

**SUMMARIZED MINUTES
SCOTTSDALE CITY COUNCIL
REGULAR MEETING
TUESDAY, FEBRUARY 5, 2013**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:01 P.M. on Tuesday, February 5, 2013, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane
Vice Mayor Suzanne Klapp
Councilmembers Virginia L. Korte, Robert W. Littlefield, Linda Milhaven,
Guy Phillips, and Dennis E. Robbins

Also Present: Acting City Manager Dan Worth
City Attorney Bruce Washburn
City Treasurer David Smith
City Auditor Sharron Walker
City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Brownie Troop 383, Troop Leader Christy Johnson

INVOCATION - Mayor Lane called for a moment of silence to honor those who have been victims of acts of violence.

MAYOR'S REPORT

Mayor Lane announced that, for the third straight year, the City received a Certificate of Excellence in Citizen-Centric Reporting from the Association of Government Accountants. The award was given for the City's annual "Report to Our Citizens." Scottsdale is one of only three cities in the country to have earned this award three times.

CITY MANAGER'S REPORT

Budget Director Judy McIlroy reported that the City's budget document earned notable recognition from the Government Finance Officers Association. The City's FY 2012/13 Budget Book earned the "Distinguished Budget Presentation Award" for the 23rd consecutive year. The

NOTE: IN ACCORDANCE WITH PROVISIONS OF THE ARIZONA REVISED STATUTES THE SUMMARIZED MINUTES OF CITY COUNCIL MEETINGS ARE NOT VERBATIM TRANSCRIPTS. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN BY THE CITY COUNCIL. DIGITAL RECORDINGS OF CITY COUNCIL MEETINGS ARE ON FILE IN THE CITY CLERK'S OFFICE.

City's 2012/13 Budget Book also received special distinctions as an "Outstanding Policy Document" and an "Outstanding Communications Device" and received special recognition for performance measures.

City Treasurer David Smith said in August 2001 the Arizona Department of Revenue ruled that consumption of water for governmental activities, such as irrigation of parks and median landscaping, does not constitute water sales; therefore, is not subject to state sales tax. Accounting Director Joyce Gilbride discontinued remittance of sales tax to the State and requested a refund of past taxes paid. The request has been granted and will result in a \$554,000 refund to the City.

PRESENTATIONS/INFORMATION UPDATES – None

PUBLIC COMMENT

- Sonnie Kirtley commented on the lack of publicity for the Parada del Sol, which is Scottsdale's signature event.
- Tim Rodgers, Director of the Scottsdale Museum of Contemporary Art (SMoCA), extended an invitation to the Council and the public to attend SMoCA's Spring 2013 Opening Celebration on February 8. Mr. Rodgers also reported on a \$100,000 grant that was recently awarded to SMoCA.
- Nancy Cantor commented on Scottsdale neighborhoods and encouraged the Council to provide feedback to the Neighborhood Advisory Commission on its goals and work plan.
- Chris Schaffner congratulated the newly-elected Councilmembers and suggested that the Council form a Public Safety Task Force.

ADDED ITEMS

A1. Added Items

The supporting materials for Item No. 15 will be added to the agenda less than ten days prior to the meeting and will require a separate vote to remain on the agenda.

Request: Vote to accept the agenda as presented or to continue the added item(s) to the February 26, 2013 Council meeting.

MOTION AND VOTE – ADDED ITEMS

Councilwoman Milhaven moved to approve the agenda as presented. Councilman Robbins seconded the motion, which carried 7/0.

MINUTES

Request: Approve the Regular Meeting Minutes of January 8, 2013.

MOTION AND VOTE - MINUTES

Councilman Robbins moved to approve the Regular Meeting Minutes of January 8, 2013. Councilwoman Milhaven seconded the motion, which carried 7/0.

CONSENT AGENDA

- 1. Pearl Sushi Lounge and Bomber Bar Liquor License (128-LL-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a previously licensed location with a new owner.
Location: 4252 N. Drinkwater Boulevard, Suites A and B
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. Cold Beers and Cheeseburgers Liquor License (131-LL-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location and owner.
Location: 4222 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. Sip Coffee and Brew House Liquor License (132-LL-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location and owner.
Location: 3617 N. Goldwater Blvd.
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 4. Applebee's Neighborhood Grill and Bar Liquor License (133-LL-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for an agent and acquisition of control change for an existing series 12 (restaurant) liquor license.
Location: 10460 N. 90th Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 5. Pub Rock Liquor License (134-LL-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a person transfer of a series 6 (bar) liquor license for an existing location with a new owner.
Location: 8005 E. Roosevelt
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 6. AMF Scottsdale Lanes Liquor License (1-LL-2013)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a location transfer of a series 6 (bar) liquor license for an existing location and owner.
Location: 7300 E. Thomas Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 7. QSL Wines Liquor License (2-LL-2013)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 4 (wholesale) liquor license for an existing location with a new owner.
Location: 15905 N. 81st Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 8. Permanent Extension of Premises for The Cider Mill (110-EX-2012)**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premise for The Cider Mill.
Location: 7240 E. Main Street, Suites B-3 and C-100
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 9. Galleria Corporate Center Abandonment Correction**
Request: Adopt **Resolution No. 9314** authorizing Abandonment Resolution Correction Quit Claim Deed pertaining to the approved right-of-way abandonment application 20-AB-87, Resolution No. 3207.
Location: 4343 N. Scottsdale Road
Staff Contact(s): Randy Grant, Planning, Neighborhood, and Transportation Administrator, 480-312-2664, rgrant@scottsdaleaz.gov
- 10. Brown's Ranch Trailhead Improvements License Agreement**
Request: Adopt **Resolution No. 9301** authorizing Limited Use License Agreement No. 2013-009-COS with Arizona Public Service Company to allow the installation of electrical facilities within the McDowell Sonoran Preserve.
Staff Contact(s): Derek Earle, Acting Public Works Executive Director, 480-312-2776, dearle@scottsdaleaz.gov
- 11. Stormwater Improvement Intergovernmental Agreement**
Request: Adopt **Resolution No. 9304** authorizing Intergovernmental Agreement No. 2013-011-COS with Flood Control District of Maricopa County to allow partnership and cost share for a drainage improvement project at 7121 E. 5th Avenue
Staff Contact(s): Derek Earle, Acting Public Works Executive Director, 480-312-2776, dearle@scottsdaleaz.gov
- 12. Medical Direction Services Contract Extension**
Request: Adopt **Resolution No. 9283** authorizing Contract No. 2010-205-COS-A1 for a one-year extension with Scottsdale Health Care for ongoing medical direction services.
Staff Contact(s): Alan Rodbell, Public Safety Executive Director, 480-312-1900, arodbell@scottsdaleaz.gov

- 13. W. Eric Hulstedt v. City of Scottsdale, et al., Legal Services Contract**
Request: Adopt **Resolution No. 9315** authorizing Contract No. 2012-179-COS-A1 with the law firm of Osborn Maledon, P.A., in an amount not to exceed \$70,000, for legal services for the City's defense of *W. Eric Hulstedt v. City of Scottsdale, et al.*, Ninth Circuit Court of Appeals, Case No. 12-16776.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 14. Damacus O. Tate v. City of Scottsdale Settlement Agreement**
Request: Adopt **Resolution No. 9312** authorizing Settlement Agreement Contract No. 2013-029-COS, providing for the payment of \$38,670 to settle the lawsuit entitled *Damacus O. Tate v. City of Scottsdale*, Case No. 2:12-CV-01340-ROS, currently pending in the United States District Court, District of Arizona.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 14A. Edmunds-Toll Construction Company v. City of Scottsdale Settlement Agreement**
Request: Adopt **Resolution No. 9330** authorizing Contract No. 2013-035-COS providing for settlement of *Edmunds-Toll Construction Company v. City of Scottsdale*, Maricopa County Superior Court Case No. CV2012-018283.
Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov
- 15. Harquahala Land Purchase Supplemental Documents**
Requests:
1. Adopt **Resolution No. 9263** authorizing Amended Pipeline Capacity Agreement No. 2002-065-COS-A2 with Desert Mountain Club, Inc., and Amended Pipeline Capacity Agreement No. 2002-066-COS-A1 with CGP-Granite Golf, LLC.
 2. Adopt **Resolution No. 9264** authorizing the City Manager to execute an application for modification of designation of assured water supply, to be filed with the Arizona Department of Water Resources (ADWR) to update the City's assured water supply to reflect a change in the amount of the Long-Term Water Supply from the Harquahala Valley to be provided to the Irrigation Water Distribution System (IWDS) Participants, Desert Mountain Club, Inc. and CGP-Granite Golf, LLC.
 3. Adopt **Resolution No. 9265** authorizing Amended Member Service Area Agreement No. 2000-199-COS-A1 and Amended Water Availability Status Contract to Replenish No. 2000-200-COS-A1 with the Central Arizona Water Conservation District to reflect a change in the amount of the Long-Term Water Supply from the Harquahala Valley to be provided to the IWDS Participants, Desert Mountain Club, Inc. and CGP-Granite Golf, LLC.
- Staff Contact(s):** Brian Biesemeyer, Water Resources Executive Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov
- 16. Monthly Financial Report**
Request: Accept the FY 2012/13 Monthly Financial Report as of December 2012.
Staff Contact(s): David N. Smith, City Treasurer, 480-312-2364, dasmith@scottsdaleaz.gov

MOTION AND VOTE - CONSENT AGENDA

Councilman Robbins moved to approve Consent Agenda Items 1 through 16. Councilwoman Milhaven seconded the motion, which carried 7/0.

REGULAR AGENDA

17. Las Aguas Rezoning (8-ZN-2012)

Requests:

1. At the request of the applicant, continue to March 5, 2013; **OR**
2. Adopt **Resolution No. 9251** declaring "Las Aguas Development Plan Public Record" as a public record; **AND**
3. Adopt **Ordinance No. 4056** approving a zoning district map amendment from Highway Commercial District (C-3) to Planned Unit Development with Amended Development Standards; approving a Development Plan to construct 154 multi-family residential units; finding that the Planned Unit Development District criteria have been met; and determining that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan on a 5± gross acre site.

Location: 6640 E. McDowell Road

Presenter(s): Kim Chafin, Senior Planner

Staff Contact(s): Randy Grant, Planning, Neighborhood, and Transportation Administrator,
480-312-2664, rgrant@scottsdaleaz.gov

MOTION AND VOTE - ITEM 17

Councilman Robbins moved to continue Item 17 to March 5, 2013. Councilwoman Milhaven seconded the motion, which carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

18. Legislative Update

Request: Provide an update to the Council and receive possible direction regarding current and pending State legislative issues and policies.

Presenter(s): Brad Lundahl, Government Relations Director

Staff Contact(s): Brad Lundahl, Government Relations Director, 480-312-2683,
blundahl@scottsdaleaz.gov

Removed from the agenda at the request of Government Relations Director Brad Lundahl.

