

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, APRIL 19, 2016**



**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 5:03 P.M. on Tuesday, April 19, 2016, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane; Vice Mayor David N. Smith; and Councilmembers Suzanne Klapp, Virginia Korte, Kathleen S. Littlefield, Linda Milhaven, and Guy Phillips

Also Present: Acting City Manager Brian Biesemeyer, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Boy Scout Troop 648, Scout Master Doug McFetters

INVOCATION – Mayor Lane requested a moment of silence to honor the victims of the Japan and Ecuador earthquakes and the death of City employee Kerry Fiske.

MAYOR'S REPORT – None

PRESENTATIONS

- **Arizona Public Service Company Peak Solutions Rebate**
Presenter(s): Patty McLaughlin, Key Account Manager, Arizona Public Service

Acting City Manager Brian Biesemeyer gave a brief presentation (attached) on the Peak Solutions Rebate Program. Following Mr. Biesemeyer's presentation, Arizona Public Service representatives Patty McLaughlin, Key Account Manager, and Rustyn Sherer, Community Affairs Manager, presented a rebate check to the Mayor.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

PUBLIC COMMENT – Michael Fernandez commented on transportation and fixed-rail transit.

MINUTES

Request: Approve the 4:00 P.M. Special Meeting Minutes of March 22, 2016, the 5:00 P.M. Special Minutes of March 22, 2016, and Special Meeting Minutes of March 29, 2016; and Executive Session Minutes of March 22, 2016.

MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the 4:00 P.M. Special Meeting Minutes of March 22, 2016; 5:00 P.M. Special Meeting Minutes of March 22, 2016; Special Meeting Minutes of March 29, 2016; and Executive Session Minutes of March 22, 2016. Councilwoman Littlefield seconded the motion, which carried 7/0.

CONSENT AGENDA

1. **Gwin Wine and Beer Liquor License (23-LL-2016)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 7 (beer and wine bar) State liquor license for a new location and owner.
Location: 7342 E. Shea Boulevard, Suite 109
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. **Papi Chulo's/Days Hotel Liquor License (24-LL-2016)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 6 (bar) State liquor license for an existing location with a new owner.
Location: 5101 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

3. **Impact Church/Sunrise Luxury Living Perimeter Exception (1-PE-2015)**
Requests:
 1. Approve a 2-lot Perimeter Exception Final Plat and associated development agreement on 11.2± acres.
 2. Adopt **Resolution No. 10365** authorizing Development Agreement No. 2016-027-COS with Sunrise Hayden Owner, LLC, and Impact Church, Inc., related to the Sunrise Commons Perimeter Exception Plat.**Location:** 15333 N. Hayden Road
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

- 4. Pima and Los Gatos State Land, a.k.a. White Horse, Final Plat (5-PP-2015)**
Request: Approve the final plat for a 50-lot residential subdivision with Single-Family Residential, Environmentally Sensitive Lands (R1-35 ESL) zoning on 28± acres located at the northeast corner of N. Pima Road and E. Los Gatos Drive and 30± acres located south of the southeast corner of N. Pima Road and E. Los Gatos Drive.
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 5. Multi-Use Path Land Use and Construction Period License Agreement**
Request: Adopt **Resolution No. 10385** authorizing Agreement No. 2016-046-COS with the Central Arizona Water Conservation District for the construction and maintenance of a multi-use path along the Central Arizona Project Canal between 124th Street and 125th Street.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 6. WestWorld Path and Trail Connections Project Engineering Services Contract**
Request: Adopt **Resolution No. 10405** authorizing Contract No. 2015-212-COS-A1 with Kimley-Horn and Associates, Inc., in the amount of \$397,086 to provide final design services for the WestWorld Path and Trail Connections project.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 7. Thomas Road Corridor ITS Improvements Grant**
Request: Adopt **Resolution No. 10380** to authorize:

 1. Acceptance of a grant in the amount of \$368,713 awarded by the Congestion Mitigation and Air Quality Improvement Program through the Arizona Department of Transportation.
 2. A FY 2015/16 CIP Future Grants budget appropriation contingency transfer in the amount of \$368,713 to a newly created CIP project to be titled Thomas Road Corridor ITS Improvements to be funded by the grant funding source.
 3. A FY 2015/16 Transportation Sales Tax budget appropriation transfer in the amount of \$115,000 from the ITS/Signal System Upgrades CIP project (TB56) to a newly created CIP project titled Thomas Road Corridor ITS Improvements to be funded by the Transportation Sales Tax funding source.

Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 8. Housing Rehabilitation Program Revised Guidelines**
Request: Adopt **Resolution No. 10371** to:

 1. Approve the revised program guidelines for the Housing Rehabilitation Program to incorporate the green building principles.
 2. Authorize an increase in the maximum Housing Rehabilitation Program loan limit from \$35,000 to \$50,000.
 3. Approve a permit fee waiver of the City's approved Planning, Neighborhood and Transportation Department Rates and Fees Minimum Combination Miscellaneous Permit Fee associated with participation in the Housing Rehabilitation Program.

Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov

9. Appointments of Pro Tem Judges for City Court

Request: Adopt **Resolution No. 10410** to approve:

1. The following initial appointments of Pro Tem Judges for a two-year term for the period of May 17, 2016, through May 17, 2018: Jennifer Dalton, James Hart, Robert Melton, and Thomas Wilson.
2. The following reappointments of Pro Tem Judges for a four-year term for the period of May 17, 2016, through May 17, 2020: Susan Kayler and Thomas Scarduzio.

Staff Contact(s): Joseph Olcavage, Presiding Judge, 480-312-2775, c/o jdymas@scottsdaleaz.gov

Mayor Lane opened public testimony.

Sandra Schenkat, Scottsdale resident, suggested that the City hire an additional judge.

Mayor Lane closed public testimony.

10. City Court Jury Services Intergovernmental Agreement Extension

Request: Adopt **Resolution No. 10397** authorizing Agreement No. 2014-074-COS-A1 with the Superior Court of Arizona in Maricopa County to extend the agreement for jury services for an additional two years from June 30, 2016, to June 30, 2018.

Staff Contact(s): Joseph Olcavage, Presiding Judge, 480-312-2775, c/o jdymas@scottsdaleaz.gov

11. Arizona Internet Crimes Against Children Task Force Intergovernmental Agreement

Request: Adopt **Resolution No. 10393** authorizing Agreement No. 2016-043-COS with the City of Phoenix for participation in the Arizona Internet Crimes Against Children Task Force.

Staff Contact(s): Alan Rodbell, Chief of Police, 480-312-1900, arodbell@scottsdaleaz.gov

12. Monthly Financial Report

Request: Accept the FY 2015/16 Monthly Financial Report as of February 2016.

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 12. Councilwoman Klapp seconded the motion, which carried 7/0.

REGULAR AGENDA

13. Proposed Fiscal Year 2016/17 Operating Budget and Capital Improvement Plan

Request: Presentation, discussion and possible direction to staff regarding the Proposed FY 2016/17 Operating Budget and Capital Improvement Plan.

Presenter(s): Judy Doyle, Budget Director; Brian Biesemeyer, Acting City Manager; Alan Rodbell, Police Chief; Dan Worth, Public Works Director; and Lee Guillory, Finance Director

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

Acting City Manager Brian Biesemeyer and Budget Director Judy Doyle gave a PowerPoint presentation (attached) on the proposed FY 2016/17 operating budget and capital improvement plan.

Police Chief Alan Rodbell gave a PowerPoint presentation (attached) on the Police Department operations study and reorganization proposal.

Public Works Director Dan Worth gave a PowerPoint presentation (attached) on the Capital Improvement Plan.

Finance Director Lee Guillory gave a PowerPoint presentation (attached) on property taxes.

MOTION NO. 1 AND VOTE – ITEM 13

Councilwoman Milhaven made a motion to direct staff to include the Police Chief's reorganization in the budget; however, no additional positions will be added until the Council receives an update from Charter Officers that takes a deeper dive into the data and a policy decision has been queued up around what kinds of calls the Police respond to, who should be responding to the calls, how many personnel are dispatched to handle calls, and timeframes around how much time is spent on the calls. Mayor Lane seconded the motion, which carried 4/3, with Councilmembers Klapp, Littlefield, and Phillips dissenting.

