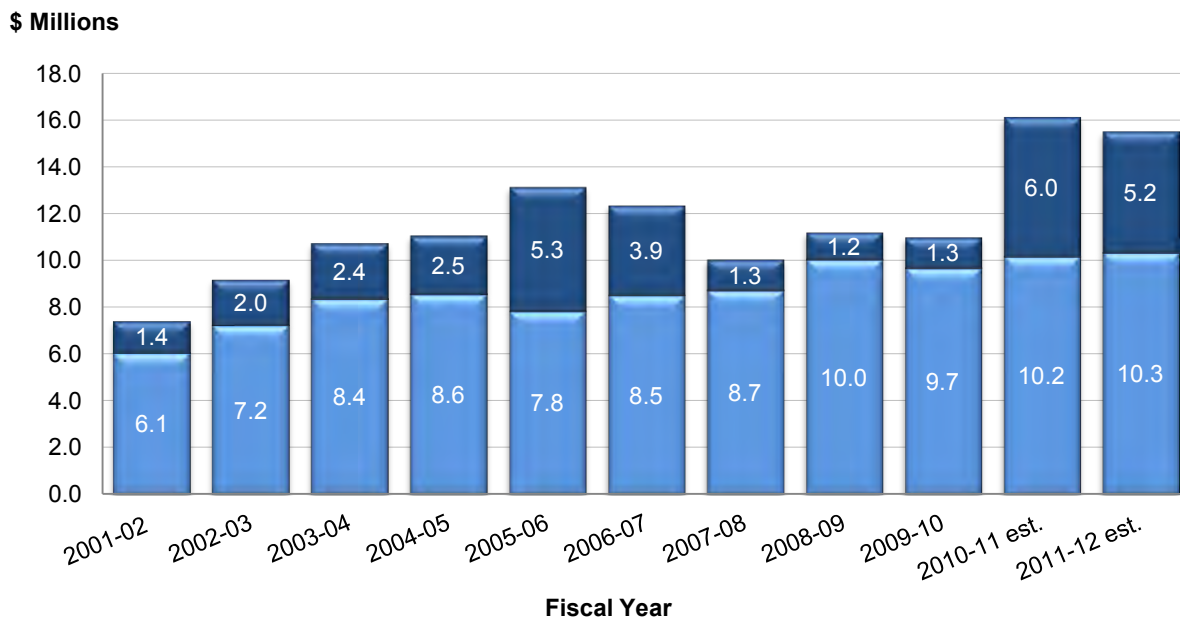
Fiscal Year	Community Development Block Grant		Section 8 Housing Grant	
	Amount	Percent Change	Amount	Percent Change
2001-02	\$1,376,648	(26.9)	\$6,061,965	17.5
2002-03	1,996,684	45.0	7,227,890	19.2
2003-04	2,412,298	20.8	8,359,523	15.7
2004-05	2,517,226	4.3	8,562,338	2.4
2005-06	5,320,983	111.4	7,840,074	(8.4)
2006-07	3,869,328	(27.3)	8,508,012	8.5
2007-08	1,341,332	(65.3)	8,722,976	2.5
2008-09	1,189,291	(11.3)	10,041,342	15.1
2009-10	1,347,768	13.3	9,674,069	(3.7)
2010-11 est.	5,975,695	343.4	10,164,454	5.1
2011-12 est.	5,209,395	(12.8)	10,334,964	1.7

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



- Section 8 Housing Grant
- Community Development Block Grant

Enterprise Revenue: Ten Year Historical Trends

Water/Wastewater User Fees

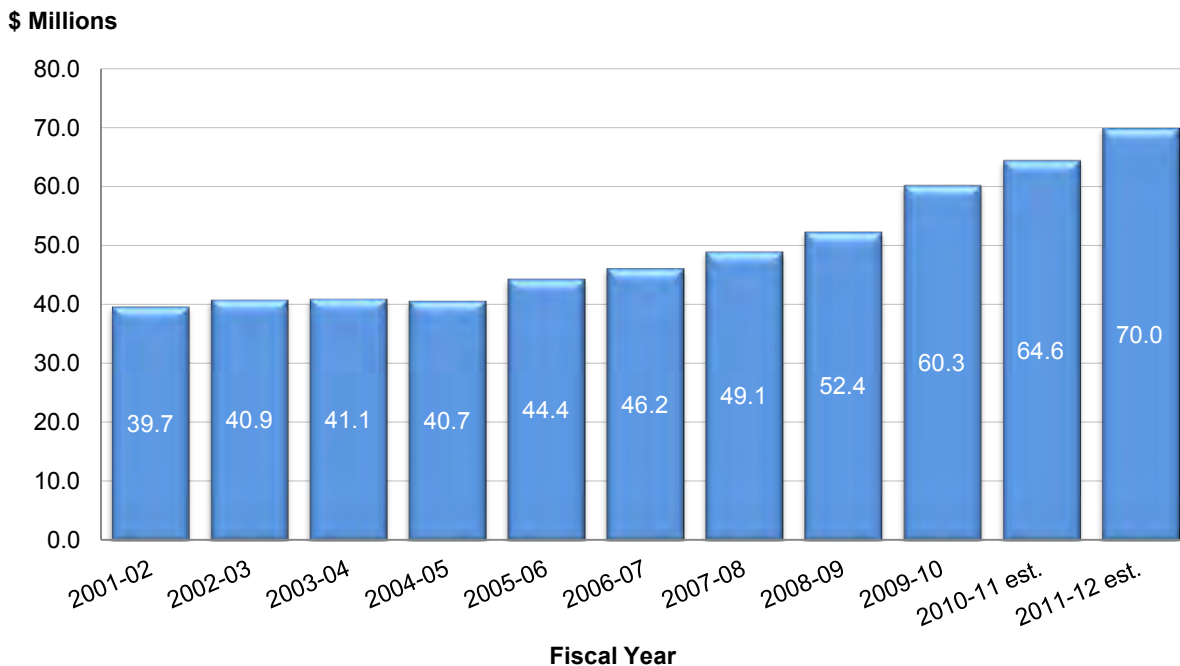
Restrictions	Fiscal Year	Amount	Percent Change
Fees can only be used to support the Water/Wastewater enterprise.	2001-02	39,716,017	(1.2)
	2002-03	40,903,968	3.0
	2003-04	41,081,389	0.4
	2004-05	40,696,171	(0.9)
	2005-06	44,396,334	9.1
	2006-07	46,180,573	4.0
	2007-08	49,083,207	6.3
	2008-09	52,407,237	6.8
	2009-10	60,330,191	15.1
	2010-11 est.	64,651,227	7.0
	2011-12 est.	69,997,104	8.4

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.	2001-02	9,979,359	4.3
	2002-03	10,496,774	5.2
	2003-04	11,014,949	4.9
	2004-05	12,054,563	9.4
	2005-06	12,989,827	7.8
	2006-07	13,820,128	6.4
	2007-08	14,669,542	6.1
	2008-09	15,130,988	3.1
	2009-10	15,242,801	0.7
	2010-11 est.	15,047,601	(1.4)
	2011-12 est.	15,076,809	0.2

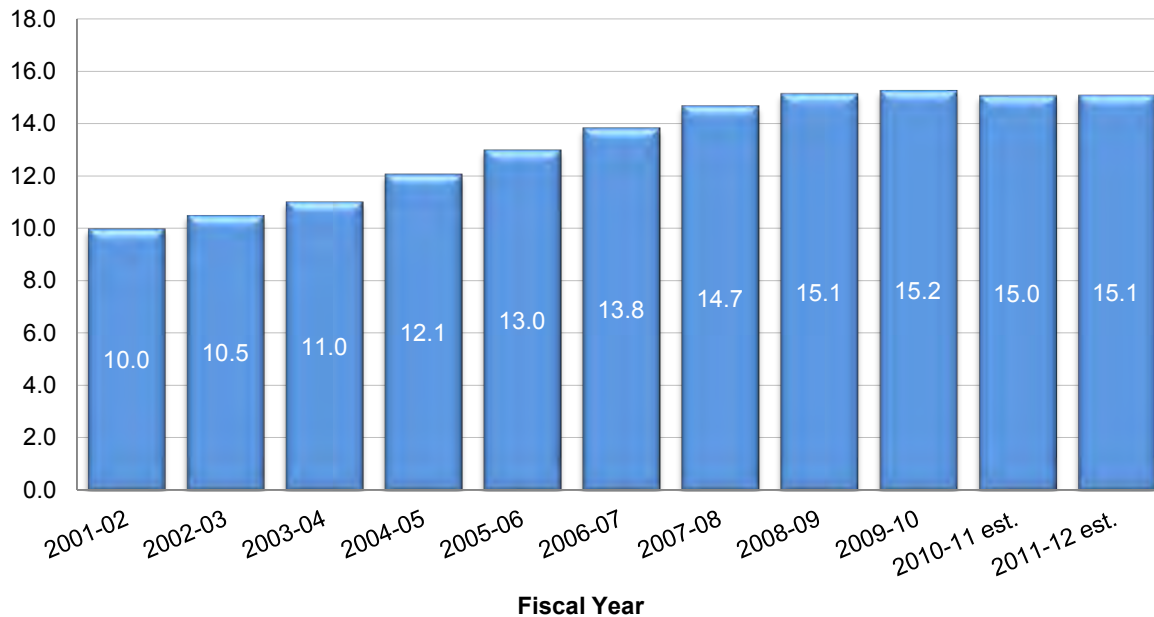
Assumptions

The collection and disposal of solid waste constitutes the City's second largest enterprise operation. Revenue derives from user fees for residential, commercial, roll-off, and uncontained solid waste service.

Major Influences: Population, Rate Policy, and Commercial Market/Competition

Solid Waste Fees

\$ Millions



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
2001-02	\$767,285	(6.7)	\$1,006,532	(0.9)
2002-03	765,776	(0.2)	1,083,783	7.7
2003-04	739,705	(3.4)	1,061,049	(2.1)
2004-05	720,663	(2.6)	1,025,508	(3.3)
2005-06	737,699	2.4	1,012,161	(1.3)
2006-07	712,171	(3.5)	976,892	(3.5)
2007-08	694,389	(2.5)	958,956	(1.8)
2008-09	668,736	(3.7)	971,948	1.4
2009-10	545,788	(18.4)	824,027	(15.2)
2010-11 est.	414,799	(24.0)	725,144	(12.0)
2011-12 est.	563,293	35.8	913,535	26.0

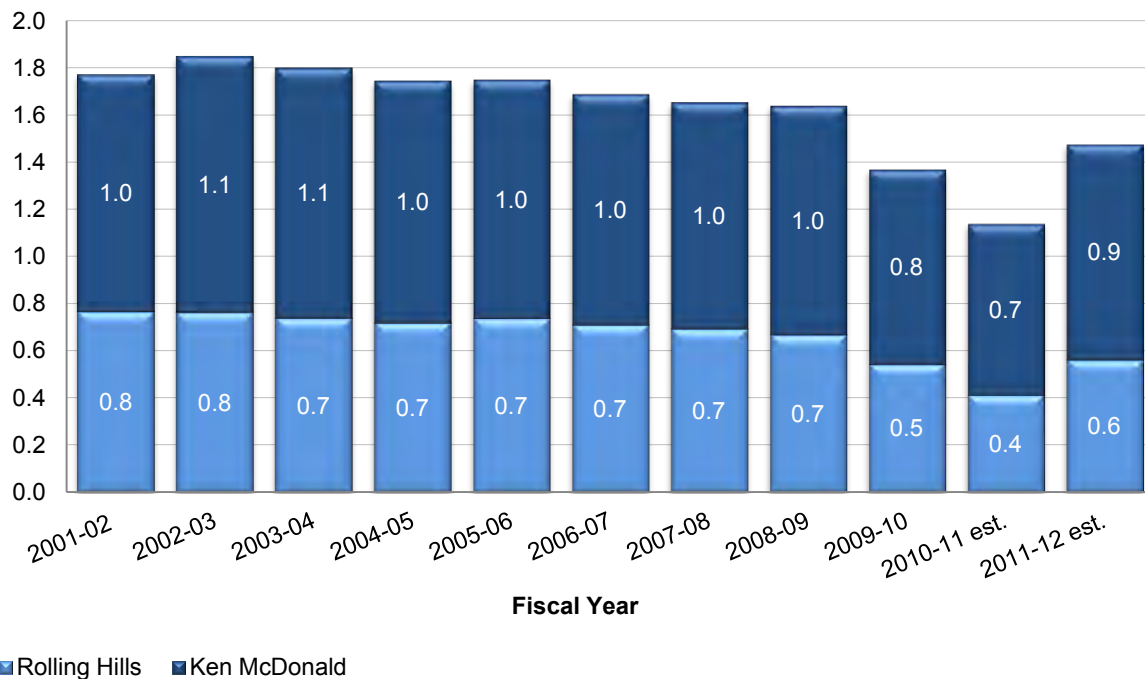
Assumptions

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. The FY 2011-12 projection assumes both a new rate structure and increased rounds of play resulting from a new golf management contract.

Major Influences: Competition from Other Golf Courses, Weather, and City Fee Policy

Golf Course Fees

\$ Millions





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Performance Budget Summary

As expected from a service oriented organization, personal services or salaries, wages, and benefits comprise 54% or \$155.8 million, the largest share of budgeted departmental expenditures.

Department	Personal Services	Supplies/Services/Contributions	Capital Outlay	Internal Services	Total FY 2011-12 Budget
Mayor and Council	\$374,539	\$9,931		(\$61,849)	\$322,621
City Manager	538,565	1,650		(258,770)	281,445
City Attorney	2,796,732	75,639		31,744	2,904,115
City Clerk	363,402	524,727		29,654	917,783
City Court	2,691,456	666,334		429,990	3,787,780
Community Development	7,516,284	16,900,473	6,300	3,016,344	27,439,401
Community Relations Office	1,957,616	582,624		212,745	2,752,985
Community Services	13,929,105	3,378,787		2,982,312	20,290,204
Diversity Office	340,818	78,374		30,560	449,752
Finance and Technology	12,148,183	11,445,672	85,500	(17,797,432)	5,881,923
Fire	22,488,233	2,454,858	93,400	1,317,783	26,354,274
Human Resources	2,127,830	270,668		(357,320)	2,041,178
Internal Audit Office	380,471	5,540		19,491	405,502
Police	50,674,330	5,480,110		8,863,845	65,018,285
Public Works	36,888,487	84,807,904	3,517,148	4,701,933	129,915,472
Tempe Learning Center	600,182	70,563		(132,568)	538,177
Total Departmental	\$155,816,233	\$126,753,854	\$3,702,348	\$3,028,462	\$289,300,897
Debt Service		66,427,628			66,427,628
Non-Departmental	936,256	4,709,884		882,784	6,528,924
Contingencies		1,000,000			1,000,000
Total Operating Budget	\$936,256	\$72,137,512	\$0	\$882,784	\$73,956,552
Capital Improvements				\$49,337,804	\$49,337,804
Total Financial Program	\$156,752,489	\$198,891,366	\$3,702,348	\$53,249,050	\$412,595,253

Per Capita Performance

The citywide budget for FY 2011-12 totals \$412.6 million. This represents a per capita decline of 1.9% compared to the FY 2010-11 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.

	FY 2009-10	FY 2010-11	FY 2010-11	FY 2011-12
Department	Actual	Budget	Revised	Budget
Mayor and Council	\$2.39	\$1.97	\$1.87	\$1.99
City Manager	1.99	1.69	1.55	1.74
City Attorney	21.78	17.99	17.36	17.92
City Clerk	4.84	4.60	2.58	5.66
City Court	26.16	22.30	21.95	23.38
Community Development	143.45	159.95	136.73	169.35
Community Relations Office	22.26	18.05	17.37	16.99
Community Services	144.85	125.77	117.10	125.23
Diversity Office	3.22	2.73	2.71	2.78
Finance and Technology	36.89	33.81	35.06	36.30
Fire	164.85	157.51	155.61	162.65
Human Resources	16.86	15.62	17.68	12.60
Internal Audit Office	3.18	2.57	2.27	2.50
Police	443.36	410.18	396.63	401.28
Public Works	834.84	848.46	779.18	801.81
Tempe Learning Center	0.00	0.00	2.93	3.32
Total Departmental Per Capita	\$1,870.93	\$1,823.20	\$1,708.58	\$1,785.50
Debt Service	368.65	431.63	410.88	409.98
Non-Departmental	49.05	35.77	40.63	40.30
Contingencies	0.00	6.18	0.00	6.17
Total Operating Per Capita	\$2,288.63	\$2,296.78	\$2,160.10	\$2,241.94
Capital Improvements	\$596.68	\$298.45	\$298.45	\$304.50

Performance Benchmarking

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.

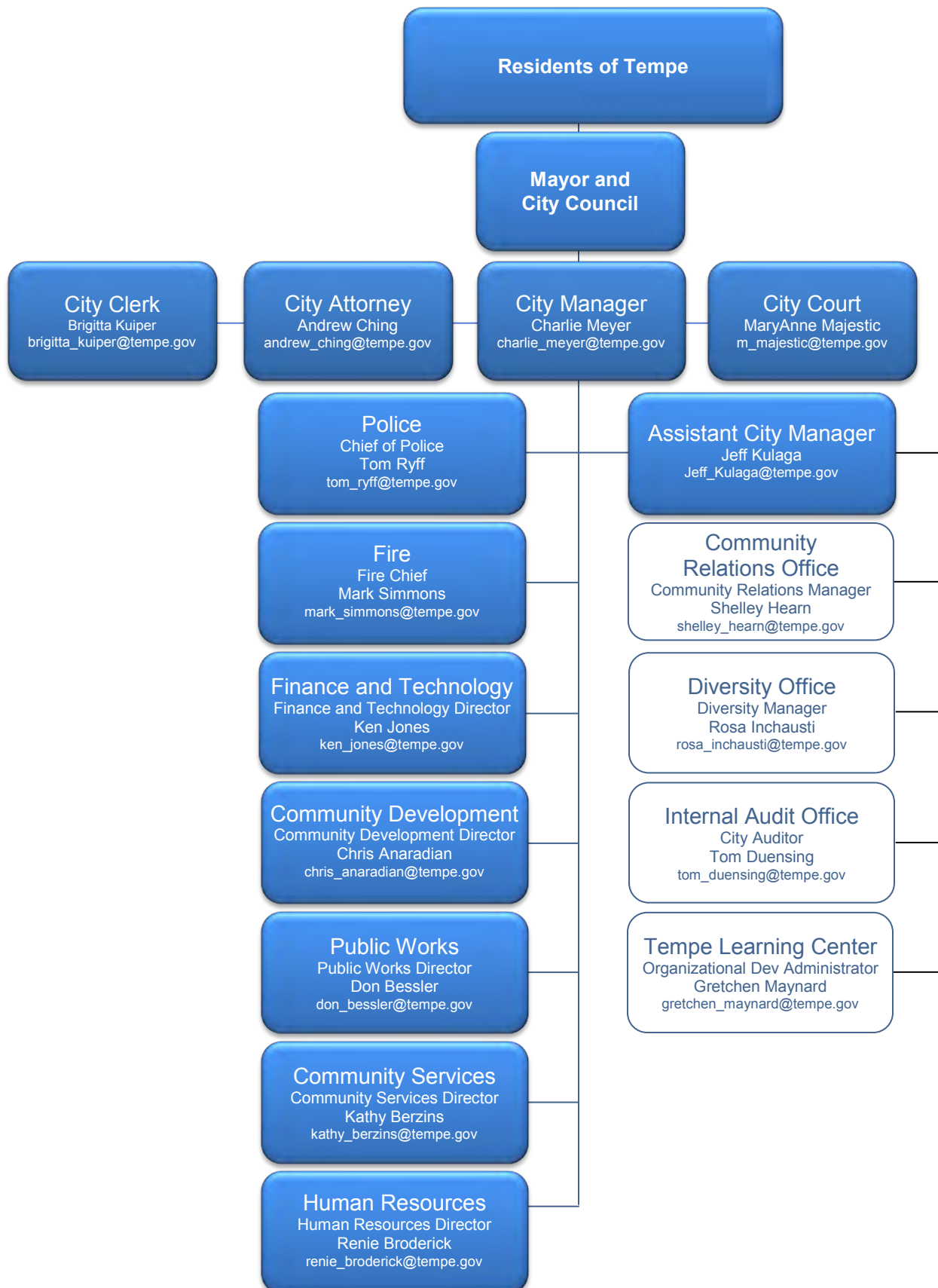
The survey questions were designed to assess the respondents' ratings regarding their level of satisfaction for each particular service and their rating of relative importance. Improvements will be emphasized in those areas where levels of satisfaction were relatively low and the perceived importance 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.

Most recently, efforts have been directed at the development of a comprehensive performance management system that focuses on execution and gaining results. Critical goals and performance are measured, tracked, and align with departmental priorities that close a performance gap to create opportunities.

This renewed focus on outcomes and gaining results 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.

City Organizational Chart



Mayor and Council

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction of \$2,000 in funding for miscellaneous supplies

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	440,234	\$371,904	360,135	374,539
Supplies and Services	11,669	11,981	10,435	9,931
Internal Services	(66,035)	(65,972)	(67,609)	(61,849)
Expenditure Total	\$385,868	\$317,913	\$302,961	\$322,621
Per Capita	\$2.39	\$1.97	\$1.87	\$1.99

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 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		
Total	7			7			7		

Related Strategic Issue: All Council Committees

Goal: To enact policy decisions that maximize overall resident satisfaction with life in the City

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

Measures*	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Resident satisfaction with the appearance of the City	85%	85%	83%	83%
Resident satisfaction with the image of the City	83%	85%	84%	84%
Resident satisfaction with how well the City is planning growth	60%	61%	58%	58%
Resident satisfaction with quality of life in the City	85%	86%	84%	84%
Resident satisfaction with the feeling of safety in the City	71%	72%	69%	69%
Resident satisfaction with the leadership of elected officials	63%	65%	61%	61%
Resident satisfaction with the direction the City is heading	65%	66%	66%	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 90% of phone calls within 24 hours of receipt; 2) respond to 90% of email inquiries within 72 hours of receipt; 3) respond to 90% of mail/letter inquiries within five working days; 4) respond to 90% of all Council emails within 24 hours of receipt; and 5) respond to 90% of all Council voicemails within 24 hours of receipt

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Calls responded to within 24 hours	90%	95%	90%	90%
Email inquiries responded to within 72 hours	90%	95%	90%	90%
Mail/letter inquiries responded to within five working days	93%	97%	90%	90%
Council Communicator emails responded to within 24 hours of receipt	93%	98%	90%	90%
Council Communicator voicemails responded to within 24 hours of receipt	93%	98%	90%	90%

City Manager

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction of \$5,400 in funding for contracted services budget

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$590,258	\$545,281	\$523,274	\$538,565
Supplies and Services	748	1,650	1,650	1,650
Internal Services	(273,273)	(273,160)	(273,852)	(258,770)
Expenditure Total	\$321,832	\$273,771	\$251,072	\$281,445
Per Capita	\$1.99	\$1.69	\$1.55	\$1.74

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Manager	3			4			4		
Total	3			4			4		

Related Strategic Issue: All Council Committees

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

Objective: To achieve a rating of 90% or greater in resident overall satisfaction with citywide services

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Satisfaction with overall quality of City services*	90%	90%+	89%	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

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- \$25,000 reduction to salaries and benefits budget for two Assistant City Attorney positions

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$3,301,142	\$2,764,037	\$2,691,826	\$2,796,732
Supplies and Services	98,736	91,239	71,284	75,639
Internal Services	116,096	54,229	44,665	31,744
Expenditure Total	\$3,515,974	\$2,909,505	\$2,807,775	\$2,904,115
Per Capita	\$21.78	\$17.99	\$17.36	\$17.92

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Attorney	24	1.75		23	1.75		23	1.75	
Total	24	1.75		23	1.75		23	1.75	

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To provide prompt legal services**Objective:** To achieve a 98% satisfaction rating from departments responding to the Civil Client Satisfaction Survey

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Departments indicating a positive response to promptness	95%	98%	98%	98%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To provide excellent customer service**Objective:** To target 100% satisfaction rating from departments responding to the Civil Client Satisfaction Survey

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Departments indicating a positive response to courteous and approachable services	95%	100%	93%	100%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To provide prompt disposal of DUI cases**Objective:** To dispose of 100% of DUI cases within 180 days

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
DUI cases disposed of within 180 days	100%	100%	100%	100%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To increase victim's rights satisfaction rating**Objective:** To achieve an 85% victim's rights satisfaction rating

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Victim's rights satisfaction rating	80%	85%	80%	85%

City Clerk

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction of \$5,600 in funding for advertising

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$580,793	\$349,110	\$344,577	\$363,402
Supplies and Services	154,786	370,324	49,098	524,727
Internal Services	44,840	25,194	23,879	29,654
Expenditure Total	\$780,419	\$744,628	\$417,554	\$917,783
Per Capita	\$4.84	\$4.60	\$2.58	\$5.66

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Clerk	4		0.58	4		0.58	4		0.58
Total	4		0.58	4		0.58	4		0.58

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To keep City staff and appointed officials informed and up-to-date on the legal requirements for public bodies

Objective: To provide semi-annual training to Board and Commission appointees and City staff regarding Arizona's Open Meeting Law, ethics and parliamentary procedure

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Number of training sessions	N/A	N/A	N/A	2

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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

Objective: To process all public records requests received within two business days and to provide training to designated City staff

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Public records requests processed within two business days	N/A	N/A	N/A	95%
Number of training sessions	N/A	N/A	N/A	2

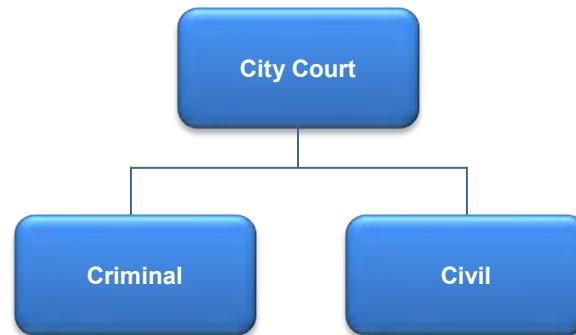
Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To evaluate technological advances that would improve the efficiency and effectiveness of the City Clerk's Office

Objective: To research and implement improvements to processes in City Clerk operations for City Council agendas, public records requests, board and commission training, and records management

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Process improvements implemented	N/A	N/A	N/A	4

City Court



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 2011-12 Budget Highlights:

The approved amount includes the following change:

- miscellaneous efficiency reductions totaling \$10,340

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$3,173,415	\$2,586,178	\$2,531,027	\$2,691,456
Supplies and Services	522,339	583,594	603,971	666,334
Internal Services	527,323	436,078	414,691	429,990
Expenditure Total	\$4,223,077	\$3,605,850	\$3,549,689	\$3,787,780
Per Capita	\$26.16	\$22.29	\$21.95	\$23.38

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
City Court - Administration	\$2,279,979	\$1,848,988	\$1,767,631	\$1,971,929
Criminal	813,875	724,253	715,975	726,163
Civil	1,129,221	1,032,609	1,066,083	1,089,688
Expenditure Total	\$4,223,077	\$3,605,850	\$3,549,689	\$3,787,780

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
City Court	38		4.06	38		4.06	38		4.06
Total	38		4.06	38		4.06	38		4.06

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**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

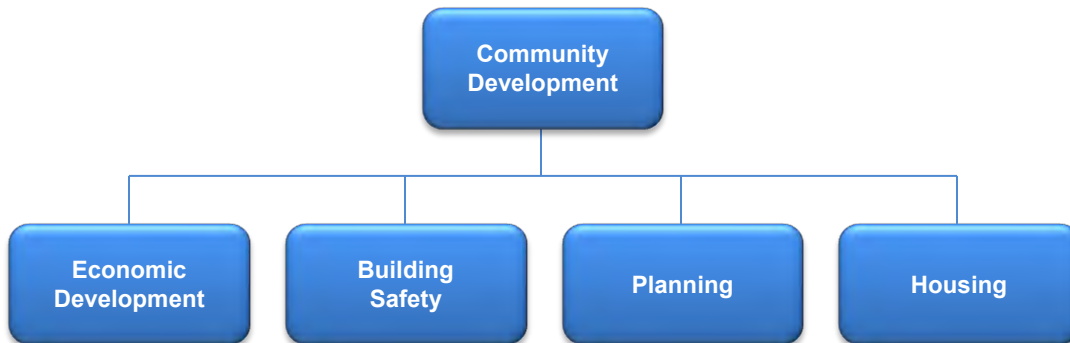
Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Total number of filings	102,899	103,000	99,018	103,000
Total number of dispositions	113,444	100,940	96,484	100,940
Clearance ratio	110%	98%	97%	98%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Total obligations imposed	\$12,026,488	\$12,500,000	\$14,095,611	\$12,316,727
Total payments processed*	\$9,908,436	\$10,625,000	\$11,029,999	\$10,469,218
Collection rate	82.38%	85%	78.25%	85%

*Payments processed include:
 -Restitution owed to victims
 -Surcharges to State of Arizona
 -Surcharges to Maricopa County
 -Revenue to City

Community Development

**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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$10,041,450	\$7,811,821	\$7,819,522	\$7,516,284
Supplies and Services	11,271,428	16,177,902	12,889,000	16,916,885
Contributions	534,359	825,038	472,062	616,500
Capital Outlay	23,463	19,500		6,300
Internal Services	1,283,507	1,032,766	930,647	2,383,432
Expenditure Total	\$23,154,207	\$25,867,027	\$22,111,231	\$27,439,401
Per Capita	\$143.45	\$159.95	\$136.73	\$169.34

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration/Economic Development	\$1,918,805	\$1,248,712	\$1,502,531	\$3,798,158
Building Safety	2,974,531	2,517,026	2,435,324	2,525,781
Planning	6,802,838	5,683,340	5,409,979	4,113,533
Housing	11,458,033	16,417,949	12,763,397	17,001,929
Expenditure Total	\$23,154,207	\$25,867,027	\$22,111,231	\$27,439,401

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Economic Development	10		1.00	7			8		
Building Safety	28		0.66	24		0.66	24		0.66
Planning	40	0.50	7.35	33		3.35	30		2.86
Housing	17	1.60		18	1.60		16	1.60	
Total	95	2.10	9.01	82	1.60	4.01	78	1.60	3.52

Community Development

Administration/Economic Development

The Administration Division is responsible for management of all divisions within the department, including Tempe Town Lake administration and oversight of the Community Facilities District. 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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- reorganization of the Rio Salado administrative functions from the Planning division to Administration
- elimination of a Rio Salado Manager position
- elimination of a Development Services liaison position
- reduction of \$15,000 in various base budget line items
- transfer of a Rio Salado Financial Analyst from the Planning Division

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$1,475,897	\$799,621	\$1,085,987	\$944,858
Supplies and Services	66,006	110,505	89,766	994,571
Contributions	163,914	165,419	165,419	197,419
Capital Outlay	39			2,000
Internal Services	212,949	173,167	161,359	1,659,310
Expenditure Total	\$1,918,805	\$1,248,712	\$1,502,531	\$3,798,158
Per Capita	\$11.89	\$7.72	\$9.29	\$23.44

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Economic Development	10		1.00	7			8		
Total	10		1.00	7			8		

Related Strategic Issue: Technology, Economic and Community Development

Goal: To expand, diversify and drive investment in the Tempe economy

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Opportunities to retain Tempe businesses	N/A	55	14	30
Percent change		-	(75%)	114%
Jobs generated by new companies	N/A	1,200	1,440	1,500
Percent change		-	20%	4%
New businesses brought to Tempe	N/A	12	10	12
Percent change		-	(17%)	20%
Successful business retention and expansions	N/A	12	5	10
Percent change		-	(58%)	100%

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

Community Development

Building Safety

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 2011-12 Budget Highlights:

No changes in staffing levels

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$2,399,014	\$2,150,700	\$2,085,939	\$2,182,803
Supplies and Services	68,682	73,482	71,170	61,850
Capital Outlay	1,801			
Internal Services	505,034	292,844	278,215	281,128
Expenditure Total	\$2,974,531	\$2,517,026	\$2,435,324	\$2,525,781
Per Capita	\$18.43	\$15.56	\$15.06	\$15.59

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Building Safety	28		0.66	24		0.66	24		0.66
Total	28		0.66	24		0.66	24		0.66

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Building inspections completed within one day of request	100%	100%	100%	100%
Plan reviews processed within agreed time frame	97%	95%	91%	95%
Complete all preliminary site plan reviews by due date	100%	95%	100%	95%
Complete and submit all reports to City Clerk on time	100%	100%	100%	100%
Customers served within five minutes of arrival	99%	100%	99%	100%
Accuracy of front counter activities	96%	95%	92%	95%

Community Development

Planning

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- elimination of two full-time Senior Transportation Planners
- transfer Rio Salado Financial Analyst position to Administration
- transfer 10% funding of a Deputy Community Development Director from the General Fund to the CDBG/Section 8 programs
- transfer 50% funding of a Senior Planner from the General Fund to the CDBG program
- transfer 50% funding of a Senior Transportation Planner from the Transit Fund to the General Fund
- reduction of \$10,000 in various base budget line items
- elimination of 0.49 FTE in wages

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$5,037,673	\$3,634,576	\$3,435,197	\$3,241,147
Supplies and Services	1,137,700	1,414,161	1,317,046	314,470
Contributions	188,001	261,071	261,071	249,575
Internal Services	21,418			1,200
Capital Outlay	418,046	373,532	396,665	307,141
Expenditure Total	\$6,802,838	\$5,683,340	\$5,409,979	\$4,113,533
Per Capita	\$42.15	\$35.14	\$33.45	\$25.39

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Planning	40	0.50	7.35	33		3.35	30		2.86
Total	40	0.50	7.35	33		3.35	30		2.86

Related Strategic Issue: Technology, Economic and Community Development

Goal: To obtain compliance with City codes that relate to nuisances, property enhancements, rental housing and zoning ordinance requirements

Objective: 1) To resolve code issues within 40 days or less; 2) close 100% of code enforcement cases received; and 3) achieve a 99% voluntary compliance rate for property owners cited with a code violation

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Number of days to resolve code violations	27	30	27	30
Code enforcement cases received	6,303	4,913	4,915	4,913
Code enforcement cases closed	6,709	4,810	4,800	4,810
Percent closed	93%	90%	91%	90%
Cases per inspector per month	48	68	65	68
Code violation voluntary compliance rate	97%	95%	95%	95%

Related Strategic Issue: Housing and Social Service Programs

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

Objective: 1) To maintain a minimum 50/50 ratio between proactive and reactive code responses; 2) minimize the resident level of dissatisfaction with the maintenance of residential property in their neighborhood to less than 18%; and 3) minimize the resident level of dissatisfaction with the responsiveness of code enforcement complaints to less than 27%

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Ratio between proactive and reactive code responses	44/56	30/70	41/59	30/70
Resident dissatisfaction with the maintenance of private property in their neighborhood*	18%	<18%	18%	<18%
Dissatisfaction of the code enforcement for property maintenance codes	29%	<27%	28%	<27%

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

Community Development

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- elimination of an Administrative Assistant position
- elimination of a Housing Supervisor position
- transfer 50% funding for one Principal Planner position from the CDBG program to the General Fund
- transfer 50% funding for one Senior Planner position from the General Fund to the CDBG program

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$1,128,864	\$1,226,924	\$1,212,399	\$1,147,476
Supplies and Services	9,999,041	14,609,263	11,347,018	15,528,705
Contributions	182,444	462,548	109,572	219,506
Capital Outlay	206	19,500		3,100
Internal Services	147,478	99,714	94,408	103,142
Expenditure Total	\$11,458,033	\$16,417,949	\$12,763,397	\$17,001,929
Per Capita	\$70.99	\$101.52	\$78.92	\$104.93

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Housing	17	1.60		18	1.60		16	1.60	
Total	17	1.60		18	1.60		16	1.60	

Related Strategic Issue: Housing and Social Service Programs, Neighborhood Quality of Life and Revitalization

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 10%

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Decent and affordable owner occupied housing units made available	5	5	5	5
Decent and affordable owner rehabilitated occupied housing units made available	5	5	5	5

Related Strategic Issue: Housing and Social Service Programs, Neighborhood Quality of Life and Revitalization

Goal: To ensure the City's commitment to meet housing needs

Objective: 1) To provide rental subsidies; 2) provide homeless support services across the entire spectrum of need, from homelessness to self-sufficiency, with the continued emphasis on homeless prevention; 3) increase the availability of affordable, quality housing stock; and 4) be aggressive and creative in finding ways to increase ongoing local funding resources for low income and special needs housing

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Rental subsidy assistance/Housing Choice Vouchers (HCV)	100%	100%	99.8%	100%
Family Self-Sufficiency (FSS) program participation and initiatives	56	23	56	23
Families graduated from FSS program	6	5	6	6
Homeless services, resources and outreach	250	250	378	378
Units of Supportive Housing Program (SHP) rental subsidy assistance	20	35	44	35
Grants and programs for affordable housing (HVC grant, FSS grant, HPRP grant, Indian Gaming grant, HOPE funding, PBV program)	5	5	5	6

Related Strategic Issue: Housing and Social Service Programs, Neighborhood Quality of Life and Revitalization

Goal: To increase homeownership within the City, revitalize and preserve neighborhoods, and help low and moderate income families build wealth through their investment in homeownership

Objective: To ensure homebuyers have the information, education, and counseling services through partnerships with local nonprofit organizations and financial institutions