19. Proposed Fiscal Year 2013/14 Key Operating Budget Issues

Requests:

1. Presentation by City Treasurer David N. Smith regarding key operating budget issues in the development of the City's Fiscal Year 2013/14 budget.
2. Provide possible direction to staff regarding the City's proposed Fiscal Year 2013/14 operating budget.

Presenter(s): David N. Smith, City Treasurer

Staff Contact(s): David N. Smith, City Treasurer, 480-312-2364,
dasmith@scottsdaleaz.gov

City Treasurer David Smith gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2013/14 Key Operating Budget issues.

Discussion:

- City Treasurer David Smith reported that, for this fiscal year, the City will see six months of benefits from the Scottsdale Fashion Square parking garage agreement. In performing the analysis of the sales tax rebates compared to the debt services costs, a 3% interest rate was used.
- Mr. Smith noted that the deal with Fashion Square was completed last week. The debt was sold at 2.54% interest, which will save approximately \$75,000 in debt service cost over the life of the agreement. The transition will result in an estimated \$0.5M aggregate in receipts to the General Fund.
- Budget Director Judy McIlroy explained that the revenue from construction sales tax will be reflected in building permits. Currently, the City is approximately 43% over budget in the building permits line item because of a 12-month lag in the sales tax portion of construction.
- Mr. Smith said residential construction has assumed that 35% of the cost is in materials, which are taxed at 1.1%.
- It was noted that construction sales tax estimates are put forward based on estimated completion dates. The City is lobbying with the Governor's Office about the proposed changes to the sales tax equation, which will be detrimental to the City.
- A Councilmember mentioned that the ASU W.P. Carey School of Business conducted a survey of economic forecasts and is projecting a retail sales low of 4.5% and a high of 8%. Scottsdale has retail sales tax categories that are lower than ASU's lowest estimate. The Councilmember expressed interest in information explaining where the forecasts are coming from and why Scottsdale's retail sales tax categories are lower than ASU's lowest estimate.
- Mr. Smith explained that property taxes can be assessed either by setting a rate or a levy. Scottsdale has chosen a levy, which means that revenues do not fluctuate when property values increase or decline.
- A Councilmember opined that it will be difficult to catch up on the 2% property tax assessment because Council chose not to set increases the past two years.
- A question was asked about the ASU Skysong debt service restructuring and how it will affect the CIP. Acting City Manager Dan Worth projects approximately \$130,000 in lease revenue. Ms. McIlroy noted that the annual debt payment for ASU Skysong is \$2.5M.
- Mr. Smith said his presentation did not include division spending, other than salaries and wages. There are approximately \$0.5M and \$1.0M unavoidable expenses that will be presented during division presentations.

20. Proposed Fiscal Year 2013/14 Key Capital Budget Issues

Requests:

1. Presentation by Acting Public Works Executive Director Derek Earle regarding key issues in the development of the City's Fiscal Year 2013/14 Capital Improvement Plan budget.
2. Provide possible direction to staff regarding the City's proposed Fiscal Year 2013/14 Capital Improvement Plan budget.

Presenter(s): Derek Earle, Acting Public Works Executive Director

Staff Contact(s): Derek Earle, Acting Public Works Executive Director, 480-312-2776, dearle@scottsdaleaz.gov

Acting Public Works Executive Director Derek Earle gave a PowerPoint presentation (attached) on the proposed Fiscal Year 2013/14 Key Capital Budget issues.

Discussion:

- A Councilmember asked staff to generate annual projections of construction sales tax.
- A question was asked about the proposed bond for flood control mitigation on State Trust Land. Mr. Earle explained that the mitigation projects will be phased over a period of time, and the cost is the City's contribution to the Regional Drainage Projects. Developer contributions will supplement the remaining funding for the projects.

21. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of December 31, 2012.

Presenter(s): Joyce Gilbride, Accounting Director

Staff Contact(s): David N. Smith, City Treasurer, 480-312-2364,
dasmith@scottsdaleaz.gov

Accounting Director Joyce Gilbride gave a PowerPoint presentation (attached) on the Monthly Financial Update.

Discussion:

- The question of whether the tiered water rate structure was successfully incentivizing water customers to use less water was raised. Water Resources Director Brian Biesemeyer replied that only six months of data has been collected and more data is needed before any assumptions can be made. Enterprise Finance Director Gina Kirklin added that the tiered rate structure was designed to be revenue neutral, shifting costs from lower water users to higher water users. To date, there has been no reduction in consumption from higher water users, which has resulted in higher revenue.

City Treasurer David Smith gave a PowerPoint presentation (attached) on Citywide overtime and vacancy savings, noting that the Police Department overtime budget is down from \$480,000 to \$140,000.

PUBLIC COMMENT – None

CITIZEN PETITIONS

22. Receipt of Citizen Petitions

Request: Accept and acknowledge receipt of citizen petitions. Any member of the Council may make a motion, to be voted on by the Council, to: (1) Direct the City Manager to agendize the petition for further discussion; (2) direct the City Manager to investigate the matter and prepare a written response to the Council, with a copy to the petitioner; or (3) take no action.

Staff Contact(s): Carolyn Jagger, City Clerk, 480-312-2411, cjagger@scottsdaleaz.gov

No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

With no further business to discuss, the Regular Meeting adjourned at 7:57 P.M.

SUBMITTED BY:


Carolyn Jagger
City Clerk

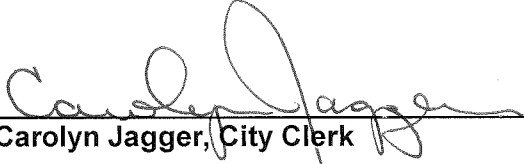
Officially approved by the City Council on March 5, 2013

C E R T I F I C A T E

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 5th day of February 2013.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 5th day of March 2013.



Carolyn Jagger, City Clerk

Item 19

FY 2013/14 Overview of Key Issues General Fund Impacts

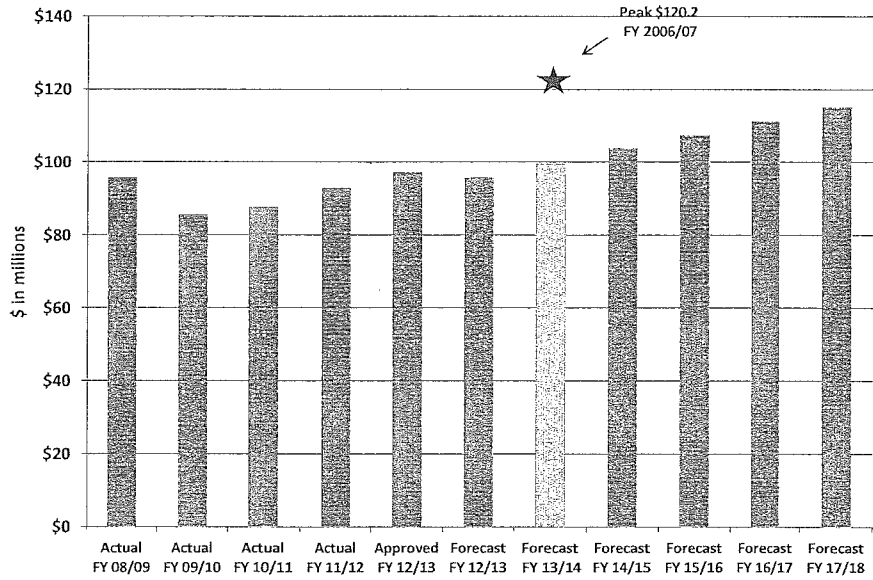
City Council
February 5, 2013

1.1% Local Sales Tax

Approved FY 12/13	Forecast FY 12/13	Source	Forecast FY 13/14			Forecast FY 14/15 Amt	Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt
			\$ Amt	\$ Chng Fav/(Unfav) vs. Apprd	% Chng Fav/(Unfav) vs. Apprd				
\$16.9	\$16.3	<i>Consumer Spending:</i>							
		Small retail stores	\$17.0	\$0.1	0.5%	\$17.9	\$18.8	\$19.7	\$20.7
10.6	10.2	Large retail stores	10.6	-	-	11.0	11.5	11.9	12.4
6.7	6.6	Misc goods & services	6.8	0.1	1.0%	6.9	7.0	7.2	7.3
7.1	7.1	Grocery & convenience	7.3	0.2	3.0%	7.4	7.6	7.7	7.9
11.5	11.8	Auto sales & maint.	12.8	1.3	11.7%	14.0	14.7	15.4	16.2
		<i>Tourism/Entertainment:</i>							
4.8	4.9	Hotel & misc sales	5.1	0.3	5.6%	5.3	5.6	5.8	6.1
9.1	8.8	Restaurants & bars	9.1	0.1	0.6%	9.5	9.9	10.3	10.7
		<i>Business:</i>							
10.6	9.9	Construction	10.1	(0.5)	(5.0%)	10.3	10.4	10.5	10.6
13.0	13.3	Rental	13.6	0.6	4.6%	14.1	14.5	14.9	15.4
4.7	4.9	Utilities	5.0	0.3	6.2%	5.1	5.2	5.3	5.4
2.3	2.2	License, Penalty & Int	2.3	-	-	2.3	2.4	2.4	2.5
\$97.3	\$95.8	<i>Total 1.1% Sales Tax</i>	\$99.7	\$2.3	2.4%	\$103.8	\$107.4	\$111.2	\$115.1

1.1% Local Sales Tax

10 Year History/Forecast

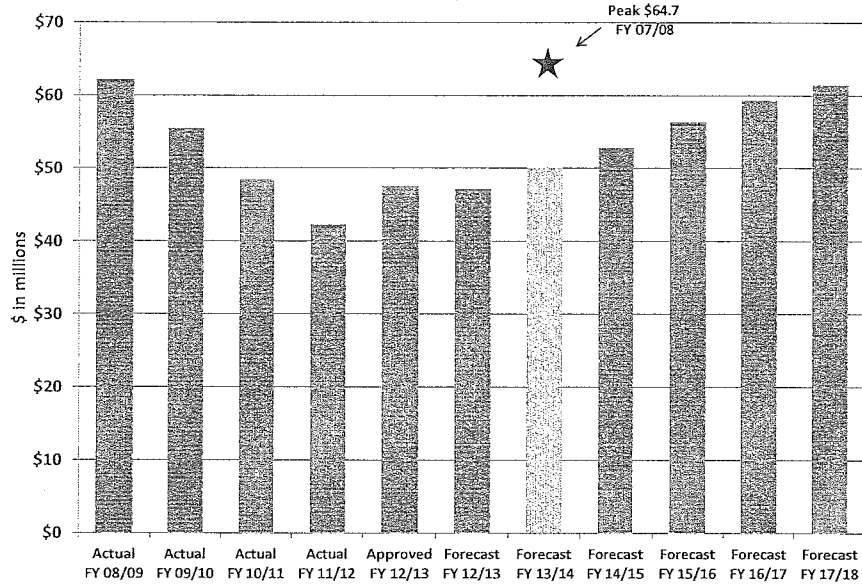


State Shared Revenues

Approved FY 12/13	Forecast FY 12/13	Source	Forecast FY 13/14			Forecast FY 14/15 Amt	Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt
			Amt	\$ Chg Fav/(Unfav) vs. Approv.	% Chg Fav/(Unfav) vs. Approv.				
\$18.2	18.0	State Sales Tax	\$18.7	\$0.5	2.9%	\$19.8	\$21.2	\$22.3	\$22.4
22.2	22.2	State Income Tax	24.2	2.0	8.9%	25.4	27.0	28.4	30.0
7.2	7.0	Auto Lieu Tax	7.2	-	-	7.6	8.1	8.6	9.1
\$47.6	\$47.2	<i>Subtotal</i>	\$50.1	\$2.5	5.3%	\$52.8	\$56.3	\$59.3	\$61.5