MOTION NO. 2 AND VOTE – ITEM 13

Vice Mayor Smith made a motion to change the property tax in the budget to include the two-percent allowance for this year. Councilmember Korte seconded the motion, which failed 2/5, with Mayor Lane and Councilmembers Klapp, Littlefield, Milhaven, and Phillips dissenting.

Council requested the following information prior to the tentative budget adoption:

- Reconciliation on Capital Improvement Projects, including list of projects, expenditures, and allocated funding sources.
- Analysis on the City's depreciable assets, including accumulated depreciation of assets and how continued maintenance and improvements add to the anticipated life of the assets.

14. Public Hearing on the Community Development Block Grant Program Fiscal Year 2016/17 Annual Action Plan

Requests:

1. Solicit public testimony regarding the FY 2016/17 Annual Action Plan for the use of Community Development Block Grant (CDBG) funds in the amount of \$1,183,016 and HOME Investment Partnership Program (HOME) funds in the amount of \$270,287; and
2. Adopt **Resolution No. 10370** to:
 - a. Approve the FY 2016/17 Annual Action Plan (Plan) for the City CDBG Program and authorize the City Manager to execute, on behalf of the City, appropriate certifications and submit the Plan to the U.S. Department of Housing and Urban Development (HUD).
 - b. Authorize the City Manager to execute, on behalf of the City, a contract with HUD for FY 2016/17 CDBG funding and approve the purposes for which the funds may be expended.

- c. Approve the manner in which the FY 2016/17 HOME funds shall be allocated.
- d. Approve the reprogramming of remaining CDBG and HOME funds under prior year's funding.
- e. Approve the return of program income from the repayment of deferred loans from recipients of the Housing Rehabilitation Program to the City's CDBG Line of Credit or Revolving Loan Fund to be expended on eligible rehabilitation activities.
- f. Approve the return of all other program income from CDBG funded activities to the City's CDBG Line of Credit to be expended on other eligible CDBG activities.
- g. Approve allocations for CDBG and HOME funds, as recommended by the Human Services Commission and described in Exhibits A and B of the resolution, contingent upon HUD's allocation and the City's receipt of such funds and each sub-recipient's successful performance of its obligations under the CDBG and HOME contracts with the City.
- h. Authorize the Mayor to execute, on behalf of the City, contracts with agencies to be funded with CDBG and HOME funds for FY 2016/17, contingent upon HUD's allocation and the City's receipt of such funds, and subject to and contingent upon the execution of the HUD grant contracts for FY 2016/17 funding and final negotiation of scopes of work and contract terms with sub-recipients.
- i. Authorize the Community Assistance Manager to execute all documents related to the City's Housing Rehabilitation Program; adjust the allocations of CDBG and HOME funds as necessary based upon final federal funding allocations to the City and program income received; and to execute any other documents and take such other actions as are necessary to carry out the intent of this resolution.

Presenter(s): Michelle Albanese, Community Assistance Manager

Staff Contact(s): William Murphy, Community Services Director, 480-312-7954,
bmurphy@scottsdaleaz.gov

Community Assistance Manager Michelle Albanese gave a PowerPoint presentation (attached) on the Community Development Block Grant 2016/17 annual action plan and proposed allocation of CDBG and HOME Investment Partnership Program funds.

Mayor Lane opened public testimony.

David Henderson, Scottsdale Training and Rehabilitation Services (STARS), expressed appreciation for the CDBG funds allocated to STARS.

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 14

Councilman Phillips made a motion to adopt Resolution No. 10370, including items "a" through "i." Councilwoman Littlefield seconded the motion, which carried 7/0.