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Households becoming homeowners with HOME funding	8	14	14	12
Families receiving U.S. Department of Housing and Urban Development (HUD) housing counseling	120	150	113	120

Community Relations Office



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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$2,337,363	\$1,968,449	\$1,945,262	\$1,957,616
Supplies and Services	914,872	622,404	553,327	458,842
Contributions	111,942	122,343	112,343	123,782
Internal Services	229,410	206,628	197,843	212,745
Expenditure Total	\$3,593,587	\$2,919,824	\$2,808,775	\$2,752,985
Per Capita	\$22.26	\$18.05	\$17.37	\$16.99

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Community Relations-Administration/ Mayor and Council Staff	\$1,376,387	\$1,050,753	\$938,859	\$1,036,155
Neighborhood Services	267,234	226,364	335,655	354,027
Communication and Media Relations	1,949,965	1,642,707	1,534,261	1,362,803
Expenditure Total	\$3,593,587	\$2,919,824	\$2,808,775	\$2,752,985

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Community Relations-Administration/ Mayor and Council Staff	9		0.98	6		0.49	7		0.49
Neighborhood Services	2			7			8		
Communication and Media Relations	14		0.85	11		0.85	10		0.85
Total	25		1.83	24		1.34	25		1.34

Community Relations Office**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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- \$3,000 reduction in wages budget
- miscellaneous fees and services budget reductions of \$14,000
- addition of one new full time Government Relations Coordinator position

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$991,083	\$735,071	\$698,990	\$781,972
Supplies and Services	187,800	141,189	76,831	69,796
Contributions	104,135	106,930	98,930	114,119
Internal Services	93,369	67,563	64,108	70,268
Expenditure Total	\$1,376,387	\$1,050,753	\$938,859	\$1,036,155
Per Capita	\$8.53	\$6.50	\$5.81	\$6.39

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Community Relations-Administration/ Mayor and Council Staff	9		0.98	6		0.49	7		0.49
Total	9		0.98	6		0.49	7		0.49

Community Relations Office

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- transfer of one Community Outreach/Marketing Coordinator position from Media Relations

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$242,522	\$204,271	\$311,951	\$326,055
Supplies and Services	9,202	8,700	10,981	10,981
Internal Services	15,510	13,393	12,723	16,991
Expenditure Total	\$267,234	\$226,364	\$335,655	\$354,027
Per Capita	\$1.66	\$1.40	\$2.08	\$2.18

	2009-10 Actual			2010-11 Revised			2011-12 Budget		
Authorized Personnel	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Neighborhood Services	2			7			8		
Total	2			7			8		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To preserve and improve neighborhoods by engaging residents in civic life and making government accessible and responsive

Objective: 1) To increase participating households by 1%; 2) strengthen a sense of community by collaborating with neighborhood and homeowners' associations on neighborhood initiated projects, neighborhood association mailings, a listserv and 95% attendance at neighborhood association meetings; 3) return resident contacts within 24 hours, 95% of the time; and 4) provide an 80% single point of call resolution from Tempe 311

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Participating households	37,044	37,000	38,104	38,485
Percent change	1.0%	1.3%	2.9%	1.0%
Grant applications received	48	35	19	25
Neighborhood association mailings	40,760	40,000	37,000	40,000
Neighborhood association meetings attended (percent of total)	95%	95%	97%	95%
Resident contact returned in 24 hours	98%	95%	98%	95%
Tempe 311 single point of contact resolution	N/A	80%	72%	80%

Community Relations Office

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- transfer of one Community Outreach/Marketing Coordinator position to Neighborhood Services

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$1,103,758	\$1,029,107	\$934,321	\$849,589
Supplies and Services	717,870	472,515	465,515	378,065
Contributions	7,807	15,413	13,413	9,663
Internal Services	120,530	125,672	121,012	125,486
Expenditure Total	\$1,949,965	\$1,642,707	\$1,534,261	\$1,362,803
Per Capita	\$12.08	\$10.16	\$9.49	\$8.41

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Communication and Media Relations	14		0.85	11		0.85	10		0.85
Total	14		0.85	11		0.85	10		0.85

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

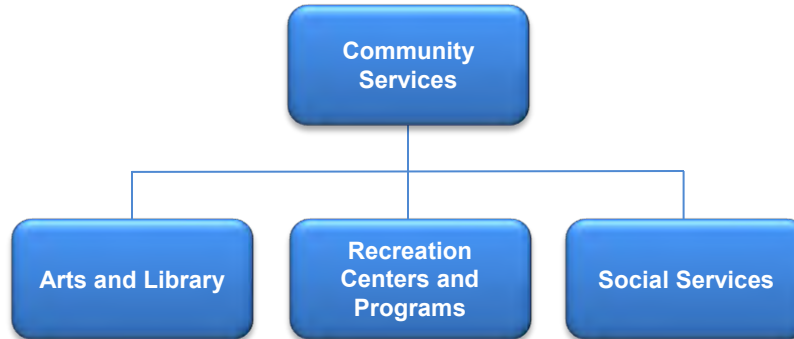
Goal: 1) To keep Tempe residents, the general public, City employees and the media informed about City issues, programs, community events and organizational changes; and 2) position the City positively locally, regionally and nationally

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Resident satisfaction with the availability of information about City programs and services*	70%	70%	70%	70%
Informational pieces provided	130	115	130	115
Tempe 11 electronic program guide accuracy and playback reliability	99%	98%	98%	98%
Tempe 11 produced video packages	N/A	90	108	90
Video-on-Demand access of public meetings within one working day	98%	98%	98%	98%

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

Community Services



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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$16,698,043	\$14,151,252	\$13,214,869	\$13,929,105
Supplies and Services	3,207,940	3,307,839	2,981,859	3,366,897
Contributions	36,010	10,390	10,390	11,890
Internal Services	3,438,029	2,869,186	2,729,784	2,982,312
Expenditure Total	\$23,380,022	\$20,338,667	\$18,936,902	\$20,290,204
Per Capita	\$144.85	\$125.77	\$117.10	\$125.23

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration	\$551,720	\$279,963	\$379,696	\$434,854
Arts and Library	7,577,322	6,490,691	6,216,389	6,689,159
Recreation Centers and Programs	8,274,132	6,837,946	6,178,690	6,472,237
Social Services	6,976,848	6,730,067	6,162,127	6,693,954
Expenditure Total	\$23,380,022	\$20,338,667	\$18,936,902	\$20,290,204

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.52	2		0.52	2		0.52
Arts and Library	51	2.50	28.68	44	2.00	28.68	43	2.50	28.68
Recreation Centers and Programs	38	0.75	65.73	31	1.75	65.73	31	1.75	65.73
Social Services	43	2.40	70.76	40	2.25	70.76	40	2.25	70.76
Total	135	5.65	165.69	117	6.00	165.69	116	6.50	165.69

Community Services

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- miscellaneous fees and services budget reductions of \$7,000

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$305,966	\$120,100	\$239,938	\$247,901
Supplies and Services	62,151	63,503	46,935	56,253
Internal Services	183,603	96,360	92,823	130,700
Expenditure Total	\$551,720	\$279,963	\$379,696	\$434,854
Per Capita	\$3.42	\$1.73	\$2.35	\$2.68

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.52	2		0.52	2		0.52
Total	3		0.52	2		0.52	2		0.52

Community Services

Arts and Library

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- \$56,000 reduction to salaries and benefits budget due to the conversion of a full time Library Manager position to a half time Librarian position
- \$13,000 reduction of miscellaneous supplies and services budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$5,014,678	\$4,013,140	\$3,934,739	\$4,197,866
Supplies and Services	1,254,971	1,226,067	1,086,410	1,283,133
Internal Services	1,307,673	1,251,484	1,195,240	1,208,160
Expenditure Total	\$7,577,322	\$6,490,691	\$6,216,389	\$6,689,159
Per Capita	\$46.94	\$40.14	\$38.44	\$41.28

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Arts and Library	51	2.50	28.68	44	2.00	28.68	43	2.50	28.68
Total	51	2.50	28.68	44	2.00	28.68	43	2.50	28.68

Related Strategic Issue: Sports, Tourism, Recreation, Arts and 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>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Satisfaction with quality of library services*	84%	90%+	84%	90%
Library visitors (door count)	1,123,188	960,000	819,320	819,320
Percent change		(15%)	(15%)	0%
Registered borrowers	149,752	140,600	145,764	145,764
Percent change		(6%)	4%	0%
Circulation	1,102,045	937,500	1,001,310	1,001,310
Percent change		(15%)	7%	0%
Public Computer Usage	223,667	166,800	217,893	217,893
Percent change		(25%)	31%	0%
<i>Library FTE per 1,000 population</i>	<i>0.25</i>	<i>0.22</i>	<i>0.22</i>	<i>0.22</i>
<i>Circulation per capita</i>	<i>6.83</i>	<i>5.80</i>	<i>6.19</i>	<i>6.18</i>

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

Note: For FY 2010-11 Library hours were cut 20% from 70.5 to 56 per week. The Library materials budget was reduced 25% and Library staff reduced 19.3% (5.5 FTE's and 2.75 temporary wage positions).

Related Strategic Issue: Sports, Tourism, 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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Quantified levels of satisfaction reported by visitors and volunteers on evaluation forms	90%	90%	90%	90%
Objects catalogued	2,211	1,000	2,297	2,200
Visitors to Historical Museum and Peterson House	11,203*	14,000	20,000	22,000

*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, Tourism, 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 9%; and 3) support arts programming through grants funding of arts organizations and schools

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Satisfaction reported by attendees and participants on evaluation form	89%	90%+	88%	90%
Program enrollment	3,900	4,000	3,674	4,000
Percent change		3%	(8%)	9%
Grants provided to art organizations and schools	\$151,500	\$150,000	\$145,000	\$150,000

Community Services Department

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- \$82,000 reduction in wages budgets

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$5,651,324	\$4,799,241	\$4,164,611	\$4,297,566
Supplies and Services	1,432,890	1,348,184	1,362,247	1,380,746
Contributions	36,010	10,390	10,390	11,890
Internal Services	1,183,908	680,131	641,442	782,035
Expenditure Total	\$8,274,132	\$6,837,946	\$6,178,690	\$6,472,237
Per Capita	\$51.26	\$42.28	\$38.21	\$39.95

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Recreation Centers and Programs	38	0.75	65.73	31	1.75	65.73	31	1.75	65.73
Total	38	0.75	65.73	31	1.75	65.73	31	1.75	65.73

Related Strategic Issue: Sports, Tourism, 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 centers; 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>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Quality of City recreation centers*	83%	85%	76%	85%
Quality of City swimming pools and programs*	74%	75%	62%	75%
Quality of City recreation programs for youth*	75%	75%	70%	75%
Quality of City recreation programs for adults*	75%	75%	70%	75%
<i>Operating and Maintenance Cost per capita</i>	<i>\$51.26</i>	<i>\$42.28</i>	<i>\$38.21</i>	<i>\$39.95</i>
Recreation Services full-time staff per capita (10,000)	2.42	2.17	1.98	1.98
Parks and Recreation revenue	\$2,654,781	\$2,899,443	\$2,813,878	\$2,936,093
Program fees as a percent of expenditures	32%	42%	46%	45%

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

Community Services Department

Social Services

The Social Services Division provides a wide array of services for Tempe youth and families. Activities and services are offered to all age groups to promote positive and healthy lifestyles. Services for youth include 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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- reduction of \$10,000 in funding for wages for the partnerships program
- reduction of \$71,000 in funding for wages for the Kid Zone program
- \$23,000 reduction to miscellaneous supplies and services budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$5,726,071	\$5,218,771	\$4,875,581	\$5,185,772
Supplies and Services	487,939	670,085	486,267	646,765
Internal Services	762,838	841,211	800,279	861,417
Expenditure Total	\$6,976,848	\$6,730,067	\$6,162,127	\$6,693,954
Per Capita	\$43.22	\$41.62	\$38.10	\$41.31

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Social Services	43	2.40	70.76	40	2.25	70.76	40	2.25	70.76
Total	43	2.40	70.76	40	2.25	70.76	40	2.25	70.76

Related Strategic Issue: Neighborhood Quality of Life and Revitalization, Sports, Tourism, 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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Overall customer approval rating for the Escalante Early Education Program	95%	95%	95%	90%
Overall customer approval rating for the Escalante Summer Camp Program	93%	90%	93%	90%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Victims satisfied with services	95%	90%	95%	90%
Care 7 clients reporting satisfaction with services	94%	90%	95%	90%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization, 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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Parent evaluation survey results measures indicate "very satisfied" with the Kid Zone Enrichment Program	91%	90%	94%	90%
National accreditation evaluation survey results of "very satisfied" with the Kid Zone Enrichment Program	91%	80%	92%	80%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
New program participants	4,661	4,661	3,570	4,000
Successful program completion	80%	80%	80%	80%



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Diversity Office

Diversity Office

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- miscellaneous fees and services budget reduction of \$1,000

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$373,556	\$330,220	\$327,755	\$340,818
Supplies and Services	108,585	79,374	79,324	78,374
Internal Services	38,381	31,757	30,565	30,560
Expenditure Total	\$520,522	\$441,351	\$437,644	\$449,752
Per Capita	\$3.22	\$2.73	\$2.71	\$2.78

	2009-10 Actual			2010-11 Revised			2011-12 Budget		
Authorized Personnel	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Diversity	3	0.50		2	1.25		2	1.25	
Total	3	0.50		2	1.25		2	1.25	

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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 70% 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 85% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Residents' satisfaction with overall efforts to promote diversity*	72%	72%	65%	70%
EEOC complaints	3	<3	2	<3
Successfully remediate employee safe havens/consultations	80%	70%	90%	80%
Successfully remediate community concerns/consultations	80%	80%	90%	85%

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

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Attendants rating events above average or higher	95%	95%	95%	95%

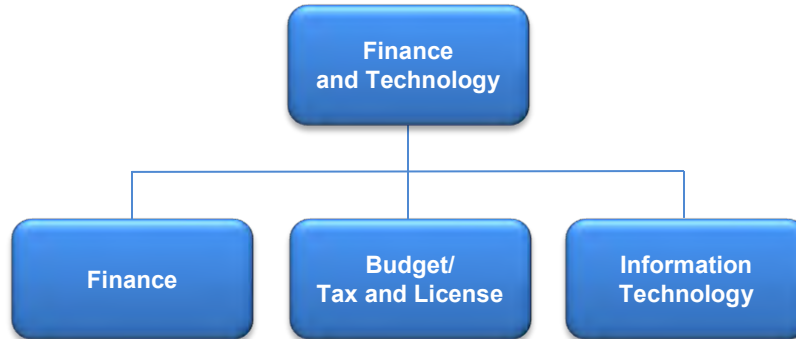
Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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; and 2) remediate internal and external ADA complaints at least 80% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Number of new ADA programs (1)	90%	90%	85%	90%
Successfully remediate community concerns/consultations	90%	80%	85%	80%

Finance and Technology



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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$14,282,746	\$12,281,451	\$11,801,553	\$12,148,183
Supplies and Services	11,786,683	11,260,241	11,232,621	11,445,672
Capital Outlay	10,013	37,800	36,789	85,500
Internal Services	(20,124,883)	(18,111,865)	(17,401,061)	(17,797,432)
Expenditure Total	\$5,954,559	\$ 5,467,627	\$5,669,902	\$5,881,923
Per Capita	\$36.89	\$33.81	\$35.06	\$36.30

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration	\$226,282	\$113,482	\$85,498	\$139,583
Finance	3,922,293	3,691,644	3,978,335	4,073,926
Budget/Tax and License	1,805,984	1,662,501	1,606,069	1,668,414
Information Technology	*	*	*	*
Expenditure Total	\$5,954,559	\$5,467,627	\$5,669,902	\$5,881,923

*Information Technology costs are fully reimbursed through interactivity credit

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	2			2			2		
Finance	46	0.50	0.63	44	0.50		44	0.50	
Budget/Tax and License	20			20			20		
Information Technology	70			65			65		
Total	138	0.50	0.63	131	0.50		131	0.50	

Finance and Technology

Administration

Administration is responsible for the overall management of the department.

FY 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction of \$1,000 in various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$329,989	\$288,964	\$277,496	\$289,794
Supplies and Services	51,089	59,027	43,036	79,835
Internal Services	(154,796)	(234,509)	(235,034)	(230,046)
Expenditure Total	\$226,282	\$113,482	\$85,498	\$139,583
Per Capita	\$1.41	\$0.70	\$0.53	\$0.86

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	2			2			2		
Total	2			2			2		

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>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration				
<i>Fund balance coverage - General Fund</i>	20%	>20%	20%	>20%
General obligation bond rating (Standard & Poor's/Moody's/Fitch)	AA+/Aa1/AAA	AA+/Aa1/AAA	AA+/Aa1/AAA	AA+/Aa1/AAA

Finance and Technology

Finance

The Finance division is 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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- reduction of \$1,000 in overtime expense
- reduction of \$48,600 in various base budget items
- additional revenue of \$50,000 consisting of procurement card rebates

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$4,102,092	\$3,641,701	\$3,798,236	\$3,759,566
Supplies and Services	5,178,714	5,361,565	5,410,365	5,473,997
Capital Outlay	3,788	33,000	36,789	85,500
Internal Services	(5292,252)	(5,344,622)	(5,267,055)	(5,245,137)
Expenditure Total	\$3,922,293	\$3,691,644	\$3,978,335	\$4,073,926
Per Capita	\$24.75	\$22.83	\$24.60	\$25.14

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Finance	46	0.50	0.63	44	0.50		44	0.50	
Total	46	0.50	0.63	44	0.50		44	0.50	

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 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 90% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Compare the purchase order dispatch date/invoice date	87%	92%	90%	90%

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Claims investigated within 7 days	100%	100%	100%	100%
Workers' Compensation claims	\$1,940,403	\$1,000,000	\$715,371	\$1,000,000
Percent change		(48%)	(28%)	40%
Subrogation recovery totals	\$196,088	\$200,000	\$221,504	\$200,000
Percent change		2%	11%	(10%)

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 85% of lower cost items through annual contracts; and 2) maintain 100% compliance with the American Bar Association Model Procurement Code

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Lower cost purchases made through annual contracts	92%	60%	85%	85%
Conformity to American Bar Association Model Procurement Code	100%	100%	100%	100%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To answer all incoming calls within the industry standard based on American Water Works Association (AWWA) Benchmarking Water Utility Customer Relations Best Practices (AWWA Research Foundation, 2006)**Objective:** 1) To answer customer calls under the AWWA industry standard of 58 seconds; and 2) maintain the abandoned call rate below the AWWA industry standard of 5.8%

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Monthly call center reports (average speed answered)	44 sec.	58 sec.	50 sec.	58 sec.
Monthly call center reports (abandoned call rate)	5.5%	<5.8%	5.8%	<5.8%

Finance and Technology

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction of \$7,250 in various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$1,799,607	\$1,715,108	\$1,664,753	\$1,733,022
Supplies and Services	79,923	69,850	69,850	50,600
Internal Services	(73,546)	(122,457)	(128,534)	(115,208)
Expenditure Total	\$1,805,984	\$1,662,501	\$1,606,069	\$1,668,414
Per Capita	\$11.19	\$10.28	\$9.93	\$10.29

	2009-10 Actual			2010-11 Revised			2011-12 Budget		
Authorized Personnel	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Budget/Tax and License	20			20			20		
Total	20			20			20		

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Overall satisfaction with service	97%	95%	95%	95%

Related Strategic Issue: Technology, Economic and Community Development

Goal: To encourage taxpayer compliance by conducting cost-effective audits, reviews and investigations with a customer friendly, professional staff that treats member of the business community fairly and equitably by administering the City Code

Objective: 1) To achieve an annual sales tax audit cost recovery ration (audit collections divided by audit costs) of 2.0; 2) to have at least 95% of all audit assessments accepted by taxpayers without protest and prevail in at least 90% of all protests; and 3) to achieve tax audit customer service ratings in the annual Taxpayer Problem Resolution Officer customer surveys of at least 4.5 on a scale of 5, where 4.5 is "good" and 5 is "excellent"

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Recovery ratio	2.35	2.29	3.14	2.00
Non-protested tax audit findings	99%	95%	100%	95%
Protested findings upheld	75%	90%	100%	90%
Overall customer service rating	4.50	4.50	4.63	4.50

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To produce accurate and timely reports of aggregate privilege tax information**Objective:** To issue sales tax revenue statistical reports within 4 working days of the close of monthly tax return entry

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Percent of reports issued within four working days	92%	92%	100%	100%

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To post all sales tax returns, payments and applications in a cost effective manner**Objective:** To enter all sales tax returns received by the monthly deadline (typically the last day of the month) into the sales tax system within three business days of the deadline

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Percent of returns entered within three business days	N/A	N/A	59%	100%

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To manage delinquent sales tax accounts through cost-effective collection policies and procedures**Objective:** 1) To not exceed the 75th percentile of other identified benchmark cities when comparing the cost of Tempe's sales tax collections program as a percentage of collection; 2) ensure that the accounts receivable balances accurately reflect sales taxes due by maintaining non-filing (NFIL) cases below 5% of total returns due; 3) maintain the average 90 to 120 day unpaid (UNPY) receivable balance cases below 1% of taxes due for that period; 4) maintain the 150 to 360 receivable balances below .5% of taxes due for that period, and; 5) not write-off receivables totaling more than .1% of revenues for any reporting period

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Percent of License staff to benchmark cities	N/A	N/A	N/A	<75%
Percent of average monthly non-filer	N/A	N/A	N/A	<5%
90 to 120 receivables	N/A	N/A	N/A	<1%
150 to 360 receivables	N/A	N/A	N/A	<.5%
Write-offs as a percent of tax revenue	N/A	N/A	N/A	.1%

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To provide consistent, high quality customer service to businesses that are subject to Tempe privilege taxes**Objective:** To achieve license and collection customer service ratings in the annual Taxpayer Problem Resolution Officer customer surveys of at least 4.5 on a scale of 5, where 4.5 is "good" and 5 is "excellent"

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Overall customer service rating	4.55	4.50	4.55	4.50

Finance and Technology

Information Technology

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 2011-12 Budget Highlights:

The approved budget includes the following changes:

- reclassification of a Webmaster position to a Senior Programmer
- reclassification of a Network Engineer position to a Network Technician
- reduction in salary/benefits for a Business Analyst position
- reduction of \$154,500 for various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$8,051,057	\$6,635,677	\$6,061,068	\$6,365,801
Supplies and Services	6,476,955	5,769,800	5,709,370	5,841,240
Capital Outlay	6,224	4,800		
Internal Services	(14,534,236)	(12,410,277)	(11,770,438)	(12,207,041)
Expenditure Total	\$0	\$0	\$0	\$0
Per Capita	\$90.05	\$76.74	\$72.78	\$75.34

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

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Information Technology	70			65			65		
Total	70			65			65		

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Calls resolved within 30 minutes	85%	87%	88%	88%
Second level calls resolved within 4 hours	9%	10%	12%	12%
Calls requiring longer than 4 hours to resolve	4%	3%	2%	2%

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
PC to server response time during peak traffic load (milliseconds)	27	28	35	35

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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Network access availability for voice and data	99.93%	99.93%	99.95%	99.95%

Fire



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/Fire Prevention, Emergency/Medical Services, Training/Professional Development, Homeland Security/Special Operations, and Support Services/Personnel Safety divisions.

The Department's operational areas include administrative services, fire suppression, emergency management, emergency medical services, hazardous materials control, technical rescue, communications, equipment and facilities maintenance, training, fire prevention and inspection, and public safety education.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$22,274,426	\$21,057,970	\$21,256,439	\$22,488,233
Supplies and Services	2,427,335	2,716,475	2,286,680	2,418,358
Contributions	36,250	37,500	41,500	36,500
Capital Outlay	152,327	310,700	310,700	93,400
Internal Services	1,718,012	1,348,977	1,269,088	1,317,783
Expenditure Total	\$26,608,350	\$25,471,622	\$25,164,407	\$26,354,274
<i>Per Capita (Comparative Benchmark)</i>	<i>\$164.85</i>	<i>\$157.51</i>	<i>\$155.61</i>	<i>\$162.65</i>

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration/Fire Prevention	\$3,664,336	\$3,506,766	\$3,298,055	\$3,536,964
Emergency/Medical Services	19,413,610	18,709,266	18,731,204	19,579,095
Training/Professional Development	487,441	482,595	478,952	513,655
Homeland Security/Special Operations	469,223	410,459	390,277	527,903
Support Services/Personnel Safety	2,573,740	2,362,536	2,265,919	2,196,657
Total	\$26,608,350	\$25,471,622	\$25,164,407	\$26,354,274

	2009-10 Actual			2010-11 Revised			2011-12 Budget		
Authorized Personnel	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Fire Prevention	20			20			20		
Emergency/Medical Services	153			150			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	
Total	184	1.00		181	1.00		181	1.00	

Fire

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 2011-12 Budget Highlights:

No change in staffing levels

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$2,533,261	\$2,309,052	\$2,164,550	\$2,360,120
Supplies and Services	309,777	392,961	381,146	454,428
Capital Outlay	1,822			
Internal Services	819,476	804,753	752,359	722,416
Expenditure Total	\$3,664,336	\$3,506,766	\$3,298,055	\$3,536,964
Per Capita	\$22.70	\$21.68	\$20.39	\$21.83

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration/Fire Prevention	20			20			20		
Total	20			20			20		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To provide high quality cost efficient fire services

Objective: 1) To efficiently manage resources to meet the needs of residents with 9.45 sworn firefighter full-time equivalents (FTE) per 10,000 capita, 1.79 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)	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Firefighters per capita (10,000)	9.61	9.46	9.46	9.45
Non-Firefighters per capita (10,000)	1.86	1.80	1.80	1.79
Fire Stations per square mile	0.15	0.15	0.15	0.15
Resident satisfaction with the quality of local fire service*	90%	92%	92%	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

Fire

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 2011-12 Budget Highlights:

The approved amount included the following changes:

- reduction of \$32,000 in various base budget items
- addition of \$57,600 in revenue for building facility rentals

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$18,364,520	\$17,443,937	\$17,822,265	\$18,634,446
Supplies and Services	924,297	1,145,329	783,039	824,649
Contributions	27,250	26,600	32,500	26,600
Capital Outlay	97,543	93,400	93,400	93,400
Expenditure Total	\$19,413,610	\$18,709,266	\$18,731,204	\$19,579,095
Per Capita	\$120.28	\$115.69	\$115.83	\$120.84

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Emergency/Medical Services	153			150			150		
Total	153			150			150		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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)	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Average emergency response time in minutes (from call receipt to arrival)*	4:20	4:20	4:18	4:20
Percent of emergency responses taking 5.0 minutes or less	74%	74%	74%	74%
Calls per capita (1,000)	122	130	130	130
Percent change		7%	0%	0%

*Calls do not include alarm processing time

Fire**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 2011-12 Budget Highlights:

The approved amount included the following change:

- reduction of \$10,000 in various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$435,241	\$401,085	\$419,472	\$443,445
Supplies and Services	52,200	81,510	59,210	70,210
Expenditure Total	\$487,441	\$482,595	\$478,952	\$513,655
Per Capita	\$3.02	\$2.98	\$2.96	\$3.17

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Training/Professional Development	3			3			3		
Total	3			3			3		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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 at 20% or less the annual percentage of firefighter injuries

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Companies completing minimum company standards evaluations	100%	100%	100%	100%
Annual percentage of firefighter injuries	16%	22%	20%	20%

Fire

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 2011-12 Budget Highlights:

The approved amount included the following change:

- reduction of \$1,000 in various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$370,864	\$353,262	\$336,580	\$473,006
Supplies and Services	89,360	46,297	44,697	44,997
Contributions	8,999	10,900	9,000	9,900
Expenditure Total	\$469,223	\$410,459	\$390,277	\$527,903
Per Capita	\$2.91	\$2.54	\$2.41	\$3.26

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Homeland Security/Special Ops	3			3			3		
Total	3			3			3		

Fire**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 2011-12 Budget Highlights:

No change in staffing levels

FY 2011-12 Capital Budget Operating Impacts:

The department also received additional funding in the amount of \$50,000 to cover wireless cards and software associated with the replacement of ruggedized laptop computers.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$570,540	\$550,634	\$513,302	\$577,216
Supplies and Services	1,051,702	1,050,378	1,018,588	1,024,074
Capital Outlay	52,961	217,300	217,300	
Internal Services	898,537	544,224	516,729	595,367
Expenditure Total	\$2,573,740	\$2,362,536	\$2,265,919	\$2,196,657
Per Capita	\$15.95	\$14.61	\$14.01	\$13.56

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services/Personnel Safety	5	1.00		5	1.00		5	1.00	
Total	5	1.00		5	1.00		5	1.00	

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Preventive maintenance inspections	276	276	276	276
Percent completed within PM schedule	82%	100%	84%	100%

Human Resources

Human Resources

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, and Employee Benefits and Services. 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 2011-12 Budget Highlights:

The approved amount includes the following change:

- miscellaneous fees and services budget reduction of \$5,000

Expenditures by Type	2009-10* Actual	2010-11* Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$3,328,395	\$2,202,918	\$2,062,152	\$2,127,830
Supplies and Services	281,869	925,103	222,865	270,668
Internal Services	(425,508)	(601,285)	(472,791)	(357,320)
Expenditure Total	\$3,184,756	\$2,526,736	\$1,812,226	\$2,041,178
Per Capita	\$19.73	\$15.62	\$11.21	\$12.60

* Figures for the FY 2009-10 Actual and FY 2010-11 Budget include expenditures for the Tempe Learning Center, which was a part of the Human Resources Department during that time period.

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Human Resources	20			17			17		
Total	20			17			17		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization
Goal: To strive to retain a stable workforce

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

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Employee turnover rate</i>	7.6%	2.5%	5.6%	7.5%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization
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 Equal Employment Opportunity Commission (EEOC) complaints filed and grievances brought forth

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
EEOC complaints	3	0	4	0
Formal grievances	1	0	1	0

Tempe Learning Center Office

Tempe Learning Center Office

Description:

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

FY 2011-12 Budget Highlights:

The approved amount includes the following change:

- miscellaneous fees and services budget reduction of \$14,700

Expenditures by Type	2009-10* Actual	2010-11* Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$0	\$0	\$542,693	\$600,182
Supplies and Services	0	0	70,563	70,563
Internal Services	0	0	(138,743)	(132,568)
Expenditure Total	\$0	\$0	\$474,513	\$538,177
Per Capita	\$0.00	\$0.00	\$2.93	\$3.32

* Expenditures for the FY 2009-10 Actual and FY 2010-11 Budget are displayed in the Human Resources Department Budget.

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Tempe Learning Center	0			3			3		
Total	0			3			3		

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 an 85% knowledge, skills improvement rate among participants; and 2) obtain a 95% successful completion rate for all courses with each education partnership degree program

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Participants who rated improved knowledge, skills and competence as a result of TLC training and development programming	84%	90%	85%	85%
Education partnership participants who successfully completed assigned classes	92%	95%	85%	90%



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Internal Audit Office

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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$485,065	\$390,087	\$343,952	\$380,471
Supplies and Services	4,509	5,540	5,540	5,540
Internal Services	24,069	19,293	18,301	19,491
Expenditure Total	\$513,643	\$414,920	\$367,793	\$405,502
Per Capita	\$3.18	\$2.57	\$2.27	\$2.50

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Internal Audit	4			3		0.45	3		0.45
Total	4			3		0.45	3		0.45

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

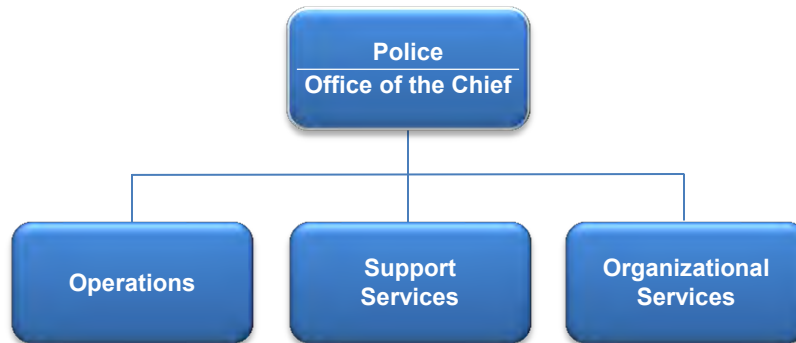
Objective: 1) To obtain management acceptance and support for 95% of recommendations; 2) respond to 100% of management's requests for analytical and investigative assistance; and 3) record all non-procurement contracts in the City's centralized database within 15 working days from City Council approval of the contract, 95% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Support of recommendations	100%	95%	100%	95%
Response to management's requests	100%	100%	100%	100%
Maintenance of the contract database	100%	95%	100%	95%



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Police



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	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$57,877,533	\$50,945,295	\$50,521,652	\$50,674,330
Supplies and Services	4,360,416	6,210,987	4,723,847	5,480,110
Internal Services	9,317,008	9,178,083	8,893,202	8,863,845
Capital Outlay	7,821		4,207	
Expenditure Total	\$71,562,779	\$66,334,365	\$64,412,908	\$65,018,285
<i>Per Capita (Comparative Benchmark)</i>	<i>\$443.36</i>	<i>\$410.18</i>	<i>\$396.63</i>	<i>\$401.28</i>

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Office of the Chief	\$2,987,833	\$2,709,117	\$2,443,350	\$2,426,101
Operations	52,458,510	47,760,650	46,818,966	46,796,941
Support Services	8,546,986	8,230,997	8,007,901	8,289,327
Organizational Services	7,569,450	7,633,601	6,872,691	7,508,916
Total	\$71,562,779	\$66,334,365	\$64,142,908	\$65,018,285

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	7			4			4		
Operations	396		4.55	345		4.55	343		4.55
Support Services	104		1.00	96		1.00	96		1.00
Organizational Services	55		0.70	48		0.70	48		0.70
Total	562		6.25	493		6.25	491		6.25

Police**Office of the Chief**

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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$980,110	\$915,287	\$690,202	\$712,450
Supplies and Services	8,228	3,428	7,661	7,568
Internal Services	1,999,495	1,790,402	1,745,487	1,703,083
Expenditure Total	\$2,987,833	\$2,709,117	\$2,443,350	\$2,426,101
Per Capita	\$18.51	\$15.84	\$15.11	\$14.95

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Office of the Chief	7			4			4		
Total	7			4			4		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To provide quality police services to the Tempe community

Objective: To maintain a minimum of 80% of resident satisfaction with the overall quality of local police services

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Overall quality of local police services*	81%	80%	81%	80%

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

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To suppress crime and promote the safety of the Tempe community

Objective: 1) To maintain a minimum of 70% of resident satisfaction with city efforts to prevent crime; and 2) reduce overall Part I crime by 7%

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
City efforts to prevent crime*	**	70%	64%	70%
Part I Crime	9,476	9,002	9,192	8,552
Percent change		(5%)	2%	(7%)

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

**Measure added to the Community Attitude Survey in 2010

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To ensure Tempe residents feel safe

Objective: 1) To maintain a minimum of 70% of resident satisfaction with feelings of neighborhood safety; and 2) maintain a minimum of 70% of resident satisfaction with feelings of city safety

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Feelings of neighborhood safety*	71%	70%	70%	70%
Feelings of city safety*	71%	70%	69%	70%

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

Police

Operations

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 I 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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- efficiency savings in the photo radar vendor payment totaling \$550,000
- the elimination of two park Ranger positions from the Rio Salado area
- the shift of three Police Officer positions to non-appropriated funds

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$44,758,709	\$38,695,174	\$38,569,499	\$38,562,967
Supplies and Services	1,563,553	2,634,400	2,158,822	2,121,075
Internal Services	6,160,604	6,292,495	6,090,645	6,112,899
Capital Outlay	2,644			
Expenditure Total	\$52,458,510	\$47,760,650	\$46,818,966	\$46,796,941
Per Capita	\$325.00	\$295.20	\$289.51	\$288.82

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Operations	396		4.55	345		4.55	343		4.55
Total	396		4.55	345		4.55	343		4.55

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To effectively investigate and clear criminal cases

Objective: 1) To maintain a violent crime clearance rate above 41.1% (the clearance rate for the state); and 2) maintain a property crime clearance rate above 17.6% (the clearance rate for the state)

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Violent crime clearance rate	46.0%	42.0%	46.2%	42.0%
Property crime clearance rate	20.4%	18.0%	19.2%	19.0%

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To effectively manage our police resources to meet the needs of the community

Objective: To efficiently manage resources to meet the needs of Tempe residents with 2.1 sworn FTEs and 0.93 non-sworn FTEs per capita (1,000)

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Sworn FTE's per Capita (1,000)</i>	<i>2.2</i>	<i>2.1</i>	<i>2.1</i>	<i>2.1</i>
<i>Non-Sworn FTE's per Capita (1,000)</i>	<i>1.28</i>	<i>0.94</i>	<i>0.94</i>	<i>0.93</i>

Police

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 2011-12 Budget Highlights:

The approved amount includes the following change:

- reduction in the County Jail cost totaling \$110,000

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$7,432,779	\$6,833,570	\$6,900,914	\$6,941,163
Supplies and Services	493,538	886,751	616,820	848,684
Internal Services	615,963	510,676	485,960	499,480
Capital Outlay	4,706		4,207	
Expenditure Total	\$8,546,986	\$8,230,997	\$8,007,901	\$8,289,327
Per Capita	\$52.95	\$50.87	\$49.52	\$51.16