State Shared Revenues

10 Year History/Forecast



Property Tax – Primary*

Approved FY 12/13	Revenue	Forecast FY 13/14			Forecast	Forecast	Forecast	Forecast
		Amt	\$ Chng. Cur/(Unfav)	% Chng. Cur/(Unfav)	FY 14/15 Amt	FY 15/16 Amt	FY 16/17 Amt	FY 17/18 Amt
Property Tax – Primary:								
\$25.0	Prior Year Base	\$25.3	\$0.3	1.0%	\$27.3	\$28.4	\$29.7	\$31.1
0.3	New Construction	0.5	0.3	nm	0.5	0.7	0.9	0.9
\$25.3	<i>Subtotal</i>	\$25.8	\$0.5	2.0%	\$27.8	\$29.1	\$30.5	\$32.0
Optional Increases:								
n/a	Prior Year: 2% + 2%	1.0	1.0	nm	-	-	-	-
-	Current Year: 2%	0.5	0.5	nm	0.5	0.6	0.6	0.6
0.2	Tort Recovery (Risk Fund)	0.1	(0.1)	nm	0.3	0.3	0.3	0.3
\$25.5	<i>Total</i>	\$27.4	\$2.0	7.7%	\$28.6	\$29.9	\$31.4	\$32.9

* Secondary Property Taxes are assessed annually in amounts necessary to service outstanding G.O. Debt.

Key Revenue Assumptions

Approved FY 12/13	Forecast FY 12/13	Source	Forecast FY 13/14			Forecast FY 14/15 Amt	Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt
			Amt	\$ Chng Fav/(Unfav) vs. Approved	% Chng Fav/(Unfav) vs. Approved				
\$97.3	\$95.8	1.1% Local Sales Tax	\$99.7	\$2.3	2.4%	\$103.8	\$107.4	\$111.2	\$115.1
47.6	47.2	State Shared Revenue	50.1	2.5	5.3%	52.8	56.3	59.3	61.5
25.5	25.5	Property Tax—Primary*	27.4	2.0	7.7%	28.6	29.9	31.4	32.9
6.7	6.7	Indirect Charges – H2O	5.3	(1.4)	(21.3%)	5.5	5.6	5.8	6.0
2.7	2.7	WestWorld	3.2	0.4	16.1%	5.2	5.2	5.2	5.2
\$179.8	177.9	<i>Subtotal</i>	\$185.7	\$5.8	3.3%	\$195.9	\$204.4	\$212.9	\$220.7
40.7	43.0	Other Revenues	42.1	1.5	3.4%	tbd	tbd	tbd	tbd
\$220.5	\$220.9		\$227.8	\$7.4	3.3%				

* Includes Tort Recovery which is recorded as a source in the Risk Fund.

Internal Service Charges

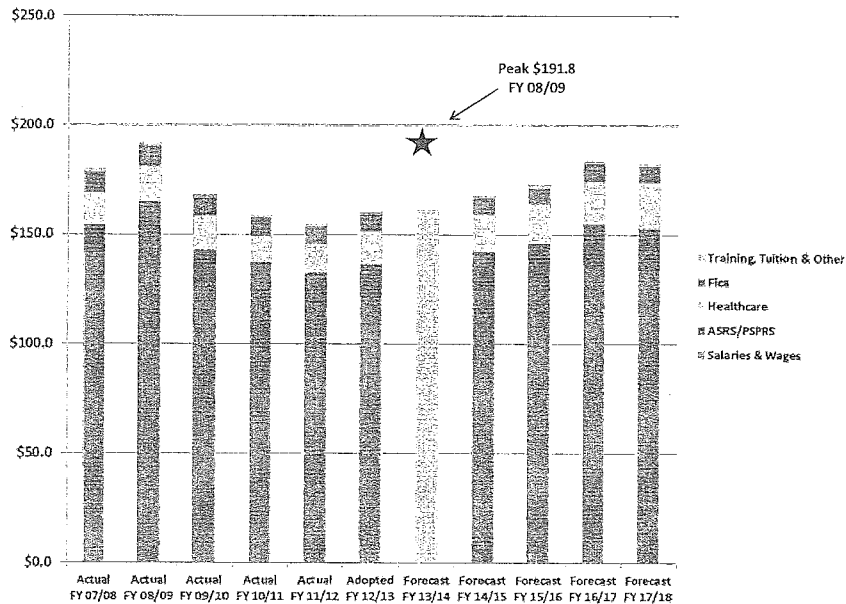
Approved FY 12/13	Internal Service Charge	Forecast FY 13/14			Forecast FY 14/15 Amt	Forecast FY 15/16 Amt	Forecast FY 16/17 Amt	Forecast FY 17/18 Amt
		Amt	\$ Chng Fav/(Unfav)	% Chng Fav/(Unfav)				
\$5.6	Fleet Maint. & Operations	\$5.7	(\$0.1)	(1.2%)	tbd	tbd	tbd	tbd
5.0	Prop., Liability & W. Comp	5.5	(0.5)	(11.0%)	tbd	tbd	tbd	tbd
(1.6)	<i>Risk Rate Subsidy (one-time)</i>	-	(1.6)	nm	tbd	tbd	tbd	tbd
3.3	Fleet Replacement Chrgs.	3.7	(0.4)	(12.3%)	tbd	tbd	tbd	tbd
0.7	PC Replacement	0.8	(0.1)	(5.6%)	tbd	tbd	tbd	tbd
(0.5)	<i>Use of RICO Funding</i>	-	(0.5)	nm	tbd	tbd	tbd	tbd
0.7	Basic Phone Service	0.7	-	(1.8%)	tbd	tbd	tbd	tbd
0.4	Software, Maint & Licenses	0.4	-	2.0%	tbd	tbd	tbd	tbd
0.3	Photocopy Charges	0.3	-	3.2%	tbd	tbd	tbd	tbd
\$13.9	<i>Total</i>	\$17.1	(\$3.2)	(22.6%)	tbd	tbd	tbd	tbd

Note: Does not include Health/Dental changes as they are reflected on the Employee Comp and Benefits slide.

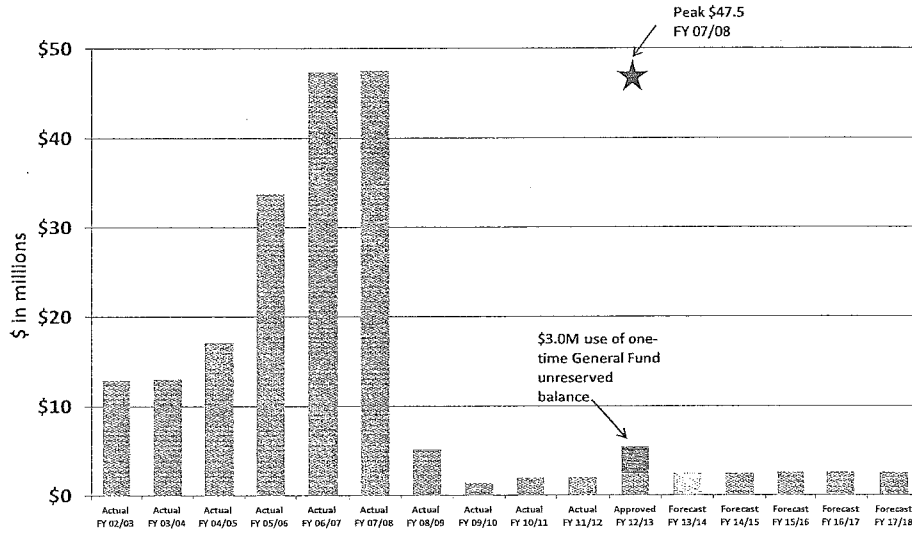
Employee Comp & Benefits

Adopted FY 12/13	Use	Forecast FY 13/14			Forecast	Forecast	Forecast	Forecast
		Am't	\$ Chng (av/10mav)	% Chng (av/10mav)	FY 14/15 Am't	FY 15/16 Am't	FY 16/17 Am't	FY 17/18 Am't
	Base Compensation:							
\$117.7	Direct Compensation	\$119.5	(\$1.8)	(1.5%)	\$120.7	\$123.6	\$131.3	\$129.2
2.7	2% Pay for Performance	-	2.7	nm	-	-	-	-
0.6	Compensation Adj.	1.2	(0.6)	(100%)	-	-	-	-
-	Rate Adjustment	-	-	-	2.8	2.8	2.8	2.9
	Pay for Perf. (one-time)				1.5	1.5	1.5	1.5
\$121.0	Subtotal	\$120.7	\$0.3	0.2%	\$125.0	\$127.9	\$135.6	\$133.6
	Benefits:							
\$15.6	ASRS/PSPRS	\$16.2	(\$0.6)	(3.8%)	\$17.1	\$18.0	\$19.5	\$19.3
7.7	FICA	7.4	0.3	3.9%	7.4	7.5	7.9	7.6
14.2	Healthcare/Dental	15.3	(1.1)	(7.7%)	16.9	18.2	19.4	20.7
0.1	Wellness Incentive	0.3	(0.2)	nm	tbd	tbd	tbd	tbd
0.9	Training/Tuition/Other	1.2	(0.3)	(33.3%)	1.2	1.2	1.2	1.2
\$159.5	Total	\$161.1	(\$1.6)	(1.0%)	\$167.6	\$172.8	\$183.6	\$182.4

Employee Comp & Benefits

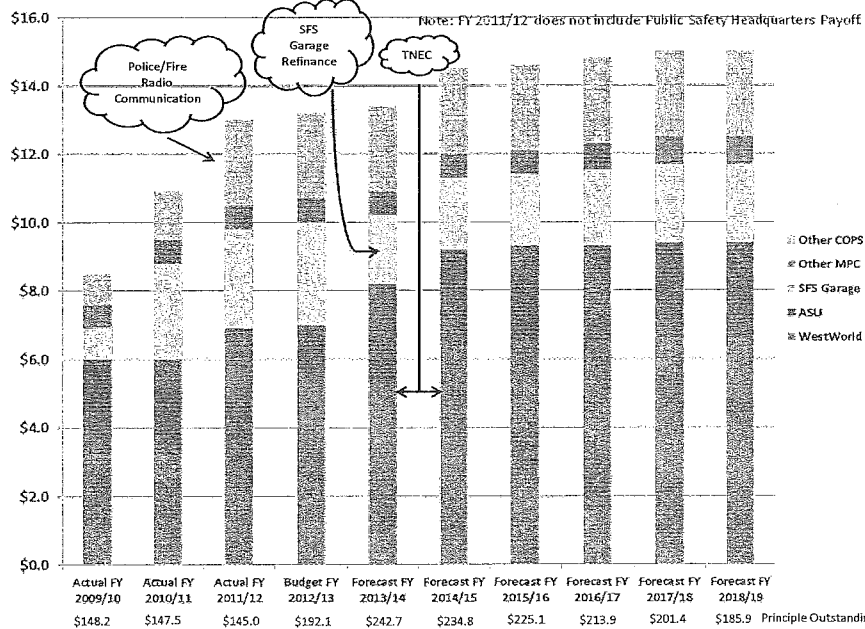


Contribution to CIP



Note: FY 2013/14 – FY 2017/18 reflect the minimum contribution of 25% of construction local sales tax. Forecast contributions to CIP may be greater in years when General Fund operating surpluses develop additional transfers to the CIP fund in accordance with adopted Financial Policy #18.