14A. Shoeman Office Building Rezoning (7-ZN-2015)

Requests:

1. Adopt **Ordinance No. 4240** approving a zoning district map amendment from Central Business Downtown Overlay (C-2 DO) and Highway Commercial Downtown Overlay (C-3 DO) zoning to Downtown/Downtown Multiple Use Type-2, Planned Block Development, Downtown Overlay (D/DMU-2, PBD, DO) zoning, including approval of Property Development Standards and a Development Plan on a 1.96±-acre site located at 4419 N. Scottsdale Road, 7223 E. Shoeman Lane, and 7233 E. Shoeman Lane.
2. Adopt **Resolution No. 10357** authorizing Development Agreement No. 2016-021-COS with Stockdale Galleria Land Owner, LLC, for property generally located at 4419 N. Scottsdale Road.
3. Adopt **Resolution No. 10366** declaring the document entitled "Shoeman Office Building Development Plan, 7-ZN-2015" to be a public record.

Presenter(s): Dan Symer, Sr. Planner

Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

MOTION AND VOTE – ITEM 14A

Councilmember Korte made a motion to continue Item 14A to May 10, 2016. Councilwoman Milhaven seconded the motion, which carried 7/0.

15. Transportation Capital Improvements Projects Grants

Request: Adopt **Resolution No. 10416** to authorize:

1. Acceptance of three federal grants in the total amount of \$4,778,228 awarded by the Congestion Mitigation and Air Quality Program.
2. Acceptance of one federal grant in the amount of \$1,214,450 awarded by the Transportation Alternatives Program.
3. The inclusion of three new capital projects for the federal grants in the FY 2016/17 through FY 2020/21 Tentative Capital Improvement Plan Budget.

Presenter(s): Paul Basha, Transportation Director

Staff Contact(s): Paul Basha, Transportation Director, 480-312-7651, pbasha@scottsdaleaz.gov

Transportation Director Paul Basha gave a PowerPoint presentation (attached) on the request to accept three federal transportation capital improvement projects grants.

MOTION AND VOTE – ITEM 15

Councilmember Korte made a motion to adopt Resolution No. 10416. Councilwoman Milhaven seconded the motion, which carried 7/0.

16. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of March 2016.

Presenter(s): Jeff Nichols, City Treasurer

Staff Contact(s): Judy Doyle, Budget Director, 480-312-2603, jdoyle@scottsdaleaz.gov

City Treasurer Jeff Nichols gave a PowerPoint presentation (attached) on the City's financial status as of March 2016.

PUBLIC COMMENT – None

CITIZEN PETITIONS

17. 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

18. Request to Agendize a Discussion on a Blended District Form of Government

Request: At the request of Mayor Lane, staff is to agendize a presentation, discussion and possible direction to staff of a Charter amendment to create a blended district form of government with three Councilmembers elected by district and the Mayor and three Councilmembers elected at large, including a timeline, possible election dates, and draft ballot language.

MOTION NO. 1 AND VOTE – ITEM 18

Mayor Lane made a motion to agendize a presentation, discussion and possible direction to staff of a Charter amendment to create a blended district form of government with three Councilmembers elected by district and the Mayor and three Councilmembers elected at large, including a timeline, possible election dates, and draft ballot language. Councilwoman Klapp seconded the motion, which failed 2/5, with Vice Mayor Smith and Councilmembers Korte, Littlefield, Milhaven, and Phillips dissenting.

MOTION NO. 2 – ITEM 18

Councilmember Korte made an alternate motion to agendize a presentation, discussion, and possible direction to staff of a Charter amendment to create a district form of government. The motion died for lack of a second.

MOTION NO. 3 – ITEM 18

Councilwoman Klapp made a motion to direct staff to review all forms of districting and return to the Council with several options for discussion in a work study session. The motion died for lack of a second.

MOTION NO. 4 AND VOTE – ITEM 18

Mayor Lane made a motion to direct staff to review a process of a blended form of districting, as well as other forms of district representation, and return for a discussion at a Council meeting. Councilwoman Klapp seconded the motion, which failed 2/5, with Vice Mayor Smith and Councilmembers Korte, Littlefield, Milhaven, and Phillips dissenting.