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Support Services	104		1.00	96		1.00	96		1.00
Total	104		1.00	96		1.00	96		1.00

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To effectively respond to requests for Police service

Objective: To respond to the highest priority emergency citizen calls for police service within an average of 5 minutes or less

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Average response time to emergency calls (minutes)</i>	<i>5:17</i>	<i>5:00</i>	<i>5:19</i>	<i>5:00</i>

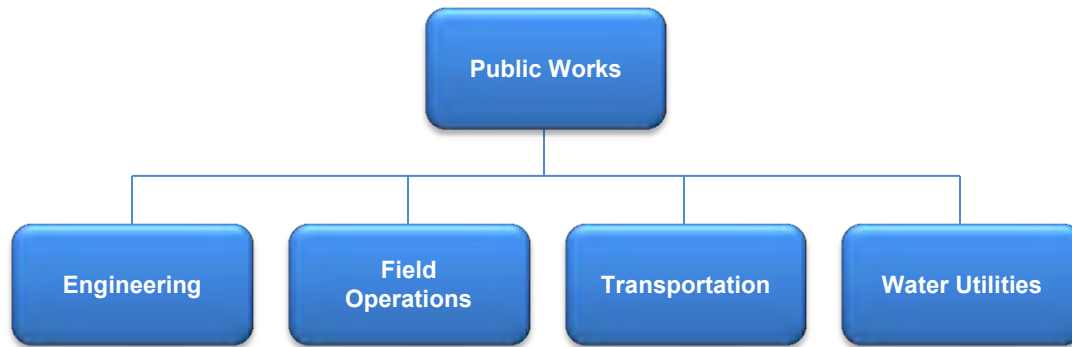
Police**Organizational Services**

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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$4,705,935	\$4,362,683	\$4,361,037	\$4,457,750
Supplies and Services	2,322,097	2,686,408	1,940,544	2,502,783
Internal Services	540,946	584,510	571,110	548,383
Capital Outlay	472			
Expenditure Total	\$7,569,450	\$7,633,601	\$6,872,691	\$7,508,916
Per Capita	\$46.90	\$47.18	\$42.50	\$46.34

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Organizational Services	55		0.70	48		0.70	48		0.70
Total	55		0.70	48		0.70	48		0.70

Public Works

**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.

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$44,422,773	\$36,679,137	\$34,628,459	\$36,888,487
Supplies and Services	78,931,706	91,028,953	81,553,655	84,701,420
Contributions	100,000	106,484	100,866	106,484
Capital Outlay	5,436,671	3,712,242	3,770,343	3,517,148
Internal Services	5,859,757	5,685,343	5,955,206	4,701,933
Expenditure Total	\$134,750,907	\$137,212,159	\$126,008,529	\$129,915,472
Per Capita	\$834.84	\$848.46	\$779.18	\$801.81

Expenditures by Division	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Administration	\$523,267	\$223,055	\$118,957	\$279,256
Engineering	2,025,684	1,580,892	1,191,802	1,812,532
Field Operations	32,921,769	30,786,447	30,307,853	32,834,305
Transportation	63,749,373	64,706,186	58,264,205	56,947,194
Water Utilities	35,530,814	39,915,579	36,125,712	38,042,185
Expenditure Total	\$134,750,907	\$137,212,159	\$126,008,529	\$129,915,472

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.49	2		0.49	5	0.50	0.49
Engineering	32			31			30		
Field Operations	245	1.00	15.22	214	0.50	18.22	212	0.50	22.12
Transportation	95	1.00	1.00	72	1.00	1.00	67	0.50	1.00
Water Utilities	139	1.00	0.49	148		0.49	146		0.49
Total	514	3.00	17.20	467	1.50	20.20	460	1.50	24.10

Public Works

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 2011-12 Budget Highlights:

The approved amount included the following changes:

- transfer 50% funding of a Deputy Public Works Director from the HURF Fund to the General Fund, position transferred to Administration
- reduction of \$21,780 in various base budget items
- transfer of a Water Utility Administration Manager position and a Public Works Training Coordinator position from Water Utilities

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$586,365	\$351,931	\$315,716	\$465,919
Supplies and Services	23,819	103,713	41,636	66,933
Contributions	50,000	5,618		5,618
Capital Outlay	71		1,053	
Internal Services	(136,988)	(238,207)	(239,448)	(259,214)
Expenditure Total	\$523,267	\$223,055	\$118,957	\$279,256
Per Capita	\$3.24	\$1.38	\$0.73	\$1.72

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Administration	3		0.49	2		0.49	5	0.50	0.49
Total	3		0.49	2		0.49	5	0.50	0.49

Public Works

Engineering

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- transfer 50% funding of a Deputy Public Works Director from the Solid Waste Fund to the General Fund
- elimination of an Engineering Permit Inspection Supervisor position
- addition of \$165,000 in line item expenses for the Service Line Program
- reduction of \$2,000 in various base budget items

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$3,053,966	\$2,310,786	\$1,991,606	\$2,368,462
Supplies and Services	165,392	235,293	182,942	412,864
Capital Outlay	304			
Internal Services	(1,193,978)	(965,187)	(982,746)	(968,794)
Expenditure Total	\$2,025,684	\$1,580,892	\$1,191,802	\$1,812,532
Per Capita	\$12.55	\$9.78	\$7.37	\$11.19

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Engineering	32			31			30		
Total	32			31			30		

Related Strategic Issue: Neighborhood Quality of Life and Revitalization, 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: 1) To execute the construction and/or professional service contracts within approved and appropriated budget, 100% of the time; and 2) complete the project on-time 95% of the time for the Capital Improvements Program

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Number of active CIP construction contracts	67	35	38	38
Number of active CIP professional service contracts	184	100	105	100
Percentage of design contracts within budget	N/A	N/A	N/A	100%
Percentage of construction contracts within budget	N/A	N/A	N/A	100%
Percentage of CIP Projects completed on-time	N/A	N/A	N/A	95%

Related Strategic Issue: 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 scheduled time allotment 90% of the time; and 2) complete utility plan reviews within the scheduled time allotment, 90% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Number of civil plan sheets reviewed	N/A	N/A	N/A	250
Percent of civil plan reviews performed within the scheduled time allotment	97%	90%	100%	90%
Number of utility plan sheets reviewed	N/A	N/A	N/A	1,400
Percent of utility plan reviews performed within the scheduled time allotment	90%	90%	90%	90%
Off-site private development permits issued	294	200	171	185
Utility permits issued	1,641	1,500	1,475	1,450

Public Works

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 2011-12 Budget Highlights:

The approved amount includes the following changes:

- transfer 100% of funding for two Street Maintenance Equipment Operation I/II positions from Solid Waste to the HURF fund
- addition of 4.0 temporary FTEs Groundskeeper positions in the General Fund
- elimination of a Fleet Supervisor position
- elimination of two Custodial supervisors, replaced with two Custodial team leads
- addition of \$30,000 in wages for Fleet Maintenance
- reduction of \$79,500 in various base budget items
- transfer Parks/Golf Supervisor position to Transportation Division

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

- \$30,000 for mold, asbestos and lead paint abatement for City facilities

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$17,928,611	\$15,198,957	\$15,016,454	\$15,238,885
Supplies and Services	14,471,537	15,708,088	14,947,855	16,899,622
Contributions		17,866	17,866	17,866
Capital Outlay	4,037,182	2,654,500	2,709,878	2,710,428
Internal Services	(3,515,561)	(2,792,964)	(2,384,200)	(2,032,496)
Expenditure Total	\$32,921,769	\$30,786,447	\$30,307,853	\$32,834,305
Per Capita	\$203.96	\$190.37	\$187.41	\$202.65

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Field Operations	245	1.00	15.22	214	0.50	18.22	212	0.50	22.12
Total	245	1.00	15.22	214	0.50	18.22	212	0.50	22.12

Related Strategic Issue: Technology, Economic and Community Development**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) maintain the diversion rate of residential recycling waste stream at 34%; and 3) attain resident satisfaction rates that exceed the national average for residential trash collection services, bulk item pick up/removal services, recycling services, and for alley conditions

Measures (Comparative Benchmark)	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Residential contained/recycling cost per ton</i>	\$122	\$112	\$108	\$108
Residential recycling diversion rate	35%	29%	36%	34%
<i>Residential contained solid waste tons per capita (1,000)</i>	276	272	271	279
Resident satisfaction with residential trash collection services*	92%	94%	90%	90%
Resident satisfaction with bulk item pick up/removal services*	82%	86%	85%	85%
Resident satisfaction with recycling services*	87%	90%	88%	89%
Resident satisfaction with condition of alleys*	46%	54%	53%	54%

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

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To collect and dispose of solid waste from our commercial customers and multi-family housing units**Objective:** 1) To provide an efficient and competitive solid waste operation and minimize collection cost per ton; and 2) increase number of comingled recycling customers (apartments and businesses) by 8%

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Commercial collection cost per ton	\$80	\$73	\$72	\$78
Percent increase in comingled recycling customers		(9%)	(1%)	8%

Related Strategic Issue: Technology, Economic and Community Development**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)	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Cost per mile (maintenance and repair, fuel and capital cost):</i>				
<i>Police patrol sedans</i>	\$0.51	\$0.81	\$0.63	\$0.78
<i>Light duty trucks</i>	\$0.47	\$0.70	\$0.48	\$0.60
<i>Solid Waste trucks</i>	\$2.65	\$4.97	\$3.06	\$3.82

Related Strategic Issue: Technology, Economic and Community Development**Goal:** To utilize personnel resources in an efficient and effective manner**Objective:** To maximize utilization of fleet mechanic time at a target of 70% productivity (industry standard)

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Mechanic utilization rate	70%	77%	70%	72%

Related Strategic Issue: Technology, Economic and Community Development

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

Objective: 1) To achieve an O&M cost per square foot that is below published industry standards; 2) achieve a 20% reduction in energy usage in buildings participating in the Arizona Public Service - Energy Service audit; and 3) complete 80% of scheduled preventative maintenance with 14 days

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Operating and Maintenance cost per square foot maintained*	\$3.04	\$2.17**	\$3.12	\$3.28
Reduction in energy usage	N/A	N/A	N/A	20%
Scheduled preventative maintenance completed within 14 days	N/A	N/A	N/A	80%

*Excludes personnel and facilities budgeted in the Performing Arts and Transit Funds

**Reflects corrected square footage

Related Strategic Issue: Technology, Economic and Community Development

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

Objective: To achieve an O&M cost per square foot that is below published industry standards

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Operating and Maintenance cost per square foot cleaned*	\$1.84	\$1.82	\$1.73	\$1.70

*Excludes personnel and facilities budgeted in the Performing Arts and Transit Funds

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

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

Objective: 1) To achieve 80% overall resident satisfaction with the quality of parks, athletic fields, and golf courses; 2) achieve staffing levels that are below published industry standards; 3) achieve full cost recovery for the Golf Enterprise Fund; and 4) achieve volunteer staffing levels per 10,000 capita that exceed published industry standards

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Resident satisfaction with the quality of City parks*	91%	80%	88%	80%
Resident satisfaction with the quality of neighborhood parks*	78%	70%	79%	80%
Resident satisfaction with the City's golf courses*	71%	60%	62%	80%
Resident satisfaction with the City's outdoor athletic fields*	80%	70%	73%	80%
Resident satisfaction with the quality of City recreation centers*	83%	70%	76%	80%
Acres of developed park lands maintained per FTE	N/A	N/A	N/A	43
Percent of O&M cost recovered through revenue (Golf Fund)	N/A	N/A	N/A	100%
Volunteer hours per capita (10,000) per ICMA standards	N/A	N/A	N/A	7,000

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

Public Works

Transportation

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 2011-12 Budget Highlights:

The approved budget also includes the following reorganizations:

- transfer 50% funding of a Deputy Public Works Director from the HURF Fund to the General Fund, position transferred to Administration
- transfer 100% of funding for two Street Maintenance Equipment Operation I/II positions from Solid Waste to the HURF fund
- reduction of \$1,220,000 in debt service payment from the HURF operating fund
- elimination of a Deputy Public Works Director – Transportation position
- transfer 50% funding for a Community Outreach/Marketing Coordinator position to the Water/Wastewater Fund
- transfer 25% funding for a Community Outreach Marketing Supervisor position to the Solid Waste Fund and 25% to the General Fund
- reduction of \$622,650 in various Transit Fund base budget items
- elimination of three Custodial positions
- elimination of a Traffic Signal Supervisor position
- transfer of a Parks/Golf/Supervisor position from Field Operations

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$8,196,854	\$6,019,781	\$5,307,656	\$5,652,108
Supplies and Services	48,545,437	52,327,411	46,652,734	47,162,478
Contributions	50,000	83,000	83,000	83,000
Capital Outlay	608,663	273,000	273,000	45,000
Internal Services	6,348,419	6,002,994	5,947,815	4,004,608
Expenditure Total	\$63,749,373	\$64,706,186	\$58,264,205	\$56,947,194
Per Capita	\$394.95	\$400.11	\$360.28	\$351.47

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Transportation	95	1.00	1.00	72	1.00	1.00	67	0.50	1.00
Total	95	1.00	1.00	72	1.00	1.00	67	0.50	1.00

Related Strategic Issue: Transportation

Goal: To provide reliable, safe, and professional transit services

Objective: 1) To develop system schedules, manage operations and deploy quality assurance methods to achieve at least 94% on-time performance and complaints below 30 per 100,000 boardings; and 2) manage fleet procurement, maintenance, and oversight processes to ensure preventative maintenance inspections are at least 98% on-time and average miles between in-service failures is less than 20,000

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
On-time performance	92%	90%	93%	94%
Complaint rate (complaints per 100,000 boardings)	41.6	40.0	33.0	30.0
Preventative maintenance inspection schedule compliance	98%	98%	99%	98%
Miles between in-service failures	19,075	19,000	16,453	20,000

Related Strategic Issue: Transportation

Goal: To plan and operate multi-modal transit service in an efficient and cost effective manner

Objective: 1) To plan an efficient and productive transit system by maximizing boardings per mile; and 2) minimize subsidy per boarding through effective transit planning, appropriate fare policies, and operations/financial management

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Subsidy per boarding – Bus	\$3.56	\$3.39	\$3.10	\$3.31
Subsidy per boarding – Metro Light Rail	\$3.02	\$2.78	\$1.93	\$2.90
Subsidy per boarding – Dial-A-Ride	\$9.20	\$10.03	\$10.12	\$10.29
Boardings per mile – Local Bus (≥ 2.0)	1.3	1.5	1.6	2.0
Boardings per mile – Circulator Bus (≥ 2.2)	2.0	2.1	2.1	2.2
Boardings per mile – Express Bus (≥ 1.0)	0.6	0.7	0.7	1.0
Boardings per mile – Metro Light Rail (≥ 4.5)	4.4	4.5	5.3	4.5
Boardings per hour – Dial-A-Ride (≥ 1.7)	1.6	1.6	1.6	1.7

Related Strategic Issue: Transportation

Goal: To increase satisfaction and use of alternative modes including transit, bicycling, and walking

Objective: 1) To retain Tempe's valley leadership position by maintaining boardings per capita at 70 or higher and exceed 12 million total annual transit boardings; and 2) plan and operate alternative modes of transportation such that resident satisfaction with the quality of local transit services meets or exceeds 80% and satisfaction with the quality of walking and biking paths meets or exceeds 80% as indicated in the annual Community Attitude Survey

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Boardings per capita	73	74	72	75
Total Ridership	11,829,313	12,162,500	11,634,235	12,692,000
Local Bus Boardings	4,567,446	4,600,000	4,774,609	4,800,000
Circulator Bus Boardings	3,662,591	3,670,000	3,143,824	3,800,000
Express Bus Boardings	58,007	58,000	51,347	60,000
Metro Light Rail Boardings	3,506,062	3,800,000	3,664,455	4,000,000
Dial-A-Ride Boardings	35,207	34,500	34,279	32,000
Resident satisfaction with the quality of local transit service*	76%	75%	76%	80%
Resident satisfaction with the quality of walking and biking paths*	72%	75%	78%	80%

*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 94% of the time; and 2) attain 70% resident satisfaction regarding the adequacy of City street lighting

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Street light outage calls repaired within three working days	96%	96%	92%	94%
Resident satisfaction with the adequacy of City street lighting*	70%	65%	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 improve and ensure the safety and efficiency of the traffic signal system**Objective:** To respond to emergency signal service calls within 30 minutes, 98% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Emergency signal service calls responded to within 30 minutes	98%	98%	98%	98%
Preventative maintenance of traffic signal control cabinets (annually)	100%	100%	100%	100%

Related Strategic Issue: Transportation**Goal:** To meet environmental, storm water, and air quality requirements**Objective:** 1) To keep a minimum of 15,652 streets clean and free of dust and debris; and 2) attain an 80% resident satisfaction rate regarding the cleanliness of City streets

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
<i>Curb miles swept</i>	<i>15,652</i>	<i>15,652</i>	<i>15,652</i>	<i>15,652</i>
Resident satisfaction with cleanliness of City streets*	80%	77%	79%	80%

*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 perform preventive roadway maintenance to extend the life of City streets**Objective:** 1) To maintain and repair 320,000 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

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Square yards repaired	1,325,000	46,000**	64,665	320,200
Resident satisfaction with the condition of neighborhood streets*	82%	80%	80%	80%
Resident satisfaction with overall condition of City streets*	81%	80%	76%	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

Related Strategic Issue: Transportation**Goal:** To provide well-maintained and visible street signs**Objective:** To attain an 83% resident satisfaction rate regarding the condition and clarity of street signs

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Resident satisfaction with overall condition and clarity of street signs*	83%	83%	80%	83%

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

Public Works

Water Utilities

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) Citywide GIS mapping.

FY 2011-12 Budget Highlights:

The approved amount includes the following:

- transfer 50% funding for a Community Outreach/Marketing Coordinator position to the Water/Wastewater Fund
- transfer of a Water Utility Administrator position and a Public Works Training Coordinator position to Administration

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

- \$222,390 for environmental fees and regulatory requirements
- \$59,178 for water GIS reimplementation
- \$201,000 for electronic drinking water regulatory compliance database
- \$300,000 for Rio Salado pumps
- \$95,000 for Johnny G. Martinez Water Treatment Plant sludge bin truck
- \$65,000 for backflow testing, repair, replacement of City owned facilities

FY 2010-11 Capital Budget Operating Impacts:

The department also received additional recurring funding for Capital Budget Operating Impacts as follows:

- \$190,000 for Johnny G. Martinez Water Treatment Plant water quality upgrades
- \$21,320 for Ken McDonald Golf Course well recharge project
- \$745,000 for South Tempe Water Treatment Plan improvements

Expenditures by Type	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Personal Services	\$14,656,978	\$12,797,682	\$11,997,027	\$13,163,113
Supplies and Services	15,725,523	22,654,448	19,728,488	20,159,523
Capital Outlay	790,450	784,742	786,412	761,720
Internal Services	4,357,863	3,678,707	3,613,785	3,957,829
Expenditure Total	\$35,530,814	\$39,915,579	\$36,125,712	\$38,042,185
Per Capita	\$220.13	\$246.82	\$223.39	\$234.79

Authorized Personnel	2009-10 Actual			2010-11 Revised			2011-12 Budget		
	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE	Full Time	Perm FTE	Temp FTE
Water Utilities	139	1.00	0.49	148		0.49	146		0.49
Total	139	1.00	0.49	148		0.49	146		0.49

Related Strategic Issue: Neighborhood Quality of Life and Revitalization

Goal: To provide a safe and adequate domestic water supply to all residents, 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 35 cents

Measures <i>(Comparative Benchmark)</i>	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Total Water Treatment Operating and Maintenance Cost	\$8,122,185	\$9,460,826	\$7,403,251	\$5,711,570
Number of customer accounts	43,300	43,500	42,500	42,500
Total gallons treated (Million Gallons)	17,900	17,900	16,400	16,800
<i>Operating and Maintenance Cost per 1,000 gallons treated</i>	<i>\$0.45</i>	<i>\$0.53</i>	<i>\$0.45</i>	<i>\$0.34</i>
Operating and Maintenance Cost per customer account	\$187.58	\$217.49	\$174.19	\$134.39

Related Strategic Issue: Neighborhood Quality of Life and Revitalization**Goal:** To provide water of the highest quality to all residents**Objective:** 1) To target 85% 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 water quality complaints within 24 hours, 100% of the time

Measures	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Overall resident satisfaction with water service*	85%	90%	85%	85%
Taste and odor complaints	15	<420 (1%)	13	<420 (1%)
Hardness complaints	7	<420 (1%)	8	<420 (1%)
Other complaints	22	<2100 (5%)	22	<2100 (5%)
Response within 24 hours of water quality 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 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.

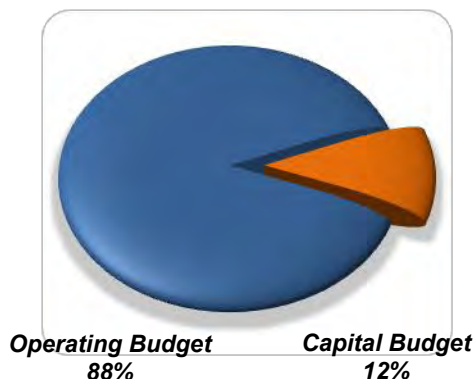
As shown in the charts below, the City of Tempe's total Financial Program for fiscal year (FY) 2011-12 totals \$413 million, and of this amount, approximately \$49 million is for projects included in the Capital Budget. The Capital Budget consists of the following program areas: Enterprise, Special Purpose, General Purpose, and Transportation projects.

The Enterprise program totals \$30.2 million and includes Water and Wastewater projects which account for 61% of the total Capital Budget in FY 2011-12. The Special Purpose program includes Transit and Rio Salado projects, and represents \$6.8 million, or 14%, of funded projects in FY 2011-12. The General Purpose program includes Police, Fire, Parks and General Governmental projects and totals \$6.6 million. The Transportation program includes lighting and traffic signal projects, and street and sidewalk renovation and construction projects. Transportation program funding totals \$5.7 million, representing 12% of the Capital Budget.

Although the total size of the Capital Budget increased only two percent from year to year, the most significant change is the resurgence of General Obligation (G.O.) bond funding for the General Purpose and Transportation programs. The Enterprise program continues to be funded by user charges for water and wastewater service. Funding sources for each 2011-12 program are discussed further under the CIP Financing Section of this message.

Comparison of FY 2010-11 and FY 2011-12 Capital Budgets		
Capital Program	FY 2010-11 Budget	FY 2011-12 Budget
Enterprise		
Water	\$31,046,338	\$19,161,000
Wastewater	12,600,000	10,999,000
Special Purpose		
Transit	446,000	2,789,099
Rio Salado	327,000	4,000,000
General Purpose		
Police	890,954	2,500,246
Fire	600,000	849,800
Storm Drains	0	278,000
Park Improvements	150,000	1,415,000
General Governmental	1,929,463	1,613,600
Transportation		
Transportation and R.O.W	275,000	4,765,888
Traffic Signals/Street Lighting	0	966,171
Total	\$48,264,755	\$49,337,804

FY 2011-12 Total Financial Program	
Operating Budget	\$363.3
Capital Budget	\$ 49.3
Total (\$ millions)	\$412.6



2011-12 CIP Process

The 2011-12 CIP process began in October 2010 with a staff meeting held to review the Capital Budget timeline, capital project request forms, and availability of funds. The meeting consisted of City department heads, departmental capital project managers, and Financial Services staff. Because G.O. bond funding projects had been nearly eliminated from the prior year's (2010-11) CIP due to dismal secondary property tax revenue projections, the meeting carried a tone of uncertainty regarding the eligibility of requests for these projects in the coming year. Ultimately, the establishment of an ongoing process to assess the replacement and maintenance requirements of the City's capital assets and infrastructure was determined to be increasingly important despite future economic uncertainty; consequently, departments were asked to submit all essential capital project requests.

After all project submissions were received, a series of follow-up meetings were held over the ensuing months with department directors and other key department representatives to discuss changes to previously approved projects and to review new project requests. Over the same period of time, Financial Services staff integrated the latest forecast estimates for property valuation into long range debt management models to project the City's capacity to enter into additional General Obligation debt to fund capital projects, and worked to identify all other potential project funding sources.

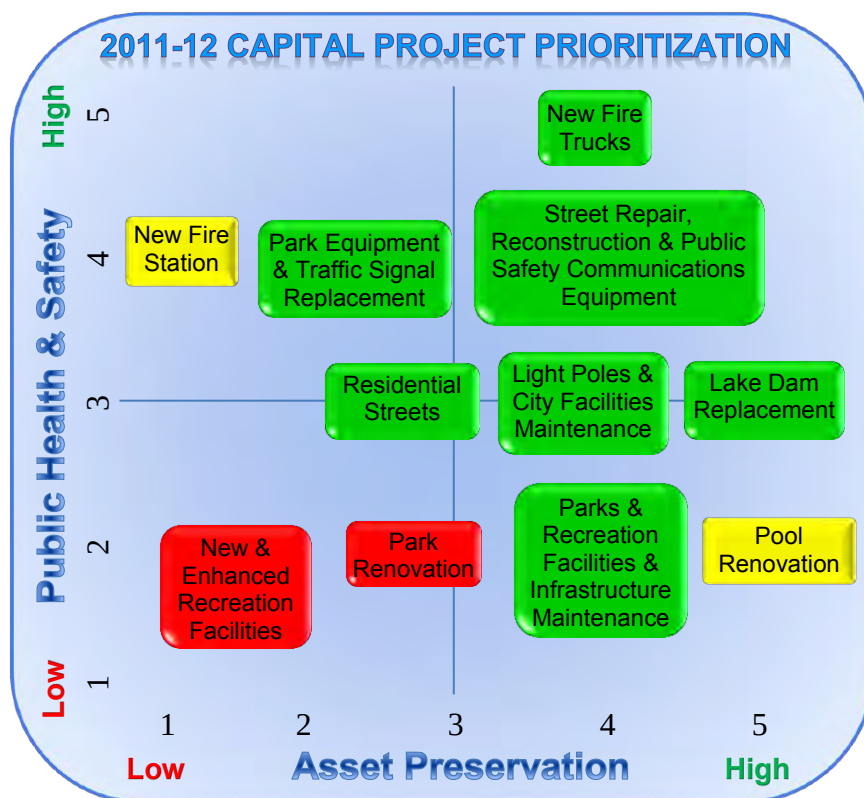
Since project requests far exceeded estimated funding resources, the pool of submitted projects was prioritized and ranked to identify the City's most critical capital requirements. Specifically, projects were graded based on the degree to which they contributed to the preservation of City assets, and the degree to which they addressed public health and safety concerns (depicted in the diagram to the right).

As a result, the top priority projects identified by staff were those that would replace or renovate capital assets that have exceeded their useful lives or those that would extend the life of City owned assets and infrastructure through scheduled preventative maintenance. These were projects staff felt would be irresponsible to not complete.

Not surprisingly, the majority of the projects identified as top priorities fell into the General Purpose and Transportation programs as these programs fund most of the City's basic streets, facilities, and capital asset replacement and maintenance efforts.

Because top project priorities were identified as described above rather than based on known funding availability, and because the City's capacity to issue G.O. debt was forecast to be critically diminished at the time, specific funding sources for top priority projects were not identified. Staff recognized that an approach of establishing CIP project priorities through an asset management and public health and safety prioritization process would entail broadened funding strategies and perhaps policy adjustments for City Council consideration.

During two City Council Issue Review Sessions (IRS) in February 2011, the City Council reviewed all submitted capital projects including complete descriptions of each project. City staff discussed the current condition of the City's infrastructure, and strategies implemented by staff members to prioritize necessary projects.



The diagram above shows how types of projects requested in the FY 2011-12 CIP process were scored and prioritized based on the degree to which they contribute to the preservation of City assets, and the degree to which they address public health and safety concerns. Projects in green categories are included in the 2011-12 adopted five year CIP; projects in yellow categories were closely considered for inclusion but ultimately excluded; projects in red categories were considered low priorities and were also excluded.

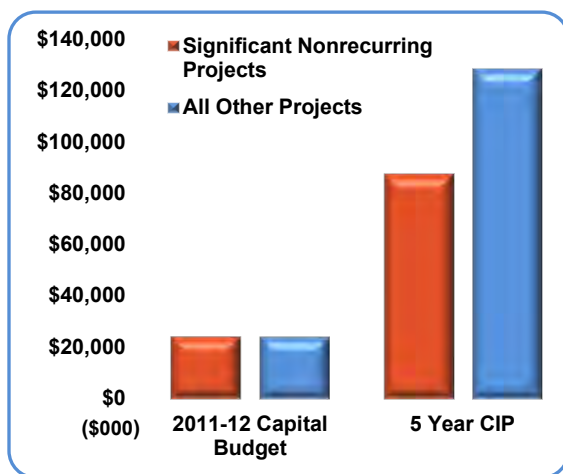
In March 2011, the City Manager and Financial Services staff members worked, at the City Council's direction, to identify a predictable revenue stream to pay existing tax-supported debt and take on new voter-approved debt to maintain the City's existing infrastructure. Staff was also directed to reduce the amount of property tax funds held in reserve in the Debt Service Fund, once a predictable revenue stream was identified. These efforts resulted in the development of a draft property tax stabilization policy aimed at producing annual revenues sufficient to support the City's infrastructure maintenance requirements.

In April 2011, the City Manager and Financial Services staff held two public forums to solicit input from Tempe residents regarding the City's current capacity to pay for infrastructure maintenance, the City's prioritization of projects to be included in the 2011-12 CIP, and the proposed new funding strategies including the new property tax stabilization policy under consideration. The City Manager and Financial Services staff returned to the City Council with a formalized tax stabilization policy for further discussion in May 2011, and subsequent adoption, along with the 2011-12 CIP, on June 2, 2011. The new property tax stabilization policy is discussed in more detail under the CIP Financing section below and is included along with Capital Budget and Debt policies on page 192.

Capital Budget Project Composition and FY 2011-12 Project Highlights

The total five year CIP provides for 65 projects within the four major program areas discussed in the CIP Overview. Out of the 65 projects, 11 projects totaling \$87,706,023 are considered to be significant and nonrecurring.

Seven of 48 Projects Account for 50% of the FY 2011-12 Capital Budget



The adopted FY 2011-12 Capital Budget provides appropriations for 48 of the total 65 projects; seven of which are considered significant and nonrecurring and total \$24,681,643. The four other major projects are planned for construction in the out years of the five year CIP.

These major projects and associated funding sources are listed separately on page 187 for reference in the Operating Impacts section of this document, and are also described under their respective program area in the complete CIP project listings and descriptions section.

The City considers projects requiring significant nonrecurring 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 recurring expenditures to maintain and repair City's facilities, water infrastructure, streets, and parks; and for the gradual replacement of various capital assets.

Enterprise Program Project Highlights

City Water system projects (\$19.2 million) including:

- Continued water / wastewater bond funding for required water quality improvements to meet current and future water quality regulations at the Johnny G. Martinez Water Treatment Plant (\$4.1 million)
- Continued water / wastewater bond funding for required water quality improvements to meet current and future water quality regulations at the South Tempe Water Treatment Plants (\$12.1 million)

City Wastewater system projects (\$11 million) including:

- Continued bond funding for 91st Avenue Wastewater Treatment Plant capacity expansion (\$7.5 million)

Special Purpose Program Project Highlights

Funding for the Transit program (\$2.8 million) including:

- New federal grant funding for design and construction improvements along Hardy Drive between Broadway road and University Drive (\$1.4 million)

- New federal grant funding for design and construction of a shared use path under Loop 202 at the 202 and Loop 101 traffic interchange (\$1 million)

Funding for the Rio Salado Program (\$4 million) including:

- New funding for the initial design and engineering phases of the planned construction of a new Tempe Town Lake Dam (\$4 million).

General Purpose Program Project Highlights

Funding for the City's Police and Fire Protection Programs (\$3.4 million) including:

- Continued bond funding for the Police / City Radio System Replacement (\$1.9 million)
- Continued bond funding for new Fire Department Fire Truck Replacement (\$600 thousand)

Park Improvements / Recreation Program (\$1.4 million) including:

- New bond funding for replacement and repair of Athletic Field Light Poles (\$1 million)

General Governmental Program (\$1.6 million) including:

- Continued pay-as-you go funding for the Municipal Arts Program (\$300 thousand)
- New bond funding for the repair, replacement and maintenance of various City facilities (\$1.3 million)

Transportation Program Project Highlights

Funding for Transportation and Right-of-Way, and Traffic Signals and Street Lighting Improvements (\$5.7 million) including:

- Bond funding for intersection reconstruction, and for the resurfacing, reconstruction and repair of both major City and neighborhood streets (\$4.3 million)
- Bond funding for street light pole replacement, and various technological improvements to traffic signals (\$966 thousand)

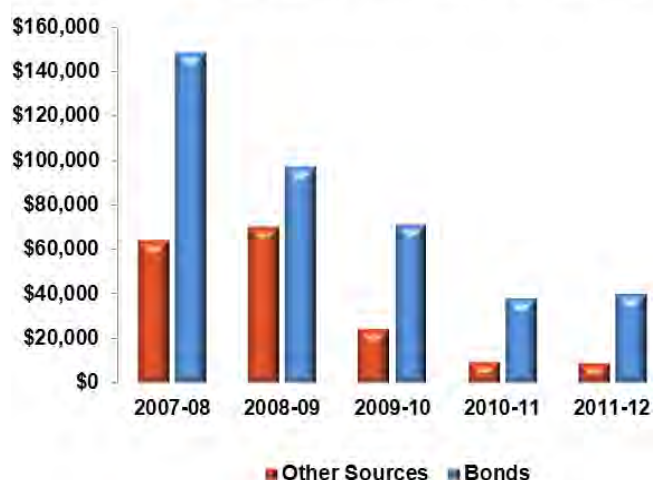
Capital Improvements Program Financing

As shown in the chart below, 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.

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 decreased as a result of project progress and completion in the Enterprise Program which translated into declining funding requirements.

Between FY 2009-10 and 2010-11 the Capital Budget decreased in size by 50%; not due to reduced capital needs, but solely because of the steep decline in local property values resulting from the economic downturn. Between tax year 2009-10 and 2011-12 Tempe property values fell 31% and are projected to fall by another ten percent over the next two years.

CIP Funding Source Comparison - Last Five Years



FY 2011-12 Sources of Funds		
	\$ Millions	% of Total
Water / Wastewater Bonds	\$29.2	59%
General Obligation Bonds	11	22%
Outside Revenue	4.1	8%
Fund Balances	4.2	9%
Pay-as-You-Go Financing	.8	2%
Total	\$49.3	

Since the majority of property tax revenue the City collects is restricted to the payment of debt service on bonds, the City's ability to bond finance new projects under the General Governmental and Transportation Programs in FY 2010-11 was decimated. As a result, the City elected to severely limit planned bond-financed projects in the adopted 2010-11 CIP, and to formulate funding strategies in preparation for the 2011-12 CIP.

As mentioned in the CIP Process Section above, the City Council ultimately adopted a property tax stabilization policy in June 2011 that would effectively enable the City to continue to issue bonds to maintain its basic infrastructure under the General Purpose and Transportation project programs.

Prior to the adoption of this policy, annual secondary property tax collections were projected to decline from \$25 million in FY 2009-10 to \$14.5 million in 2011-12; declining further to \$11.2 million by FY 2014-15 before property value recovery would begin to have a positive impact on tax collections in 2015-16.

Not only did this scenario paint a picture wherein the City would soon not be able to pay for its currently outstanding G.O. debt, but the City would exhaust its debt service reserve within six years. Without a change to its property tax policies, the City would have had no capacity to issue new tax-supported debt for approximately another ten (10) years. From an asset preservation and public health and safety perspective, this scenario was not feasible for a responsible municipal government.

The new property tax stabilization policy established the secondary property taxes to be collected in FY 2011-12, based on property values from 2005-06 (prior to the housing "bubble" and subsequent collapse), adjusted for inflation based on the Western States Consumer Price Index. The policy also limits future increases in total City property tax collections to the same CPI inflationary index, not to exceed 3.3% annually, plus taxes collected from new property added to the tax rolls. The policy also prescribed a range for the City's debt service reserve of between 4% and 8% of the outstanding principal balance of all property tax supported debt at any time within a 20 year horizon.

This policy not only provides a predictable revenue source to pay existing debt and allows for the issuance of responsible amounts of new G.O. debt, but it redirects the annual development of the CIP toward the City's highest project priorities. The G.O. bond funded projects in the adopted 2011-12 CIP are aimed at maintaining the City's basic infrastructure under the General Purpose and Transportation programs; there are no new system expansions or quality of life enhancing projects included.

The City's capacity to issue bonds to finance ongoing and new projects under the Enterprise Program has not faltered 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. The Water and Wastewater capital programs, in general, saw about a \$10 million decline from 2010-11 due to major projects nearing completion in the Water program, and a \$5 million dollar per year decline in budgeted payments in support of the 91st Avenue Wastewater Treatment Plant.

FY 2011-12 capital budget funding sources other than bonds total \$10 million which is consistent with the total amount appropriated in FY 2010-11. Federal grants received for transit and transportation related projects, and development fees associated with water / wastewater projects make up the bulk of the outside revenue budgeted. Due to considerable economy-related operating budget problems faced over the last three years, pay-as-you-go financing is limited to minor uses of Transit Fund and Water Wastewater Fund balances.

The FY 2011-12 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.

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.

<i>Fitch</i>	AAA
<i>Moody's</i>	Aa1
<i>Standard & Poor's</i>	AAA

This active debt management ensures the City can efficiently analyze information such as declining 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.