General Fund Supported Net Debt Service & Contracts Payable (\$ in millions)



Summary

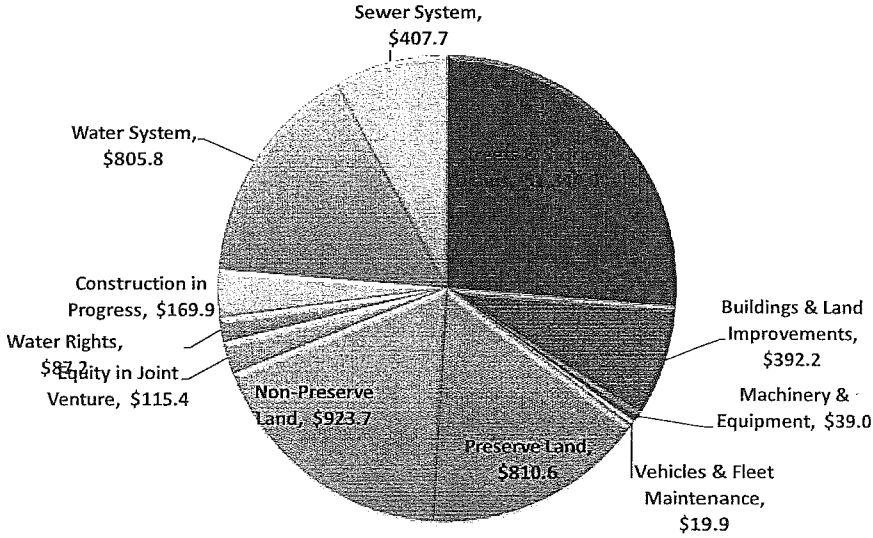
- IF... \$1.5 million is realized by taking the maximum optional increase in property taxes (\$0.5 million for this year's 2% allowance and \$1.0 million for waivers of the past two years), and
- IF... \$(1.4) million less is charged by the General Fund, for the final reduction in administrative services charges to the enterprise funds, and
- IF... \$0.0 million is authorized for any FY 2013/14 pay-for-performance program, and
- IF... \$2.3 million is transferred to CIP as the minimum requirement (25% of construction sales tax receipts),
- THEN... \$1.9 million will be available in the General Fund to cover all "not in budget" requests from Divisions (including some one-time expenses that may qualify for use of the unreserved fund balance).

Currently, these requests, some of which are unavoidable increases, total \$7.0 million.

FY 2013/14 Key CIP Issues

City Council
February 5, 2013

FY 2011/12 Government & Enterprise Assets * \$5,115.4 (in millions)



*Net of Depreciation

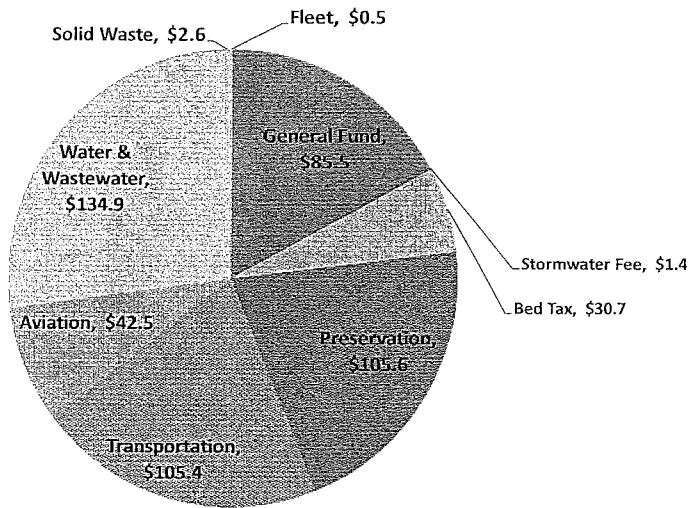
FY 2012/13 Projects Completed YTD

- Tom's Thumb Trailhead
- Civic Center Library renovations
- Scottsdale Road Streetscape (Earll to Thomas)
- Preserve Parking Improvements
- Bus Stop Improvements
- Fleet Maintenance Expansion (North Corp Yard)
- Fleet CNG Facility Upgrade
- TPC Phase I Irrigation Improvements

FY 2012/13 Projects Underway

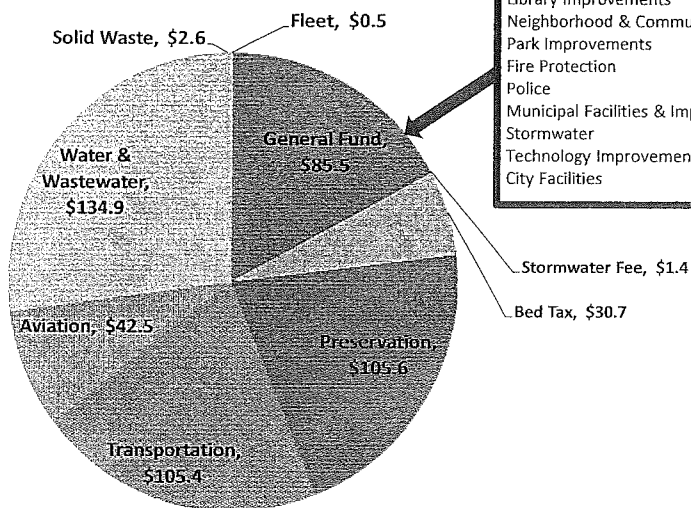
- Tony Nelssen Equestrian Center Expansion (\$47.0M)
- Brown's Ranch Trailhead (\$4.8M)
- McDowell Road Pedestrian Improvements (\$3.9M)
- Thunderbird Park and Ride Facility (\$8.6M)
- Mustang and Skysong Transit Centers (\$13.0M)
- Northsight Roadway Extension (\$8.0M)
- Thomas Road Streetscape and Bike Lanes (\$4.6M)
- Scottsdale Road (Thompson Peak to Pinnacle Peak) (\$14.5M)
- TPC Golf Course and Clubhouse upgrades (\$15.0M)

FY 2013/14 Preliminary CIP Budget by Fund*
\$509.1 (in millions)



*Excludes Capital & Grant Contingency estimated at \$56.2 million

FY 2013/14 Preliminary CIP Budget by Fund*
\$509.1 (in millions)



- Programs Funded by General Fund**
- Library Improvements
 - Neighborhood & Community
 - Park Improvements
 - Fire Protection
 - Police
 - Municipal Facilities & Improvements
 - Stormwater
 - Technology Improvements
 - City Facilities

*Excludes Capital & Grant Contingency estimated at \$56.2 million

Key CIP related financial policies

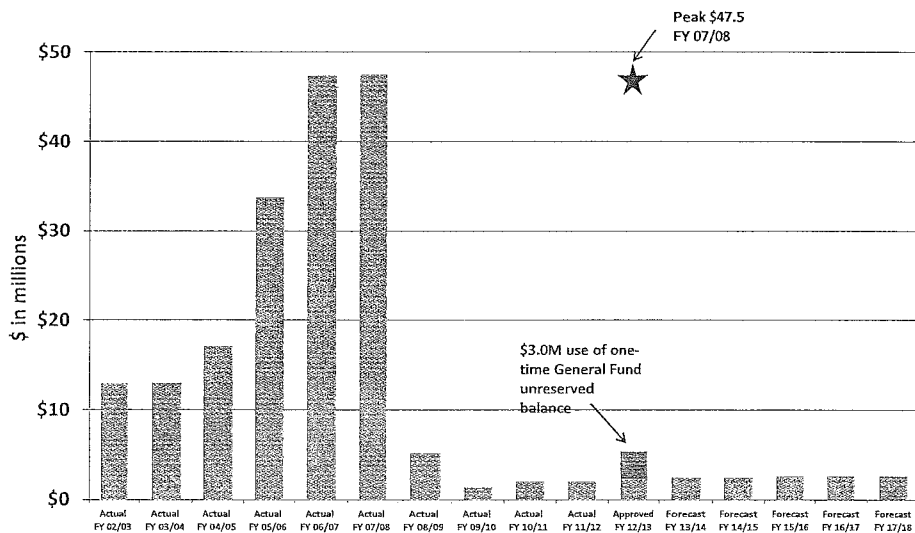
Operating Management

- 18. Any year-end General Fund operating surpluses not needed to restore contingency reserves or cover unforeseen shortfalls in the budget, but in no case less than twenty-five percent (25%) of construction privilege tax revenues, will be transferred to the General Fund Capital Improvement Program in the following fiscal year unless otherwise directed by City Council.

Capital Management

- 23. Pay-as-you-go Capital Improvement Plan financing should account for a minimum of 25 percent (25%) of all capital improvement projects, excluding Preservation and Enterprise, for each five-year planning period. Pay-as-you-go financing is defined as all sources of revenue other than City debt issuance, i.e., fund balance contributions, developer contributions, grants, endowments, etc.