19. Boards, Commissions, and Task Force Nominations (Note: Interviews and appointments scheduled for May 3, 2016)

Board of Adjustment (*two vacancies*) – Councilwoman Milhaven nominated Sergio Martinez; Councilwoman Klapp nominated Greg Mona; and Councilmember Korte nominated Andy Jochums

Building Advisory Board of Appeals (*two vacancies*) – No applications were received

Historic Preservation Commission (*one real estate professional vacancy*) – Councilwoman Littlefield nominated Doug Craig

Industrial Development Authority (*one vacancy*) – Councilman Phillips nominated Matthew Ligouri and Mayor Lane nominated Andrew Armstrong

Loss Trust Fund Board (*one vacancy*) – No applications were received

McDowell Sonoran Preserve Commission (*one vacancy*) – Vice Mayor Smith nominated Robert Alpert; Mayor Lane nominated Larry Person; and Councilwoman Milhaven nominated Cassandra Jonkosky

Parks and Recreation Commission (*one vacancy*) – Councilmember Korte nominated Fred Klein

Personnel Board (*one vacancy*) – No applications were received

Tourism Development Commission (*one industry representative vacancy*) – Mayor Lane nominated Carl Grupp and Councilwoman Littlefield nominated Trey Brennan

ADJOURNMENT

The Regular City Council Meeting adjourned at 8:48 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on May 17, 2016

CERTIFICATE

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 19th day of April 2016.

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

DATED this 17th day of May 2016.



Carolyn Jagger, City Clerk

Item 13

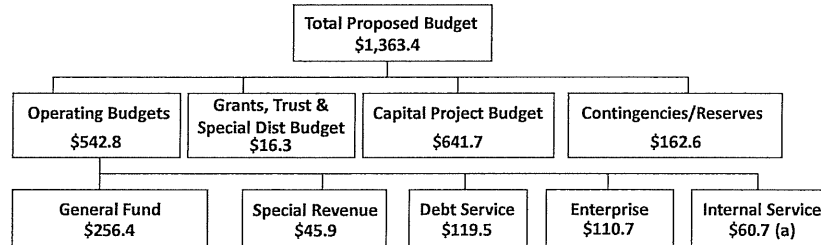
**Proposed
FY 2016/17 Operating &
Capital Budget**

April 19, 2016 City Council Meeting

City Council Budget Review Schedule

Tue., May 3	Direction on Budget Related Items <i>(if needed)</i>
Tue., May 17	Public Hearing and Tentative Budget Adoption; Final Adoption of Rates & Fees
Tue., June 7	Public Hearing and Final Budget Adoption; If needed, Truth and Taxation Hearing
Tue., June 21	Public Hearing and Final Adoption of Tax Levies

FY 2016/17 Proposed Budget (\$ millions)



Rounding differences may occur

(a) Internal Service Fund Charges of \$50.4 million are included in the budgets of other funds and are, therefore, eliminated in the total Operating Budgets of \$542.8

FY 2016/17 Proposed Budget

- Balanced Budget
- Incorporates Council Priorities and Policy Direction

FY 2016/17 Proposed Budget

- Operating Budget Overview – Judy Doyle, Budget Director
- Police Department Operations Study / Reorganization – Alan Rodbell, Police Chief
- Capital Improvement Plan Overview – Dan Worth, Public Works Director
- Property Tax – Lee Guillory, Finance Director

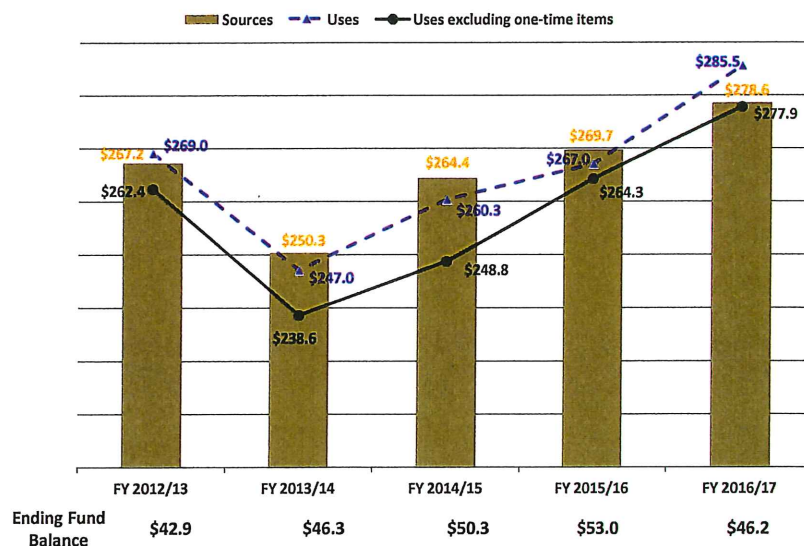
Operating Budget Overview

General Fund Operating Budget Historical Summary (\$ in millions)