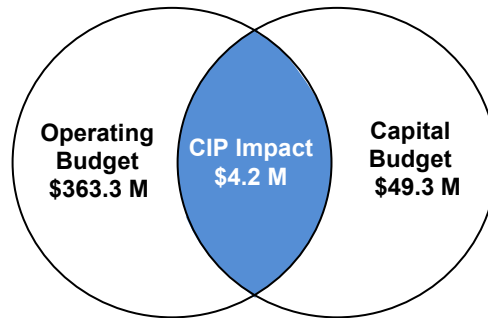
Additionally, in support of the City's new property tax stabilization policy, debt management economic models will continue to be updated annually and employed to monitor how annual secondary property tax levy amounts will impact the City's Debt Service Reserve in future years.

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 on the previous page.

Capital Budget Impact on the Operating Budget

Although 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. 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 shown in the diagram and table below, these incremental impacts total \$4.2 million in FY 2011-12.

Incremental Impact of Capital Budget on 2011-12 Operating Budget	
New Debt Service	FY 2011-12
Enterprise	\$2,539,413
Transportation	146,078
General Purpose	485,330
New Operations and Maintenance	
General Fund	97,006
Water / Wastewater Fund	956,300
Total	\$4,224,127



New FY 2011-12 debt service associated with the Enterprise program shown in the table above is solely attributable to new water / wastewater bonds issued in FY 2010-11. Since many of those bonds carry 20 year maturities, the associated debt service will also remain as operating budget impacts for 20 years.

As is mentioned earlier in the CIP Financing Section, bonds used to finance water and wastewater capital projects, are repaid from the Water / Wastewater fund with user fees collected for water and wastewater services provided by the City. Because the Water Utilities Division updates its long range water and wastewater rate study annually, any increases to operating and debt service costs that are not offset by similar cost reductions, are factored into and paid for with future utility rate increases.

New debt service associated with projects financed with General Obligation (G.O.) bonds under the Transportation and General Purpose programs will be paid out of the Debt Service Fund with secondary property tax revenue. As discussed earlier, the impact of this new debt service is factored into and will influence long range projections for new project prioritization and the City's capacity to issue future G.O. bonds within parameters established by the City's new property tax stabilization policy.

The table below lists the projects with identified FY 2011-12 operating budget impacts by major CIP Program area. As the table shows, the major City funds with additional 2011-12 operating budget appropriations are the Water Wastewater Fund (W/WW) and the General Fund. As the table also shows, there are no new FY 2011-12 revenues or operating budget savings associated with any projects funded in 2011-12. The nature of the operating expense associated with each project is discussed on the following page.

FY 2011-12 Operating and Maintenance Budget Impacts by CIP Project							
Program and Project Name	Fund	Total Cost	Cost Category(s)	New Revenue	Expenditure Reductions	Net Fiscal Effect	FTE
Enterprise							
JGMWTP Water Quality Upgrades*	W / WW	\$190,000	Fees and Services	-	-	\$190,000	-
Ken MacDonald Golf Course Recharge Project*	W / WW	21,300	Fees and Services	-	-	21,300	-
STWTP Improvements*	W / WW	745,000	Supplies and Services	-	-	745,000	-
General Purpose							
City Regional Radio System Maintenance and Replacement	General	42,000	Fees and Services	-	-	42,000	-
Fire Laptop Replacement	General	50,006	Fees and Services	-	-	50,006	-
Technology Integrated Police Systems (TIPS)	General	5,000	Fees and Services	-	-	5,000	-
Total Operating Impacts		\$1,053,306		\$0	\$0	\$1,053,306	0

*Indicates significant nonrecurring project

As the Johnny G. Martinez (JGMWTP) and South Tempe Water Treatment Plant (STWTP) expansion projects progress toward completion, new operating budget appropriations are added to cover increasing costs associated with plant improvements required to meet current and future water quality regulations.

The increase in the STWTP operating budget primarily addresses increased chemical expenses. The JGMWTP increase is solely for increased electricity costs. The bulk of new operating appropriations for the Ken MacDonald Golf Course Recharge project will cover land lease expenses paid to the Ken MacDonald Golf Course for a well located on the property.

The radio system, laptops, and TIPs projects listed under the general purpose category above are all public safety information technology related projects. New operating appropriations for these projects are provided to cover annual hardware and software maintenance costs associated with the projects.

It is important to note that all of the budgeted CIP operating impacts listed above are anticipated to become permanent annual expenditures. Because the City continues to engage in ongoing General Fund operating budget balancing efforts, Staff and the City Council weighed the importance and approval of the above General Purpose program projects against other General Fund funding requirements and budget reduction plans.

Additional projected operating budget impacts associated with these projects are also discussed below in the Future Operating Impacts section along with all other capital projects that are anticipated to have impacts on future operating budgets

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.

Capital Improvements Plan Net Operating Impact Forecast: FY 2012-13 to FY 2015-16							
Program and Project Name	Fund	Cost Category(s)	2012-13	2013-14	2014-15	2015-16	Total
Enterprise							
Environmental Laboratory Facility*	W / WW	Fees and Services	-	(285,000)	-	-	(285,000)
JGMWTP Water Quality Upgrades*	W / WW	Fees and Services	200,000	575,000	-	-	775,000
STWTP Water Quality Improvement*	W / WW	Fees and Services	180,000	-	-	-	180,000
Special Purpose							
Tempe Rio Salado Underpass under 202 at 101*	General	Materials and Supplies	2,500	-	-	-	2,500
General Purpose							
Intercept Project	General	Fees and Services	45,000	-	-	-	45,000
Total Operating Impacts			\$427,500	\$290,000	\$0	\$0	\$717,500

*Indicates significant nonrecurring project.

As shown in the table above, a total of five CIP projects are projected to produce \$717,500 in operating budget impacts between FY 2012-13 and FY 2015-16. The operating budget impacts listed, and also described below, represent new incremental expenditure increases, or savings in the case of the Environmental Laboratory, which are anticipated to go into effect on a permanent annual basis in the year shown.

Among the five projects, four are considered significant nonrecurring projects and are projected to produce 94% or \$672,500 of the estimated future operating budget impacts. Please see page 187 for a list of all significant nonrecurring projects and associated funding sources, and the complete CIP Project Listings and Descriptions section for additional project detail.

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.

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.

Under the Special Purpose capital program, public works operations staff identified the need for a marginal increase to the annual landscape maintenance budget to address additional anticipated maintenance requirements of a new 1200 foot shared use path which will pass under the intersection of the Loop 101 and 202 freeways (Tempe Rio Salado Underpass).

The Intercept Project in the General Purpose capital program will update and improve the Police Department's technological equipment used in the collection and analysis of criminal activity information. As shown above, the new equipment will require the addition of \$45,000 to the department's annual information technology operating budget for hardware maintenance.

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 to create a positive and livable community environment, and to enhance the City's organizational ability to deliver services to residents. Ongoing recurring 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 nonrecurring capital projects included in the 5 year CIP 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 2010 Community Attitude Survey, the City's ability to supply reliable, high quality domestic water to its residents resulted in an 85% resident satisfaction rating which is 7% above the national average of 78%.

Special Purpose Program

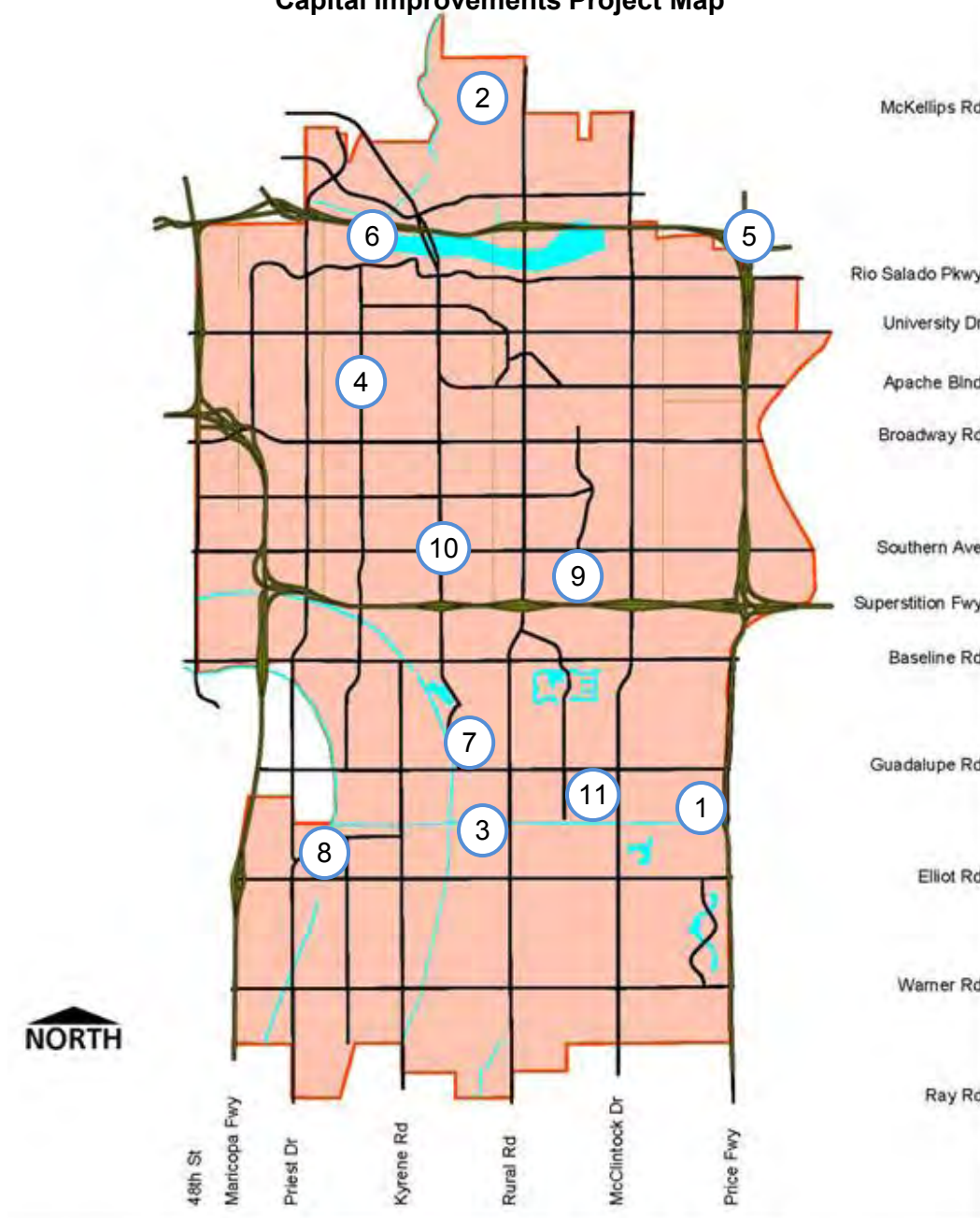
- Hardy Drive Street Improvement - The design and scope of this project are the products of extensive community dialogue, and will greatly improve a one mile segment of arterial street fronted by residential homes. Improvements will focus on the safety and aesthetics of the area to better accommodate the high volume of pedestrian and bicycle traffic due to the proximity to Arizona State University.
- Tempe Rio Salado Underpass under 202 at 101 - The project will construct a shared use path underneath the Loop 202 Freeway at the Loop 202 and Loop 101 Freeway traffic interchange, effectively connecting the Cities of Tempe and Mesa along the south bank of the Salt River. The project involves a 12-foot wide concrete path with lighting and safety railings underneath the freeway and will link to existing and planned pathways in Tempe and Mesa. Not only will the project provide pedestrians and bicycle riders with a safe, new link to Tempe Town Lake, downtown Tempe, Arizona State University, and Metro Light Rail, but it also provides new non-motorized access between 2 major retail centers, Tempe Marketplace and Mesa Riverview. Finally, the project is located in a Tempe Enterprise Zone which supports Tempe City Council's efforts to revitalize areas that serve low income neighborhoods.
- Town Lake Downstream 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.

Significant Nonrecurring Capital Project Expenditures by Major Program

Project Name	Funding Source	2011-12	Additional Projected Needs				Total 5-Year Program
		Funded Program	2011-12	2012-13	2013-14	2014-15	
Enterprise Program							
Environmental Laboratory Facility	Water / Wastewater Bonds	540,000	-	-	-	-	540,000
JGMWTP Water Quality Upgrades	Water / Wastewater Bonds	4,055,000	2,325,000	-	-	-	6,380,000
Scottsdale Road Water Transmission Main (Curry Rd. to Rio Salado Parkway)	Water / Wastewater Bonds	-	-	-	-	6,253,000	6,253,000
South Tempe Water Treatment Plant Improvements	Water / Wastewater Bonds	12,100,000	-	-	-	-	12,100,000
Undergrounding of the Water Aqueduct at the JGMWTP	Water / Wastewater Bonds	-	-	-	-	2,511,000	2,511,000
Ken McDonald Golf Course Recharge Project	Water / Wastewater Bonds	1,649,000	1,351,000	-	-	-	3,000,000
Sewer Replacement / Upsize (5th Street from Price Road to Smith Road)	Water / Wastewater Bonds	-	-	-	2,576,000	-	2,576,000
Sewer Replacement / Upsize Smith Rd (Apache to University)	Water / Wastewater Bonds	-	-	-	-	2,599,000	2,599,000
Total Enterprise Program		18,344,000	3,676,000	-	2,576,000	11,363,000	35,959,000
Special Purpose Program							
Hardy Drive Street Improvement	Federal Grants - CMAQ	1,194,000	-	-	-	-	1,194,000
	Transit Tax	139,643	-	-	-	-	139,643
	Project Total	1,333,643	-	-	-	-	1,333,643
Tempe Rio Salado Underpass under 202 at 101	Federal Grants - CMAQ	943,000	-	-	-	-	943,000
	Transit Tax	61,000	-	-	-	-	61,000
	Project Total	1,004,000	-	-	-	-	1,004,000
Town Lake Downstream Dam Replacement	Rio Salado Fund Balance	4,000,000	-	-	-	-	4,000,000
	G.O. Bonds	-	1,379,780	424,000	43,605,600	-	45,409,380
	Project Total	4,000,000	1,379,780	424,000	43,605,600	-	49,409,380
Total Special Purpose Program		6,337,643	1,379,780	424,000	43,605,600	-	51,747,023
Total All Programs		24,681,643	5,055,780	424,000	46,181,600	11,363,000	87,706,023

The eleven significant nonrecurring projects above account for 41% of the City's total \$216 million five year Capital Improvements Program. Because major nonrecurring 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 budgets in the City's General Fund and Water / Wastewater Fund are estimated to permanently increase by a combined \$1.8 million over the next five years as a result of nine of the above projects.

Capital Improvements Project Map



Location	Project Description
1.	South Tempe Water Treatment Plant Improvements
2.	Johnny G. Martinez Water Treatment Plant Improvements
3.	Ken MacDonald Golf Course Recharge Project
4.	Hardy Drive Street Improvement
5.	Tempe Rio Salado Underpass – Under 202 at 101
6.	Town Lake Downstream Dam Replacement
7.	City Facilities Rehabilitation
8.	Asphalt Mill and Overlay
9.	Neighborhood Street Rehabilitation
10.	Intersection Reconstruction
11.	Residential Street Surface Treatments

2011-12 Capital Improvements Program Summary

Program	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
		2012-13	2013-14	2014-15	2015-16	
Enterprise Program						
Water	19,161,000	5,630,000	6,681,000	6,706,000	15,470,000	53,648,000
Wastewater	10,999,000	10,851,000	7,000,000	9,576,000	9,599,000	48,025,000
Total Enterprise	30,160,000	16,481,000	13,681,000	16,282,000	25,069,000	101,673,000
Special Purpose Program						
Transit	2,789,099	-	-	-	-	2,789,099
Rio Salado	4,000,000	1,379,780	424,000	43,605,600	-	49,409,380
Total Special Purpose	6,789,099	1,379,780	424,000	43,605,600	-	52,198,479
General Purpose Program						
Police Protection	2,500,246	1,175,848	5,589,362	1,522,777	1,582,764	12,370,996
Fire Protection	849,800	530,000	1,267,000	580,000	-	3,226,800
Storm Drains	278,000	300,000	350,000	350,000	350,000	1,628,000
Park Improvements	1,415,000	975,000	1,335,000	2,035,000	2,125,000	7,885,000
General Governmental	1,613,600	2,015,810	1,972,110	1,642,820	1,730,690	8,975,030
Total General Purpose	6,656,646	4,996,658	10,513,472	6,130,597	5,788,454	34,085,826
Transportation						
Transportation and R.O.W.	4,765,888	4,558,823	6,240,555	4,374,553	3,767,035	23,706,854
Traffic Signals / Street Lighting	966,171	1,375,000	1,152,619	605,000	605,000	4,703,790
Total Transportation	5,732,059	5,933,823	7,393,174	4,979,553	4,372,035	28,410,644
TOTAL PROGRAM	49,337,804	28,791,261	32,011,646	70,997,750	35,229,489	216,367,950

2011-12 Capital Improvements Program Source of Funds

Program	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
		2012-13	2013-14	2014-15	2015-16	
Enterprise Supported						
Water / Wastewater Bonds	29,160,000	15,481,000	12,681,000	15,282,000	24,069,000	96,673,000
Development Fees	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total Enterprise Supported	30,160,000	16,481,000	13,681,000	16,282,000	25,069,000	101,673,000
Special Purpose						
Transit						
Federal Grants	2,422,456	-	-	-	-	2,422,456
Transit Fund	366,643	-	-	-	-	366,643
Total Transit	2,789,099	-	-	-	-	2,789,099
Rio Salado						
Rio Salado Fund Balance	4,000,000	-	-	-	-	4,000,000
Unauthorized G.O. Bonds	-	1,379,780	424,000	43,605,600	-	45,409,380
Total Rio Salado	4,000,000	1,379,780	424,000	43,605,600	-	49,409,380
Total Special Purpose	6,789,099	1,379,780	424,000	43,605,600	-	52,198,479
General Purpose						
General Obligation Bonds	4,419,634	2,980,848	7,126,312	2,965,000	2,475,000	19,966,794
Unauthorized G.O. Bonds	1,312,000	1,851,000	3,250,350	3,002,777	3,062,764	12,478,891
Water / Wastewater Fund	429,600	164,810	136,810	162,820	250,690	1,144,730
Racketeer Influenced and Corrupt Organizations Act (RICO) Funds	495,412	-	-	-	-	495,412
Total General Purpose	6,656,646	4,996,658	10,513,472	6,130,597	5,788,454	34,085,826
Transportation						
General Obligation Bonds	5,280,231	5,394,823	5,517,638	4,979,553	4,372,035	25,544,280
Federal Grants	242,528	539,000	1,875,536	-	-	2,657,064
Capital Projects Fund Balance	209,300	-	-	-	-	209,300
Total Transportation	5,732,059	5,933,823	7,393,174	4,979,553	4,372,035	28,410,644
TOTAL PROGRAM	49,337,804	28,791,261	32,011,646	70,997,750	35,229,489	216,367,950

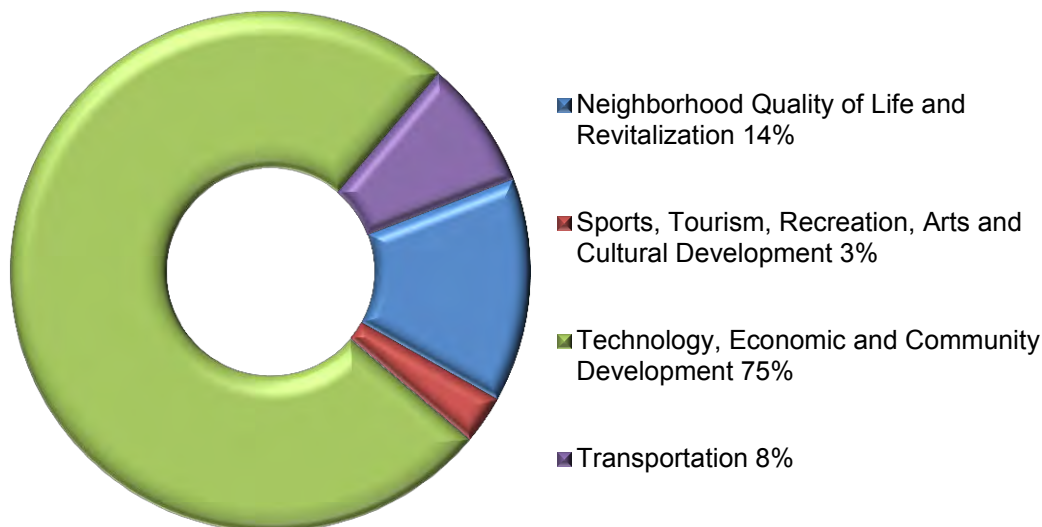
Capital Budget Strategic Focus

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:

- Education Partnerships
- Housing and Social Services
- Neighborhood Quality of Life and Revitalization
- Sports, Tourism, Recreation, Arts and Cultural Development
- Technology, Economic and 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 39.

The FY 2011-12 Capital Program organized by strategic issue is shown in the chart below.



Water and wastewater projects comprise 61% of the total FY 2011-12 CIP and fall under the strategic area of Technology, Economic and Community Development. This is representative of the City's continuing reinvestment in water and sewer infrastructure to support new and existing development. The initial year of funding for the replacement of the Tempe Town lake dam also falls under this strategic area because of the major contribution it lends to the City's economic development engine. Also represented under this strategic area are the four Information Technology projects which make up the entire Police Protection program.

The Neighborhood Quality of Life and Revitalization strategic area is represented by projects under the Fire Protection, Park Improvement, General Governmental and Transportation and Right-of-Way programs. Projects under these program areas support the Fire Department's ability to respond to residents, address the maintenance and appearance of City facilities and park equipment, and provide for the maintenance of neighborhood streets.

Continued capital investment in the Traffic Signals and Street Lighting, and Transit programs contribute to the Transportation strategic area; and continued funding for the Municipal Arts program and City sports facilities support the City's focus on Sports, Tourism, Recreation, Arts and Cultural Development.

Capital Budget, Debt and Property Tax Levy Policy Statements

Capital Budget Policy

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

Debt Policy

- Debt will only be used to finance long term capital improvements and not be used to finance recurring operating expenses.
- In accordance with state law, the total value of General Obligation bonds issued for the purposes of water, wastewater, artificial light, open space preserves, parks, playgrounds, and recreational facilities, public safety, law enforcement, fire and emergency services facilities, and streets and transportation facilities cannot exceed 20% of assessed valuation. The total value of General Obligation bonds issued for all other purposes other than those listed above cannot exceed 6% of assessed valuation.
- Debt term should match the useful life of the capital project funded.
- Debt service schedules will be based upon level annual principal and interest payments.
- Overlapping debt issuances 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.

Property Tax Levy Policy

- 1) The total annual secondary tax levy shall only be used to make debt service payments on bonds issued to fund capital projects approved by the City Council in the CIP and shall not exceed an amount calculated as follows:
 - a. For existing property, which is defined as property subject to property tax in the prior year, establish a maximum total property tax levy equal to the previous year's total primary and secondary tax levy, adjusted by the Western States Consumer Price Index (CPI) for the last completed calendar year, not to exceed a 3.3% increase in any year.
 - b. The primary levy on existing property shall be established first, within the limits provided in paragraph 1)a, and within limits provided in state statute. After establishing the primary levy on existing property, the secondary levy on existing property shall be established at a level that, when combined with the primary levy on existing

property, does not increase the total levy on existing property by more than CPI, and in no case by more than 3.3% of the total city property tax levy in the prior year.

- c. For newly-taxable property, collect a levy by applying, to the net assessed values of new properties, the same primary and secondary tax rates used to establish the levies on existing taxable property in paragraph 1)b.
- 2) Secondary property tax levies shall be deposited into the Debt Service Fund, from which general purpose bonded debt payments are made. The Debt Service Fund shall be maintained in accordance with generally accepted accounting principles and shall have a fund balance between 4% and 8% of outstanding general purpose debt at the end of each fiscal year.
- 3) Projections of revenues and debt service payments shall be used to create an annual long-range forecast, of at least 20 years, for the Debt Service Fund. Projected debt service payments associated with the approved CIP shall not cause the projected Debt Service Fund balance to drop below 4% in any year of the forecast, applying levy projections that comply with this policy for each year of the forecast.

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 secondary assessed property value within the City.

Cities may also issue general obligation bonds for any purposes up to an amount not exceeding 6% of the secondary assessed value. All bonds issued pursuant to Article 9, Section 8 are subject to authorization by a majority vote at a city bond election.

Although annual property valuation estimates are not finalized until August of each year, the City is projected to exceed its 20% debt limit in 2011-12, as shown in the table below. This projected condition will not have occurred as the result of the City issuing general obligation debt in excess of its debt limits at any time of issuance. This projection results solely from an estimated 22% decline in the City's secondary assessed property valuation between FY 2010-11 and 2011-12; from \$2.5 to \$1.96 billion respectively. The value decline will in effect cause the City's currently outstanding debt issued under the 20% limit to exceed 20% of its secondary assessed value.

Even though the City's debt issued under the 20% debt limit is projected to exceed the limit as a result of events out of the City's control, the City may / will not incur additional debt against the 20% debt limit until such time as a combination of retiring principal associated with that debt, and rising property values produce a positive debt to value ratio. While the City may continue to issue debt within the 6% debt limit, doing so must be done with extreme vigilance in light of continued year to year property valuation uncertainty.

FY 2011-12 General Obligation Bonded Debt Limits July 1, 2011

FY 2011-12	6%	20%
Projected Bond Limit ⁽¹⁾	\$117,439,717	\$391,465,722
Outstanding G.O. Bonded Debt-Previously Issued	(8,025,000)	(446,276,092)
G.O. Proposed Bonds to be Sold in FY 2011-12		
Storm Drains	150,000	
Park Improvements	1,415,000	
Public Safety / Law Enforcement	2,004,834	
Fire and Emergency Services	849,800	
Transportation	5,280,231	
General Governmental	1,312,000	
Debt Margin Available	\$98,402,852	(\$54,810,370)

⁽¹⁾ The FY 2011-12 Bond Limit is based upon an estimated secondary assessed value of \$1,957,328,610 compared to the FY 2010-11 secondary assessed value of \$2,512,995,468.

Long-Term Debt Summary

Remaining General Obligation Bond Authorizations

2008 Voter Authorization	Original Authorization	Prior Issues	2011-12 Issue	Remaining Authorization
Water / Wastewater	113,300,000	52,025,302	-	61,274,698
Police Protection	10,900,000	8,745,000	2,004,834	150,166
Fire Protection	21,110,000	250,000	849,800	20,010,200
Community Services / Park Improvements / Library	51,800,000	15,025,000	1,415,000	35,360,000
Streets / Transportation / Storm Drains	44,200,000	1,080,000	5,430,231	37,689,769
TOTAL	241,310,000	77,125,302	9,699,865	154,484,833

Long-Term Outstanding Debt Summary

July 1	2008	2009	2010	2011
General Obligation Bonds				
Water / Wastewater	282,520,000	285,735,000	305,177,545	287,621,092
Police Protection	32,085,000	43,675,000	49,120,000	49,720,000
Fire Protection	8,695,000	11,010,000	10,785,000	11,155,000
Storm Drains	3,775,000	3,600,000	3,495,000	2,705,000
Park Improvements	27,575,000	32,960,000	36,688,500	34,515,000
Library/Museum	1,395,000	4,940,000	11,721,500	11,410,000
Streets/Transportation	51,550,000	60,080,000	60,855,000	57,175,000
Total G.O. Debt Outstanding	407,595,000	442,000,000	477,842,545	454,301,092
Tempe Sports Authority Corp. Bonds / COP				
Certificates of Participation (COP)	625,000	-	-	-
Total Tempe Sports Authority Corp. Bonds/COP	625,000	-	-	-
Excise Tax Bonds				
Water / Wastewater	-	16,720,000	16,175,000	46,930,000
Performing Arts	47,340,000	43,640,000	39,780,000	35,730,000
Transit	138,065,000	135,480,000	132,745,000	129,905,000
Rio Salado	32,320,000	30,760,000	29,130,000	27,435,000
General Governmental	23,400,000	29,680,000	28,815,000	35,700,000
Cemetery Enterprise	2,050,000	1,965,000	1,875,000	1,785,000
Total Long-Term Outstanding Debt	\$651,395,000	\$700,245,000	\$726,362,545	\$731,786,092

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	731,786,092	69,753,500	2,512,995,468	(9.2)	.52	.88	1.40
2011-12	49,337,804	731,845,476	66,378,628	1,957,328,610	(22.1)	.66	1.13	1.79

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 was 50% less than the 2009-10 CIP. The City elected to severely limit planned G.O bond financed projects in the adopted 2010-11 CIP, and to formulate funding strategies in preparation for the 2011-12 CIP.

As mentioned in the CIP Message, the City Council adopted a property tax stabilization policy in June 2011 that would effectively enable the City to continue to issue G.O bonds to maintain its basic infrastructure under the General Purpose and Transportation project programs starting again in 2011-12.

The newly adopted property tax stabilization policy established the estimated amount of secondary property taxes collected in FY 2010-11 (\$22.1 million) as a base year to which future annual levies would be tied. Prior to the adoption of this policy, annual secondary property tax collections were projected to decline to \$14.5 million in 2011-12, and decline further to \$11.2 million in FY 2014-15 before property value recovery would begin to have a positive impact on tax collections in 2015-16.

Between FY / tax year 2009-10 and 2011-12 Tempe property values fell 31% and are expected to fall at least another ten percent over the next two years. As shown above, to collect the same amount of secondary property tax in 2011-12 as is estimated to be collected in 2010-11, with much lower total property values, a property tax rate increase of 39 cents is required.

Outstanding Principal includes all forms of City debt, including general obligation, excise tax revenue, and enterprise revenue supported debt. Total budgeted debt service in FY 2011-12 declined as the result of refunding bond issuances which occurred in FY 2010-11 as well as additional planned refunding issuances.

Debt Service Appropriations by Fund

FY 2011-12	Principal	Interest	Fiscal Agent Fees	Total
Debt Service Fund	\$12,859,902	\$8,324,420	\$315,000	\$21,499,322
Transit Fund	1,640,000	3,230,000	200,000	5,070,000
Water/Wastewater Fund	18,667,508	14,583,147	350,000	33,600,655
Performing Arts Fund	4,240,000	1,777,788	10,000	6,027,788
Cemetery Fund	95,000	84,863	1,000	180,863
Total	\$37,502,410	\$28,000,218	\$876,000	\$66,378,628

Capital Improvements Program Project Listing and Descriptions

Enterprise Program

Water and Wastewater projects total

\$30.2 million in FY 2011-12

and account for 61% of the total

2011-12 appropriated CIP budget



The Enterprise component of the Capital Improvements Program consists of the Water and Wastewater programs. Combined, they constitute \$30.2 million of the \$49.3 million Capital Improvements Program for FY 2011-12. 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 \$29.2 million of Water / Wastewater Bonds will be sold to fund these projects in FY 2011-12. These bonds are repaid by user charges for service delivery in both programs. The remaining program funding will come from development fees.

Major Water Program projects in FY 2011-12 include continued upgrades at the Johnny G. Martinez and South Tempe Water Treatment Plants, the final construction phase of a new Environmental Laboratory Facility, and numerous waterline improvements. Two projects, the Ken MacDonald Golf Course Recharge project and continued funding for expansion at the 91st Avenue Wastewater Treatment Plant, account for 83% of the 2011-12 Wastewater program. The program also includes funding for ongoing sewer line replacement and repair.

**2011-12 CIP Projects - Water Program**

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Distribution System Fittings: 3299999	Water / Wastewater Bonds	230,000	230,000	230,000	230,000	230,000	1,150,000
Environmental Laboratory Facility: 3203499	Water / Wastewater Bonds	540,000	-	-	-	-	540,000
JGMWTP Capital Equipment Replacement: 3200089	Water / Wastewater Bonds	250,000	250,000	250,000	250,000	250,000	1,250,000
JGMWTP Water Quality Upgrades: 3201099	Water / Wastewater Bonds	4,055,000	2,325,000	-	-	-	6,380,000
New Production Wells: 3200019	Water / Wastewater Bonds	100,000	1,500,000	1,500,000	1,500,000	1,500,000	6,100,000
SCADA Master Plan and Implementation: 3204400	Water / Wastewater Bonds	250,000	250,000	-	-	-	500,000
Scottsdale Road Water Transmission Main (Curry Rd. to Rio Salado Parkway): NA	Water / Wastewater Bonds	-	-	-	-	6,253,000	6,253,000
Small Meter Replacement Program - 2" and under: 3209319	Water / Wastewater Bonds	175,000	175,000	175,000	200,000	200,000	925,000
South Tempe Water Treatment Plant Improvements: 3203219	Water / Wastewater Bonds	12,100,000	-	-	-	-	12,100,000
STWTP Capital Equipment Replacement: 3200079	Water / Wastewater Bonds	250,000	250,000	250,000	250,000	250,000	1,250,000
Undergrounding of Water Aqueduct at the JGMWTP: NA	Water / Wastewater Bonds	-	-	-	-	2,511,000	2,511,000
Water Line Replacement and Repair: 3299989	Development Fees	500,000	500,000	500,000	500,000	500,000	2,500,000
Waterline Replacements of High Frequency Break Areas: NA	Water / Wastewater Bonds	-	-	3,626,000	3,626,000	3,626,000	10,878,000
Well #9 Pump to Waste Line: 3204410	Water / Wastewater Bonds	561,000	-	-	-	-	561,000
Well Rehabilitation: 3203549	Water / Wastewater Bonds	150,000	150,000	150,000	150,000	150,000	750,000
Program Total		19,161,000	5,630,000	6,681,000	6,706,000	15,470,000	53,648,000

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 wellbeing 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	\$1,150,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,150,000

Project Number: 3299999

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds \$230,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$1,150,000

Environmental Laboratory Facility



Project Description

This is the final year of funding for this project to complete 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 8 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.

In FY 2013-14, a recurring operating budget decrease of \$300,000 is anticipated 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 budget decrease of \$285,000.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$15,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$525,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$540,000

Project Number: 3203499

Estimated Start Date: 07/01/09

Estimated Completion Date: 06/30/12

2011-12 Source of Funds

Water / Wastewater Bonds \$540,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$540,000	\$0	\$0	\$0	\$0	\$540,000

JGMWTP Capital Equipment Replacement



Project Description

This project provides for annual capital equipment replacement requirements at the Johnny G. Martinez Water Treatment Plant. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. These failures cannot always be predicted even though the Water Utilities division is developing comprehensive preventive and predictive maintenance programs and procedures.

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	\$1,250,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,250,000

Project Number: 3200089

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds \$250,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

JGMWTP Water Quality Upgrades



Project Description

This project includes planning, design, permitting and construction of facilities to improve water quality at the Jonny G. Martinez Water Treatment Plant (JGMWTP). Additional improvements are required to meet water quality regulations. This project includes installation of enhanced coagulation treatment facilities, groundwater treatment and blending system, modifications to finished water reservoir and miscellaneous other plant improvements.

In FY 2011-12 this project entails a permanent operating budget increase of \$190,000 for increased electricity costs to support the plant's expanded water treatment operations. An additional \$200,000 and \$575,000 in permanent operating costs are anticipated in Fys 2012-13 and 2013-14 respectively for chemicals, increasing electricity costs, and waste disposal.

Estimated Project Costs

Legal / Administration	\$100,000
Land Acquisition	\$0
Permit Fees	\$875,000
Design and Engineering	\$200,000
Survey / Staking	\$20,000
Construction Management	\$50,000
Furnishings / Equipment	\$0
Construction / Improvement	\$5,135,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$6,380,000

Project Number: 3201099

Estimated Start Date: Ongoing

Estimated Completion Date: 03/31/13

2011-12 Source of Funds

Water / Wastewater Bonds \$4,055,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$4,055,000	\$2,325,000	\$0	\$0	\$0	\$6,380,000

New Production Wells



Project Description

This project will connect three Salt River Project (SRP) wells located along the Western Canal, and drill and outfit one new City of Tempe well. Connection of the three SRP wells will be complete in FY 2011-12. The new Tempe well will be permitted during FY 2012-13 and constructed during FYs 2013-14 and 2014-15. These additional wells provide groundwater as a backup supply during drought or plant shut down and for blending to improve water quality.

Estimated Project Costs

Legal / Administration	\$101,000
Land Acquisition	\$0
Permit Fees	\$351,000
Design and Engineering	\$1,193,000
Survey / Staking	\$101,000
Construction Management	\$698,000
Furnishings / Equipment	\$0
Construction / Improvement	\$9,955,000
Geotech / Material Testing	\$101,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$6,100,000

Project Number: 3200019

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds \$100,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$100,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$6,100,000

SCADA Master Plan and Implementation



Project Description

SCADA (Supervisory Control and Data Acquisition) systems allows remote monitoring and operation of critical equipment. This allows efficient operation of water and wastewater facilities. The use of SCADA helps alert staff to issues such as main breaks, pump breakdowns or other equipment failures, which can have adverse environmental impacts. Over the past 10 years, the current SCADA system has evolved, become increasingly complex and equipment has been added at each of the City of Tempe Water facilities. Data provided from the current system is used to forecast future design needs, and to meet both regulatory and record retention requirements. The primary objectives of the Master Plan will be to review the current SCADA systems' functionality, life cycle costs, and technical needs for the next ten year period and establish a business-based vision of SCADA performance and support. The final product will identify gaps in the existing SCADA system, make recommendations for standardization of equipment and technology (both hardware and software) and provide an estimate of future SCADA related costs for budgeting purposes.