Contribution to CIP



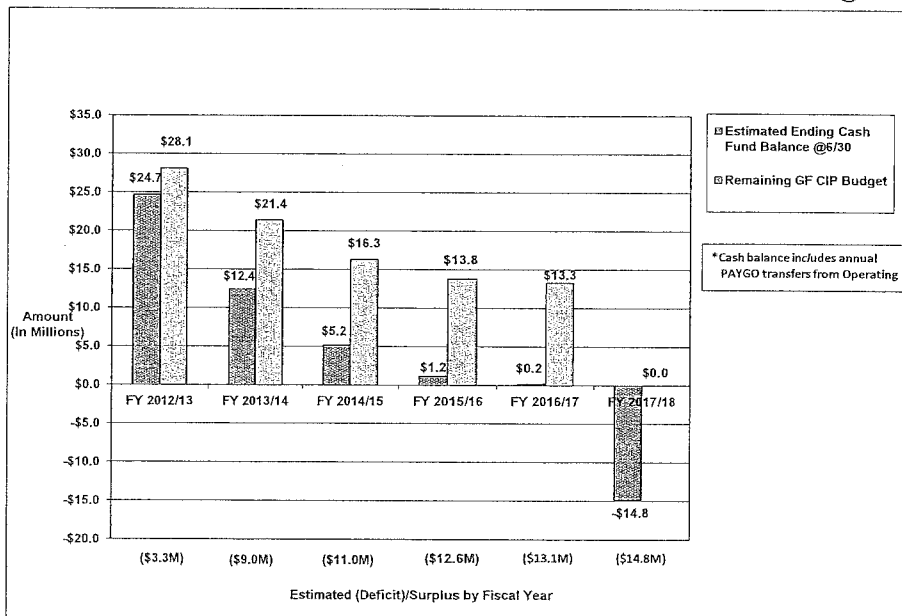
Note: FY 2013/14 – FY 17/18 reflect the minimum contribution of 25% of construction local sales tax. Forecast contributions to CIP may be greater in years when General Fund operating surpluses develop additional transfers to the CIP fund in accordance with adopted Financial Policy #18.

Priority General Fund CIP additions in Five Year Plan

- Scottsdale Stadium Improvements (FY 13/14: \$1.0M)
- WestWorld Event Area/Parking Improvements (FY 13/14: \$3.0M)
- City Attorney eDiscovery System (FY 13/14: \$0.2M)
- SIS Buildout (FY 13/14: \$0.3M)
- RICO projects (FY 13/14 and FY 15/16: \$0.2M)
 - General fund allocation needed for administrative costs
- Programmatic Accounts (Lifecycle equipment replacement)
 - Facilities Repair & Maintenance (FY 13/14 & FY 17/18: \$2.1M)
 - Network and Server Infrastructure (FY 17/18: 0.7M)
 - Police portable & vehicle radio replacement (FY 17/18: \$1.1M)
 - Crime Lab Equipment Replacement (FY 17/18: \$0.2M)
 - CityCable Audio Video Equip. Replacement (FY 13/14, FY 15/16 & FY 17/18: \$0.3M)

Net addition to General Fund CIP of approx. \$9,000,000

FY 2012/13–2017/18 CIP General Fund Cash Flow Coverage



Alternative funding assumptions for General Fund CIP

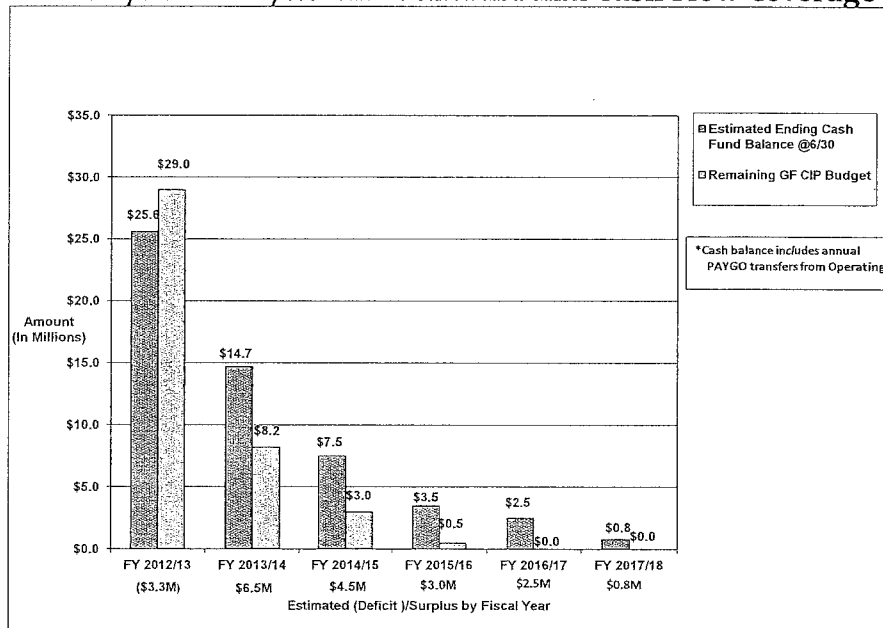
Reallocation of available Bond 2000 funding

- B0403 – Desert Foothills Fire Station 13 Land (\$3.3 M)
- Net reduction in General Fund CIP of \$2,000,000**

Alternate funding sources(In-lieu fees/PAYGO/G.O. Bond)

- F0503 – Pima Road Drainage (\$3.1 M)
 - F0602 – Loop 101 Outlet Drain (\$3.4 M)
 - F0701 – Loop 101 Detention Basin (\$3.0 M)
 - F0605 – Power Line Interceptor Channel (\$2.2 M)
 - F0401 – East Union Hills Interceptor Channel (\$1.7 M)
- Net reduction in General Fund CIP of approx. \$13,400,000**

FY 2012/13–2017/18 CIP General Fund Cash Flow Coverage



Priority Capital Requests that remain unfunded

Construction

- Park Buildings Improvements (\$2.8M)
- Indian Bend Wash Lake Renovation (\$5.5M)
- SCPA Atrium Lighting/Outdoor Sound Rig (\$0.1M)
- FS 605 Renovations (\$0.2M)
- District 4 Police Facility remodel (\$0.4M)

Information Technology

- PCI/DSS Compliance (\$0.3M)
- City Attorney Case Management System (\$0.2M)
- Virtualization Expansion Project (\$0.3M)
- Library Technology Infrastructure Upgrade (\$0.2M)

CIP Issues to consider

- Transaction Privilege Tax legislation under consideration
- General Fund contributions to CIP
 - Ongoing construction sales tax contributions (per policy).
 - Unallocated General Fund balances for commitment to CIP (PAYGO) – should additional transfers be considered?
- Addition of new priority projects
- Resolution of five year deficit in General Fund CIP:
 - Alternate funding sources for Crossroads East drainage projects (General Obligation Bond, PAYGO or in-lieu fees)

Questions/Discussion

Item 21

Joyce Gilbride
Presentation

Monthly Financial Update As of December 31, 2012

City Council
February 5, 2013
Prepared by: Finance and Accounting Division

General Fund Operating Sources December 2012: Fiscal Year to Date

(in millions: rounding differences may occur)

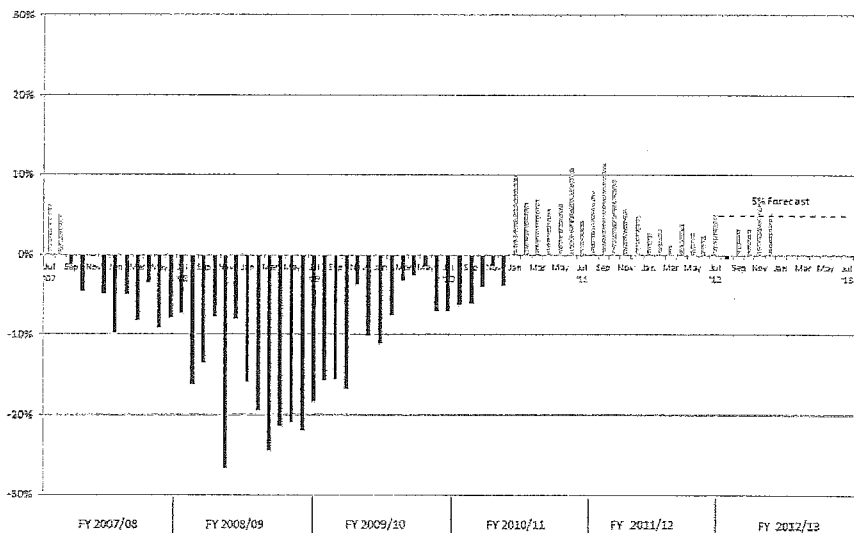
Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$36.4	\$39.0	\$40.4	\$41.0	(\$0.6)	(2%)
0.1% Public Safety	3.5	3.8	3.9	4.0	(0.1)	(2%)
State Shared: Sales Tax	8.4	8.2	8.4	8.6	(0.2)	(2%)
Revenue	11.4	9.2	11.1	11.1	-	-
Auto Lieu Tax	4.0	3.5	3.2	3.7	(0.5)	(13%)
Property Taxes (Primary)	12.2	13.6	13.5	12.5	1.0	8%
Franchise Fees/In-Lieu Tax	5.2	5.3	5.6	5.3	0.2	5%
Other: Licenses, Permits & Fees	3.4	3.4	3.2	3.3	(0.1)	(4%)
Fines & Forfeitures	3.4	3.5	3.3	3.4	(0.1)	(4%)
Miscellaneous	3.8	3.9	3.0	2.5	0.5	22%
Building Permits	3.9	4.1	5.6	3.9	1.7	43%
Interest Earnings	0.9	0.5	0.6	0.6	0.1	10%
Indirect Cost Allocations	6.7	4.3	3.5	3.5	-	-
Transfers In	7.8	6.1	5.1	4.8	0.2	5%
<i>Subtotal Operating Sources</i>	<u>\$110.9</u>	<u>\$108.3</u>	<u>\$110.4</u>	<u>\$108.3</u>	<u>\$2.1</u>	<u>2%</u>
Bed Taxes (gross)	4.5	4.7	-	-	n/a	n/a
<i>Total Operating Sources</i>	<u>\$115.4</u>	<u>\$113.0</u>	<u>\$110.4</u>	<u>\$108.3</u>	<u>\$2.1</u>	<u>2%</u>

General Fund Operating Sources: Sales Tax December 2012: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$5.6	\$6.1	\$6.5	\$6.7	(\$0.2)	(3%)
Large retail stores	4.1	4.2	4.2	4.4	(0.2)	(4%)
Misc goods & services	2.2	2.5	2.6	2.5	0.1	3%
Grocery & convenience	2.8	2.9	2.9	2.9	-	-
Auto sales & maintenance	4.1	4.5	5.1	5.0	0.1	2%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	1.5	1.6	1.6	1.6	(0.1)	(4%)
Restaurants & bars	3.1	3.3	3.4	3.5	(0.1)	(3%)
<u>Business:</u>						
Construction	3.4	4.1	4.2	4.7	(0.5)	(10%)
Rental	5.7	5.7	6.0	5.9	0.1	2%
Utilities	2.4	2.4	2.4	2.4	-	-
Licenses, penalties/interest	1.2	1.2	1.2	1.3	(0.1)	(5%)
Subtotal 1.0% Sales Tax	\$36.0	\$38.6	\$40.2	\$41.0	(\$0.8)	(2%)
Large Audit Adjustments	0.4	0.4	0.2	-	0.2	
Total 1.0% Sales Tax	\$36.4	\$39.0	\$40.4	\$41.0	(\$0.6)	(2%)

General Fund Sales Tax: 1.0% General Purpose -- Year over Year Change (excluding large audit adjustments)



