



Staff Summary Report

Council Meeting Date: 05/14/09

Agenda Item Number: Budget 2

SUBJECT: This is a public hearing for Resolution 2009.34 authorizing adoption of the FY 2009-10 Tentative Budget; setting the public hearing for consideration of the FY 2009-10 Final Budget at a Special Budget Meeting on May 28, 2009, and setting the property tax rate at a meeting scheduled for June 11, 2009.

DOCUMENT NAME: 20090514fsae01 **BUDGET (0205-25-01)** Resolution No. 2009.34

SUPPORTING DOCS: No

COMMENTS: N/A

PREPARED BY: Cecilia Robles, Deputy Financial Services Manager (350-8881)

REVIEWED BY: Jerry Hart, Financial Services Manager (350-8505)

LEGAL REVIEW BY: Andrew Ching, City Attorney (350-8575)

FISCAL NOTE: See below

RECOMMENDATION: Staff recommends approval of Resolution No. 2009.34

ADDITIONAL INFO: As a result of the Capital Improvement Program (CIP) and Operating Budget sessions, the necessary exhibits have been prepared and are attached as required by law to provide notice to taxpayers and begin the approval process for the FY 2009/10 budget.

Included in the \$500.7 million total financial program are all items discussed by the Council at the budget meetings. Per Council direction, the operating budget totals \$404.4 million and CIP budget totals \$96.3 million.

As prescribed in A.R.S. §42-17105, the tentative budget adoption process establishes the upper limit for next year's budget along with the time and date of the required public hearing prior to final adoption.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA,
this _____ day of _____, 2009.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Financial Services Manager

Exhibit A

Schedule A



Summary Schedule of Estimated Revenues and Expenditures/Expenses

Fund	Adopted Budgeted Expenditures/ Expenses 2008-09	Unaudited Estimated Expenditures/ Expenses 2008-09	Estimated Unreserved Fund Balance 7-1-2009	Direct Property Tax Revenues 2009-10
General	\$186,327,945	\$179,360,999	\$56,207,289	\$11,490,890
Special Revenue	97,949,428	91,561,220	23,795,222	175,000
Debt Service	23,180,569	16,560,959	34,752,449	25,192,451
Capital Projects	168,033,325	168,033,325	10,755,516	0
Enterprise	88,981,541	77,998,564	47,914,264	0
TOTAL	\$564,472,808	\$533,515,067	\$173,424,740	\$36,858,341

Expenditure Limitation Comparison	2008-09	2009-10
1. Budgeted Expenditures/Expenses	\$564,472,808	\$500,735,021
2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items		
3. Less: Estimated Exclusions	(282,170,713)	(203,820,648)
4. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation	282,302,095	296,914,373
5. Expenditure Limitation	\$282,302,095	\$296,914,373

Exhibit A

Schedule A, continued



Summary Schedule of Estimated Revenues and Expenditures/Expenses

Fund	Budgeted Revenues Other than Property Taxes 2009-10	Proceeds From Other Financing Sources 2009-10	Interfund Transfers 2009-10		Total Financial Resources Available 2009-10	Budgeted Expenditures/Expenses 2009-10
			In	(Out)		
General	\$151,758,924	\$22,642,707	\$0	\$0	\$242,099,810	\$185,892,521
Special Revenue	108,722,800	0	0	(460,720)	132,232,302	107,530,232
Debt Service	2,955,458	0	0	0	62,900,358	19,875,542
Capital Projects	0	95,401,987	908,581	0	107,066,084	96,310,568
Enterprise	79,549,537	0	0	(447,861)	127,015,940	91,126,158
TOTAL	\$342,986,719	\$118,044,694	\$908,581	(\$908,581)	\$671,314,494	\$500,735,021

Schedule B



Summary of Tax Levy and Tax Rate Information

	2008-09 Fiscal Year*	Estimated 2009-10 Fiscal Year
1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		<u>\$11,665,890</u>
2. Amount Received from Primary Property Taxation in the 2008-09 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17102(A)(18))		<u>\$0</u>
3. Property Tax Levy Amounts		
A. Primary Property Taxes	10,976,100	11,665,890
B. Secondary Property Taxes	23,726,547	25,192,451
C. Total Property Tax Levy Amounts	<u>\$34,702,647</u>	<u>\$36,858,341</u>
4. Property Taxes Collected		
A. Primary Property Taxes		
1. 2008-09 Levy	10,976,100	
2. Prior Years' Levies	<u>0</u>	
3. Total Primary Property Taxes	<u>\$10,976,100</u>	
B. Secondary Property Taxes		
1. 2008-09 Levy	23,726,547	
2. Prior Years' Levies	<u>0</u>	
3. Total Secondary Property Taxes	<u>\$23,726,547</u>	
C. Total Property Taxes Collected	<u>\$34,702,647</u>	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	0.5070	0.4897
2. Secondary Property Tax Rate	0.8930	0.9103
3. Total City Tax Rate	<u>\$1.4000</u>	<u>\$1.4000</u>

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collected for the remainder of the fiscal year.