Estimated Project Costs

Legal / Administration	\$4,000
Land Acquisition	\$0
Permit Fees	\$14,000
Design and Engineering	\$52,000
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$430,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$500,000

Project Number: 3204400

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds \$250,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$250,000	\$250,000	\$0	\$0	\$0	\$500,000

Scottsdale Rd. Water Transmission Main (Curry Rd. to Rio Salado Parkway)



Project Description

This project will install a redundant 30-inch water transmission main from Curry Road to Rio Salado Parkway on Scottsdale Road. This project will provide the additional hydraulic capacity needed to move water from the Johnny G. Martinez Water Treatment Plant (JGMWTP) to the downtown area and areas further to the south, as well as, improve pressures in the area north of the Salt River when moving water to the north from the South Tempe Water Treatment Plant during the annual JGMWTP shutdown. This project will also provide redundant capacity under the Salt River / Town Lake should there be a need to remove one of the existing river crossings from service for maintenance or should a pipeline failure occur.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$50,000
Land Acquisition	\$0
Permit Fees	\$176,000
Design and Engineering	\$598,000
Survey / Staking	\$50,000
Construction Management	\$349,000
Furnishings / Equipment	\$0
Construction / Improvement	\$4,980,000
Geotech / Material Testing	\$50,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$6,253,000

Project Number: NA

Estimated Start Date: 07/01/15

Estimated Completion Date: 12/30/16

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$0	\$6,253,000	\$6,253,000

Small Meter Replacement Program - 2" and under



Project Description

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. 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.

2011-12 Source of Funds

Water / Wastewater Bonds \$175,000

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	\$925,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$925,000

Project Number: 3209319

Estimated Start Date: 07/01/08

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$175,000	\$175,000	\$175,000	\$200,000	\$200,000	\$925,000

South Tempe Water Treatment Plant Improvements



Project Description

This project includes planning, design, permitting and construction of additional treatment facilities and the repair / replacement of aging equipment at the South Tempe Water Treatment Plant.

Improvements are required to meet current and future water quality regulations. This project included 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 facilities, well water discharge structures, reservoir drains and replacement of the finished water pump station.

In FY 2011-12 this project entails an operating budget increase of \$745,000 primarily for new chemical costs to support the plant's expanded water treatment operations. An additional \$180,000 in permanent operating costs beginning in FY 2012-13 is anticipated for chemicals, increasing electricity costs, and waste disposal.

2011-12 Source of Funds

Water / Wastewater Bonds	\$12,100,000

Estimated Project Costs

Legal / Administration	\$108,326
Land Acquisition	\$0
Permit Fees	\$216,652
Design and Engineering	\$0
Survey / Staking	\$108,326
Construction Management	\$758,281
Furnishings / Equipment	\$0
Construction / Improvement	\$10,832,587
Geotech / Material Testing	\$75,828
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$12,100,000

Project Number: 3203219

Estimated Start Date: Ongoing

Estimated Completion Date: 12/31/11

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$12,100,000	\$0	\$0	\$0	\$0	\$12,100,000

STWTP Capital Equipment Replacement



Project Description

This project provides for annual capital equipment replacement requirements at the South Tempe Water Treatment Plant. Every year there are unexpected failures of pumps, valves, and other operating equipment due to fatigue, wear, structural failure and many other reasons. These failures cannot be predicted even though the Water Utilities Division is developing comprehensive and predictive maintenance programs and procedures.

2011-12 Source of Funds

Water / Wastewater Bonds	\$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	\$1,250,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,250,000

Project Number: 3200079

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Undergrounding of Water Aqueduct at the JGMWTP



Project Description

This project provides for the replacement of the water aqueduct or flume that supplies raw water to the Jonny G. Martinez Water Treatment Plant (JGMWTP) with an underground pipe. The vulnerability assessment of the Water Utilities Division 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. Project necessity will be assessed within this parameter.

Estimated Project Costs

Legal / Administration	\$20,000
Land Acquisition	\$0
Permit Fees	\$71,000
Design and Engineering	\$240,000
Survey / Staking	\$20,000
Construction Management	\$140,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,000,000
Geotech / Material Testing	\$20,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,511,000

Project Number: NA

Estimated Start Date: 07/15/15

Estimated Completion Date: 03/31/17

2011-12 Source of Funds

NA

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$0	\$2,511,000	\$2,511,000

Water Line Replacement and Repair



Project Description

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

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	\$2,500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,500,000

Project Number: 3299989

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Development Fees \$500,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000

Waterline Replacements of High Frequency Break Areas



Project Description

This project will be the beginning of a program to replace pipelines that are on the Water Utilities Division high frequency water break list. These pipelines are primarily located north of the US-60 in the older sections of the City and are mostly Cast Iron Pipe (CIP). Based on historical waterline break history the following areas have been identified as areas that require replacement:

Stadem Drive - Miller Road to Curry Road; Farmer Avenue - 1st Street to Broadway Road; Neighborhood bordered by Southern Avenue, US-60, Mill Avenue and McAllister Road; 17th Street, 18th Street and 19th Street Hardy to Roosevelt; Dorsey Drive - University to 8th Street; Terrace Road - Broadway to Southern; Margo Drive - University Drive to 12th Place; Pebble Beach Drive and La Corta Drive from Laguna to McAllister; Geneva Drive - Priest Drive to Albert Avenue; Taylor / Papago / Van Ness west of Scottsdale Road; Lemon Street, Una Ave from Dorsey to Orange Street and Hall St. to Lemon Street.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$145,000
Land Acquisition	\$0
Permit Fees	\$510,000
Design and Engineering	\$1,735,000
Survey / Staking	\$145,000
Construction Management	\$1,010,000
Furnishings / Equipment	\$0
Construction / Improvement	\$14,440,000
Geotech / Material Testing	\$145,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$10,878,000

Project Number: NA

Estimated Start Date: 07/01/11

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$3,626,000	\$3,626,000	\$3,626,000	\$10,878,000

Well #9 Pump to Waste Line



Project Description

This project will install a pump to a waste line from Well #9 to a Salt River Project irrigation box located in McClintock Drive. Well #9 is one of the City's most important ground water assets, when the South Tempe Water Treatment Plant is down for annual maintenance, this well provides water for the residents in South Tempe, and maintains system pressure in the area. Before the Well is placed into service for public consumption, the water is sent to waste until it meets drinking water standards. Currently the water is sent to a private irrigation system that is maintained by residents surrounding the well. During times of irrigation, or other seasonal events, it creates a significant constraint on the ability to run the Well as operationally necessary.

2011-12 Source of Funds

Water / Wastewater Bonds \$561,000

Estimated Project Costs

Legal / Administration	\$5,000
Land Acquisition	\$0
Permit Fees	\$16,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$35,000
Furnishings / Equipment	\$0
Construction / Improvement	\$500,000
Geotech / Material Testing	\$5,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$561,000

Project Number: 3204410

Estimated Start Date: 07/01/11

Estimated Completion Date: 12/31/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$561,000	\$0	\$0	\$0	\$0	\$561,000

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	\$5,000
Land Acquisition	\$0
Permit Fees	\$10,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$735,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$750,000

Project Number: 3203549

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds \$150,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000

2011-12 CIP Projects - Wastewater Program

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
91st Avenue WWTP: 3200129	Water / Wastewater Bonds	7,500,000	7,500,000	5,000,000	5,000,000	5,000,000	30,000,000
Ken McDonald Golf Course Recharge Project : 3209309	Water / Wastewater Bonds	1,649,000	1,351,000	-	-	-	3,000,000
Sewer Line Replacement and Repair: 3299969	Water / Wastewater Bonds	1,000,000	1,500,000	1,500,000	1,500,000	1,500,000	7,000,000
	Development Fees	500,000	500,000	500,000	500,000	500,000	2,500,000
	Project Total	1,500,000	2,000,000	2,000,000	2,000,000	2,000,000	9,500,000
Sewer Replacement / Upsize (5th Street from Price Road to Smith Road): NA	Water / Wastewater Bonds	-	-	-	2,576,000	-	2,576,000
Sewer Replacement / Upsize Smith Rd (Apache to University): 3209389	Water / Wastewater Bonds	-	-	-	-	2,599,000	2,599,000
Unlined Concrete Sewer Evaluation Study: 3204390	Water / Wastewater Bonds	350,000	-	-	-	-	350,000
Program Total		10,999,000	10,851,000	7,000,000	9,576,000	9,599,000	48,025,000

91st Avenue Wastewater Treatment Plant



Project Description

The 91st Avenue Wastewater Treatment Plant (WWTP) is a regional facility that is jointly owned by five valley cities and is operated by the City of Phoenix. The 91st Avenue WWTP provides wastewater treatment and transmission capacities sufficient to treat and convey the majority of Tempe's wastewater flows, including solids discharge from our Kyrene Water Reclamation Plant. This project represents Tempe's share of all capital activities at 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.

2011-12 Source of Funds

Water / Wastewater Bonds \$7,500,000

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	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$30,000,000
Total	\$30,000,000

Project Number: 3200129

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$7,500,000	\$7,500,000	\$5,000,000	\$5,000,000	\$5,000,000	\$30,000,000

Ken McDonald Golf Course Recharge Project



Project Description

This is a continuation of a project funded in fiscal year 2009/10. The project will provide the balance of funding to drill and outfit up to three aquifer storage and recovery wells at the Ken McDonald Golf Course.

The primary purpose of the Ken McDonald Golf Course (KMGC) Recharge Project is to fully utilize Tempe's renewable reclaimed water supplies and add to the City's Assured Water Supply Portfolio. The Project is permitted by the Arizona Department of Water Resources to store 3,400 acre-feet per year, and this volume of annual reclaimed water storage is included in Tempe's 100-year Assured Water Designation.

In FY 2011-12 this project entails a permanent operating budget increase of \$21,300 primarily for land lease expenses paid to the Ken MacDonald Golf Course for a well located on the property.

2011-12 Source of Funds

Water / Wastewater Bonds \$1,649,000

Estimated Project Costs

Legal / Administration	\$24,000
Land Acquisition	\$0
Permit Fees	\$84,000
Design and Engineering	\$290,000
Survey / Staking	\$0
Construction Management	\$168,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,410,000
Geotech / Material Testing	\$24,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$3,000,000

Project Number: 3209309

Estimated Start Date: Ongoing

Estimated Completion Date: 12/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,649,000	\$1,351,000	\$0	\$0	\$0	\$3,000,000

Sewer Line Replacement and Repair



Project Description

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

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	\$9,500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$9,500,000

Project Number: 3299969

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Water / Wastewater Bonds	\$1,000,000
Development Fees	\$500,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$9,500,000

Sewer Replacement / Upsize (5th Street from Price Road to Smith Road)



Project Description

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

Estimated Project Costs

Legal / Administration	\$19,000
Land Acquisition	\$0
Permit Fees	\$68,000
Design and Engineering	\$231,000
Survey / Staking	\$19,000
Construction Management	\$135,000
Furnishings / Equipment	\$0
Construction / Improvement	\$1,925,000
Geotech / Material Testing	\$19,000
Utility Relocation Fees	\$160,000
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,576,000

Project Number: NA

Estimated Start Date: 07/01/14

Estimated Completion Date: 09/30/15

2011-12 Source of Funds

NA

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$2,576,000	\$0	\$2,576,000

Sewer Replacement / Upsize Smith Road (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. The new sewer will be 18 inches in diameter. The project will alleviate high flow conditions and facilitate Apache Blvd re-development.

Estimated Project Costs

Legal / Administration	\$21,000
Land Acquisition	\$0
Permit Fees	\$73,000
Design and Engineering	\$248,000
Survey / Staking	\$21,000
Construction Management	\$145,000
Furnishings / Equipment	\$0
Construction / Improvement	\$2,070,000
Geotech / Material Testing	\$21,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,599,000

Project Number: 3209389

Estimated Start Date: 07/01/15

Estimated Completion Date: 09/30/16

2011-12 Source of Funds

NA

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$0	\$2,599,000	\$2,599,000

Unlined Concrete Sewer Evaluation Study



Project Description

This project will evaluate approximately 2-miles of existing 27 and 36-inch unlined concrete sewer originally installed in the early 1970's. It is located on Scottsdale Road from Gilbert Drive to Rio Salado Parkway, on Rio Salado Parkway from Scottsdale Road to Perry Lane, and on Perry Lane from Rio Salado Parkway to 5th Street. The evaluation will determine the condition of the unlined concrete sewer and make recommendations for rehabilitation of the sewer as needed.

The purpose of this study is to determine the scope, schedule and cost of rehabilitating this unlined sewer. Unlined sewers are vulnerable to hydrogen sulfide (H2S) that is common in sanitary sewers which typically causes the crown (top) of the pipe to slowly erode and if not rehabilitated can eventually fail.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$10,000
Design and Engineering	\$340,000
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	\$0
Total	\$350,000

Project Number: 3204390

Estimated Start Date: 07/01/11

Estimated Completion Date: 03/30/12

2011-12 Source of Funds

Water / Wastewater Bonds \$350,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$350,000	\$0	\$0	\$0	\$0	\$350,000

Special Purpose Program

*Transit and Rio Salado projects total
\$6.8 million in FY 2011-12
and account for 14% of the total
2011-12 appropriated CIP budget*



The Special Purpose component of the Capital Improvements Program includes the Transit and Rio Salado capital programs. Combined, they account for \$6.8 million of the \$48.3 million Capital Budget for FY 2011-12.

Federal grants are the primary funding source for the Transit Program in FY 2011-12. Federal Congestion Mitigation and Air Quality grants will be used to construct pedestrian and bicycle improvements along a 1 mile section of Hardy Road, and to construct a pedestrian and bicycle path underneath the intersection of the Loop 202 and 101 Freeways.

The 2011-12 Rio Salado capital program consists of a single, important project: \$4 million in Rio Salado fund balance is appropriated for the initial design and engineering phase of the multi-year project to replace the Tempe Town lake downstream dam (pictured above).

**2011-12 CIP Projects - Transit Program**

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
CCTV Monitoring Stations - LRT Signal Intersections: 6004360	Federal Grant - CMAQ	285,456	-	-	-	-	285,456
	Transit Fund	139,643	-	-	-	-	139,643
	Project Total	425,099	-	-	-	-	425,099
Hardy Drive Street Improvement: 6004370	Federal Grant - CMAQ	1,194,000	-	-	-	-	1,194,000
	Transit Fund	166,000	-	-	-	-	166,000
	Project Total	1,360,000	-	-	-	-	1,360,000
Tempe Rio Salado Underpass under 202 at 101: 6004310	Federal Grant - CMAQ	943,000	-	-	-	-	943,000
	Transit Fund	61,000	-	-	-	-	61,000
	Project Total	1,004,000	-	-	-	-	1,004,000
Program Total		2,789,099	-	-	-	-	2,789,099

CCTV Monitoring Stations - LRT Signal Intersections



Project Description

This project will purchase 25 Closed Circuit Television (CCTV) cameras to install at Light Rail traffic signals. At the end of this project each of the light rail traffic signals (total 30) will be equipped with a CCTV camera. The video monitoring stations will provide direct and immediate access to local traffic conditions. Accident and incident management will be enhanced by this additional monitoring capability while simultaneously allowing the transportation management staff the ability to monitor private and public transportation vehicles throughout the Tempe segment of this regionally significant transportation facility, maximizing multi-modal coordination and safety operations. Data gathered locally from this CCTV network can be shared between agencies and across jurisdictions including MAG, Valley Metro Rail as well as the cities of Phoenix and Mesa. This project promotes multi-jurisdictional congestion relief goals by providing a platform to better coordinate LRT traffic signals as well as to respond to accidents / incidents in a more cooperative and efficient process.

2011-12 Source of Funds

Federal Grants - CMAQ	\$285,456
Transit Fund	\$139,643

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$425,099
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$425,099

Project Number: 6004360

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$425,099	\$0	\$0	\$0	\$0	\$425,099

Hardy Drive Street Improvement



Project Description

The Hardy Road Pedestrian and Bicycle Improvement Project is approximately 1 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 which differ drastically from the area just south of the project. Project elements will include geometric changes to the street including striping for bike lanes, widening of sidewalks, reduction of existing travel lane widths, construction of planted medians, protection from intrusion of commercial truck traffic, improved pedestrian safety, reduction of speed limits, construction of mid-block crossings and providing transit, bicycle and pedestrian amenities.

2011-12 Source of Funds

Federal Grants - CMAQ	\$1,194,000
Transit Fund	\$166,000

Estimated Project Costs

Legal / Administration	\$10,000
Land Acquisition	\$0
Permit Fees	\$34,000
Design and Engineering	\$114,000
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	\$165,000
Total	\$1,360,000

Project Number: 6004370

Estimated Start Date: 07/01/11

Estimated Completion Date: 12/31/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,360,000	\$0	\$0	\$0	\$0	\$1,360,000

Tempe Rio Salado Underpass under Loop 202 at Loop 101



Project Description

The project will construct approximately 1,200 feet of a shared use path underneath Loop 202 at the 202 and Loop 101 Traffic Interchange connecting Tempe and Mesa along the south bank of the Salt River. The project involves a 12-foot wide concrete path with lighting and safety railings underneath the freeway and would link to existing and planned pathway in Tempe and Mesa.

The project provides a non-motorized link along a regionally significant riparian corridor between two major commercial retail centers, Tempe Marketplace and Mesa Riverview. Additionally, the project will eliminate the main obstruction connecting Tempe to Mesa and will link to the Scottsdale Indian Bend Wash, Rio Salado, Downtown Tempe, Arizona State University, and Metro Light Rail. Finally the project is located in a Tempe Enterprise Zone which supports Tempe City Council's efforts to revitalize areas that serve low income neighborhoods.

Beginning in FY 2012-13 this project entails a permanent operating budget increase of \$2,500 for annual landscape maintenance.

2011-12 Source of Funds

Federal Grants - CMAQ	\$943,000
Transit Fund	\$61,000

Estimated Project Costs

Legal / Administration	\$8,000
Land Acquisition	\$0
Permit Fees	\$28,000
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	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,004,000

Project Number: 6004310

Estimated Start Date: 07/01/11

Estimated Completion Date: 12/31/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,004,000	\$0	\$0	\$0	\$0	\$1,004,000

2011-12 CIP Projects - Rio Salado Program

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Town Lake Downstream Dam Replacement: 6503069	Rio Salado Fund Balance	4,000,000	-	-	-	-	4,000,000
	Unauthorized G.O. Bonds	-	1,379,780	424,000	43,605,600	-	45,409,380
	Project Total	4,000,000	1,379,780	424,000	43,605,600	-	49,409,380
Program Total		4,000,000	1,379,780	424,000	43,605,600	-	49,409,380

Town Lake Downstream Dam Replacement



Project Description

This project will replace the existing Tempe Town Lake Dam. Newly proposed (pending City Council approval) 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. Construction drawings should begin no later than 2011 to allow enough time for permits and approvals of the new dam.

Estimated Project Costs

Legal / Administration	\$720,000
Land Acquisition	\$0
Permit Fees	\$1,317,380
Design and Engineering	\$4,000,000
Survey / Staking	\$300,000
Construction Management	\$2,000,000
Furnishings / Equipment	\$0
Construction / Improvement	\$40,000,000
Geotech / Material Testing	\$720,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$352,000
Total	\$49,409,380

Project Number: 6503069

Estimated Start Date: 07/01/11

Estimated Completion Date: 12/31/15

2011-12 Source of Funds

Rio Salado Fund Balance \$4,000,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$4,000,000	\$1,379,780	\$424,000	\$43,605,600	\$0	\$49,409,380

General Purpose Program

*General Purpose projects total
\$6.7 million in FY 2011-12
and account for 13% of the 2011-12
appropriated CIP budget*



The General Purpose component of the Capital Improvements Program includes Police Protection, Fire Protection, Storm Drains, Park Improvements, and General Governmental programs. Combined, they constitute \$6.7 million of the \$49.3 million Capital Improvements Budget for FY 2011-12.

A total of \$5.7 million in General Obligation bonds will be sold to fund projects across the five program areas. The balance will come from the Water / Wastewater fund, and from Racketeer Influenced and Corrupt Organizations Act (RICO) funds.

Major projects in FY 2011-12 include continued improvements to the City's Regional Radio System, New Fire Apparatus (trucks), repair and replacement of aging lighting poles at the City's athletic facilities, and numerous ongoing facilities and capital asset repair and replacement projects.

**2011-12 CIP Projects - Police Protection Program**

Project Name & Number	Funding Source	2011-12	Additional Projected Needs				Total 5-Year Program
		Capital Budget	2012-13	2013-14	2014-15	2015-16	
City Regional Radio System							
Maintenance and Replacement: 5501989	General Obligation Bonds	1,914,834	1,125,848	1,526,824	-	-	4,567,506
	Unauthorized G.O. Bonds	-	-	-	1,472,777	1,532,764	3,005,541
	Project Total	1,914,834	1,125,848	1,526,824	1,472,777	1,532,764	7,573,046
Intercept Project: 5504330							
	Racketeer Influenced and Corrupt Organizations Act (RICO) Funds	495,412	-	-	-	-	495,412
PD Mobile Communication & Laptops: 5509189							
	General Obligation Bonds	-	-	2,647,488	-	-	2,647,488
	Unauthorized G.O. Bonds	-	-	1,265,050	-	-	1,265,050
	Project Total	-	-	3,912,538	-	-	3,912,538
Technology Integrated Police Systems (TIPS): 556680							
	General Obligation Bonds	90,000	50,000	-	-	-	140,000
	Unauthorized G.O. Bonds	-	-	150,000	50,000	50,000	250,000
	Project Total	90,000	50,000	150,000	50,000	50,000	390,000
Program Total		2,500,246	1,175,848	5,589,362	1,522,777	1,582,764	12,370,996

City Regional Radio System Maintenance and 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.

In FY 2011-12 this project entails a permanent operating budget increase of \$42,000 to pay for annual hardware and software maintenance costs associated with the project.

2011-12 Source of Funds

General Obligation Bonds	\$1,914,834

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	\$7,573,046
Other Project Costs	\$0
Total	\$7,573,046

Project Number: 5501989

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,914,834	\$1,125,848	\$1,526,824	\$1,472,777	\$1,532,764	\$7,573,046

Intercept Project



Project Description

This project will update technology to allow the Tempe Police Department to access investigative techniques that effectively help in controlling, reducing, and preventing criminal activities. Technical solutions are available that will improve the use of currently owned equipment and provide automated collection, management, analysis and dissemination of data. With improved data investigators are able to enhance their ability to investigate crimes and formulate action plans to further reduce criminal activity and its associated drug-related crimes and violence.

An effective tool in fighting criminal organizations and solving complex crimes is communication and association analysis. The ability to trace a particular communication to its source will provide investigative leads, suspects and likely locations for solving crimes, capturing criminals, and effectively prosecuting cases.

Beginning in FY 2012-13 this project entails a permanent operating budget increase of \$45,000 to pay for annual hardware maintenance costs associated with the project.

2011-12 Source of Funds

RICO Funds	\$495,412

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	\$495,412
Other Project Costs	\$0
Total	\$495,412

Project Number: 5504330

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$495,412	\$0	\$0	\$0	\$0	\$495,412

PD Mobile Communication and Laptops



Project Description

This project replaces the Police Department ruggedized laptops and mounts that support laptops in vehicles used in day to day operations. Replacement will ensure laptop functionality and limit failure in the field which can result in delayed response to citizen calls for service, and increase departmental and City liability due to officer reliance on laptops to communicate with dispatch, other officers and supervisors, write and submit their reports; and access necessary information sources to perform their daily job functions.

2011-12 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	\$3,912,538
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$3,912,538

Project Number: 5509189

Estimated Start Date: 07/01/13

Estimated Completion Date: 06/30/14

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$3,912,538	\$0	\$0	\$3,912,538

Technology Integrated Police Systems (TIPS)



Project Description

The Technology Integrated Police Systems (TIPS) project provides the necessary resources to incorporate new technology in the Police Department, as well as resources to upgrade and interface existing automated systems. Planned projects include the continued development of the wireless infrastructure to accommodate additional small factor wireless devices, two factor authentication for wireless devices to meet future DPS-FBI security mandates, new hardware for increased data exchange and storage needs such as an upgrade to the PDWeb Server (COP), and an upgrade to our Digital Darkroom (photo evidence) system. Additional new technology and upgrades include the addition of a Scene Diagram Laser machine for Traffic Investigations, new hardware associated with the relocation of SIB to the Police HQ building, new hardware and software to support the establishment of the Criminal and Intelligence Center at the Police HQ station, replacement of printers and other specialty hardware, and upgrades to software.

In FY 2011-12 this project entails a permanent operating budget increase of \$5,000 to pay for annual hardware and software maintenance costs associated with the

2011-12 Source of Funds

General Obligation Bonds \$90,000

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	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$390,000
Other Project Costs	\$0
Total	\$390,000

Project Number: 556680

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$90,000	\$50,000	\$150,000	\$50,000	\$50,000	\$390,000

2011-12 CIP Projects - Fire Protection Program

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Fire Apparatus Replacement: 5603619	General Obligation Bonds	590,000	500,000	500,000	500,000	-	2,090,000
Fire Laptop Replacement: 5603629	General Obligation Bonds	159,800	30,000	30,000	30,000	-	249,800
Fire Station #2: 5603609	General Obligation Bonds	100,000	-	-	-	-	100,000
Replace Burn Room at Fire Training Center: NA	General Obligation Bonds	-	-	737,000	50,000	-	787,000
Program Total		849,800	530,000	1,267,000	580,000	-	3,226,800

Fire Apparatus Replacement



Project Description

This project addresses public and firefighter safety through scheduled replacement of fire apparatus (trucks). Fire apparatus are evaluated for replacement after 10 years or when mileage exceeds 120,000. The Department now has five apparatus that are 11 to 13 years old and six apparatus that exceed 145,000 miles each. Older apparatus require increased repair and maintenance, which presents delays in response times. This delay in response time is a serious concern, as firefighters are the first responders to citizens with emergency medical problems, fires and various other service calls.

The Fire Department is currently leasing (for one year) and evaluating a new "Concept Pumper" for a period of one year. While the Department is still in the evaluation process, early results indicate there are several aspects of the Concept Pumper that will be incorporated into the future purchase of new apparatus.

2011-12 Source of Funds

General Obligation Bonds	\$590,000

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$2,090,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,090,000

Project Number: 5603619

Estimated Start Date: 07/01/11

Estimated Completion Date: 12/30/16

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$590,000	\$500,000	\$500,000	\$500,000	\$0	\$2,090,000

Fire Laptop Replacement



Project Description

This project will provide for the replacement of ruggedized laptop computers used by Fire personnel in the field for electronic patient care (ePCR), and development of a wireless fire apparatus infrastructure to accommodate small devices (cell phones), laptops and heart monitors. This will enhance the wireless transfer of critical patient information from both the laptop units and heart monitors while en-route to the hospital.

The unique advantage of using mobile computers is it allows the Fire paramedic to stay focused on providing patient care rather than filling out paperwork. The Fire Department is using 18 ruggedized laptops and plans to expand this to 22 laptops. These ruggedized laptops are used daily on over 13,000 annual EMS calls.

Recurring operating budget costs of \$50,006 associated with this project include monthly costs for the wireless phone cards and software maintenance for new software.

2011-12 Source of Funds

General Obligation Bonds	\$159,800

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	\$249,800
Other Project Costs	\$0
Total	\$249,800

Project Number: 5603629

Estimated Start Date: Ongoing

Estimated Completion Date: 06/30/15

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$159,800	\$30,000	\$30,000	\$30,000	\$0	\$249,800

Fire Station #2



Project Description

Fire Station 2 has multiple identified functional and structural deficiencies which compromise the station's safe and reliable operation. Funding for this project will be utilized for required repair and renovations to Fire Station 2 including: roof renovation, repair and renovation of wall and floor finishes, upgrades to the exhaust ventilation system, repair and replacement of equipment and furnishings, and HVAC maintenance.

Within the next fiscal year the Fire Department plans to procure a space needs study to assess the station's overall operational requirements and capital condition.

2011-12 Source of Funds

General Obligation Bonds \$100,000

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	\$100,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$100,000

Project Number: 5603609

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$100,000	\$0	\$0	\$0	\$0	\$100,000

Replace Burn Room at Fire Training Center



Project Description

This project will renovate and modernize the existing fire training burn room and training tower at the Fire Training Center, which was built in 1993. Modern burn room facilities are conducive to firefighters' learning by preparing them for real life situations they will encounter. Given the critical nature of this training for firefighter safety, it is essential that the burn room be kept in a functioning state.

The extensive use of this facility and the significant benefits derived from firefighters' training, which directly impacts the delivery of service to the community, has exceeded expectations.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$6,000
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$72,000
Survey / Staking	\$6,000
Construction Management	\$42,000
Furnishings / Equipment	\$0
Construction / Improvement	\$600,000
Geotech / Material Testing	\$6,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$55,000
Total	\$787,000

Project Number: NA

Estimated Start Date: 07/01/13

Estimated Completion Date: 06/30/15

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$737,000	\$50,000	\$0	\$787,000

**2011-12 CIP Projects - Storm Drains Program**

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Storm Drain Improvements: 5899971	General Obligation Bonds	150,000	300,000	350,000	350,000	350,000	1,500,000
Storm Water Monitoring Upgrades: 5804340	Water / Wastewater Fund	128,000	-	-	-	-	128,000
Program Total		278,000	300,000	350,000	350,000	350,000	1,628,000

Storm Drain Improvements



Project Description

The City of Tempe maintains over 80 major storm drain retention basins with over 103 miles of storm drain pipes and over 1,600 catch basins, storm drain manholes and other structures. This project provides for the construction of minor storm drain extensions and improvements. The purpose is to relieve localized problems for replacement and / or upgrades associated with street storm drain systems as well as various storm water retention facilities. The locations become determined during and after major water events.

Estimated Project Costs

Legal / Administration	\$31,694
Land Acquisition	\$0
Permit Fees	\$11,885
Design and Engineering	\$79,235
Survey / Staking	\$66,027
Construction Management	\$0
Furnishings / Equipment	\$1,187,804
Construction / Improvement	\$95,079
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,500,000

Project Number: 5899971

Estimated Start Date: 07/01/11

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$150,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$150,000	\$300,000	\$350,000	\$350,000	\$350,000	\$1,500,000

Storm Water Monitoring Upgrades



Project Description

This project will install a new storm water sampling location and upgrades to four existing sampling locations pursuant to public noticed City of Tempe Arizona Pollutant Discharge Elimination System (AZPDES) Storm water Permit. The new site (TD-01) requires installation of a concrete slab, sampling cabinet, electrical service, rain gauge, communication equipment, and conduit for rain gauge wiring, electrical, and sampling equipment. The new site will also require sampling equipment and flow metering equipment. All other sites, (SR-08, SR-04, TD-03, and KP-01) will require upgrades to sampling equipment and flow metering equipment.

Estimated Project Costs

Legal / Administration	\$1,000
Land Acquisition	\$0
Permit Fees	\$2,000
Design and Engineering	\$8,000
Survey / Staking	\$1,000
Construction Management	\$5,000
Furnishings / Equipment	\$40,000
Construction / Improvement	\$70,000
Geotech / Material Testing	\$1,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$128,000

Project Number: 5804340

Estimated Start Date: 07/01/11

Estimated Completion Date: 01/01/12

2011-12 Source of Funds

Water / Wastewater Fund \$128,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$128,000	\$0	\$0	\$0	\$0	\$128,000

**2011-12 CIP Projects - Park Improvements / Recreation Program**

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Athletic Field Lighting Replacement: 6303089	General Obligation Bonds	1,015,000	515,000	515,000	515,000	515,000	3,075,000
Cox Splash Playground Renovation: NA	General Obligation Bonds	-	-	120,000	1,010,000	-	1,130,000
Escalante Pool Equipment Replacement: NA	General Obligation Bonds	-	-	-	-	300,000	300,000
Kiwanis Park Batting Range: NA	General Obligation Bonds	-	-	190,000	-	-	190,000
KRC Complex Infrastructure & Equipment Replacements: NA	General Obligation Bonds	-	-	-	-	750,000	750,000
Park Infrastructure / Equipment Replacement: 6399829	General Obligation Bonds	400,000	400,000	450,000	450,000	500,000	2,200,000
Sports Facility Relamping: 636938	General Obligation Bonds	-	60,000	60,000	60,000	60,000	240,000
Program Total		1,415,000	975,000	1,335,000	2,035,000	2,125,000	7,885,000

Athletic Field Lighting Replacement



Project Description

The purpose of this project is to repair deteriorated sports light poles and aging electrical service sections at City athletic facilities, and to upgrade the lighting levels at all baseball, softball and multi-purpose athletic fields so they are in compliance with Illuminating Engineering Society (I.E.S.) recommendations.

The sports light poles at many City athletic facilities are 30+ years old and in turf which receives regular sprinkler irrigation causing the poles to deteriorate with time and exposure. In the last four years fourteen (14) sports light poles have failed/fallen or had to be taken down.

2011-12 Source of Funds

General Obligation Bonds \$1,015,000

Estimated Project Costs

Legal / Administration	\$5,000
Land Acquisition	\$0
Permit Fees	\$55,000
Design and Engineering	\$260,000
Survey / Staking	\$45,000
Construction Management	\$150,000
Furnishings / Equipment	\$90,000
Construction / Improvement	\$1,750,000
Geotech / Material Testing	\$45,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$675,000
Total	\$3,075,000

Project Number: 6303089

Estimated Start Date: 07/01/08

Estimated Completion Date: 06/30/17

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,015,000	\$515,000	\$515,000	\$515,000	\$515,000	\$3,075,000

Cox Splash Playground Renovation



Project Description

This project provides funding for the renovation of the Valley's 1st splash playground, The Tempe Cox Splash Playground in Tempe Beach Park. Funding will replace worn features, equipment, correct design problems and update this extremely popular facility.

The Cox Splash Playground opened in 2002 and was engineered to entertain and accommodate 20-25,000 participants per year. Eight years later participation numbers are at 60 - 70,000 visitors a year, which has resulted in extensive wear and tear on the physical structures.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$5,000
Land Acquisition	\$0
Permit Fees	\$20,000
Design and Engineering	\$120,000
Survey / Staking	\$20,000
Construction Management	\$65,000
Furnishings / Equipment	\$300,000
Construction / Improvement	\$500,000
Geotech / Material Testing	\$20,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$80,000
Total	\$1,130,000

Project Number: NA

Estimated Start Date: 07/01/13

Estimated Completion Date: 03/30/15

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$120,000	\$1,010,000	\$0	\$1,130,000

Escalante Pool Equipment Replacement



Project Description

The project includes replacement of the Escalante pool filters, circulation system, and electrical infrastructure, and adds more shade.

The filters, electrical and circulation systems are original construction which was back in the 70's. These large ticket items are 35+ years of age. The addition of shade will enhance the use of the pool and protect swimmers from UV rays.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$2,000
Land Acquisition	\$0
Permit Fees	\$3,000
Design and Engineering	\$10,000
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$210,000
Construction / Improvement	\$75,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$300,000

Project Number: NA

Estimated Start Date: 08/15/15

Estimated Completion Date: 04/30/16

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$0	\$300,000	\$300,000

Kiwanis Park Batting Range



Project Description

This project involves the replacement and upgrading of the aging equipment in this 20 year old facility. Items addressed by this project will include the pitching machines and electronics, the netting, the public address system, and the video security system.

Replacing this outdated equipment with current industry standards will allow for less down time of machines, reduced maintenance costs, increased citizen participation, and provide high quality services and facilities in a fun, friendly and safe environment.

2011-12 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	\$160,000
Construction / Improvement	\$20,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$10,000
Total	\$190,000

Project Number: NA

Estimated Start Date: 07/01/13

Estimated Completion Date: 10/01/13

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$190,000	\$0	\$0	\$190,000

KRC Complex Infrastructure & Equipment Replacements



Project Description

This project provides funding for the replacement of infrastructure and equipment throughout the Kiwanis Recreation Center Complex. Much of the infrastructure and equipment within the KRC Complex has reached or exceeded its life cycle. The fitness equipment will need to be replaced in 4 - 5 years, the tennis courts will need to be UV sealed; the tennis classroom flooring needs replacement; and the tennis restroom building (30+ years old) needs to be renovated or replaced. The electrical service sections, panels and other electrical components throughout the complex will require replacement. Funding will also upgrade and / or replace flooring in the concessions area, the fitness center, and the center lobby. New concrete picnic benches and landscaping upgrades will also be provided.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$2,000
Land Acquisition	\$0
Permit Fees	\$3,000
Design and Engineering	\$20,000
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$450,000
Construction / Improvement	\$250,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$25,000
Total	\$750,000

Project Number: NA

Estimated Start Date: 07/01/15

Estimated Completion Date: 06/30/17

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$0	\$0	\$750,000	\$750,000

Park Infrastructure / Equipment Replacement



Project Description

This ongoing 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. This project helps ensure the appearance, appeal, and safety of City parks is maintained.

2011-12 Source of Funds

General Obligation Bonds \$400,000

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	\$2,200,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,200,000

Project Number: 6399829

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$400,000	\$400,000	\$450,000	\$450,000	\$500,000	\$2,200,000

Sports Facility Relamping



Project Description

This project includes an established plan for a regular cycle of relamping and cleaning of light fixtures at all softball / baseball fields, soccer fields, tennis / racquetball courts, and park basketball / volleyball courts. Without this project the light levels at these sports facilities will decline, and expose the City to unnecessary risk.