General Fund Operating Uses: by Category December 2012: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$59.4	\$56.2	\$56.7	\$56.8	\$0.1	-
Overtime	2.6	2.8	3.2	2.6	(0.6)	(22%)
FICA	4.0	3.8	3.8	3.9	-	-
Retirement	6.6	6.7	7.8	7.7	-	-
Health/Dental & Misc	5.0	6.8	7.4	7.6	0.2	2%
<i>Total Personnel Services</i>	<i>\$77.7</i>	<i>\$76.3</i>	<i>\$78.9</i>	<i>\$78.6</i>	<i>(\$0.3)</i>	<i>-</i>
Contractual, Commodities, Capital Outlay	27.5	25.0	27.5	29.4	1.9	7%
<i>Total Operating Expenses</i>	<i>\$105.2</i>	<i>\$101.3</i>	<i>\$106.4</i>	<i>\$108.0</i>	<i>\$1.6</i>	<i>1%</i>
Debt Serv. & Contracts	2.0	7.9	2.7	3.4	0.7	20%
Transfers Out	2.3	2.0	3.0	3.0	-	-
<i>Total Operating Uses</i>	<i>\$109.6</i>	<i>\$111.1</i>	<i>\$112.2</i>	<i>\$114.4</i>	<i>\$2.2</i>	<i>2%</i>

*Pay Periods thru December: 13 13 13

General Fund Operating Uses: by Division December 2012: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$9.2	\$8.4	\$8.8	\$9.2	\$0.4	4%
Administrative Services	7.3	7.0	7.5	7.5	-	-
Comm. & Econ Development	13.7	12.1	11.9	11.9	0.1	1%
Community Services	16.8	15.0	16.2	16.7	0.5	3%
Public Safety - Fire	13.0	13.1	14.5	14.6	0.1	1%
Public Safety - Police	38.2	38.5	39.5	39.4	(0.1)	-
Public Works	7.1	7.2	8.1	8.7	0.6	7%
<i>Total Operating Expenses</i>	<i>\$105.2</i>	<i>\$101.3</i>	<i>\$106.4</i>	<i>\$108.0</i>	<i>\$1.6</i>	<i>1%</i>

**Water Resources
Operating Sources
December 2012 : Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY11/12	FY12/13	FY12/13 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Water Service Charges	\$49.7	\$49.9	\$51.9	\$47.6	\$4.3	9%
Water Reclamation Charges	17.3	17.7	17.7	17.1	0.7	4%
Non-Potable Water Fees	4.9	4.9	6.2	5.6	0.5	10%
Interest Earnings	0.6	0.4	0.4	0.2	0.2	nm
Planet Ranch Sale	-	8.7	-	-	-	-
Miscellaneous Revenue	1.0	0.6	0.6	0.9	(0.3)	(35%)
Transfers In	0.5	0.6	0.5	0.5	-	-
<i>Total Operating Sources</i>	<u>\$73.9</u>	<u>\$82.8</u>	<u>\$77.3</u>	<u>\$71.9</u>	<u>\$5.4</u>	<u>8%</u>

**Water Resources
Uses: by Category
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Personnel Services	\$7.7	\$7.9	\$8.6	\$8.7	\$0.2	2%
Contractual, Commodities, Capital Outlay	19.9	21.4	21.4	22.5	1.2	5%
<i>Total Operating Expenses</i>	<u>\$27.5</u>	<u>\$29.3</u>	<u>\$30.0</u>	<u>\$31.3</u>	<u>\$1.3</u>	<u>4%</u>
Debt Serv. & Contracts	-	8.5	8.2	8.2	-	-
Bond Proceeds	8.6	11.0	-	-	-	-
Franchise Fees	3.1	3.6	3.7	3.5	(0.2)	(7%)
In Lieu Property Tax Fees	0.9	0.4	-	-	-	-
Indirect/Direct Charges	5.1	3.3	2.7	2.7	-	-
<i>Total Operating Uses</i>	<u>\$45.2</u>	<u>\$56.1</u>	<u>\$44.6</u>	<u>\$45.6</u>	<u>\$1.1</u>	<u>2%</u>

CIP Expenditures through December 31, 2012

(in thousands)

12-months-to-date		Fund	Project - Type	6 months-to-date	
PRIOR	CURRENT			PRIOR	CURRENT
\$6,260	\$4,363	General	Community Facilities	\$3,746	\$1,374
4,383	2,672		Drainage/Flood	2,386	1,288
1,486	4,834		Preservation	826	2,093
3,806	494		Fire	2,748	434
1,025	3,569		Police	815	927
689	1,555		Municipal Facilities	452	1,207
2,232	3,468		Technology	713	1,536
2	50		Bed Tax	DDC Phase III	0
0	17,873	TNEC Equidome *		0	4,660
12,550	550	Transportation	Streets	9,352	549
3,788	7,013		<i>Pima Road</i>	2,001	1,361
2,657	3,841		<i>Other</i>	1,494	2,224
8,154	7,692		Traffic	5,141	5,671
			Transit		
1,783	271	Fleet	Municipal Facilities	1,255	224
2,883	1,830	Aviation	Apron Reconstruction	92	1,830
2,231	403		Various	2,140	167

* Paid by MPC bonds, for which debt service will be partially paid out of Bed Tax

CIP Expenditures through December 31, 2012

(in thousands)

12-months-to-date		Fund	Project - Type	6 months-to-date	
PRIOR	CURRENT			PRIOR	CURRENT
13,654	26,913	Water	Various	7,644	15,091
29,373	15,785	Water Reclamation	AWT Phase 4	17,689	8,422
19,119	25,414		Various	7,485	19,383
392	52	Solid Waste	Municipal Facilities	228	51
0	804	Other	Drainage/Flood	0	790
\$116,467	\$129,446		Sub-Total	\$66,207	\$69,327
0	178,666	Preservation	Land Acquisitions	0	88,410
\$116,467	\$308,112		Total	\$66,207	\$157,737

General Fund Results: Summary December 2012: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$115.4	\$113.0	\$110.4	\$108.3	\$2.1	2%
Uses	109.6	111.1	112.2	114.4	2.2	2%
Change in Fund Balance	\$5.8	\$1.9	(\$1.8)	(\$6.1)	\$4.3	

Transportation Fund Operating Sources December 2012: Fiscal Year-to-Date

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY11/12	FY12/13	FY12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 0.2% Transportation	\$6.8	\$7.3	\$7.6	\$7.8	(\$0.2)	(2%)
State Shared: HURF Taxes	6.5	5.2	5.6	6.1	(0.6)	(9%)
Other: Miscellaneous	5.0	0.7	1.4	1.2	0.2	18%
Transfers In	0.6	0.9	-	-	-	-
<i>Total Operating Sources</i>	<u>\$18.9</u>	<u>\$14.1</u>	<u>\$14.5</u>	<u>\$15.0</u>	<u>(\$0.5)</u>	<u>(3%)</u>

**Transportation Fund
Operating Uses: by Category
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	\$3.1	\$2.5	\$2.7	\$2.7	\$0.1	3%
Contractual, Commodities, Capital Outlay	7.8	6.2	6.0	6.5	0.5	8%
<i>Total Operating Expenses</i>	<u>\$10.9</u>	<u>\$8.8</u>	<u>\$8.6</u>	<u>\$9.2</u>	<u>\$0.6</u>	<u>7%</u>
Transfers Out	-	-	-	-	-	-
<i>Total Operating Uses</i>	<u>\$10.9</u>	<u>\$8.8</u>	<u>\$8.6</u>	<u>\$9.2</u>	<u>\$0.6</u>	<u>7%</u>

**Tourism Development Fund
Operating Sources
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual*	Actual*	Actual	Budget	Fav/(Unf)	%
Bed Tax	-	-	\$4.5	\$4.5	(\$0.1)	(1%)
Hospitality Trolley Sponsorship	-	-	0.1	0.1	-	-
Princess Hotel Lease	-	-	0.5	0.5	-	-
Transfers In	-	-	3.0	3.0	-	-
<i>Total Operating Sources</i>	<u>-</u>	<u>-</u>	<u>\$8.1</u>	<u>\$8.1</u>	<u>\$ -</u>	<u>-</u>

* New fund established for Tourism Development after the adoption of the FY 2012/13 budget.

**Tourism Development Fund
Operating Uses: by Category
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	-	-	0.1	0.1	-	(6%)
Contractual, Commodities, Capital Outlay	-	-	3.8	3.9	0.1	3%
<i>Total Operating Expenses</i>	-	-	\$3.9	\$4.1	0.1	3%
Transfers Out	-	-	1.2	1.2	-	-
<i>Total Operating Uses</i>	-	-	\$5.1	\$5.3	\$0.1	2%

* New fund established for Tourism Development after the adoption of the FY 2012/13 budget.

**Aviation
Operating Sources
December 2012 : Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY11/12	FY12/13	FY12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Aviation Fees	\$1.3	\$1.5	\$1.5	\$1.3	\$0.1	10%
Privilege & Use Tax: Jet Fuel	0.1	0.1	0.1	0.1	-	-
<i>Total Operating Sources</i>	\$1.4	\$1.6	\$1.6	\$1.4	\$0.2	12%

**Aviation
Uses: by Category
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	\$0.5	\$0.5	\$0.5	\$0.5	-	-
Contractual, Commodities, Capital Outlay	0.3	0.3	0.4	0.5	0.1	24%
<i>Total Operating Expenses</i>	<u>\$0.8</u>	<u>\$0.8</u>	<u>\$0.9</u>	<u>\$1.0</u>	<u>\$0.1</u>	<u>13%</u>
Indirect/Direct Charges	0.1	0.3	0.2	0.3	-	-
<i>Total Operating Uses</i>	<u>\$0.8</u>	<u>\$1.1</u>	<u>\$1.1</u>	<u>\$1.3</u>	<u>\$0.2</u>	<u>14%</u>

**Solid Waste
Operating Sources
December 2012 : Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY11/12	FY12/13	FY12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Solid Waste Charges	\$10.3	\$10.3	\$10.1	\$10.2	(\$0.1)	(1%)
Interest Earnings	0.1	-	-	-	-	-
Transfers In	-	0.2	-	-	-	-
<i>Total Operating Sources</i>	<u>\$10.4</u>	<u>\$10.6</u>	<u>\$10.2</u>	<u>\$10.2</u>	<u>\$-</u>	<u>-</u>

**Solid Waste
Uses: by Category
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	\$2.9	\$3.5	\$3.2	\$3.2	\$ -	-
Contractual, Commodities, Capital Outlay	4.6	4.3	5.0	5.1	-	-
<i>Total Operating Expenses</i>	<i>\$7.5</i>	<i>\$7.8</i>	<i>\$8.3</i>	<i>\$8.3</i>	<i>\$ -</i>	<i>-</i>
Indirect/Direct Charges	1.6	1.0	0.8	0.8	-	-
<i>Total Operating Uses</i>	<i>\$9.2</i>	<i>\$8.8</i>	<i>\$9.1</i>	<i>\$9.1</i>	<i>\$ -</i>	<i>-</i>