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Beginning Balance	\$44.8	\$42.9	\$46.3	\$50.3	\$53.0
Revenues	\$258.0	\$239.4	\$254.3	\$258.2	\$266.1
Transfers In	\$9.2	\$10.9	\$10.0	\$11.5	\$12.5
Total Sources	\$267.2	\$250.3	\$264.4	\$269.7	\$278.6
Expenditures	\$249.6	\$227.8	\$234.8	\$245.2	\$259.3
Debt Service	\$10.7	\$12.8	\$12.6	\$14.4	\$15.5
Transfers Out	\$8.7	\$6.3	\$12.9	\$7.5	\$10.8
Total Uses	\$269.0	\$247.0	\$260.3	\$267.0	\$285.5
Ending Balance	\$42.9	\$46.3	\$50.3	\$53.0	\$46.2

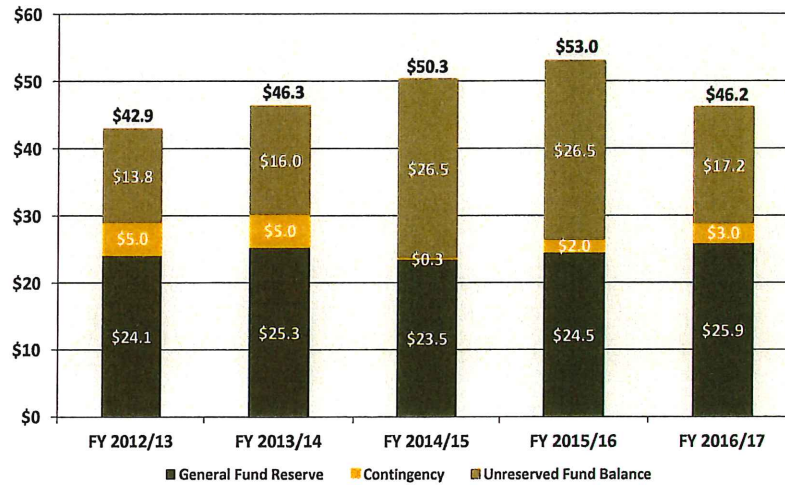
Rounding differences may occur.

General Fund Sources vs Uses (\$ in millions)



Rounding differences may occur

GF Historical Ending Balance (\$ in millions)



Rounding differences may occur

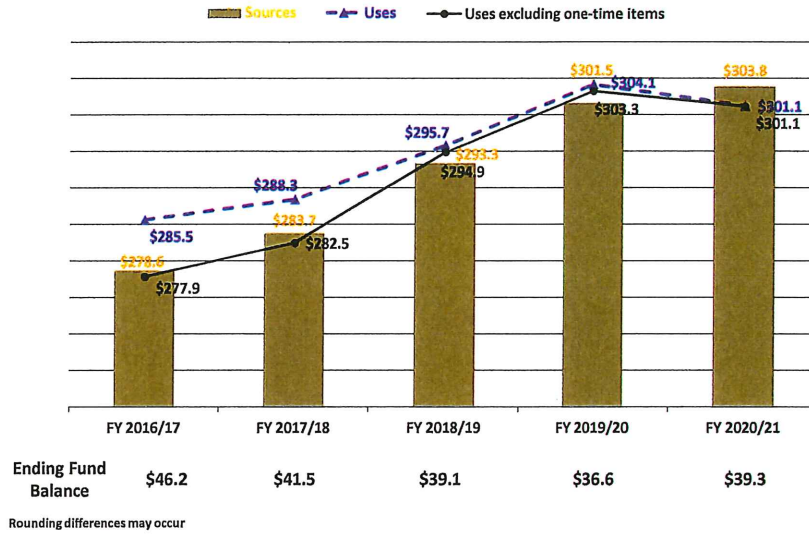
General Fund 5 Year Forecast Summary

(\$ in millions)