2011-12 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	\$240,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$240,000

Project Number: 636938

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$240,000

**2011-12 CIP Projects - General Governmental Program**

		2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
Project Name & Number	Funding Source		2012-13	2013-14	2014-15	2015-16	
City Court							
Court Improvement Project: NA	Unauthorized G.O. Bonds	-	171,000	55,300	-	-	226,300
Community Services							
Municipal Arts Program: 6699799	Water / Wastewater Fund	301,600	164,810	136,810	162,820	250,690	1,016,730
Finance and Technology							
Enterprise Network File Storage and Archival: 6709239	Unauthorized G.O. Bonds	70,000	270,000	370,000	70,000	70,000	850,000
Public Works							
City Facilities Rehabilitation: 6799779	Unauthorized G.O. Bonds	572,000	510,000	510,000	510,000	510,000	2,612,000
Downtown Infrastructure Improvements: 6704320	Unauthorized G.O. Bonds	25,000	100,000	100,000	100,000	100,000	425,000
HVAC Replacements: 676873	Unauthorized G.O. Bonds	100,000	400,000	400,000	400,000	400,000	1,700,000
Roof Maintenance Program: 6702519	Unauthorized G.O. Bonds	545,000	400,000	400,000	400,000	400,000	2,145,000
Program Total		1,613,600	2,015,810	1,972,110	1,642,820	1,730,690	8,975,030

Court Improvement Project



Project Description

This project encompasses several smaller projects that will benefit the public, City and Court. These smaller projects include: replacing the carpet in the staff areas on the first and second floors; expanding the security station located in the PD / Court lobby; replacing current staff chairs with ergonomic task chairs; replacing the attorney / witness chairs in each of the five courtrooms, as well as the judge's chairs in two of the courtrooms; replacing the existing chairs in the second floor conference room; replacing the existing cloth-covered benches in the first and second floor lobbies with metal 'airport style' bench seating that will be easier to maintain, and clean, thus lessening the potential for contagions; replacing the existing file shelving in the criminal division file room, which is at risk for potential collapse that could result in staff injury; place lighted emergency exit signage at exits in public areas, including courtrooms and the jury assembly room, to bring the exits into code compliance; constructing a door in the existing glass wall of the first floor break room that will connect with the outdoor patio area outside the PD/ Court area.

2011-12 Source of Funds

NA

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$1,500
Design and Engineering	\$1,500
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$173,300
Construction / Improvement	\$55,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$226,300

Project Number: NA

Estimated Start Date: 07/01/11

Estimated Completion Date: 07/30/11

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$171,000	\$55,300	\$0	\$0	\$226,300

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, encourages arts organizations and artists in their continuing search for artistic excellence in Tempe, and encourages and supports the contribution of cultural diversity to the richness of the community's artistic life.

2011-12 Source of Funds

Water / Wastewater Fund \$301,600

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	\$1,062,775
Total	\$1,016,730

Project Number: 6699799

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$301,600	\$164,810	\$136,810	\$162,820	\$250,690	\$1,016,730

Enterprise Network File Storage and Archival



Project Description

The Information Technology division's existing Storage Area Networking (SAN) infrastructure is at its physical limitation for space. This project will implement recent technology developments in mid-tier storage for virtualization that provide a solution to extend the life of the existing infrastructure at a much reduced cost. Project components include the following:

- Replacing existing SAN hard drives to increase space and extend the life of the existing SAN
- Upgraded hardware for the data fiber switches
- Implementation of a mid-tier SAN for non-mission critical storage and archival
- Distribute virtual storage to the Library and Water Utilities division to move resources next to the business users
- Upgrade Water Utilities division computer room environmental to support enterprise class computing

2011-12 Source of Funds

Unauthorized G.O. Bonds \$70,000

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	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$850,000
Total	\$850,000

Project Number: 6709239

Estimated Start Date: 07/01/08

Estimated Completion Date: 06/30/14

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$70,000	\$270,000	\$370,000	\$70,000	\$70,000	\$850,000

City Facilities Rehabilitation



Project Description

Tempe maintains 96 buildings covering 1.6 million square feet. This project is used to fund a preventive maintenance, repair and rehabilitation program to extend the useful life of our facilities. Building systems covered by this project include fire alarm systems, floor covering, painting, building automation systems, ice machine replacements and general building repairs as needed. In addition, this project covers emergency repairs such as flooding. Some of the anticipated projects for 2011-12 include floor coverings at the following locations: Fire Station #3, Kiwanis Recreation Center, Fire Station #5, and Kiwanis Sports Facility. This project also includes \$57,000 for standpipe replacement at the Priest Yard to abate periodic sewer odors in the dayroom and assembly hall area.

2011-12 Source of Funds

Unauthorized G.O. Bonds \$572,000

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	\$2,612,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,612,000

Project Number: 6799779

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$572,000	\$510,000	\$510,000	\$510,000	\$510,000	\$2,612,000

Downtown Infrastructure Improvements



Project Description

This project maintains and repairs infrastructure in downtown Tempe. This may include improvements and refurbishing of brick sidewalks, street furniture, electrical lighting receptacles, and small enhancements identified in the Project for Public Spaces (PPS) analysis. Specific improvements in excess of \$50,000 would be presented to Mayor and Council for approval, prior to implementation.

The project purpose is to help ensure pedestrian safety in the downtown area. The combination of the day-to-day use of the pedestrian right-of-way as well as all of the special events held on Mill Avenue, necessitate the need to replace and repair the improvements. Those improvements have been in place approximately 25 years. In addition, this project will help maintain Mill Avenue as one of the 10 Great Streets of 2008 as recognized by the American Planning Association through their Great Places in America program.

2011-12 Source of Funds

Unauthorized G.O. Bonds \$25,000

Estimated Project Costs

Legal / Administration	\$3,616
Land Acquisition	\$0
Permit Fees	\$9,135
Design and Engineering	\$43,395
Survey / Staking	\$3,616
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$361,622
Geotech / Material Testing	\$3,616
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$425,000

Project Number: 6704320

Estimated Start Date: 07/01/11

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$25,000	\$100,000	\$100,000	\$100,000	\$100,000	\$425,000

HVAC Replacements



Project Description

Tempe maintains nearly 400 air conditioning, heat pump and split system units with an expected useful life of 12 years. This project is intended to annually replace 8% of the units, or approximately 30-33 units per year. HVAC systems account for approximately 30% of the City's electric bill. By replacing older and inefficient units with more efficient units, the City saves on electricity expenditures, reduces time and labor for repair needs, and reduces the City's carbon footprint. In 2011-12, the following locations have a total of 27 units that need to be replaced: Kiwanis Recreation Center, Rolling Hills Golf Course, Traffic Maintenance, McClintock Sports Facility, Ken McDonald Golf Course, Household Products Facility and the Library.

2011-12 Source of Funds

Unauthorized G.O. Bonds \$100,000

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	\$1,700,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,700,000

Project Number: 676873

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$100,000	\$400,000	\$400,000	\$400,000	\$400,000	\$1,700,000

Roof Maintenance Program



Project Description

Tempe maintains 96 buildings with roofing systems that have an expected useful life of 15-20 years. This project is intended to annually patch and / or replace 4-6% of our roofs, approximately 4 per year based on need and condition. As City facilities age, it becomes more important than ever to maintain building roofs to reduce damage to the under roof envelope. A comprehensive list of facilities has been identified with roofing systems beyond their expected life cycle. In 2011-12, the following roof replacement projects are recommended: Library, South PD (half already done), Escalante Community Center, Rolling Hills Golf Course, Ken McDonald Golf Course, Fire Station # 2, and the Kiwanis Recreation Center.

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	\$2,145,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,145,000

Project Number: 6702519

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

2011-12 Source of Funds

Unauthorized G.O. Bonds \$545,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$545,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,145,000

Transportation Program

Transportation projects total \$5.7 million in FY 2011-12 and account for 12% of the 2011-12 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. Combined, the two programs represent \$5.7 million of the \$49.3 million Capital Improvements Budget for FY 2011-12.

The primary funding source for the two programs in 2011-12 will be \$5.3 in General Obligation bonds. The Transportation and Right-of-Way program will utilize the bulk of those bonds with \$4.6 million sold for the program. The Transportation and Right-of-Way program is also partially funded with \$200,000 from capital projects fund balance, and the Traffic Signal and Street Lighting program is scheduled to receive approximately \$240,000 in federal grants.

In FY 2011-12 the Transportation and Right-of-Way program is scheduled to complete a variety of arterial and residential street maintenance, resurfacing, and reconstruction projects. The Traffic Signal and Street Lighting program is primarily focused on technological maintenance and repair projects for the City's lighting system, as well as on street light pole replacement.



2011-12 CIP Projects - Transportation and Rights-of-Way Improvements Program

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Arterial Asphalt Mill and Overlay: 5499741	General Obligation Bonds	1,754,664	1,775,300	1,431,885	1,503,479	1,438,710	7,904,038
Bridge Maintenance: 5499891	General Obligation Bonds	300,000	300,000	300,000	300,000	300,000	1,500,000
Holdeman Alley Improvement Project: NA	Federal Grants - CMAQ	-	-	531,098	-	-	531,098
	General Obligation Bonds	-	-	32,102	-	-	32,102
	Project Total	-	-	563,200	-	-	563,200
Intersection Reconstruction: 5499731	General Obligation Bonds	762,156	425,250	464,776	-	-	1,652,182
Minor Concrete Improvements: 5404380	Capital Projects Fund Balance	209,300	-	-	-	-	209,300
	General Obligation Bonds	-	209,300	209,300	209,300	209,300	837,200
	Project Total	209,300	209,300	209,300	209,300	209,300	1,046,500
Neighborhood Street Rehabilitation - Cape / Smooth Seal: 5499941	General Obligation Bonds	626,400	626,400	626,400	626,400	626,400	3,132,000
North Tempe Alley Improvement Project: NA	Federal Grants - CMAQ	-	-	961,105	-	-	961,105
	General Obligation Bonds	-	-	58,095	-	-	58,095
	Project Total	-	-	1,019,200	-	-	1,019,200
Residential Street Surface Treatments: 5499951	General Obligation Bonds	551,725	554,448	556,794	559,474	524,500	2,746,941
Street Reconstruction and Improvements: 5499711	General Obligation Bonds	561,643	668,125	1,069,000	1,175,900	668,125	4,142,793
Program Total		4,765,888	4,558,823	6,240,555	4,374,553	3,767,035	23,706,854

Arterial Asphalt Mill and Overlay



Project Description

This project provides for the resurfacing and localized reconstruction of the arterial street system in the City. The amount and type of traffic is approaching or has exceeded the design limit of some arterial streets. This project replaces the top layer of older, brittle pavement and sections of moderately distressed asphalt with new pavement. The type of asphaltic concrete for this pavement uses recycled tires reducing the amount sent to the landfill each year. This project will allow for the annual improvement of approximately 11% of the arterial streets which equates to the completion of 10 of the City's 88 miles of streets per year. The arterials to be improved for the fiscal year 2011-2012 will be Rural from Alameda to Salt River Bridge and Elliot from Interstate 10 to Kyrene. For the fiscal year of 2012-2013 the arterials will be University from Mill to the Hohokam Expressway.

Resurfacing and rehabilitating arterial streets increases the strength and the durability of the roadway, while maintenance costs for the next 10 years will decrease. This project is an important component of the City's strategic plan to maintain / preserve streets in good condition.

2011-12 Source of Funds

General Obligation Bonds \$1,754,664

Estimated Project Costs

Legal / Administration	\$75,436
Land Acquisition	\$0
Permit Fees	\$143,328
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$7,543,578
Geotech / Material Testing	\$141,697
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$7,904,038

Project Number: 5499741

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$1,754,664	\$1,775,300	\$1,431,885	\$1,503,479	\$1,438,710	\$7,904,038

Bridge Maintenance



Project Description

Federal law mandates the inspection of all bridges in the country every two (2) years. The Arizona Department of Transportation (ADOT) has been inspecting Tempe's bridges for many years and submitted a report to the City for required repairs and maintenance. Repairs are prioritized based upon the sufficiency rating produced by ADOT which varies from each inspection year. The next scheduled inspection will be conducted in the fall of 2011.

The scope of work for this project includes replacement of damaged bridge joints, joint seals and diaphragms, cleaning debris out of the joints to allow them to function properly, posting of vertical clearance signs, repair of damaged structural members and guard, replacement of missing bolts and nuts from railings, correction of settlement and subsidence at abutments and miscellaneous other items. This is done to assure that the bridges are safe and in good repair.

2011-12 Source of Funds

General Obligation Bonds \$300,000

Estimated Project Costs

Legal / Administration	\$11,700
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$187,200
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$1,110,000
Geotech / Material Testing	\$191,100
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,500,000

Project Number: 5499891

Estimated Start Date: 07/01/11

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000

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 of the City's 165 miles of alleys in the area from University to Broadway, Priest to Hardy. The primary environmental benefit derived from the project is a reduction in dust emissions due to activity in the alley.

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 and near the intersection of College Ave. and Apache Blvd. Additionally, traffic counts in the northern segment of the area yielded higher than average number of trips per day for alley use.

2011-12 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
Total	\$563,200

Project Number: NA

Estimated Start Date: 08/01/13

Estimated Completion Date: 11/01/13

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$563,200	\$0	\$0	\$563,200

Intersection Reconstruction



Project Description

This project provides for the reconstruction, resurfacing, and rehabilitation of intersections throughout the city that have been determined to be unsafe for both pedestrian and vehicular traffic. The hot temperatures and the dynamic forces applied by the accelerating and decelerating traffic cause the asphalt intersection to rut and shove. This project will explore additional pavement alternatives such as Portland cement concrete and other additives that will improve the structural integrity of the intersections. Funding for this project will allow for the reconstruction of 1 of the City's 41 major arterial intersections per year. The intersections to be completed in the fiscal year of 2011-12 will be Mill and Southern, and in 2012-13 Mill and Baseline. The intersection to be completed in the fiscal year of 2013-14 will be McClintock and Southern.

2011-12 Source of Funds

General Obligation Bonds \$762,156

Estimated Project Costs

Legal / Administration	\$14,786
Land Acquisition	\$0
Permit Fees	\$28,094
Design and Engineering	\$93,736
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$1,478,600
Geotech / Material Testing	\$36,966
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,652,182

Project Number: 5499731

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$762,156	\$425,250	\$464,776	\$0	\$0	\$1,652,182

Minor Concrete Improvements



Project Description

This project will provide for the emergency replacement of broken curbs, gutters, and sidewalks throughout the city. Other uses include the new construction of curbs, gutters, sidewalks and ADA accessible ramps to improve the continuity of the infrastructure and to improve accessibility and mobility for pedestrians in various areas. This project is also used in emergency call out situations, e.g. water main breaks, as needed. Funds for the project will allow for approximately 18,000 square yards of minor concrete repair per year.

Estimated Project Costs

Legal / Administration	\$10,000
Land Acquisition	\$0
Permit Fees	\$19,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$1,000,000
Geotech / Material Testing	\$17,500
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,046,500

Project Number: 5404380

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

Capital Projects Fund Balance \$209,300

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$209,300	\$209,300	\$209,300	\$209,300	\$209,300	\$1,046,500

Neighborhood Street Rehabilitation - Cape / Smooth Seal



Project Description

The City's preventive maintenance efforts over the years have preserved our streets and kept them in very good condition. Cape and Smooth Seals are economically feasible alternatives used in extending the life of asphalt pavements. On average, this program allows for the rehabilitation of approximately 2% of our residential streets per year which is approximately 6 of the 308 miles of the city's residential streets. The first neighborhood to be resurfaced using the fiscal year 2011-12 and 2012-13 requested funds will be bounded by US 60 and Southern and Rural and McClintock. For the fiscal year of 2013-14 the neighborhood bounded by Southern and US 60 and Mill to Rural will be resurfaced. The type of asphaltic concrete for this pavement uses recycled tires reducing the amount sent to the landfill each year.

Estimated Project Costs

Legal / Administration	\$30,000
Land Acquisition	\$0
Permit Fees	\$57,000
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$3,000,000
Geotech / Material Testing	\$45,000
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$3,132,000

Project Number: 5499941

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$626,400

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$626,400	\$626,400	\$626,400	\$626,400	\$626,400	\$3,132,000

North Tempe 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 6% of the city's alleys which equates to the completion of approximately 10.5 of the 165 miles of alleys in the City. The improvement will include the areas from Miller Rd. to Crosscut Canal, and 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 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.

2011-12 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
Total	\$1,019,200

Project Number: NA

Estimated Start Date: 08/01/13

Estimated Completion Date: 11/30/13

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$1,019,200	\$0	\$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 project will allow for the annual surface treatment of approximately 13% of the city's streets which equates to the completion of approximately 40 of the 308 miles of streets per year. The streets to be maintained in the fiscal year of 2011-12 are bounded by All American Way to McClintock and Baseline to Guadalupe, Guadalupe to the Western Canal, Rural to Price, and Guadalupe to Elliot and Kyrene to Rural.

2011-12 Source of Funds

General Obligation Bonds \$551,725

Estimated Project Costs

Legal / Administration	\$25,000
Land Acquisition	\$0
Permit Fees	\$47,500
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$2,500,000
Geotech / Material Testing	\$174,441
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$2,746,941

Project Number: 5499951

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$551,725	\$554,448	\$556,794	\$559,474	\$524,500	\$2,746,941

Street Reconstruction and Improvements



Project Description

This project provides for the reconstruction, resurfacing, and rehabilitation of streets or street segments that have exceeded their design life or need significant repair. Streets and/or public rights of way in this category include streets that were acquired through annexation processes throughout the years, streets/rights of way that have never been constructed to city standards, and street segments that have failed or need repair or construction beyond preventive maintenance. Improvements are necessary in areas to ensure accessibility and safety for residents and businesses adjacent to these areas, pedestrians, bicyclists, and vehicular traffic. The project will allow for the annual improvement of approximately 0.5% of the streets which equates to the completion of 2 of the City's 472 miles of streets per year. Remaining funds from 2010-11 will be combined with 2011-12 funds to reconstruct Hardy Drive between Southern Avenue and Broadway Rd, and Priest between Grove Parkway and Carmen. The work will include pulverizing and recycling the existing asphalt and base course in place, and repaving.

2011-12 Source of Funds

General Obligation Bonds	\$561,643

Estimated Project Costs

Legal / Administration	\$38,754
Land Acquisition	\$0
Permit Fees	\$73,632
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$0
Construction / Improvement	\$3,875,391
Geotech / Material Testing	\$155,016
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$4,142,793

Project Number: 5499711

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$561,643	\$668,125	\$1,069,000	\$1,175,900	\$668,125	\$4,142,793

2011-12 CIP Projects - Traffic Signals and Street Lighting Program

Project Name & Number	Funding Source	2011-12 Capital Budget	Additional Projected Needs				Total 5-Year Program
			2012-13	2013-14	2014-15	2015-16	
Communication Conduit: 696950	Federal Grants - CMAQ	242,528	-	-	-	-	242,528
	General Obligation Bonds	118,643	-	-	-	-	118,643
	Project Total	361,171	-	-	-	-	361,171
Elliot, Guadalupe and Warner ITS Improvements: NA	Federal Grants - CMAQ	-	-	383,333	-	-	383,333
	General Obligation Bonds	-	-	164,286	-	-	164,286
	Project Total	-	-	547,619	-	-	547,619
New Signals / Safety Upgrades: 6999879	General Obligation Bonds	180,000	180,000	180,000	180,000	180,000	900,000
Pedestrian ITS Devices: 6904350	General Obligation Bonds	25,000	25,000	25,000	25,000	25,000	125,000
Street Light Pole Structural Replacement: 6999849	General Obligation Bonds	300,000	300,000	300,000	300,000	300,000	1,500,000
Traffic Control Cabinets and Hardware Replacement: NA	Federal Grants - CMAQ	-	539,000	-	-	-	539,000
	General Obligation Bonds	-	231,000	-	-	-	231,000
	Project Total	-	770,000	-	-	-	770,000
Traffic Signal L.E.D. Replacement: 696696	General Obligation Bonds	100,000	100,000	100,000	100,000	100,000	500,000
Program Total		966,171	1,375,000	1,152,619	605,000	605,000	4,703,790

Communication Conduit



Project Description

Tempe currently uses leased phone lines to facilitate traffic signal operations. This project will install fiber optic communications media to each signalized intersection along University Dr. from Mill to McClintock utilizing existing fiber conduits resulting in 9 more signals being on city-owned infrastructure and reducing the leased phone line costs. The fiber run will tie into the ADOT Freeway Management System Fiber optic infrastructure as the backbone to bring data back to the Transportation Management Center at the Transportation Center. After completion of this project, one-quarter of the signal system (58 signals) will be on fiber.

The project will also increase bandwidth to allow for installation of real-time video detection (data gathering) and CCTV monitoring. Traffic efficiency improvements and/or traffic management strategies can be coordinated with real-time data sharing to better manage accidents and/or incidents on the street or freeway network. The city will be able to monitor traffic conditions and adjust traffic signal timing through centralized command and control strategies designed to help Tempe and ADOT relieve or minimize congestion.

2011-12 Source of Funds

Federal Grants - CMAQ	\$242,528
General Obligation Bonds	\$118,643

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$361,171
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$361,171

Project Number: 696950

Estimated Start Date: 07/01/11

Estimated Completion Date: 06/30/12

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$361,171	\$0	\$0	\$0	\$0	\$361,171

Elliot, Guadalupe and Warner ITS Improvements



Project Description

This project will use an existing conduit along Elliot for fiber optic communication to the signals. Wireless radios will be used to provide communication to signals along Guadalupe and Warner. Upon completion of this project, 30 more signals will be eliminated from leased phone line service bringing the total signal count on city-owned communication infrastructure to 118 (50%). Thirteen CCTVs will be placed at the major intersections for traffic monitoring, bringing the city's total to over 50 intersection cameras. As a result, the city will be able to monitor traffic conditions and adjust signal timing through centralized command & control strategies designed to help Tempe relieve or minimize congestion and to improve traffic flow along the corridors of Elliot Rd, Guadalupe Rd, and Warner Rd.

2011-12 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	\$547,619
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$547,619

Project Number: NA

Estimated Start Date: 07/01/13

Estimated Completion Date: 06/30/14

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$0	\$547,619	\$0	\$0	\$547,619

New Signals / Safety Upgrades



Project Description

This project provides for the installation of new traffic signals based on traffic engineering studies. It will also allow for replacement of existing outdated signals and address all safety updates to meet state and federal regulations. A modular intersection will cost an average of \$180,000 depending on the size of intersection, which takes into account two modular poles at each corner. This will allow the city to upgrade approximately one of the city's 220 intersections per year and/or add one new traffic signal based on traffic engineering warrants.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$900,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$900,000

Project Number: 6999879

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$180,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$900,000

Pedestrian ITS Devices



Project Description

The purpose of this project is to convert existing and/or install new accessible pedestrian devices at traffic signal controlled intersections. This project is a step toward complying with the American with Disabilities Act (ADA) and provides an essential public service for Tempe citizens. Examples of these devices include, but are not limited to, pedestrian push buttons, pedestrian countdown signal heads, audible pedestrian technologies and machine vision detections.

The project will install an average of 5 audible, vibro-tactile devices and convert existing pedestrian devices to countdown pedestrians at 10 intersections totaling 80 countdown devices. These conversions improve pedestrian safety and allow for continued conversion of 1/3 of our existing signals in the downtown.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$125,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$125,000

Project Number: 6904350

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$25,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000

Street Light Pole Structural Replacement



Project Description

The project will fund the replacement of existing rusted streetlight poles that are direct buried and provide funding to replace all direct buried street light poles to meet our current street light pole foundation standards. There are approximately 3,955 direct buried street light poles left in City inventory and of that approximately 1,705 that need to be replaced at a rate of 100-150 per year (based on their corrosion factor).

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	\$1,500,000
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$1,500,000

Project Number: 6999849

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$300,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000

Traffic Control Cabinets and Hardware Replacement



Project Description

Current traffic signal control cabinets were installed in 1995 through 1998 and will be approaching the typical product life cycle in the year 2013. As part of a continuing transportation management program, this project will procure equipment needed to upgrade and rehabilitate 70 (one-third) of the city's traffic signal control cabinets. As a practical matter, the inventory is aging and must eventually be replaced to minimize maintenance calls and to foster a high quality preventative maintenance program.

This project will reduce maintenance costs in the long term and improve the reliability and safety of the traffic signal control operation, thus minimizing City liability. The new traffic signal cabinets will provide the city's signal technicians with enhanced diagnostic tools to troubleshoot intersection malfunctions. These enhanced capabilities will facilitate increased intersection reliability and ultimately provide for safer traffic control operations.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$770,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$770,000

Project Number: NA

Estimated Start Date: 07/01/12

Estimated Completion Date: 06/30/13

2011-12 Source of Funds

NA

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$0	\$770,000	\$0	\$0	\$0	\$770,000

Traffic Signal L.E.D. Replacement



Project Description

The LED (Light Emitting Diodes) program has provided significant energy savings and has reduced maintenance costs since retrofitting all of the incandescent lamps in the City's traffic signals. The LEDs have reduced transportation maintenance costs by \$120,000 a year in off-hour call out costs, replacement bulbs and energy savings. LED modules have a life span of seven years and were first installed in 2002. This ongoing project will allow us to change out 2700 green LED lamps to newer LED's, which would result in an average conversion rate of approximately 44 intersections per year.

Estimated Project Costs

Legal / Administration	\$0
Land Acquisition	\$0
Permit Fees	\$0
Design and Engineering	\$0
Survey / Staking	\$0
Construction Management	\$0
Furnishings / Equipment	\$500,000
Construction / Improvement	\$0
Geotech / Material Testing	\$0
Utility Relocation Fees	\$0
Utility Undergrounding	\$0
ITD / Telecommunications	\$0
Other Project Costs	\$0
Total	\$500,000

Project Number: 696696

Estimated Start Date: Ongoing

Estimated Completion Date: Ongoing

2011-12 Source of Funds

General Obligation Bonds \$100,000

New Appropriations by Fiscal Year

2011-12	2012-13	2013-14	2014-15	2015-16	Total 5 Year
\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000



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Property Tax Ordinance

ORDINANCE NO. 2011.13

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, 2012.

PURSUANT to A.R.S. §42-17151, the ordinance levying taxes for Fiscal Year 2011-2012 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 \$12,751,029, resulting in a primary tax rate of \$0.6572 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 \$1.1291 per \$100 of assessed value.

Section 3: The combined tax rate as set forth in Sections 1 and 2 shall equal \$1.7863 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.

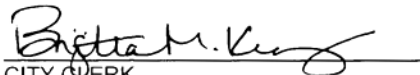
Section 6: This ordinance shall become effective upon adoption.

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.

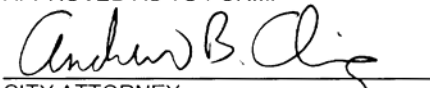
PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 16th day of June, 2011.


MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY


FINANCE AND TECHNOLOGY DIRECTOR

Budget Resolution

RESOLUTION 2011.36

A RESOLUTION DETERMINING AND ADOPTING
FINAL ESTIMATES OF PROPOSED EXPENDITURES
BY THE CITY OF TEMPE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2011, AND ENDING JUNE 30, 2012.
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 19, 2011, 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 19, 2011, 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 2, 2011 and set an adoption date of June 16, 2011, to adopt the property tax rate, and

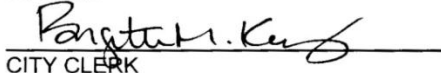
WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

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 2011-2012.

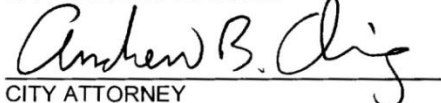
PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 2nd day of June, 2011.


MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY
FINANCE AND TECHNOLOGY DIRECTOR

Budget Schedules

Schedule A Summary Schedule of Estimated Revenues and Expenditures/Expenses

Fund	Adopted Budgeted Expenditures/ Expenses FY 2010-11	Unaudited Estimated Expenditures/ Expenses FY 2010-11	Estimated Unreserved Fund Balance 7-1-2011	Direct Property Tax Revenues FY 2011-12
General	\$156,701,101	\$151,531,573	\$35,412,168	\$12,751,029
Special Revenue	100,622,986	89,708,422	18,649,207	
Debt Service	22,111,500	20,443,097	42,672,352	22,100,197
Capital Projects	48,264,755	48,264,755	3,439,740	
Enterprise	91,997,602	86,599,413	35,065,586	
TOTAL	\$419,697,944	\$396,547,260	\$135,239,053	\$34,851,226

Fund	Budgeted Revenues Other than Property Taxes FY 2011-12	Proceeds From Other Financing Sources FY 2011-12	Interfund Transfers FY 2011-12 In (Out)	Total Financial Resources Available FY 2011-12	Budgeted Expenditures/ Expenses FY 2011-12
General	\$147,330,093	\$76,771	\$186,435	\$195,679,725	\$159,357,645
Special Revenue	80,472,385		(1,916,643)	97,204,949	88,728,211
Debt Service	182,459		1,550,000 (49,000)	66,456,008	21,548,322
Capital Projects		48,541,561	796,243 (137,435)	4,098,548	49,337,804
Enterprise	88,656,841	716,420	(429,600)	123,292,827	93,623,271
TOTAL	\$316,641,778	\$49,334,752	\$2,532,678 (\$2,532,678)	\$486,732,057	\$412,595,253

Expenditure Limitation Comparison	FY 2010-11	FY 2011-12
1. Budgeted Expenditures/Expenses	\$419,697,944	\$412,595,253
2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items		
3. Less: Estimated Exclusions	(243,985,622)	(153,134,828)
4. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation	175,712,322	259,460,425
5. Expenditure Limitation	\$305,391,699	\$285,189,183

Schedule B Summary of Tax Levy and Tax Rate Information

		FY 2010-11*	Estimated FY 2011-12
1.	Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		\$12,751,029
2.	Amount Received from Primary Property Taxation in the 2010-11 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	12,238,972	12,751,029
	B. Secondary Property Taxes	22,174,672	22,100,197
	C. Total Property Tax Levy Amounts	\$34,413,644	\$34,851,226
4.	Property Taxes Collected		
	A. Primary Property Taxes		
	1. 2010-11 Levy	11,979,120	
	2. Prior Years' Levies	123,207	
	3. Total Primary Property Taxes	\$12,102,327	
	B. Secondary Property Taxes		
	1. 2010-11 Levy	21,703,870	
	2. Prior Years' Levies	223,227	
	3. Total Secondary Property Taxes	\$21,927,097	
	C. Total Property Taxes Collected	\$34,029,424	
5.	Property Tax Rates		
	A. City Tax Rate		
	1. Primary Property Tax Rate	0.5176	0.6572
	2. Secondary Property Tax Rate	0.8824	1.1291
	3. Total City Tax Rate	\$1.4000	\$1.7863

* 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.

Schedule C Summary by Fund of Revenues Other Than Property Taxes

	Budgeted Revenues FY 2010-11	Estimated Revenues FY 2010-11*	Budgeted Revenues FY 2011-12
GENERAL FUND			
Local Taxes			
City Sales Tax	\$69,880,072	\$77,900,797	\$80,951,331
Transient Lodging Tax	3,969,916	4,100,214	4,131,600
Franchise Fees	3,727,000	3,766,415	3,547,000
Intergovernmental Revenue			
State-shared	28,871,873	28,400,614	25,884,826
Vehicle License Tax	6,166,164	5,388,171	5,347,107
Charges for Service	11,200,441	9,261,994	10,257,097
Fines, Fees and Forfeitures	10,322,095	7,554,318	8,427,007
Licenses and Permits			
Business/Non-Business Licenses	1,567,696	1,568,250	1,568,450
Voluntary Contributions			
SRP Payment in Lieu of Taxes	1,376,393	1,502,400	1,502,400
Interest Income	1,595,000	998,201	1,159,000
Other Miscellaneous Revenue	5,103,263	4,566,341	4,554,275
Total General Fund	143,779,913	145,007,715	147,330,093
SPECIAL REVENUE			
Transit Fund			
Transit Tax	25,012,100	28,136,095	29,124,332
ASU-Flash Transit	773,045	853,809	905,840
Interest Income	212,386	212,386	212,386
Federal and State Funding	14,470,874	13,006,168	13,452,151
Miscellaneous Revenue	3,369,506	3,492,097	3,630,178
Total Transit Fund	43,837,911	45,700,555	47,324,887
Highway User Revenue Fund			
Highway User Revenue Tax	9,495,879	9,157,112	8,142,645
Miscellaneous Revenue		1,000	1,000
Barricading Fees	75,000	55,000	90,000
Maintenance of Effort Transfer	785,824	785,824	785,824
Solid Waste Fund Transfer		350,000	350,000
Total Highway User Revenue Fund	10,356,703	10,348,936	9,369,469
Performing Arts Fund			
Performing Arts Tax	5,175,519	5,831,000	6,082,100
Fees and Admissions	575,500	617,200	631,000
Miscellaneous Revenue		5,750	6,000
Interest Income	45,349	46,937	57,000
Total Performing Arts Fund	5,796,368	6,500,887	6,776,100

	Budgeted Revenues FY 2010-11	Estimated Revenues FY 2010-11*	Budgeted Revenues FY 2011-12
CDBG/Section 8 Housing Funds			
Community Development Block Grant	5,794,897	6,634,865	6,656,965
Section 8 Housing	10,623,052	10,169,506	10,344,964
Total CDBG/Sec 8 Funds	16,417,949	16,804,371	17,001,929
Total Special Revenue Funds	76,408,931	79,354,749	80,472,385
DEBT SERVICE FUND			
Intergovernmental	16,520		
Other Miscellaneous Revenue		103,436	182,459
Total Debt Service Fund	16,520	103,436	182,459
ENTERPRISE FUNDS			
Water/Wastewater Fund	66,510,174	66,501,664	71,017,104
Solid Waste Fund	15,189,163	15,074,701	15,231,809
Golf Fund	1,711,195	1,360,227	2,294,828
Cemetery Fund	144,420	117,100	113,100
Total Enterprise Funds	83,554,952	83,053,692	88,656,841
Total All Funds	\$303,760,316	\$307,519,592	\$316,641,778

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



Schedule D Summary by Fund of Other Financing Sources and Interfund Transfers

Fund	Proceeds From Other Financing Sources FY 2011-12	Interfund Transfers FY 2011-12	
		In	(Out)
GENERAL FUND	\$76,771	\$186,435	
SPECIAL REVENUE FUNDS			
HURF/LTAF			(1,550,000)
Transit			(366,643)
Total Special Revenue Funds	\$0	\$0	(\$1,916,643)
DEBT SERVICE FUND		1,550,000	(49,000)
CAPITAL PROJECTS FUNDS		796,243	(137,435)
Bond/Note Proceeds	40,171,865		
CIP - Other Funding	4,160,396		
CIP - Fund Balance Applied	4,209,300		
Total Capital Projects Funds	\$48,541,561	\$796,243	(\$137,435)
ENTERPRISE FUNDS			
Water/Wastewater Fund	716,420		(429,600)
TOTAL ALL FUNDS	\$49,334,752	\$2,532,678	(\$2,532,678)

Schedule E Summary by Department of Expenditures / Expenses Within Each Fund

Fund/ Department	Budgeted Expenditures/ Expenses FY 2010-11	Expenditure/ Expense Adjustments Approved FY 2010-11	Estimated Expenditures/ Expenses FY 2010-11*	Budgeted Expenditures/ Expenses FY 2011-12
GENERAL FUND				
Mayor and Council	\$317,913	(\$500)	\$302,961	\$322,621
City Manager	273,771	(7,181)	251,072	281,445
Community Relations	2,365,004	29,139	2,259,490	2,298,533
Diversity Program	441,351	16,130	437,644	449,752
Internal Audit	414,920	(31,728)	367,793	405,502
City Clerk	744,628	(292,597)	417,554	917,783
City Court	3,605,850	(80,891)	3,549,689	3,787,780
Human Resources	2,006,752	(190,200)	1,812,226	2,041,178
Tempe Learning Center	519,984	(8,500)	474,513	538,177
City Attorney	2,532,363	(24,340)	2,480,225	2,524,064
Finance and Technology	3,144,364	(117,552)	2,975,027	3,162,837
Community Development	8,309,816	(82,600)	8,157,333	9,504,602
Police	66,334,365	(859,026)	64,142,908	65,018,285
Fire	25,471,622	174,226	25,164,407	26,354,274
Community Services	18,727,492	81,951	17,076,626	18,285,198
Public Works - General	15,706,182	(473,836)	15,090,966	16,936,690
Non-Departmental	5,784,724	756,754	6,571,139	6,528,924
Contingencies	0	0	0	0
Total General Fund	\$156,701,101	(\$1,110,751)	\$151,531,573	\$159,357,645
SPECIAL REVENUE FUNDS				
Highway User Revenue	11,667,658	(10,107)	11,207,196	9,297,186
Transit	64,026,251	0	57,321,719	53,863,809
CDBG	5,794,897	0	2,593,891	6,656,965
Section 8 Housing	10,623,052	0	10,169,506	10,344,964
Performing Arts	8,511,128	0	8,416,110	8,565,287
Total Special Revenue Funds	100,622,986	(10,107)	89,708,422	88,728,211
DEBT SERVICE FUND				
Debt Service	22,111,500	0	20,443,097	21,548,322
Total Debt Service Fund	22,111,500	0	20,443,097	21,548,322
CAPITAL PROJECTS FUNDS				
All Capital Projects	48,264,755	0	48,264,755	49,337,804
Total Capital Projects Funds	48,264,755	0	48,264,755	49,337,804
ENTERPRISE FUNDS				
Water/Wastewater	75,772,343	(3,213,684)	70,422,362	75,985,498
Golf	1,731,353	0	1,681,345	2,290,553
Cemetery	379,350	(198,350)	179,013	180,863
Solid Waste	14,114,556	0	14,316,693	15,166,357
Total Enterprise Funds	91,997,602	(3,412,034)	86,599,413	93,623,271
TOTAL ALL FUNDS	\$419,697,944	(\$4,532,892)	\$396,547,260	\$412,595,253

* 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.