**Fleet Fund
Operating Sources
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Maintenance/Operation Rates	\$5.6	\$5.8	\$5.9	\$6.3	(\$0.4)	(7%)
Replacement Rates	1.4	1.5	2.8	2.8	-	-
Interest Earnings	0.1	0.1	-	-	-	-
Other Revenue	0.1	0.1	0.3	0.1	0.2	nm
<i>Total Operating Sources</i>	<i>\$7.2</i>	<i>\$7.5</i>	<i>\$9.0</i>	<i>\$9.2</i>	<i>(\$0.2)</i>	<i>(2%)</i>

Fleet Fund
Operating Uses: by Category
December 2012: Fiscal Year-to-Date

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	\$1.6	\$1.5	\$1.6	\$1.6	\$ -	-
Contractual, Commodities, Capital Outlay	3.7	6.5	5.8	6.9	1.1	15%
<i>Total Operating Expenses</i>	<u>\$5.3</u>	<u>\$8.0</u>	<u>\$7.4</u>	<u>\$8.5</u>	<u>\$1.1</u>	<u>13%</u>
Transfers Out	-	1.5	-	-	-	-
<i>Total Operating Uses</i>	<u>\$5.3</u>	<u>\$9.5</u>	<u>\$7.4</u>	<u>\$8.5</u>	<u>\$1.1</u>	<u>13%</u>

Risk Fund
Operating Sources
December 2012: Fiscal Year-to-Date

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Property, Liability, Work Comp	\$2.6	\$2.1	\$2.0	\$2.0	\$ -	-
Interest Earnings	0.1	0.1	-	0.1	(0.1)	(100%)
Property Tax (Tort Claims)	1.7	-	0.2	0.2	-	-
Insurance/Claims Recoveries	0.2	0.1	0.1	0.1	-	-
Other/Misc Revenue	-	-	-	0.1	-	-
<i>Total Operating Sources</i>	<u>\$4.6</u>	<u>\$2.3</u>	<u>\$2.3</u>	<u>\$2.4</u>	<u>(\$0.1)</u>	<u>(4%)</u>

Risk Fund
Operating Uses: by Category
December 2012: Fiscal Year-to-Date

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services	\$0.3	\$0.4	\$0.4	\$0.4	\$ -	-
Contractual, Commodities, Capital Outlay	\$2.4	\$2.7	\$2.2	\$4.3	\$2.1	50%
<i>Total Operating Uses</i>	<u>\$2.7</u>	<u>\$3.0</u>	<u>\$2.5</u>	<u>\$4.7</u>	<u>\$2.2</u>	<u>46%</u>

Benefits (Healthcare) Fund
Operating Sources
December 2012: Fiscal Year-to-Date

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Medical Premiums – COS	\$8.7	\$8.0	\$8.8	\$8.7	\$0.2	2%
Dental Premiums – COS	0.4	0.4	0.4	0.4	-	-
Medical Premiums – EE	2.4	2.3	2.8	2.6	0.2	9%
Dental Premiums – EE	0.4	0.4	0.4	0.4	-	-
Medical Premiums - Retiree	-	1.0	0.5	2.0	(1.6)	(76%)
Premium Holiday	(3.3)	-	-	-	-	-
Other Revenue	0.2	0.2	0.4	0.2	0.2	nm
<i>Total Operating Sources</i>	<u>\$8.8</u>	<u>\$12.3</u>	<u>13.3</u>	<u>14.3</u>	<u>(\$0.9)</u>	<u>(7%)</u>

**Benefits (Healthcare) Fund
Operating Uses
December 2012: Fiscal Year-to-Date**

(in millions: rounding differences may occur)

Uses Category	FY 10/11	FY11/12	FY12/13	FY12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services – COS	\$0.1	\$0.1	\$0.1	\$0.1	\$ -	-
Medical Claims	10.1	9.5	9.4	10.0	0.6	6%
Medical Claims - Retirees	-	1.8	0.6	1.8	1.2	65%
Dental Claims	0.8	0.8	0.7	0.7	-	-
Provider Admin Fees	0.9	0.8	0.7	0.9	0.1	16%
Behavioral Health Claims	0.3	0.3	0.3	0.3	-	-
Stop Loss Insurance	0.2	0.2	0.3	0.3	-	-
Live Life Well	0.1	0.1	0.1	0.1	-	-
<i>Total Operating Uses</i>	<u>\$12.5</u>	<u>\$13.6</u>	<u>\$12.2</u>	<u>\$14.2</u>	<u>\$2.0</u>	<u>14%</u>

**General Fund Operating Sources
December 2012**

(in millions: rounding differences may occur)

Sources Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$7.1	\$7.5	\$7.9	\$8.0	(\$0.1)	(1%)
0.1% Public Safety	0.6	0.7	0.7	0.8	(0.1)	(7%)
State Shared: Sales Tax	1.4	1.3	1.4	1.4	-	-
Revenue	1.9	1.5	1.9	1.9	-	-
Auto Lieu Tax	0.6	0.5	0.3	0.6	(0.3)	(55%)
Property Taxes (Primary)	2.8	4.2	3.1	2.9	0.2	8%
Franchise Fees/In-Lieu Tax	0.1	0.1	0.1	0.1	-	-
Other: Licenses, Permits & Fees	0.8	0.8	0.7	0.8	(0.1)	(7%)
Fines & Forfeitures	0.5	0.5	0.5	0.6	(0.1)	(15%)
Miscellaneous	0.6	0.6	0.5	0.3	0.2	60%
Building Permits	0.5	0.8	1.1	0.7	0.4	61%
Interest Earnings	0.1	0.3	0.1	0.1	-	-
Indirect Cost Allocations	1.1	0.7	0.6	0.6	-	-
Transfers In	(0.1)	0.6	0.5	0.5	-	-
<i>Subtotal Operating Sources</i>	<u>\$18.2</u>	<u>\$20.1</u>	<u>\$19.3</u>	<u>\$19.1</u>	<u>\$0.2</u>	<u>1%</u>
Bed Taxes (gross)	1.0	1.1	-	-	n/a	n/a
<i>Total Operating Sources</i>	<u>\$19.2</u>	<u>\$21.2</u>	<u>\$19.3</u>	<u>\$19.1</u>	<u>\$0.2</u>	<u>1%</u>

General Fund Operating Sources: Sales Tax December 2012

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Consumer Spending:</i>						
Small retail stores	\$1.1	\$1.2	\$1.2	\$1.3	-	-
Large retail stores	0.8	0.8	0.8	0.9	(0.1)	(8%)
Misc goods & services	0.4	0.5	0.6	0.4	0.2	41%
Grocery & convenience	0.5	0.6	0.5	0.5	-	-
Auto sales & maintenance	0.8	0.8	0.9	0.9	(0.1)	(6%)
<i>Tourism/Entertainment:</i>						
Hotel lodging & misc sales	0.4	0.4	0.3	0.4	-	-
Restaurants & bars	0.6	0.6	0.6	0.7	-	-
<i>Business:</i>						
Construction	0.6	0.7	0.8	0.8	-	-
Rental	1.0	0.9	1.0	1.0	-	-
Utilities	0.3	0.4	0.4	0.4	-	-
Licenses, penalties/interest	0.7	0.7	0.7	0.8	-	-
<i>Subtotal 1.0% Sales Tax</i>	<i>\$7.1</i>	<i>\$7.5</i>	<i>\$7.9</i>	<i>\$8.0</i>	<i>(\$0.1)</i>	<i>(1%)</i>
Large Audit Adjustments	-	-	-	-	-	-
<i>Total 1.0% Sales Tax</i>	<i>\$7.1</i>	<i>\$7.5</i>	<i>\$7.9</i>	<i>\$8.0</i>	<i>(\$0.1)</i>	<i>(1%)</i>

General Fund Operating Uses: by Category December 2012

(in millions: rounding differences may occur)

Category	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Personnel Services*:</i>						
Salaries & Wages	\$9.2	\$8.5	\$8.7	\$8.7	\$-	-
Overtime	0.6	0.6	0.5	0.5	0.1	15%
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.0	1.1	1.2	1.2	-	-
Health/Dental & Misc	0.6	1.1	1.2	1.3	-	-
<i>Total Personnel Services</i>	<i>\$12.0</i>	<i>\$11.8</i>	<i>\$12.1</i>	<i>\$12.3</i>	<i>\$0.2</i>	<i>1%</i>
Contractual, Commodities, Capital Outlay	4.9	3.4	4.2	4.6	0.4	9%
<i>Total Operating Expenses</i>	<i>\$17.0</i>	<i>\$15.3</i>	<i>\$16.4</i>	<i>\$17.0</i>	<i>\$0.6</i>	<i>3%</i>
Debt Serv. & Contracts	0.4	6.5	1.7	2.0	0.4	18%
Transfers Out	(0.3)	0.6	-	-	-	-
<i>Total Operating Uses</i>	<i>\$17.1</i>	<i>\$22.3</i>	<i>\$18.0</i>	<i>\$19.0</i>	<i>\$1.0</i>	<i>5%</i>

*Pay Periods in December: 2 2 2

General Fund Operating Uses: by Division December 2012

(in millions: rounding differences may occur)

Division	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.4	\$1.3	\$1.6	\$1.5	(\$0.1)	(7%)
Administrative Services	1.1	1.0	1.1	1.0	(0.1)	(9%)
Comm. & Econ Development	2.1	1.8	1.9	1.9	-	-
Community Services	2.4	2.2	2.3	2.5	0.2	9%
Public Safety - Fire	2.4	2.1	2.4	2.2	(0.2)	(7%)
Public Safety - Police	6.2	6.1	5.8	6.4	0.6	9%
Public Works	1.2	0.8	1.4	1.6	0.1	9%
<i>Total Operating Expenses</i>	<u>\$17.0</u>	<u>\$15.3</u>	<u>\$16.4</u>	<u>\$17.0</u>	<u>\$0.6</u>	<u>3%</u>

General Fund Results: Summary December 2012

(in millions: rounding differences may occur)

	FY 10/11	FY 11/12	FY 12/13	FY 12/13	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$19.2	\$21.2	\$19.3	\$19.1	\$0.2	1%
Uses	17.1	22.3	18.0	19.0	1.0	5%
Change in Fund Balance	<u>\$2.1</u>	<u>(\$1.1)</u>	<u>\$1.3</u>	<u>\$0.1</u>	<u>\$1.2</u>	

Budgeting for Overtime and Vacancy Savings City-Wide and Divisions

Council Presentation
February 5, 2013
Prepared by: Finance and Accounting Division

Adopted Budgets Include FY 2012/13 City-wide Estimate of Vacancy Savings

Vacancy Savings – City-wide:

1,930 FTEs
x 6% turnover
x ½ year recruitment process
x \$60,000 average salary = \$ (3.3) million