Summary by Fund of Revenues Other Than Property Taxes

Source of Revenues	Budgeted Revenues 2008-09	Estimated Revenues 2008-09*	Budgeted Revenues 2009-10
GENERAL FUND			
Local Taxes			
City Sales Tax	\$80,946,760	\$73,704,000	\$74,005,000
Hotel Bed Tax	3,405,200	2,800,000	3,000,000
Franchise Taxes	3,129,000	3,830,368	3,927,281
Licenses and Permits			
Business Licenses	1,337,250	1,507,250	1,497,750
Intergovernmental Revenues			
State-Shared	40,681,200	38,456,005	34,715,155
Vehicle License Tax	7,278,111	5,900,000	6,275,500
Charges for services			
Total Charges for Services	11,212,246	11,371,916	10,645,611
Fines and Forfeitures			
Total Fines and Forfeitures	9,397,789	9,362,572	9,880,662
Interest on Investments			
Total Interest	6,939,071	3,000,000	3,000,000
Voluntary Contributions			
SRP In-Lieu Tax	569,600	497,570	1,394,846
Miscellaneous Revenues			
All Miscellaneous	8,492,533	2,716,072	3,417,119
Total General Fund	\$173,388,760	153,145,753	151,758,924
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Intergovernmental	11,818,077	10,500,529	10,019,765
Maintenance of Effort/Other	1,035,000	1,035,000	1,035,000
Barricading Fees	482,000	0	180,000
Miscellaneous Revenue	209,970	1,135	0
Total Highway User Revenue Fund	13,545,047	11,536,664	11,234,765
Local Trans. Assistance Fund (LTAF)			
Intergovernmental	503,700	474,504	472,645
Total LTAF	503,700	474,504	472,645



Summary by Fund of Revenues Other Than Property Taxes

Source of Revenues	Budgeted Revenues 2008-09	Estimated Revenues 2008-09*	Budgeted Revenues 2009-10
Transit Fund			
Transit Tax	33,888,200	29,957,000	29,957,000
State Lottery Proceeds	248,100	233,711	232,794
ASU-Flash Transit	610,370	610,370	676,790
Interest Earned - Trust Investments	617,000	228,436	212,386
Federal and State Funding	14,937,583	14,792,261	44,301,699
Miscellaneous Revenue	2,772,473	712,740	813,220
Total Transit Fund	53,073,726	46,534,518	76,193,889
Rio Salado Fund			
City Sales Tax	800,000	1,200,000	1,250,000
Hotel Bed Tax	242,000	250,000	300,000
Interest on Investments	190,000	126,000	130,000
Miscellaneous Revenue	153,804	166,151	163,601
Total Rio Salado Fund	1,385,804	1,742,151	1,843,601
Performing Arts			
Performing Arts Tax/Interest Income	6,933,500	6,295,038	6,295,038
Fees and Admissions	421,500	312,700	351,000
Interest on Investments	241,956	254,756	185,039
Total Performing Arts Fund	6,933,500	6,862,494	6,831,077
Community Dev. Block Grant (CDBG)	2,169,428	1,510,277	3,197,782
Section 8 Housing	8,856,767	8,820,504	8,949,041
Total CDBG/Section 8 Funds	11,026,195	10,330,781	12,146,823
Total Special Revenue Funds	86,467,972	77,481,112	108,722,800
DEBT SERVICE FUND			
Intergovernmental	0	182,794	185,458
SRP In-Lieu Tax	887,276	775,074	0
HURF Transfer	0	2,770,000	2,770,000
Total Debt Service Fund	887,276	3,727,868	2,955,458
ENTERPRISE FUNDS			
Cemetery	451,722	142,860	147,186
Golf	2,072,379	2,001,283	2,001,283
Water/Wastewater	53,041,440	55,372,282	61,572,480
Solid Waste	14,990,105	14,863,757	15,828,588
Total Enterprise Funds	70,555,646	72,380,182	79,549,537
TOTAL ALL FUNDS	\$ 331,299,654	\$ 306,734,915	\$ 342,986,719