Schedule F Summary by Department / Fund

Department / Fund	Budgeted Expenditures/ Expenses FY 2010-11	Expenditure/ Expense Adjustments Approved FY 2010-11	Estimated Expenditures/ Expenses FY 2010-11*	Budgeted Expenditures/ Expenses FY 2011-12
Mayor and Council Department: General Fund	\$317,913	(\$500)	\$302,961	\$322,621
City Manager Department: General Fund	273,771	(7,181)	251,072	281,445
Community Relations Office: General Fund	2,365,004	29,139	2,259,490	2,298,533
Transit Fund	554,820	0	549,285	454,452
Community Relations Total	2,919,824	29,139	2,808,775	2,752,985
City Clerk General Fund	744,628	(292,597)	417,554	917,783
Tempe Learning Center Office: General Fund	519,984	(8,500)	474,513	538,177
Diversity Office: General Fund	441,351	16,130	437,644	449,752
Internal Audit Office: General Fund	414,920	(31,728)	367,793	405,502
City Court Department: General Fund	3,605,850	(80,891)	3,549,689	3,787,780
Human Resources Department: General Fund	2,006,752	(190,200)	1,812,226	2,041,178
City Attorney Department: General Fund	2,532,363	(24,340)	2,480,225	2,524,064
Water Fund	377,142	0	327,550	380,051
City Attorney Total	2,909,505	(24,340)	2,807,775	2,904,115
Finance and Technology Department: General Fund	3,144,364	(117,552)	2,975,027	3,162,837
Water Fund	2,323,263	0	2,694,875	2,719,086
Finance and Technology Total	5,467,627	(117,552)	5,669,902	5,881,923

*

Department / Fund	Budgeted Expenditures/ Expenses FY 2010-11	Expenditure/ Expense Adjustments Approved FY 2010-11	Estimated Expenditures/ Expenses FY 2010-11*	Budgeted Expenditures/ Expenses FY 2011-12
Police Department: General Fund	66,334,365	(859,026)	64,142,908	65,018,285
Fire Department: General Fund	25,471,622	174,226	25,164,407	26,354,274
Community Services Department: General Fund	18,727,492	81,951	17,076,626	18,285,198
Performing Arts Fund	8,000,155	0	7,886,502	8,032,794
Community Services Total	26,727,647	81,951	24,963,128	26,317,992
Community Development Department: General Fund	8,309,816	(82,600)	8,157,333	9,504,602
Transit Fund	1,139,262	0	1,190,501	932,870
Section 8 Grants Fund	10,623,052	0	10,169,506	10,344,964
Comm Dev Block Grant Fund	5,794,897	0	2,593,891	6,656,965
Community Development Total	25,867,027	(82,600)	22,111,231	27,439,401
Public Works Department: General Fund	15,706,182	(473,836)	15,090,966	16,936,690
Golf Fund	1,731,353	0	1,681,345	2,290,553
Cemetery Fund	379,350	(198,350)	179,013	180,863
Performing Arts Fund	510,973	0	529,608	532,493
Solid Waste Fund	14,114,556	0	14,316,693	15,166,357
Highway User Revenue Fund	11,667,658	(10,107)	11,207,196	9,297,186
Transit Fund	62,332,169	0	55,581,933	52,476,487
Water Fund	72,071,938	(3,213,684)	67,399,937	71,886,361
Public Works Total	178,514,179	(3,895,977)	165,986,691	168,766,990
Non Departmental: General Fund	5,784,724	756,754	6,571,139	6,528,924
Debt Service: Debt Service Fund	22,111,500	0	20,443,097	21,548,322
Contingency: Water Fund	1,000,000	0	0	1,000,000
Capital Projects: Capital Projects Funds	48,264,755	0	48,264,755	49,337,804
TOTAL	\$419,697,944	(\$4,532,892)	\$396,547,260	\$412,595,253

* 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.

Budget Basis, Units and Changes

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).

Financial Structure and Organization

- **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 2011-12 totals 1,803.09 full-time equivalents (FTE), including 1,583 full-time, 14.10 permanent full-time equivalents, and 205.99 temporary full-time equivalent employees. This total translates to a 0.84% decrease over the 1,818.43 full-time equivalents budgeted in FY 2010-11.

Department	2009-10 Actual			2010-11 Budget			2010-11 Revised			2011-12 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			4			4			4		
City Attorney	24	1.75		23	1.75		23	1.75		23	1.75	
City Clerk	4		0.58	4		0.58	4		0.58	4		0.58
City Court	38		4.06	38		4.06	38		4.06	38		4.06
Community Development	95	2.10	9.01	84	1.60	4.01	82	1.60	4.01	78	1.60	3.52
Community Relations	25		1.83	22		1.34	24		1.34	25		1.34
Community Services	135	5.65	165.69	120	5.50	165.69	117	6.00	165.69	116	6.50	165.69
Diversity Program	3	0.50		2	1.00		2	1.25		2	1.25	
Finance and Technology	138	0.50	0.63	132	0.50		131	0.50		131	0.50	
Fire	184	1.00		181	1.00		181	1.00		181	1.00	
Human Resources	20			20			17			17		
Internal Audit	4			3		0.45	3		0.45	3		0.45
Police	562		6.25	493		6.25	493		6.25	491		6.25
Public Works	514	3.00	17.20	469	2.50	20.20	467	1.50	20.20	460	1.50	24.10
Tempe Learning Center	0			0			3			3		
Sub Total	1,756	14.50	205.25	1,602	13.85	202.58	1,596	13.60	202.58	1,583	14.10	205.99
Total Personnel	1,975.75			1,818.43			1,812.18			1,803.09		

Personnel Changes for FY 2011-12

Position Reductions

Department	Position	PCN	FTE	Action Summary
Community Development	Rio Salado Manager	55	(1.0)	Rio Salado Budget Balancing Plan
	Development Services Liaison	1955	(1.0)	Rio Salado Budget Balancing Plan
	Sr Transp Planner	1691	(1.0)	Transit Budget Balancing Plan
	Sr Transp Planner	1727	(1.0)	Transit Budget Balancing Plan
	Administrative Assistant	1742	(1.0)	CDBG/Sec 8 Action Plan
	Housing Services Supervisor	1678	(1.0)	CDBG/Sec 8 Action Plan
Community Services	Assistant Rec Coordinator	1764	(1.0)	Rio Salado Budget Balancing Plan
	Administrative Assistant	1899	(1.0)	Rio Salado Budget Balancing Plan
Police	Park Ranger	1218	(1.0)	Rio Salado Budget Balancing Plan
	Park Ranger	1219	(1.0)	Rio Salado Budget Balancing Plan
Public Works	Groundskeeper I	1806	(1.0)	Cemetery Budget Balancing Plan
	Executive Assistant	1748	(1.0)	Cemetery Budget Balancing Plan
	Executive Assistant	1749	(0.5)	Cemetery Budget Balancing Plan
	Dep PW Dir - Transportation	827	(1.0)	Transit Budget Balancing Plan
	Custodian	1829	(1.0)	Transit Budget Balancing Plan
	Custodian	1830	(1.0)	Transit Budget Balancing Plan
	Custodian	1914	(1.0)	Transit Budget Balancing Plan
	Eng Permit Inspection Supervisor	526	(1.0)	Gen Fund Reduction Plan
	Fleet Supervisor	680	(1.0)	Gen Fund Reduction Plan
	Traffic Signal Supervisor	814	(1.0)	HURF Budget Balancing Plan
Total Reductions			(19.5)	

Position Additions

Department	Position	PCN	FTE	Action Summary
Community Relations	Government Relations Coordinator	1970	1.0	Budget Supplemental

Position Status Changes

Department	Position	PCN	FTE	Action Summary
Community Relations	Admin Asst	572	0.50	Increase from PT to FT, reclass from Sr Mgmt Asst to Admin Asst – General Fund Reduction Plan
Community Services	Sr Rec Coord	1458	(0.50)	Reduce from FT to PT – Rio Salado Budget Balancing Plan
Community Services	Library Mgr/Librarian I/II	1524	(0.50)	Reduce from FT to PT, from Library Mgr to Librarian I/II – General Fund Reduction Plan
Diversity	ADA Compliance Specialist	1713	0.25	Increase from ½ to ¾ time – Council Approval
Total Changes			(0.25)	

Summary – Authorized Positions (Full and Part-Time FTE)

FY 2010-11 Budget	1,615.85
Position Reductions	(19.50)
Position Additions	1.00
Position FTE Changes	(0.25)
FY 2011-12 Budget	1,597.10

Personnel Schedules

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
1110	MAYOR & COUNCIL					
	Mayor	Gen	1	1	1	1
	Vice Mayor	Gen	1	1	1	1
	Council Member	Gen	5	5	5	5
	Mayor & Council Total Full-Time		7	7	7	7
	CITY MANAGER					
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
	Total Full-Time		3	3	3	3
1231	EECBG					
	Energy & Grants Project Mgr (Position funded through 6-30-12)	Grant	0	1	1	1
	Total Full-Time		0	1	1	1
	City Manager Total Full-Time		3	4	4	4
	CITY ATTORNEY					
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	8	8	8	8
	Paralegal II+	Gen	1	1	1	2
	Sr Exec Asst City Admin+	Gen	1	0	0	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	0
	Legal Assistant	Gen	3	3	3	3
	Legal Specialist II+**	Gen	0	0	0	0.75
	Paralegal**	Gen	0.75	0.75	0.75	0.00
	Assistant City Attorney**	Gen	1.00	1.00	1.00	1.00
	Total Full-Time		21	20	20	20
	Total Perm FTE**		1.75	1.75	1.75	1.75

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
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
	Legal Secretary**					
	Total Full-Time		3	3	3	3
	Total Perm FTE**					
	City Attorney Total Full-Time		24	23	23	23
	City Attorney Total Perm FTE**		1.75	1.75	1.75	1.75
1310	CITY CLERK					
	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
	City Clerk Total Full-Time		4	4	4	4
	City Clerk Total Temp FTE*		0.58	0.58	0.58	0.58
	CITY COURT					
1410	Administration/Judicial Division					
	Presiding City Judge	Gen	1	1	1	1
	Court Admin	Gen	1	1	1	1
	City Judge	Gen	2	2	2	2
	Court Commissioner	Gen	2	2	2	2
	Dep Court Admin	Gen	2	1	1	1
	Court Svcs Supvr	Gen	1	1	1	1
	Total Full-Time		9	8	8	8
1411	Criminal Division					
	Court Svcs Supvr	Gen	1	1	1	1
	Lead Court Svcs Spec	Gen	0	1	1	1
	Court Svcs Spec II+	Gen	9	8	8	8
	COE*	Gen	1.96	1.96	1.96	1.96
	Total Full-Time		10	10	10	10
	Total Temp FTE*		1.96	1.96	1.96	1.96
1412	Civil Division					
	Court Svcs Supvr	Gen	1	2	2	2
	Lead Court Svcs Spec	Gen	1	0	0	0
	Court Svcs Spec II+	Gen	13	13	13	13
	COE*	Gen	2.10	2.10	2.10	2.10
	Total Full-Time		15	15	15	15
	Total Temp FTE*		2.10	2.10	2.10	2.10

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
4710	Court Enhancement Fund					
	Deputy Court Admin	Dsg Fund	0	1	1	1
	Total Full-Time		0	1	1	1
4720	Fill the Gap Fund					
	Court Interpreter	Grant	1	1	1	1
	Total Full-Time		1	1	1	1
4730	Local JCEF					
	Court Svcs Supvr	Grant	1	0	0	0
	Court Svcs Spec II+	Grant	1	2	2	2
	Court Training Coord	Grant	1	1	1	1
	Total Full-Time		3	3	3	3
City Court Total Full-Time			38	38	38	38
City Court Total Temp FTE*			4.06	4.06	4.06	4.06

COMMUNITY DEVELOPMENT
Economic Development

2710	Administration/Economic Development					
	Community Development Dir	Gen 95% Grants 5%	0	0	0	1
	Community Development Dir	Gen 67% Grants 33%	0	1	1	0
	Community Development Dir	Gen	1	0	0	0
	Business Development Officer	Gen	0	0	0	1
	Economic Development Spec	Gen	0	0	0	1
	Rio Salado Financial Analyst	Gen	0	0	0	1
	St Planner	Gen	0	0	0	1
	Tech Development Spec	Gen	0	0	0	1
	Management Assistant II+	Gen	1	0	0	0
	Executive Assistant	Gen	1	1	1	1
	Administrative Assistant	Gen	0	0	0	1
	Total Full-Time		3	2	2	8

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2810	Economic Development Admin					
	Community Development Mgr	Gen 67% Grants 33%	1	0	0	0
	Principal Architect	Gen	1	1	1	0
	Sr Architect+	Gen	1	1	1	0
	Technology Development Spec	Gen	1	1	1	0
	Economic Development Spec	Gen	1	1	1	0
	Administrative Assistant II+	Gen	2	1	1	0
	COE*	Gen	1.00	0.00	0.00	0.00
	Total Full-Time		7	5	5	0
	Total Temp FTE*		1.00	0.00	0.00	0.00
Building Safety						
2721	Building Safety Inspections and Permits					
	Dep Com Dev Dir - Bldg/Permits	Gen	1	1	1	1
	Plan Review Mgr	Gen	1	1	1	1
	Bldg Inspection Mgr	Gen	1	1	1	1
	Development Project Coord	Gen	1	1	1	1
	Sr Plan Check Engineer+	Gen	6	6	6	5
	Sr Bldg Inspector	Gen	1	1	1	1
	Bldg Code Complaint Invest	Gen	1	0	0	0
	Permit Center Supervisor	Gen	1	1	1	1
	Project Mgmt Coord	Gen	0	0	0	1
	Bldg Inspector II+	Gen	7	5	5	5
	Development Svcs Spec II+	Gen	4	4	4	4
	Administrative Assistant II+	Gen	4	3	3	3
	Building Inspector I/II+ *	Gen	0.66	0.66	0.66	0.66
	Total Full-Time		28	24	24	24
	Total Temp FTE*		0.66	0.66	0.66	0.66
Planning						
2727	Code Compliance					
	Sr Code Inspector Spec	Gen	1	1	1	1
	Code Inspector II+	Gen	5	3	3	3
	Administrative Assistant II+	Gen	0	0	0	1
	Unclassified Temporary*	Gen	5.00	1.00	1.00	1.00
	Total Full-Time		6	4	4	5
	Total Temp FTE*		5.00	1.00	1.00	1.00
2736	EECBG - IED Code Im					
	Bldg Inspector II+	Grant	0	1	1	1
	(Position is funded through 6-30-12)					
	Total Full-Time		0	1	1	1

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2731 Planning					
Dep Com Dev Dir - Planning	Gen	1	1	1	0
Dep Com Dev Dir - Planning	Gen 90% Grants 10%	0	0	0	1
Code Enforcement Mgr	Gen	1	1	1	1
Principal Architect	Gen	0	0	0	1
Sr Architect+	Gen	0	0	0	1
Principal Planner	Gen	1	1	1	2
Development Svcs Liaison	Gen	1	1	0	0
Sr Planner	Gen	4	4	4	6
Sr Planner	Gen 50% Grants 50%	0	0	0	1
Sr Transportation Planner	Gen	0	1	1	1
Planner II+	Gen	3	0	0	0
Planner II+**	Gen	0.50	0.00	0.00	0.00
Tech Planner	Gen	0	1	1	1
Sr Code Inspector Spec	Gen	1	1	1	1
Code Inspector II+	Gen	3	2	2	2
Administrative Assistant II+	Gen	2	2	2	2
COE*	Gen	1.86	1.86	1.86	1.86
Total Full-Time		17	15	14	20
Total Perm FTE**		0.50	0.00	0.00	0.00
Total Temp FTE*		1.86	1.86	1.86	1.86
2812 Redevelopment/Special Projects					
Principal Planner	Gen	1	1	1	0
Sr Planner	Gen	3	3	3	0
Planner II+	Gen	1	0	0	0
Total Full-Time		5	4	4	0
3923 Planning & Project Review					
Dep PW Mgr - Light Rail Div	Transit	1	0	0	0
Development Project Officer	Gen 67% Transit 33%	0	1	1	1
Principal Planner	Transit	2	2	2	2
Sr Transportation Planner+	Transit	3	3	3	0
Sr Transportation Planner+	Transit 50%, Gen 50%	0	0	0	1
Management Assistant II+	Transit	1	0	0	0
Total Full-Time		7	6	6	4

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
4410	Community Dev - Rio Salado Administration					
	Dep Comm Dev Mgr - Econ Dev	Rio	1	1	1	0
	Rio Salado Mgr	Rio	1	1	0	0
	Rio Salado Financial Analyst	Rio	1	1	1	0
	Sr Planner	Rio	1	1	1	0
	Administrative Assistant II+	Rio	1	1	1	0
	COE*	Rio	0.49	0.49	0.49	0.00
	Total Full-Time		5	5	4	0
	Total Temp FTE *		0.49	0.49	0.49	0.00
Housing						
2814	Neighborhood Enhancement					
	Homeless Outreach Coordinator**	Gen	1.60	1.60	1.60	1.60
	Total Perm FTE**		1.60	1.60	1.60	1.60
2771-	Section 8 Housing					
2779	Housing Svcs Mgr	Grant	1	1	1	1
	Housing Svcs Supvr	Grant	1	1	1	0
	Family Self Sufficiency Spec	Grant	2	2	2	2
	Housing Services Spec II+	Grant	6	6	6	6
	Administrative Assistant II+	Grant	1	1	1	1
	Total Full-Time		11	11	11	10
2851-	CDBG/Home					
2872	Housing Services Supvr	Grant	1	1	1	0
	Neighborhood Revital Coord	Grant	0	0	0	1
	Housing Svcs Mgmt Accountant	Grant	1	1	1	1
	Homeless Coordinator	Grant	1	1	1	1
	Affordable Housing Spec	Grant	2	2	2	2
	Principal Planner	Grant	0	1	1	0
	Principal Planner	Gen 50% Grants 50%	0	0	0	1
	Administrative Assistant II+	Grant	1	1	1	0
	Total Full-Time		6	7	7	6
Community Development Total Full-Time			95.00	84.00	82.00	78.00
Community Development Total Perm FTE*			2.10	1.60	1.60	1.60
Community Development Total Temp FTE*			9.01	4.01	4.01	3.52

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
COMMUNITY RELATIONS					
Administration					
1219 Administration					
Community Relations Mgr	Gen	1	1	1	1
Mayor's Chief of Staff	Gen	1	0	0	0
Asst to the Mayor	Gen	0	1	1	1
Sr Exec Asst City Admin+	Gen	1	0	0	0
Sr Mayoral/City Council Aide+	Gen	3	2	2	2
Asst to the City Council	Gen	0	1	1	1
Executive Assistant	Gen	0	1	1	1
Administrative Assistant I+	Gen	2	0	0	0
Administrative Intern*	Gen	0.49	0.00	0.00	0.00
COE*	Gen	0.49	0.49	0.49	0.49
Total Full-Time		8	6	6	6
Total Temp FTE*		0.98	0.49	0.49	0.49
1216 Government Relations					
Government Relations Coord	Gen	0	0	0	1
Government Relations Dir	Gen	1	0	0	0
Total Full-Time		1	0	0	1
Communication/Media Relations					
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	1	1	1	2
Community Relations Coord	Gen	2	2	2	2
Management Assistant II	Arts	1	0	0	0
Management Assistant II	W/WW	1	0	0	0
Media Svcs Producer II+	Gen	2	1	1	1
Media Svcs Producer II+	CIP	0	1	1	1
<i>(Position funded through 6-30-12)</i>					
Call Center Supervisor	Gen	1	0	0	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		10	7	7	8
Total Temp FTE*		0.85	0.85	0.85	0.85

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3916	Marketing and Public Information					
	Community Outreach Mktg Supvr	Transit	1	1	1	0
	Community Outreach Mktg Supvr	Gen 25%, Solid Waste 25%, Transit 50%	0	0	0	1
	Comm Outreach/Mktg Coord II+	Transit	2	2	2	1
	Total Full-Time		3	3	3	2
4418	Rio Salado Marketing					
	Community Relations Coord	Rio	1	1	1	0
	Total Full-Time		1	1	1	0
Neighborhood Program						
1215	Neighborhood Program					
	Neighbor Program Dir	Gen	1	1	1	1
	Neighborhood Svcs Spec	Gen	1	1	1	1
	Comm Outreach/Mktg Coord II+	Transit 50%, W/WW 50%	0	0	0	1
	Total Full-Time		2	2	2	3
1220	Customer Relations Center					
	Customer Relations Supvr	Gen	0	1	1	1
	Administrative Assistant II	Gen	0	1	1	1
	Administrative Assistant II	SW	0	0	1	1
	Administrative Assistant II	HURF	0	0	1	1
	Administrative Assistant II	W/WW	0	1	1	1
	Total Full-Time		0	3	5	5
Community Relations Total Full-Time			25	22	24	25
Community Relations Total Temp FTE*			1.83	1.34	1.34	1.34

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
COMMUNITY SERVICES					
Administration					
2410 Administration					
Community Svcs Dir	Gen 85% Arts 15%	1	1	1	1
Sr Social Svcs Coord+	Gen	1	1	0	0
Management Assistant II+	Gen	1	0	0	0
Executive Assistant	Gen	0	0	1	1
Unclassified Temporary*	Gen	0.52	0.52	0.52	0.52
Total Full-Time		3	2	2	2
Total Temp FTE*		0.52	0.52	0.52	0.52
Arts and Library					
2440 Library					
Dep Comm Svcs Mgr-Library	Gen	1	0	0	0
Library Supvr	Gen	3	3	3	2
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	7	5	5	5
Administrative Assistant II+	Gen	1	0	0	0
Library Asst	Gen	4	4	4	4
Librarian I/II+**	Gen	0.50	0.00	0.00	0.50
Library Assistant**	Gen	2.00	2.00	2.00	2.00
Unclassified Temp - Office*	Gen	7.44	7.44	7.44	7.44
Total Full-Time		30	26	26	25
Total Perm FTE**		2.50	2.00	2.00	2.50
Total Temp FTE*		7.44	7.44	7.44	7.44
2481 Cultural Services - Administration					
Dep Com Svcs Dir- Lbry/Cultrl	Gen 50% Arts 50%	1	1	1	1
Sr Social Svcs Coord+	Gen	0	0	1	1
Arts Coord	Gen	1	1	1	1
Arts Coord	Perfor Arts	1	1	1	1
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		4	4	5	5
Total Temp FTE*		7.32	7.32	7.32	7.32

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2484	Historical Museum					
	Museum Administrator	Gen	1	1	1	1
	Sr Museum Curator+	Gen	3	3	3	3
	Museum Registrar	Gen	1	0	0	0
	Administrative Assistant II+	Gen	1	0	0	0
	Unclassified Temp - Office*	Gen	0.65	0.65	0.65	0.65
	Total Full-Time		6	4	4	4
	Total Temp FTE*		0.65	0.65	0.65	0.65
3610	Performing Arts - Administration					
	Cultural Facilities Admin	Arts	1	1	1	1
	Management Assistant II+	Arts	0	1	1	1
	Arts Coordinator	Arts	4	4	4	4
	Arts Specialist	Arts	4	3	3	3
	Administrative Assistant II+	Arts	1	0	0	0
	Box Office Assistant	Arts	1	0	0	0
	Unclassified Temp*	Arts	13.27	13.27	13.27	13.27
	Total Full-Time		11	9	9	9
	Total Temp FTE*		13.27	13.27	13.27	13.27
Social Services						
2415	Social Services/North Side Multigenl Center					
	Sr Social Svcs Coord+	Gen	2	2	2	2
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		3	3	3	3
2451	Social Services/Diversion					
	Social Svcs Supvr	Gen	0	1	1	1
	Social Svcs Counselor II+	Gen	3	3	3	3
	Social Services Counselor**	Gen	0.65	0.00	0.00	0.00
	Administrative Assistant+*	Gen	0.43	0.43	0.43	0.43
	Total Full-Time		3	4	4	4
	Total Perm FTE**		0.65	0.00	0.00	0.00
	Total Temp FTE*		0.43	0.43	0.43	0.43
2457	Social Services/KID ZONE					
	Kid Zone Prog Admin	Gen	1	1	1	1
	Community Svcs Supvr	Gen	1	1	1	1
	Sr Social Svcs Coord+	Gen	4	4	4	4
	Social Services Specialist	Gen	5	5	5	5
	Asst Recreation Coord	Gen	7	6	6	6
	Unclassified Temporary*	Gen	58.60	58.60	58.60	58.60
	Total Full-Time		18	17	17	17
	Total Temp FTE*		58.60	58.60	58.60	58.60

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2485	Social Services/Partnerships					
	Social Svcs Supvr	Gen	2	1	1	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	3.60	3.60	3.60	3.60
	Total Full-Time		8	7	7	7
	Total Temp FTE*		3.60	3.60	3.60	3.60
2486	Social Services/Administration					
	Dep Com Svcs Dir - Social Svcs	Gen	1	1	1	1
	Community Svcs Supvr	Gen	1	1	1	1
	Administrative Assistant II+	Gen	3	2	2	2
	Administrative Assistant II+**	Gen	1.00	1.50	1.50	1.50
	Unclassified Temporary*	Gen	0.85	0.85	0.85	0.85
	Total Full-Time		5	4	4	4
	Total Perm FTE**		1.00	1.50	1.50	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	3	4	4
	Administrative Assistant II+	Gen	1	1	0	0
	Social Services Coordinator**	Gen	0.75	0.75	0.75	0.75
	Unclassified Temporary*	Gen	7.28	7.28	7.28	7.28
	Total Full-Time		6	5	5	5
	Total Perm FTE**		0.75	0.75	0.75	0.75
	Total Temp FTE*		7.28	7.28	7.28	7.28
Recreation Centers and Programs						
2521	Recreation - Administration					
	Parks & Rec Mgr	Gen	1	0	0	0
	Dep Com Svcs Dir - Recreation	Gen	1	1	1	1
	Sr Recreation Coord+	CIP	1	1	1	1
	Executive Assistant	Gen	1	1	0	0
	Asst Recreation Coord	Gen	1	1	1	1
	Administrative Assistant II+	Gen	2	1	1	1
	Unclassified Temporary*	Gen	1.22	1.22	1.22	1.22
	Total Full-Time		7	5	4	4
	Total Temp FTE*		1.22	1.22	1.22	1.22

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2522	Special Events					
	Parks & Rec Admin	Gen	1	1	0	0
	Sr Recreation Coord+	Gen	2	2	2	2
	Assistant Recreation Coordinator	Gen	0	0	1	1
	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	1	1
	Asst Recreation Coord	Gen	1	1	1	1
	Administrative Assistant II	Gen	1	1	1	1
	Sr Recreation Coord+**	Gen	0	0	0.50	0.50
	Unclassified Temporary*	Gen	2.87	2.87	2.87	2.87
	Total Full-Time		4	4	3	3
	Total Perm FTE**		0	0	0.50	0.50
	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
	Administrative Clerk II+		0	0	0	0
	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

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
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
	Administrative Assistant II+	Gen	2	1	1	1
	Administrative Assistant II+**	Gen	0.75	1.25	1.25	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	4	4	4
	Total Perm FTE**		0.75	1.25	1.25	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	16.73	16.73	16.73	16.73
	Total Full-Time		3	3	3	3
	Total Temp FTE*		16.73	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

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2536	Boating Programs					
	Sr Recreation Coord+	Gen	1	1	1	1
	Total Full-Time		1	1	1	1
2537	Community Outreach/Marketing					
	Recreation Mgr	Gen	0	1	1	1
	Asst Recreation Coord	Gen	0	0	1	1
	Total Full-Time		0	1	2	2
2541	Rio Salado Administration					
	Administrative Assistant II+	Gen	0	0	1	1
	Total Full-Time		0	0	1	1
4411	Rio Salado Special Events					
	Asst Recreation Coord	Rio	1	1	0	0
	Total Full-Time		1	1	0	0
4412	Rio Salado Events Marketing					
	Asst Recreation Coord	Rio	1	1	0	0
	Total Full-Time		1	1	0	0
4413	Community Development - Rio Salado Ops					
	Administrative Project Coordinator	Rio	1	0	0	0
	Administrative Assistant II+	Rio	2	2	0	0
	Total Full-Time		3	2	0	0
Community Services Total Full-Time			135	120	117	116
Community Services Total Perm FTE**			5.65	5.50	6.00	6.50
Community Services Total Temp FTE*			165.69	165.69	165.69	165.69
1212	DIVERSITY					
	Diversity Admin	Gen	1	1	1	1
	Sr Diversity Spec	Gen	1	1	1	1
	Administrative Assistant II	Gen	1	0	0	0
	Administrative Assistant II**	Gen	0.00	0.50	0.50	0.50
	ADA Compliance Specialist**	Gen	0.50	0.50	0.75	0.75
	Diversity Total Full-Time		3	2	2	2
	Diversity Total Perm FTE**		0.50	1.00	1.25	1.25

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
	FINANCE AND INFORMATION TECHNOLOGY					
	Financial Services					
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					
	Budget 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	1	1	0	0
	Payroll Specialist	Gen	1	1	1	1
	Financial Svcs Tech II+	Gen	4	4	4	4
	Accounting Assistant*	Gen	0.63	0.00	0	0
	Total Full-Time		11	11	10	10
	Total Temp FTE*		0.63	0.00	0.00	0.00
1832	Tax and Licensing					
	License & Collections Supvr	Gen	1	1	1	1
	Tax Audit Supvr	Gen	1	1	1	1
	Tax Auditor II+	Gen	5	6	6	6
	Rental Property Spec	Gen	1	1	1	1
	Specialty Licenses Coord	Gen	1	0	0	0
	Tax Analyst	Gen	1	1	1	1
	Revenue Compliance Officer II+	Gen	3	3	3	3
	Financial Svcs Tech II+	Gen	3	3	3	3
	Total Full-Time		16	16	16	16

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
1841	Customer Services					
	Dep Fin & Tech Dir - Finance	WWW	1	1	1	1
	Customer Svcs Mgr	WWW	1	1	1	1
	Customer Svcs Office Supvr	WWW	1	1	1	1
	Customer Svcs Field Supvr	WWW	1	1	1	1
	Sr Financial Svcs Tech	WWW	1	1	1	1
	Financial Svcs Tech II+	WWW	8	8	8	8
	Water Meter Reader II+	WWW	7	7	7	7
	Water Meter Reader I+	WWW	1	1	1	1
	Total Full-Time		21	21	21	21
1851	Central Services/Purchasing					
	Central Svcs Mgr	Gen	1	1	1	1
	Procurement Officer	Gen	3	3	3	3
	Financial Svcs Tech II+	Gen	3	3	3	3
	Total Full-Time		7	7	7	7
2613	Safety & Training					
	Safety & Risk Coord	WWW	1	1	1	1
	Industrial Hygienist	WWW	1	1	1	1
	Safety & Training Spec II	WWW	2	1	1	1
	Safety & Training Spec II**	WWW	0	0.50	0.50	0.50
	Total Full-Time		4	3	3	3
	Total Perm FTE**		0	0.50	0.50	0.50
2621	Risk Management					
	Risk Mgr	Risk	1	1	1	1
	Risk Mgmt Claims Adjuster	Risk	1	1	1	1
	Risk Mgmt Spec	Risk	1	1	1	1
	Administrative Assistant II**	Risk	0.50	0	0	0
	Total Full-Time		3	3	3	3
	Total Perm FTE**		0.50	0	0	0
Information Technology						
1991	Administration					
	IT Mgr	Gen	1	0	0	0
	Dep Fin & Tech Dir - IT	Gen	2	1	1	1
	Sr Mgmt Asst	Gen	1	1	1	1
	IT Project Mgr	Gen	0	0	0	1
	Sr Tech Support Analyst	Gen	0	1	1	1
	Executive Assistant	Gen	1	0	0	0
	Administrative Assistant II+	Gen	0	1	1	1
	Total Full-Time		5	4	4	5



Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
1992	Data Center + Helpdesk					
	IT Mgr	Gen	0	1	1	0
	IT Project Mgr	Gen	0	1	1	0
	Business Analyst	Gen	0	3	3	0
	Business Analyst	W/WW	0	1	1	0
	Sr Programmer Analyst	Gen	0	5	5	0
	Sr Programmer Analyst	W/WW	0	2	2	0
	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
	IT Support Analyst	Gen	0	0	0	3
	Total Full-Time		0	13	13	8
1993	Network Engineering					
	IT Mgr	Gen	0	1	1	1
	Network Ops Supvr	Gen	1	0	0	0
	Sr Enterprise Network Eng	Gen	2	2	2	2
	Enterprise Network Eng II+	Gen	5	5	5	5
	Enterprise Network Tech II+	Gen	1	1	1	1
	Lead Enterprise Network Tech	Gen	1	1	1	1
	Total Full-Time		10	10	10	10
1994	Enterprise Applications					
	IT Mgr	Gen	0	1	1	1
	Applications Supvr	Gen	1	0	0	1
	Business Analyst	Gen	7	2	2	7
	Business Analyst	W/WW	1	0	0	1
	IT Project Mgr	Gen	2	1	1	0
	Database Administrator	Gen	3	3	3	3
	Webmaster	Gen	2	2	2	1
	Sr Programmer Analyst	Gen	9	4	4	10
	Sr Programmer Analyst	W/WW	2	0	0	2
	IT Trng Coord	Gen	1	0	0	0
	Eng GIS Supvr	Gen	1	0	0	0
	Total Full-Time		29	13	13	26

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
1995	System Administration					
	Systems Admin Supvr	Gen	1	1	1	1
	Sr Technical Support Analyst	Gen	1	0	0	0
	Sr PC Svcs Conslt	Gen	1	1	1	2
	PC Svcs Consultant II+	Gen	0	0	0	4
	Sr Data Center Support Spec	Gen	0	1	1	0
	Data Center & Net Ops Supvr	Gen	0	1	1	0
	Data Center Support Spec	Gen	0	3	3	0
	Technical Support Analyst II+	Gen	4	4	4	4
	Total Full-Time		7	11	11	11
1996	Training and Automation					
	Sr Data Center Support Spec	Gen	1	0	0	0
	Data Center Support Spec	Gen	3	0	0	0
	Production Control Coord	Gen	0	0	0	0
	Data Center & Net Ops Supvr	Gen	1	0	0	0
	IT Trng Coord	Gen	0	1	1	1
	Reprographics Supvr	Gen	0	2	2	2
	Reprographics Oper	Gen	0	1	1	1
	Distribution Clerk	Gen	0	1	1	1
	Total Full-Time		5	5	5	5
1997	Customer Support					
	IT Support Analyst Supvr	Gen	1	1	1	0
	IT Support Analyst II+	Gen	3	3	3	0
	Sr PC Svcs Conslt	Gen	1	1	1	0
	PC Svcs Consultant II+	Gen	5	4	4	0
	Total Full-Time		10	9	9	0
1852	Central Services/Duplicating & Supplies					
	Reprographics Supvr	Gen	2	0	0	0
	Reprographics Operator	Gen	1	0	0	0
	Distribution Clerk	Gen	1	0	0	0
	Total Full-Time		4	0	0	0
Finance and Information Technology Total Full-Time			138	132	131	131
Finance and Information Technology Total Perm FTE**			0.50	0.50	0.50	0.50
Finance and Information Technology Total Temp FTE*			0.63	0.00	0.00	0.00

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
FIRE					
Administration/Fire Prevention					
2310 Administration					
Fire Chief	Gen	1	1	1	1
Asst Fire Chief	Gen	2	2	2	2
Fire Deputy Chief	Gen	3	3	3	3
Fire Budget / Finance Supvr	Gen	1	1	1	1
Executive Assistant	Gen	1	1	1	1
Administrative Assistant I/II+	Gen	1	1	1	1
Total Full-Time		9	9	9	9
2330 Fire Prevention					
Asst Fire Chief	Gen	1	1	1	1
Fire Inspector II+	Gen	6	6	6	6
Fire Education Spec	Gen	2	2	2	2
Administrative Assistant II+	Gen	1	1	1	1
Total Full-Time		10	10	10	10
2332 Tempe County Island Fire District					
Fire Inspector II+	Fire District	1	1	1	1
Total Full-Time		1	1	1	1
Emergency Medical Services					
2340 Fire Emergency Services					
Fire Captain	Gen	33	33	33	33
Fire Eng	Gen	36	36	36	36
Firefighter+	Gen	74	72	72	72
<i>(66 Firefighter, Engineer or Captain positions are paramedic assignment)</i>					
Total Full-Time		143	141	141	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	0	0	0
Paramedic	Contract	6	6	6	6
Total Full-Time		7	6	6	6