Other City-wide Budgeted Items:

Vacation Leave Accruals (expense)
Medical Leave Accruals (expense)
Healthcare Migration Savings (savings)
105% Compensation Adjustments (expense)
2% Pay-for-Performance (expense)

Division Budgets Include Overtime Allowance for 24/7 Coverage Vacancies

FY 2012/13 Budget: Public Safety – Police

Salaries (with no vacancies):	
667 FTEs x 2,080 hrs x \$31/hr	\$43.5
Expected vacancy savings	(n/a) (City-wide budget)
Overtime:	
Hours over 40 @ Straight-Time	0.5
Coverage for estimated "24/7" vacancies	0.8
Holidays, Events, other	<u>2.9</u>
Total Overtime	4.2
Salaries and Overtime Total	\$ 47.7 million

33

Consolidated Budget Includes both Division and City-Wide

<u>Police Department:</u>	
Salaries	\$ 43.5
Overtime	<u>4.2</u>
<i>Subtotal Salaries and Overtime</i>	\$ 47.7
<u>Other Departments:</u>	
Salaries	\$ 70.7
Overtime	<u>1.7</u>
<i>Subtotal Salaries and Overtime</i>	\$ 72.4
<u>City-Wide Undistributed:</u>	
Vacancy Savings	<u>\$(3.3)</u> (to be distributed)
Total Salaries and Overtime	\$ 116.8 million

34

Budget versus Actual (est) Public Safety - Police

	<u>Full Year: FY 2012/13</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
Salaries:			
Salaries	\$43.5	\$42.5	\$ 1.0 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(1.0)</u>	---	<u>(1.0)</u>
<i>subtotal salaries</i>	42.5	42.5	---
Overtime:			
S/T Hours over 40 (paid as salary)	0.5	0.5 *	---
Coverage for "24/7" vacancies	0.8	0.8	---
Holidays, Events, other	<u>2.9</u>	<u>2.9</u>	---
<i>subtotal overtime</i>	4.2	4.2	---
Total Salaries and Overtime	\$ 46.7	\$ 46.7	---

* Actual straight-time hours over 40 are paid and recorded as salaries – not overtime.

35

Budget versus Actual (est) City-Wide

	<u>Full Year: FY 2012/13</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
Police Department:			
Salaries	\$ 43.5	42.5	1.0 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(1.0)</u>	---	<u>(1.0)</u>
Overtime	<u>4.2</u>	<u>4.2</u>	<u>0.0</u>
<i>subtotal salaries and overtime: Police</i>	46.7	46.7	---
Other Departments:			
Salaries	\$ 70.7	68.4	2.3 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(2.3)</u>	---	<u>(2.3)</u>
Overtime	<u>1.7</u>	<u>1.7</u>	---
<i>subtotal salaries and overtime: Other</i>	70.1	70.1	---
City-Wide Undistributed:			
Vacancy Savings	\$ (3.3)	---	3.3
Distributed to Division Budgets	3.3	---	(3.3)
Total Salaries and Overtime: City-Wide	\$ 116.8	\$ 116.8	---

36

Budget versus Actual City-Wide

	6 months YTD: FY 2012/13		
	Budget	Actual	Fav/(Unfav)
<u>Police Department:</u>			
Salaries	\$ 21.8	21.5	0.3
Distribution of City-wide vacancy budget	(0.5)	---	(0.5)
Overtime	<u>1.8</u>	<u>2.4</u>	<u>(0.6)</u>
<i>subtotal salaries and overtime: Police</i>	23.1	23.9	(0.8)
<u>Other Departments:</u>			
Salaries	\$ 36.8	35.2	1.6
Distribution of City-wide vacancy budget	(1.3)	---	(1.3)
Overtime	<u>0.8</u>	<u>0.8</u>	<u>---</u>
<i>subtotal salaries and overtime: Other</i>	36.3	36.0	0.3
<u>City-Wide Undistributed:</u>			
Vacancy Savings	\$(1.8)	---	1.8
Distributed to Division Budgets	1.8	---	(1.8)
Total Salaries and Overtime: City-Wide	\$ 59.4	\$ 59.9	\$ (0.5)

37

Budget versus Actual Public Safety - Police

	6 months YTD: FY 2012/13		
	Budget	Actual	Fav/(Unfav)
<u>Salaries:</u>			
Salaries	\$21.8	\$21.3	\$ 0.5 (due to vacancies)
Distribution of City-wide vacancy budget	(0.5)	---	(0.5)
S/T Hours over 40 (budgeted as O/T)	<u>---</u>	<u>0.2 *</u>	<u>(0.2)</u> (due to reclass)
<i>subtotal salaries</i>	21.3	21.5	(0.2)
<u>Overtime:</u>			
S/T Hours over 40 (paid as S/T)	0.2	---	0.2 (due to reclass)
Coverage for "24/7" vacancies	0.4	0.4	---
Holidays, Events, other	<u>1.2</u>	<u>2.0</u>	<u>(0.8)</u>
<i>subtotal overtime</i>	1.8	2.4	(0.6)
Total Salaries and Overtime	\$ 23.1	\$ 23.9	(0.8)

* Actual straight-time hours over 40 are paid and recorded as salaries – not overtime.

38

Item 21

David Smith
Presentation

Budgeting for Overtime and Vacancy Savings City-Wide and Divisions

Council Presentation
February 5, 2013
Prepared by: Finance and Accounting Division

Adopted Budgets Include FY 2012/13 City-wide Estimate of Vacancy Savings

Vacancy Savings – City-wide:

1,930 FTEs
x 6% turnover
x ½ year recruitment process
x \$60,000 average salary = \$ (3.3) million

Other City-wide Budgeted Items:

Vacation Leave Accruals (expense)
Medical Leave Accruals (expense)
Healthcare Migration Savings (savings)
105% Compensation Adjustments (expense)
2% Pay-for-Performance (expense)

Division Budgets Include Overtime Allowance for 24/7 Coverage Vacancies

FY 2012/13 Budget: Public Safety – Police

Salaries (with no vacancies):	
667 FTEs x 2,080 hrs x \$31/hr	\$43.5
Expected vacancy savings	(n/a) (City-wide budget)
Overtime:	
Hours over 40 @ Straight-Time	0.5
Coverage for estimated "24/7" vacancies	0.8
Holidays, Events, other	<u>2.9</u>
Total Overtime	4.2
Salaries and Overtime Total	\$ 47.7 million

3

Consolidated Budget Includes both Division and City-Wide

<u>Police Department:</u>	
Salaries	\$ 43.5
Overtime	<u>4.2</u>
<i>Subtotal Salaries and Overtime</i>	\$ 47.7
<u>Other Departments:</u>	
Salaries	\$ 70.7
Overtime	<u>1.7</u>
<i>Subtotal Salaries and Overtime</i>	\$ 72.4
<u>City-Wide Undistributed:</u>	
Vacancy Savings	<u>\$(3.3)</u> (to be distributed)
Total Salaries and Overtime	\$ 116.8 million

4

Budget versus Actual (est) Public Safety - Police

<u>Full Year: FY 2012/13</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
Salaries:			
Salaries	\$43.5	\$42.5	\$ 1.0 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(1.0)</u>	<u>---</u>	<u>(1.0)</u>
<i>subtotal salaries</i>	42.5	42.5	---
Overtime:			
S/T Hours over 40 (paid as salary)	0.5	0.5 *	---
Coverage for "24/7" vacancies	0.8	0.8	---
Holidays, Events, other	<u>2.9</u>	<u>2.9</u>	<u>---</u>
<i>subtotal overtime</i>	4.2	4.2	---
Total Salaries and Overtime	\$ 46.7	\$ 46.7	---

* Actual straight-time hours over 40 are paid and recorded as salaries – not overtime.

5

Budget versus Actual (est) City-Wide

<u>Full Year: FY 2012/13</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
<u>Police Department:</u>			
Salaries	\$ 43.5	42.5	1.0 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(1.0)</u>	<u>---</u>	<u>(1.0)</u>
Overtime	<u>4.2</u>	<u>4.2</u>	<u>0.0</u>
<i>subtotal salaries and overtime: Police</i>	46.7	46.7	---
<u>Other Departments:</u>			
Salaries	\$ 70.7	68.4	2.3 (due to vacancies)
Distribution of City-wide vacancy budget	<u>(2.3)</u>	<u>---</u>	<u>(2.3)</u>
Overtime	<u>1.7</u>	<u>1.7</u>	<u>---</u>
<i>subtotal salaries and overtime: Other</i>	70.1	70.1	---
<u>City-Wide Undistributed:</u>			
Vacancy Savings	\$ (3.3)	---	3.3
Distributed to Division Budgets	<u>3.3</u>	<u>---</u>	<u>(3.3)</u>
Total Salaries and Overtime: City-Wide	\$ 116.8	\$ 116.8	---

6

Budget versus Actual City-Wide

<u>6 months YTD: FY 2012/13</u>			
<u>Police Department:</u>	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
Salaries	\$ 21.8	21.5	0.3
Distribution of City-wide vacancy budget	(0.5)	---	(0.5)
Overtime	<u>1.8</u>	<u>2.4</u>	<u>(0.6)</u>
<i>subtotal salaries and overtime: Police</i>	23.1	23.9	(0.8)
 <u>Other Departments:</u>			
Salaries	\$ 36.8	35.2	1.6
Distribution of City-wide vacancy budget	(1.3)	---	(1.3)
Overtime	<u>0.8</u>	<u>0.8</u>	<u>---</u>
<i>subtotal salaries and overtime: Other</i>	36.3	36.0	0.3
 <u>City-Wide Undistributed:</u>			
Vacancy Savings	\$(1.8)	---	1.8
Distributed to Division Budgets	1.8	---	(1.8)
 Total Salaries and Overtime: City-Wide	 \$ 59.4	 \$ 59.9	 \$ (0.5)

7

Budget versus Actual Public Safety - Police

<u>6 months YTD: FY 2012/13</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Fav/(Unfav)</u>
<u>Salaries:</u>			
Salaries	\$21.8	\$21.3	\$ 0.5 (due to vacancies)
Distribution of City-wide vacancy budget	(0.5)	---	(0.5)
S/T Hours over 40 (budgeted as O/T)	<u>---</u>	<u>0.2 *</u>	<u>(0.2)</u> (due to reclass)
<i>subtotal salaries</i>	21.3	21.5	(0.2)
 <u>Overtime:</u>			
S/T Hours over 40 (paid as S/T)	0.2	---	0.2 (due to reclass)
Coverage for "24/7" vacancies	0.4	0.4	---
Holidays, Events, other	<u>1.2</u>	<u>2.0</u>	<u>(0.8)</u>
<i>subtotal overtime</i>	1.8	2.4	(0.6)
 Total Salaries and Overtime	 \$ 23.1	 \$ 23.9	 (0.8)

* *Actual* straight-time hours over 40 are paid and recorded as *salaries* – not *overtime*.

8