* 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 2009-10	Interfund Transfers 2009-10	
		In	(Out)
GENERAL FUND			
GF-Transfer	\$ 20,113,359		
Carry Forward Encumbrances	2,529,348		
SPECIAL REVENUE FUNDS			
HURF/LTAF			
Transit			(460,720)
Total Special Revenue Funds	22,642,707	0	(460,720)
DEBT SERVICE FUND			
Total Debt Service Fund			
CAPITAL PROJECTS FUNDS		908,581	
Bond/Note Proceeds	71,483,357		
CIP - Other Funding	17,318,630		
CIP - Fund Balance Applied	6,600,000		
Total Capital Projects Funds	95,401,987	908,581	0
ENTERPRISE FUNDS			
Water/Wastewater Fund			(447,861)
Total Enterprise Funds	0	0	(447,861)
TOTAL ALL FUNDS	\$ 118,044,694	\$ 908,581	\$ (908,581)

Schedule E



Summary by Department of Expenditures/Expenses Within Each Fund

Fund/ Department	Budgeted Expenditures/ Expenses 2008-09	Expenditure/ Expense Adjustments Approved 2008-09	Estimated Expenditures/ Expenses 2008-09*	Budgeted Expenditures/ Expenses 2009-10
GENERAL FUND				
Mayor and Council	\$392,876	\$0	\$386,796	\$400,337
City Manager	336,240	(2,187)	317,002	339,673
Community Relations	2,987,173	(64,859)	2,731,102	2,875,479
Diversity Program	646,967	(83,576)	562,583	554,394
Internal Audit	510,867	(30)	501,040	502,431
City Clerk	824,487	(4,512)	633,735	884,219
City Court	4,516,196	(108,966)	4,291,354	4,259,174
Human Resources	3,296,547	30,654	3,178,778	3,222,042
City Attorney	3,240,493	(247,086)	2,897,141	2,955,464
Financial Services	4,643,787	(313,780)	4,197,288	4,501,411
Community Development	4,310,066	(84,822)	4,213,605	4,249,509
Development Services	6,562,339	(257,125)	6,261,570	6,519,803
Police	74,967,930	347,726	74,519,365	74,667,301
Fire	27,717,029	(579,859)	26,844,336	28,726,772
Community Services	14,860,592	(194,685)	14,509,885	14,412,112
Parks and Recreation	16,943,216	(243,421)	16,087,941	17,302,234
Public Works - General	10,679,281	(487,952)	10,085,127	10,079,427
Non-Departmental	7,605,859	2,878,134	7,142,351	9,440,739
Contingencies	1,286,000	(1,277,955)	0	0
Total General Fund	186,327,945	(694,301)	179,360,999	185,892,521
SPECIAL REVENUE FUNDS				
Highway User Revenue	11,119,454	(800)	10,188,351	15,008,850
Transit	64,370,597	(329)	60,394,106	68,825,439
CDBG	2,169,428	(500)	1,510,277	3,197,782
Section 8 Housing	8,856,767	0	8,820,504	8,949,041
Rio Salado	2,467,828	0	2,017,382	2,444,592
Performing Arts	8,965,354	(550)	8,630,600	9,104,528
Total Special Revenue Funds	97,949,428	(2,179)	91,561,220	107,530,232
DEBT SERVICE FUND				
Debt Service	23,180,569	0	16,560,959	19,875,542
Total Debt Service Fund	23,180,569	0	16,560,959	19,875,542
CAPITAL PROJECTS FUNDS				
All Capital Projects	168,033,325	999,126	168,033,325	96,310,568
Total Capital Projects Funds	168,033,325	999,126	168,033,325	96,310,568
ENTERPRISE FUNDS				
Water/Wastewater	71,242,018	(43,414)	61,064,003	72,489,753
Golf	2,108,511	0	2,101,379	2,178,060
Cemetery	385,303	0	325,151	376,744
Solid Waste	15,245,709	(6,168)	14,508,031	16,081,601
Total Enterprise Funds	88,981,541	(49,582)	77,998,564	91,126,158
TOTAL ALL FUNDS	\$ 564,472,808	\$ 253,064	\$ 533,515,067	\$ 500,735,021

* 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.