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Support Services/Personnel Safety						
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
Homeland Security/Special Operations						
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
Training/Professional Development						
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
	Fire Department Total Full-Time		184	181	181	181
	Fire Department Total Perm FTE**		1.00	1.00	1.00	1.00



Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
HUMAN RESOURCES						
1911	Human Resources -Administration					
	HR Dir	Gen	1	1	1	1
	Dep HR Dir	Gen	1	1	1	1
	Employment Services Mgr	Gen	1	1	1	1
	employee Benefits Mgr	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	0	0	0
	HR Tech II+	Gen	3	3	3	3
	Administrative Assistant II+	Gen	0	1	1	1
	Total Full-Time		17	17	17	17
1920	Tempe Learning Center					
	Org Development Administrator	Gen	1	1	0	0
	Performance Mgmt Designer	Gen	1	1	0	0
	Sr Learning & Org Dev Assoc	Gen	1	1	0	0
	Total Full-Time		3	3	0	0
Human Resources Department Total Full-Time			20	20	17	17
1213	INTERNAL AUDIT					
	City Auditor	Gen	1	1	1	1
	Internal Auditor	Gen	2	2	2	2
	Contract Administrator	Gen	1	0	0	0
	Contract Administrator*	Gen	0.00	0.45	0.45	0.45
	Internal Audit Total Full-Time		4	3	3	3
	Internal Audit Total Temp FTE*		0.00	0.45	0.45	0.45
POLICE						
2210	Office of the Chief					
	Police Chief	Gen	1	1	1	1
	Assistant Police Chief	Gen	1	1	1	1
	Sergeant	Gen	1	0	0	0
	Community Affairs Spec	Gen	1	1	1	1
	Police Officer	Gen	1	1	0	0
	Executive Assistant	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	0	0	0
	Total Full-Time		7	5	4	4

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Organizational Services						
2231	Detention Bureau					
	Detention Admin	Gen	1	1	1	1
	Detention Section Admin	Gen	1	0	0	0
	Detention Supervisor	Gen	5	6	6	6
	Detention Officer+	Gen	24	21	21	21
	Total Full-Time		31	28	28	28
2251	Professional Dev Bureau					
	Assistant Police Chief	Gen	1	1	1	1
	Lieutenant	Gen	1	1	1	1
	Sergeant	Gen	9	6	6	6
	Polygraph Examiner II+	Gen	2	1	1	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
	COE*	Gen	0.70	0.70	0.70	0.70
	Total Full-Time		24	20	20	20
	Total Temp FTE*		0.70	0.70	0.70	0.70
Support Services						
2232	Communications Bureau					
	Communications Mgr	Gen	1	1	1	1
	Communications Supervisor	Gen	7	6	6	6
	Communications Dispatcher II	Gen	37	37	37	37
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		46	45	45	45
2233	Records Bureau					
	Tech Svcs Bureau Mgr	Gen	1	1	1	1
	Police Records Section Admin	Gen	1	0	0	0
	Police Records Supvr	Gen	3	3	3	3
	Administrative Assistant II+	Gen	1	2	2	2
	Records Clerk II	Gen	15	15	15	15
	Records Clerk I	Gen	8	4	4	4
	COE*	Gen	1.00	1.00	1.00	1.00
	Total Full-Time		29	25	25	25
	Total Temp FTE*		1.00	1.00	1.00	1.00



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	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2235	Identification Unit					
	Identification Supervisor	Gen	1	1	1	1
	Identification Technician	Gen	5	5	5	5
	Fingerprint Technician	Gen	2	1	1	1
	Total Full-Time		8	7	7	7
2246	HIDTA					
	Police Officer	Desig	1	1	1	1
	Total Full-Time		1	1	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 Mgr	Gen	1	1	1	1
	Sr Budget & Finance Analyst	Gen	0	1	1	1
	Police Plan & Research Supvr	Gen	1	1	1	1
	Tactical Crim Intel Analyst Suprv	Gen	1	0	0	0
	Police Officer	Gen	0	1	1	1
	Management Assistant II+	Gen	2	0	0	0
	Police Analyst II+	Gen	5	5	5	5
	Alarm Coord	Gen	1	1	1	1
	Crime Analysis Tech	Gen	1	0	0	0
	Administrative Assistant II+	Gen	2	2	2	2
	Total Full-Time		14	12	12	12
Operations						
2236	Crime Prevention Unit					
	Police Officer	Gen	3	3	3	3
	Crime Prevention Spec	Gen	2	0	0	0
	Administrative Assistant II+	Gen	1	0	0	0
	Total Full-Time		6	3	3	3
2239	Homeland Security Unit					
	Commander	Gen	1	0	0	0
	Total Full-Time		1	0	0	0

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	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2241	Criminal Investigations Bureau					
	Assistant Police Chief	Gen	1	1	1	1
	Commander	Gen	1	1	1	1
	Lieutenant	Gen	2	1	1	1
	Sergeant	Gen	8	8	8	8
	Police Officer	Gen	47	47	47	47
	Administrative Support Supvr	Gen	1	0	0	0
	Community Service Officer	Gen	2	0	0	0
	Investigative Assistant	Gen	2	2	2	2
	Administrative Assistant II+	Gen	2	1	1	1
	COE*	Gen	1.26	1.26	1.26	1.26
	Total Full-Time		66	61	61	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	22	21	21	21
	Administrative Assistant II+	Gen	2	1	1	1
	Traffic Enforcement Aide	Gen	5	2	2	2
	Total Full-Time		35	30	30	30
2243	Special Investigations Bureau					
	Lieutenant	Gen	1	1	1	1
	Sergeant	Gen	6	5	5	5
	Police Officer	Gen	26	25	26	24
	Investigative Assistant	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		35	33	34	32
2248	Central City Bureau					
	Commander	Gen	1	1	1	1
	Lieutenant	Gen	2	1	1	1
	Sergeant	Gen	3	2	2	2
	Police Officer	Gen	15	14	14	16
	Licensing Spec	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	0	0	0
	Total Full-Time		23	19	19	21



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	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2271	Patrol Administration/South Ops					
	Assistant Police Chief	Gen	1	0	0	0
	Sergeant	Gen	1	3	3	3
	Lieutenant	Gen	2	2	2	2
	Police Officer	Gen	1	1	1	1
	Administrative Assistant II+	Gen	4	3	3	3
	Police Reserves*	Gen	0.16	0.16	0.16	0.16
	Service Aide*	Gen	2.50	2.50	2.5	2.5
	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	2	2	2
	Sergeant	Gen	24	24	24	24
	Lieutenant	Gen	4	4	4	4
	Police Officer	Gen	142	141	141	141
	Community Service Officer	Gen	10	0	0	0
	Total Full-Time		183	171	171	171
2273	City Security Team					
	Park Ranger	Gen	2	0	0	0
	Total Full-Time		2	0	0	0
2274	Recruits					
	Police Officer	Gen	7	0	0	0
	Total Full-Time		7	0	0	0
2201	AZ Post					
	Commander	Desg	1	1	1	1
	Total Full-Time		1	1	1	1
2209	Vehicle Impound					
	Police Officer	Desg	1	2	2	2
	Vehicle Impound Specialist	Desg	2	2	2	2
	Records Clerk II	Desg	1	1	1	1
	Administrative Assistant I/II+	Desg	1	1	1	1
	Total Full-Time		5	6	6	6

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2222	RICO					
	Police Officer - CIB Detective	Desg Fund	1	1	1	1
	Police Officer	Desg Fund	0	0	0	2
	Total Full-Time		1	1	1	3
2279	Rio Salado - Park Rangers					
	Sergeant	CFD	0	0	0	1
	Park Ranger	CFD	0	0	0	4
	Total Full-Time		0	0	0	5
3913	PD - Security Transportation Center					
	Sergeant	Transit	1	1	1	1
	Security Officer	Transit	7	0	0	0
	Total Full-Time		8	1	1	1
4416	Rio Salado - Sworn					
	Police Officer	Rio	5	2	2	0
	Total Full-Time		5	2	2	0
4417	Rio Salado - Park Rangers					
	Sergeant	Rio	1	1	1	0
	Park Ranger	Rio	8	6	6	0
	Total Full-Time		9	7	7	0
Police Department Total Full-Time			562	493	493	491
Police Department Total Temp FTE*			6.25	6.25	6.25	6.25
PUBLIC WORKS						
3210	Administration					
	PW Mgr	Gen	1	1	1	1
	Dep Pub Wks Dir - Field Oper	Gen 50%, SW 50%	0	0	0	1
	Sr Mgmt Asst	Gen	1	1	1	1
	Water Util Admin Mgr	W/WW	0	0	0	1
	Public Works Trng Coord	W/WW	0	0	0	1
	Executive Assistant	Gen	1	0	0	0
	Executive Assistant**	Gen	0.00	0.50	0.50	0.50
	COE*	Gen	0.49	0.49	0.49	0.49
	Total Full-Time		3	2	2	5
	Total Perm FTE**		0.00	0.50	0.50	0.50
	Total Temp FTE*		0.49	0.49	0.49	0.49

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Engineering					
3221 Engineering/Admin. Support/Contract Admin.					
Dep Pub Wks Dir - Engineering	Gen	1	1	1	1
Eng Contract Compl Auditor	Transit	1	1	1	1
Eng Services Mgr	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					
Principal Civil Engineer	Gen 50% W/WW 50%	0	0	0	1
Sr Civil Engineer+	Gen	2	2	2	1
Eng Permit Inspection Supvr	Gen	1	1	1	0
Sr Eng Associate+	Gen	5	5	5	5
Eng Tech II+	Gen	1	1	1	1
Total Full-Time		9	9	9	8
3223 Engineering/Capital Improvements					
Principal Civil Engineer	Gen	2	1	1	0
Principal Civil Engineer	Transit	1	1	1	1
Principal Civil Engineer	Gen 50% W/WW 50%	0	1	1	0
CIP Design & Construction Mgr	Gen	0	0	0	1
Sr Civil Engineer+	Gen	1	1	1	2
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	3	3	3	4
Total Full-Time		10	10	10	11
3225 Engineering/Information & Technical Services					
Right of Way Mgmt Coord	Gen	1	1	1	1
GIS Coord	Gen	1	0	0	0
Sr Eng Associate+	Gen	1	2	2	1
GIS Analyst+	Gen	1	0	0	0
Eng Tech II+	Gen	2	2	2	2
Survey Tech II+	Gen	1	1	1	1
Total Full-Time		7	6	6	5

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

Position		Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Field Operations						
3241	Field Operations/Facility Maintenance Administration					
	Facility Maint Mgr	Gen	1	1	1	1
	Fac Maint Supvr	Gen	2	2	2	2
	Fac Automation Technician	Gen	1	1	1	1
	Bldg Equip Tech II+	Gen	12	11	11	11
	Fac Electrician	Gen	1	1	1	1
	Administrative Assistant II+	Gen	1	1	1	1
	Total Full-Time		18	17	17	17
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
	Fleet Parts Spec	Gen	3	3	3	3
	Parts Messenger*	Gen	0.50	0.50	0.50	0.50
	Total Full-Time		6	6	6	6
	Total Temp FTE*		0.50	0.50	0.50	0.50
3262	Fleet Services/Fleet Maintenance					
	Fleet Supvr	Gen	3	3	3	2
	Sr Fleet Equip Mechanic	Gen	3	3	3	3
	Equip Mechanic	Gen	13	13	13	13
	Equip Mechanic	SW	1	1	1	1
	<i>(position funded by Solid Waste starting January 2010)</i>					
	Equip Svcs Wkr II	Gen	4	4	4	4
	Total Full-Time		24	24	24	23
3271	Field Services/Custodial 1					
	Custodial Svcs Supt	Gen	1	1	1	0
	Custodial Supvr	Gen	2	2	2	1
	Administrative Assistant II+	Gen	1	0	0	0
	Custodial Team Leader	Gen	4	2	2	4
	Custodian	Gen	28	24	24	24
	Custodian	SW	0	1	1	1
	Total Full-Time		36	30	30	30



Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3612	TCA Facility Management					
	Fac Automation Technician	Arts	1	0	0	0
	Bldg Equip Tech II+	Arts	1	1	1	1
	TCA Maint Supvr	Arts	1	0	0	0
	TCA Maint Supvr	Arts 50% Transit 50%	0	1	1	1
	TCA Maint Worker	Arts	6	5	5	5
	Total Full-Time		9	7	7	7
3720	Hazardous Material Safety					
	Environmental Hlth & Sfty Supv	W/WW	1	0	0	0
	Hazardous Material Safety Spec	W/WW	1	0	0	0
	HPCC Interns*	W/WW	0.98	0.00	0.00	0.00
	Total Full-Time		2	0	0	0
	Total Temp FTE*		0.98	0.00	0.00	0.00
3721	Hazardous Material Safety					
	Environmental Hlth & Sfty Supv	SW	0	1	1	1
	Hazardous Material Safety Spec	SW	0	1	1	1
	HPCC Interns*	SW	0.00	0.98	0.98	0.98
	Total Full-Time		0	2	2	2
	Total Temp FTE*		0.00	0.98	0.98	0.98
2511	Field Services/Rolling Hills Golf					
	P & G Course Maint Coord	Golf	1	1	1	1
	P & G Mechanic	Golf	1	0	0	0
	Sprinkler Systems Maint. Worker/II+	Golf	1	1	1	1
	Equipment Operator II	Golf	1	0	0	0
	Groundskeeper I/II+	Golf	4	0	0	0
	Equipment Operator I	Golf	1	0	0	0
	Groundskeeper I/II+*	Golf	1.07	4.07	4.07	4.07
	Total Full-Time		9	2	2	2
	Total Temp FTE*		1.07	4.07	4.07	4.07

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2512	Field Services/Ken McDonald Golf					
	P &G Course Supervisor	Golf	1	0	0	0
	P &G Course Supervisor	Gen 50% Golf 50%	0	1	1	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	0	0	0
	Groundskeeper I/II+	Golf	6	4	4	4
	Equipment Operator I	Golf	1	1	1	1
	Groundskeeper I/II+*	Golf	1.35	1.35	1.35	1.35
	Total Full-Time		12	9	9	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	0	0	0
	Groundskeeper I/II+	Gen	2	0	0	0
	Total Full-Time		3	0	0	0
2552	Parks Maintenance					
	Parks Mgr	Gen	1	0	0	1
	Sr Mgmt Asst	Gen	1	1	1	1
	Total Full-Time		2	1	1	2
2553	Diablo Stadium Maintenance					
	Parks/Golf Course Supvr	Gen	1	0	0	1
	P&G Course Maint Coord	Gen	1	1	1	0
	Sr Groundskeeper	Gen	1	0	0	0
	Sprinkler Sys Maint Wkr II+	Gen	1	1	1	1
	Groundskeeper I/II+	Gen	5	6	6	6
	Groundskeeper*	Gen	0.56	0.56	0.56	0.56
	Total Full-Time		9	8	8	8
	Total Temp FTE*		0.56	0.56	0.56	0.56

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2554	Rio Salado Maintenance					
	Administrative Project Coord	Gen	0	0	0	1
	Groundskeeper I/II+	Gen	0	0	0	2
	Groundskeeper I/II+*	Gen	0.00	0.00	0.00	2.00
	Total Full-Time		0	0	0	3
	Total Temp FTE*		0.00	0.00	0.00	2.00
2555	Landscape Maintenance					
	P&G Course Supvr	Gen	1	0	0	0
	P & G Course Supvr	HURF	0	1	1	0
	Total Full-Time		1	1	1	0
2556	North Parks					
	Parks/Golf Course Supvr	Gen	2	2	2	1
	P&G Course Maint Coord	Gen	2	1	1	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	2
	Equip Operator II	Gen	2	3	3	4
	Sr Groundskeeper	Gen	1	0	0	0
	Groundskeeper I/II+	Gen	2	3	3	3
	Groundskeeper I/II+	SW	0	1	1	1
	Equip Operator I	Gen	0	0	0	0
	Groundskeeper*	Gen	1.75	1.75	1.75	1.75
	Unclassified Temporary*	Gen	1.67	1.67	1.67	1.67
	Total Full-Time		14	15	15	14
	Total Temp FTE*		3.42	3.42	3.42	3.42
2557	Rio Salado Maintenance - CFD					
	Parks/Golf Maint Coord	CFD	0	0	0	1
	Sprinkler Sys Maint Coord	CFD	0	0	0	1
	Groundskeeper I/II+*	CFD	0.00	0.00	0.00	2.00
	Total Full-Time		0	0	0	2
	Total Temp FTE*		0.00	0.00	0.00	2.00
2558	Cemetery Maintenance					
	Groundskeeper II+	Gen	1	0	0	0
	Total Full-Time		1	0	0	0

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
2559	South Parks					
	Parks/Golf Course Supvr	Gen	1	1	1	1
	Parks Fac Maint Wkr II+	Gen	1	1	1	1
	P&G Course Maint Coord	Gen	3	2	2	2
	Sr Groundskeeper	Gen	1	1	1	1
	Equip Operator II	Gen	4	3	3	3
	Sprinkler Sys Maint Wkr II+	Gen	3	3	3	3
	Pest Control Technician	Gen	2	0	0	0
	Groundskeeper I/II+	Gen	5	4	4	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		20	15	15	15
	Total Temp FTE*		1.70	1.70	1.70	1.70
3310	Cemetery Administration					
	Executive Assistant	Cemetery	1	1	0	0
	Groundskeeper I+	Cemetery	1	1	0	0
	Executive Assistant**	Cemetery	0.50	0.50	0.00	0.00
	Total Full-Time		2	2	0	0
	Total Perm FTE**		0.50	0.50	0.00	0.00
3611	Tempe Arts Park					
	Sr Groundskeeper	Arts	1	0	0	0
	Groundskeeper II+	Arts	1	1	1	1
	Unclassified Temporary*	Arts	1.44	1.44	1.44	1.44
	Total Full-Time		2	1	1	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	0
	Groundskeeper II+	Rio	1	1	1	0
	Groundskeeper*	Rio	0.10	0.10	0.10	0.00
	Total Full-Time		2	2	2	0
	Total Temp FTE*		0.10	0.10	0.10	0.00
4415	Rio Salado - Ent. Zone					
	Administrative Project Coord	Rio	0	1	1	0
	Groundskeeper I/II+	Rio	2	2	2	0
	Total Full-Time		2	3	3	0



Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3712	Field Services/Solid Waste Support Services					
	Solid Waste Svcs Mgr	SW	1	1	1	1
	Solid Waste/Recycling Supvr	SW	1	0	0	0
	Solid Waste Inspector	SW	3	3	3	3
	Administrative Assistant II+	SW	2	2	2	2
	Sr Mgmt Asst**	SW	0.00	0.50	0.00	0.00
	Total Full-Time		7	6	6	6
	Total Perm FTE**		0.00	0.50	0.00	0.00
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	2	2	2
	Sr Equip Operator	SW	3	3	3	3
	Solid Waste Equip Oper II+	SW	14	14	14	14
	Total Full-Time		18	19	19	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	1	1	1	1
	Total Full-Time		1	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

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
Transportation						
3813	Streets & Traffic Ops/Street Maintenance					
	Street Maintenance Supt	HURF	1	0	0	0
	Sr Civil Engineer+	HURF	1	1	1	1
	Sr Eng Associate+	HURF	1	0	0	0
	Streets Supervisor	HURF	1	1	1	1
	Streets Maint Team Leader	HURF	4	3	3	3
	Street Maint Equip Operator II	HURF	13	8	8	10
	Street Maint Equip Operator II	SW	2	4	4	2
	Equip Operator I	W/WW	4	4	4	4
	Administrative Assistant II+	HURF	1	1	0	0
	Total Full-Time		28	22	21	21
3821	Streets & Traffic Operations/Administration					
	Dep PW Mgr - Field Ops	HURF	1	0	0	0
	Dep Pub Wks Dir - Field Ops	HURF 50%, SW 50%	0	1	1	0
	Dep PW Mgr - Admin & Cust Svcs	HURF	1	0	0	0
	Total Full-Time		2	1	1	0
3822	Transportation/Studies & Design					
	Traffic Eng	HURF	1	1	1	1
	Intelligent Trans System Coord	HURF	1	0	0	0
	Sr Civil Engineer+	HURF	3	2	2	2
	Traffic Control Barricade Supvr	HURF	1	0	0	0
	Traffic Engineering Analyst	HURF	2	1	1	1
	Sr Traffic Eng Tech+	HURF	2	2	2	2
	Administrative Assistant II+	HURF	1	0	0	0
	Total Full-Time		11	6	6	6
3823	Streets & Traffic Operations/Operations					
	Traffic Maint Mgr	HURF	1	1	1	1
	Sr Sign Tech	HURF	1	0	0	0
	Traffic Operations Crew Leader	HURF	2	1	1	1
	Traffic Operations Support Spec	HURF	1	1	1	1
	Sign Tech	HURF	1	1	1	1
	Transportation Wkr II+	HURF	4	3	3	3
	Total Full-Time		10	7	7	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



Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3825	Streets and Traffic Operations/Signal System					
	Traffic Signal Supervisor	HURF	1	1	1	0
	Traffic Signal Svcs Crew Lead	HURF	1	0	0	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	2	2	2
	Underground Util Coord	HURF	1	0	0	0
	Parks/Golf Course Supvr	HURF	0	0	0	1
	Total Full-Time		12	8	8	8
3911	Transportation/Transit					
	Dep PW Mgr-Transit & Transport	Transit	1	0	0	0
	Dep PW Mgr-Transit & Transport	Transit 50% HURF 50%	0	1	1	0
	Sr Mgmt Asst	Transit	0	1	1	1
	Transportation Financial Anlst	Transit	0	0	1	1
	Management Assistant II+	Transit	1	0	0	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		4	4	5	4
	Total Temp FTE*		1.00	1.00	1.00	1.00
3914	Transit Operations					
	Transit MGr	Transit	1	1	1	1
	Transportation Fac Supvr	Transit	1	1	1	1
	Sr Transportation Planner	Transit	1	0	0	0
	Sr Transit Operations Coord	Transit	1	1	1	1
	Transit Operations Coord II+	Transit	2	2	2	2
	Bldg Equip Tech II+	Transit	2	1	1	1
	Custodian	Transit	3	3	3	0
	Total Full-Time		11	9	9	6
3915	Transportation/Transit Store					
	Bldg Equip Tech II+	Transit	1	2	2	2
	Lead Transit Store Tech	Transit	1	1	1	1
	Financial Svcs Tech II+	Transit	1	1	1	1
	Custodial Supervisor	Transit	1	0	0	0
	Custodian	Transit	2	2	2	2
	Financial Svcs Tech I/II+**	Transit	1.00	0.50	0.50	0.50
	Total Full-Time		6	6	6	6
	Total Perm FTE**		1.00	0.50	0.50	0.50

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3917	Transportation/Bus Stop Maintenance					
	Transportation Wkr II+	Transit	5	3	3	3
	Groundskeeper II+	Transit	0	2	2	2
	Total Full-Time		5	5	5	5
3921	CP/EV Light Rail Project					
	Sr Mgmt Asst	Transit	1	0	0	0
	Sr Traffic Eng Tech+	Transit	1	1	1	1
	Total Full-Time		2	1	1	1
3922	Transportation Systems					
	Sr Civil Engineer+	Transit	1	1	1	1
	ITS Network Engineer	Transit	1	0	0	0
	Total Full-Time		2	1	1	1
Water Utilities						
3002	Water Utilities - Administration					
	Water Utilities Mgr	W/WW	1	0	0	0
	Dep Pub Wks Dir - Water Util	W/WW	2	1	1	1
	Principal WUD Planning Eng	W/WW	1	0	0	0
	Water Util Administrator	W/WW	1	1	1	0
	Planning & Research Analyst^	W/WW	1	1	1	1
	WUD Safety & Training Coord	W/WW	0	1	1	0
	Plant Supvr (SBP)	W/WW	0	0	0	1
	Management Assistant II+	W/WW	0	1	1	1
	Eng Tech II+	W/WW	1	0	0	0
	Executive Assistant	W/WW	1	1	1	1
	Custodian	W/WW	0	2	2	2
	Administrative Assistant II+	W/WW	3	2	2	2
	Administrative Assistant II+**	W/WW	0.50	0.00	0.00	0.00
	COE*		0.49	0.49	0.49	0.49
	Total Full-Time		11	10	10	9
	Total Perm FTE**		0.50	0.00	0.00	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

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3004	Water Utilities Security					
	Water Util Div Security Supvr	W/WW	1	1	1	1
	WUD Security Officer	W/WW	3	5	5	5
	Water Utility Security Guard**	W/WW	0.50	0	0	0
	Total Full-Time		4	6	6	6
	Total Perm FTE**		0.50	0.00	0.00	0.00
3011	Water Quality - Administration					
	Plant Ops Mgr	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	0
	Control Center Operator	W/WW	4	4	4	4
	Plant Mechanic+ (SBP)	W/WW	0	1	1	0
	Total Full-Time		6	7	7	5
3013	Johnny G. Martinez Water Plant					
	Plant Supvr	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	1	1	1
	Plant Operator I/II+ (SBP)	W/WW	7	7	7	7
	Plant Ops & Maint Trainee+	W/WW	1	1	1	1
	Total Full-Time		13	12	12	12
3014	South Tempe Water Plant					
	Plant Supvr (SBP)	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	5	5	5	5
	Plant Ops & Maint Trainee+	W/WW	1	1	1	1
	Total Full-Time		11	11	11	11
3021	Distribution System Services - Admin					
	Water Distribute & Collect Mgr	W/WW	1	1	1	1
	CMMS Tech II+	W/WW	0	4	4	4
	Administrative Assistant II+	W/WW	0	1	1	1
	Total Full-Time		1	6	6	6

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3022	Distribution System Maintenance					
	Util Svcs Supvr	W/WW	1	1	1	0
	Util Svcs Tech Supvr (SBP)	W/WW	1	4	4	4
	Util Svcs Tech II+ (SBP)	W/WW	10	18	18	19
	Util Svcs Tech I+	CIP	0	3	3	3
	(positions funded through June 30, 2012)					
	Administrative Assistant II+	W/WW	1	0	0	0
	Total Full-Time		13	26	26	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	1	1	1
	Management Assistant II+	W/WW	0	1	1	1
	GIS Analyst	W/WW	1	2	2	2
	GIS Coord	W/WW	1	1	1	1
	GIS Tech+	W/WW	1	1	1	1
	CMMS Tech II+	W/WW	4	0	0	0
	TV Truck Tech	W/WW	2	2	2	2
	Underground Util Coord	W/WW	2	2	2	2
	Administrative Assistant II+	W/WW	1	1	1	1
	Total Full-Time		12	11	11	11
3026	Environmental Administration					
	Environmental Svcs Mgr	W/WW	0	1	1	1
	Water Qual Process/Plan Coord	W/WW	0	1	1	1
	Administrative Assistant II+	W/WW	0	2	2	2
	Total Full-Time		0	4	4	4
3027	Environmental Services					
	Environmental Serv Admin	W/WW	1	0	0	0
	Environmental Program Supvr	W/WW	1	1	1	1
	Environment Quality Spec	W/WW	4	4	4	4
	Water Quality Specialist	W/WW	1	0	0	0
	Cross Connec Control Supvr	W/WW	1	0	0	0
	Cross Connec Control Inspector	W/WW	1	0	0	0
	Total Full-Time		9	5	5	5

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3028	Environmental - Wastewater					
	Environmental Compliance Supvr	W/WW	1	1	1	1
	Cross Connec Control Inspector	W/WW	0	1	1	0
	Environmental Compl Insp II+	W/WW	7	5	5	7
	Environmental Compl Insp I+	W/WW	0	1	1	0
	Environmental Tech II+	W/WW	4	0	0	0
	Administrative Assistant II+	W/WW	2	0	0	0
	Total Full-Time		14	8	8	8
3031	Wastewater Services - Administration					
	Sub Regional Oper Grp Prog Mgr	W/WW	1	1	1	1
	Total Full-Time		1	1	1	1
3033	Wastewater Utility Services					
	Util Svcs Team Leader	W/WW	3	0	0	0
	Util Svcs Tech II+ (SBP)	W/WW	8	0	0	0
	Total Full-Time		11	0	0	0
3034	Kyrene Water Reclamation Plant					
	Plant Team Leader	W/WW	1	2	2	0
	Plant Supvr	W/WW	0	0	0	1
	Instrument & Cntrl Tech (SBP)	W/WW	1	1	1	1
	Plant Electrician (SBP)	W/WW	1	0	0	0
	Plant Mechanic+ (SBP)	W/WW	2	2	2	2
	Plant Operator+ (SBP)	W/WW	2	3	3	3
	Total Full-Time		7	8	8	7
3035	Field Facilities - Wastewater					
	Plant Team Leader	W/WW	1	0	0	0
	Instrument & Cntrl Tech (SBP)	W/WW	0	0	0	1
	Plant Electrician (SBP)	W/WW	0	1	1	1
	Plant Mechanic+ (SBP)	W/WW	2	2	2	3
	Total Full-Time		3	3	3	5
3041	Laboratory Services - Administration					
	Laboratory Supervisor	W/WW	1	1	1	1
	Chemist II+	W/WW	6	6	6	6
	Water Quality Specialist	W/WW	0	1	1	5
	Environmental Compl Insp II+	W/WW	0	1	1	1
	Environmental Tech II+	W/WW	0	4	4	0
	Administrative Assistant II+	W/WW	1	0	0	0
	Total Full-Time		8	13	13	13

Reflects all personnel changes/reductions approved by City Council through 6/30/2011

	Position	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
3051	Water Resources - Administration					
	Water Resources Mgr	W/WW	1	1	1	1
	Water Resources Hydrologist	W/WW	1	1	1	1
	Total Full-Time		2	2	2	2
3052	Water Conservation					
	Water Conservation Coord	W/WW	1	1	1	1
	Water Conservation Spec	W/WW	1	1	1	1
	Sr Groundskeeper	W/WW	0	1	1	1
	Groundskeeper I+	W/WW	0	1	1	1
	Total Full-Time		2	4	4	4
	Public Works Total Full-Time		514	469	467	460
	Public Works Total Perm FTE**		3.00	2.50	1.50	1.50
	Public Works Total Temp FTE*		17.20	20.20	20.20	24.10
1920	Tempe Learning Center					
	Org Development Administrator	Gen	0	0	1	1
	Performance Mgmt Designer	Gen	0	0	1	1
	Sr Learning & Org Dev Assoc	Gen	0	0	1	1
	Tempe Learning Center Total Full-Time		0	0	3	3
	Grand Total Full-Time		1,756	1,602	1,596	1,583
	Grand Total Perm FTE**		14.50	13.85	13.60	14.10
	Grand Total Temp FTE*		205.25	202.58	202.58	205.99

****Permanent Full-Time Equivalent**

***Temporary Full-Time Equivalent**



Grant Funded Personnel - Permanent FTE positions (Included in above totals)	Funding Source	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
City Attorney	Victims Rights Grant	0.40	0.40	0.40	0.40
City Court	Fill the GAP Fund	1.00	1.00	1.00	1.00
City Court	Local JCEF	3.00	3.00	3.00	3.00
City Manager	EECBG	0.00	1.00	1.00	1.00
Community Development	Section 8	12.00	12.00	12.00	11.00
Community Development	CDBG/Home	5.33	6.33	6.33	5.15
Community Development	EECBG	0.00	1.00	1.00	1.00
Grand Total		21.73	24.73	24.73	22.55

Personnel by Fund Permanent FTE positions (Full and Part-Time)	2009-10 Actual	2010-11 Budget	2010-11 Revised	2011-12 Budget
General Fund	1,285.52	1,168.54	1,169.29	1,177.22
Enterprise Funds				
Golf	21.00	10.50	10.50	10.50
Cemetery	2.50	2.50	0.00	0.00
Solid Waste	72.50	79.50	80.00	78.25
Water/Wastewater	180.00	183.00	183.00	183.50
Special Revenue Funds				
Health Fund	0.90	0.90	0.90	0.90
HURF	58.00	38.00	38.00	38.00
Performing Arts	23.65	17.15	17.15	17.15
Rio Salado/CFD	29.00	24.00	19.00	0.00
Risk Management Fund	3.50	3.00	3.00	3.00
Transit	54.00	40.83	40.83	33.83
Grants/Designated Funds				
Ambulance Provider	7.00	6.00	6.00	6.00
AZ Post	1.00	1.00	1.00	1.00
Capital Improvement Program	1.00	5.00	5.00	5.00
CDBG/Section 8	17.33	18.33	18.33	16.15
Community Facilities District (CFD)	0.00	0.00	0.00	7.00
Court Enhancement Fund	0.00	1.00	1.00	1.00
EECBG	0.00	2.00	2.00	2.00
Fill the Gap Fund	1.00	1.00	1.00	1.00
HIDTA	1.00	1.00	1.00	1.00
Local JCEF	3.00	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	3.00
Tempe County Island Fire District	1.00	1.00	1.00	1.00
Vehicle Impound	5.00	6.00	6.00	6.00
Victims Rights Grant	0.40	0.40	0.40	0.40
Grand Total	1,770.50	1,615.85	1,609.60	1,597.10

Glossary of Terms

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Adopted Budget - The financial plan of revenue and expenditures for a fiscal year as approved by the governing entity.

Annexation - 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 an entity's 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 hours/week (full-time) and is benefitted; (2) Permanent FTE - works more than 19.5 hours per week and less than 40 hours/week, is not seasonal, is not of specific limited duration, and is not for educational training; and (3) Temporary FTE - works less than 40 hours/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.

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 re-introduce water into a dry riverbed. In 1999, Tempe Town Lake was filled and it extends about 5.5 miles in length and one mile in width.

Rio Salado Community Facilities District Fund - Special revenue fund established in 1987, under the laws of the State of Arizona. The purpose is to account for the receipts and expenditures associated with Tempe Town Lake.

Rio Salado Fund - Special revenue fund to account for the receipts and expenditures of miscellaneous monies used to foster the development of Rio Salado.

Risk Management - An organization goal to protect a government's assets against accidental loss in the most economical method.

R.O.W. - Abbreviated form, see *Right-of-Way*.

Significant Non-Routine Capital Expenditures - Expenditures for major projects that are typically "one time" in nature and involve the construction or expansion of new City facilities or City infrastructure, extensive renovation of existing facilities, the purchase of important capital assets, or the acquisition of new technology which will enhance service delivery.

Source of Revenue - Revenue are classified according to their source or point of origin.

Surplus - An excess of receipts over disbursements.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

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	HUD -Housing and Urban Development
ADDI -American Dream Down Payment Initiative	HURF -Highway User Revenue Fund
ADOT -Arizona Department of Transportation	HVAC -Heating, Ventilation, and Air Conditioning
ADWR -Arizona Department of Water Resources	ICMA -International City Management Association
APS -Arizona Public Service	IMP -Integrated Master Plan
ARC -Annual Retiree Contribution	ITS -Intelligent Transportation Systems
A.R.S. -Arizona Revised Statutes	ITD -Information Technology Department
AWA -America West Airlines	JCEF -Judicial Court Enhancement Fund
AWWA -American Water Works Association	JGMWTP -Johnny G. Martinez Water Treatment Plant
ASU -Arizona State University	KWRF -Kyrene Water Reclamation Facility
CAD -Computer Assisted Dispatch	LEED -Leadership in Energy and Environmental Design
CAFR -Comprehensive Annual Financial Report	LRT -Light Rail Transit
CAP -Central Arizona Project	LTAF -Local Transportation Assistance Fund
CAWCD -Central Arizona Water Conservation District	MAG -Maricopa Association of Governments
CCTV -Closed Circuit Television	MGD -Million Gallons per Day
CDBG -Community Development Block Grant	MMU -Malfunction Management Unit
CFD -Community Facilities District	N/A -Not Applicable
CIP -Capital Improvement Plan	O&M -Operation and Maintenance
CMAQ -Congestion Mitigation and Air Quality	OPEB -Other Post Employment Benefits
CMMS -Computer Maintenance Management System	OSHA -Occupational Safety & Health Administration
COE -Cooperative Office Education	PBV -Project Based Voucher
COPS -Community Oriented Policing System	PCN -Position Control Number
CP/EV -Central Phoenix/East Valley	PTF -Priority Transportation Fund
DUI -Driving Under the Influence	RICO -Racketeer Influenced and Corrupt Organizations
EECBG -Energy Efficiency and Conservation Block Grant	RMS -Records Management System
EEOC -Equal Employment Opportunity Commission	ROW -Right-of-Way
FAC -Finance Advisory Committee	RPTA -Regional Public Transportation Authority
FEVA -Finance, Economy, and Veterans Affairs	SAFER -Staffing for Adequate Fire and Emergency Response
FTE -Full Time Equivalent	SAI -Southern Avenue Interceptor
FRWS -Field Report Writing System	SCADA -Supervisory Control and Data Acquisition
FSS -Family Self Sufficiency	SBP -Skill Based Pay
FTA -Federal Transportation Administration	SHP -Supportive Housing Program
FY -Fiscal Year	SROG -Sub Regional Operating Group
FYE -Fiscal Year Ending	SRP -Salt River Project
GAAP -Generally Accepted Accounting Principles	STWTP -South Tempe Water Treatment Plant
GASB -Governmental Accounting Standards Board	TCA -Tempe Center for the Arts
GIS -Geographical Information System	WUD -Water Utilities Department
G.O. -General Obligation	
HBN -High Tech, Nanotech, Biotech	
HOME -Home Ownership Made Easier	
HOPE -Homeowners Preserving Equity	
HPCC -Household Products Collection Center	
HPRP -Homelessness Prevention and Rapid Re-housing Program	

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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

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