	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21
Beginning Balance	\$53.0	\$46.2	\$41.5	\$39.1	\$36.6
Revenues	\$266.1	\$270.3	\$277.4	\$284.9	\$292.6
Transfers In	\$12.5	\$13.4	\$15.8	\$16.6	\$11.2
Total Sources	\$278.6	\$283.7	\$293.3	\$301.5	\$303.8
Expenditures	\$259.3	\$258.1	\$264.5	\$271.4	\$273.1
Debt Service	\$15.5	\$16.3	\$18.8	\$19.6	\$14.3
Transfers Out	\$10.8	\$13.9	\$12.3	\$13.1	\$13.7
Total Uses	\$285.5	\$288.3	\$295.7	\$304.1	\$301.1
Ending Balance	\$46.2	\$41.5	\$39.1	\$36.6	\$39.3

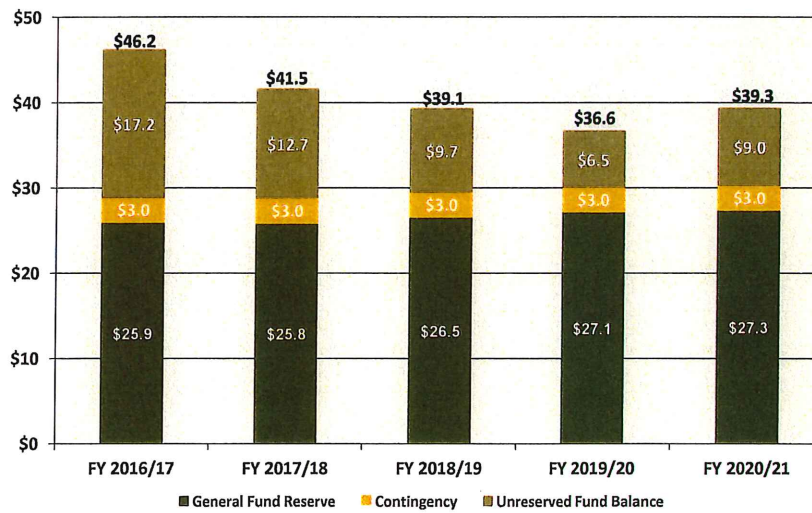
Rounding differences may occur.

General Fund Sources vs Uses (\$ in millions)



GF 5 Year Forecast Ending Balance (\$ in millions)

(\$ in millions)



Change in General Fund Sources *(\$ in millions)*

Category	FY 2015/16 Forecast	FY 2016/17 Proposed	Difference
1.1% Local Sales Tax	\$114.0	\$117.6	\$3.6
State Shared Revenue	\$55.5	\$58.8	\$3.3
Property Tax—Primary	\$26.0	\$26.4	\$0.4
Franchise Fees/In-Lieu	\$12.3	\$12.3	\$0.0
Charges for Svc/Other	\$44.4	\$44.6	\$0.2
Indirect/Direct Cost Alloc.	\$6.0	\$6.4	\$0.4
Transfers In:			
- Enterprise	\$7.2	\$7.2	\$0.0
- Tourism	\$1.5	\$1.5	\$0.0
- Other	\$2.8	\$3.8	\$1.0
Total Sources	\$269.7	\$278.6	\$8.9

Rounding differences may occur

Change in General Fund Uses *(\$ in millions)*

Category	FY 2015/16 Forecast	FY 2016/17 Proposed	Difference
Personnel Services	\$177.1	\$188.3	\$11.2
Contractual	\$56.3	\$59.7	\$3.4
Commodities	\$8.4	\$8.0	(\$0.4)
Capital Outlays	\$0.5	\$0.5	-
Debt Svc & Contracts Payable	\$17.2	\$18.3	\$1.1
Transfers Out	\$7.5	\$10.8	\$3.2
Total Uses	\$267.0	\$285.5	\$18.5

Rounding differences may occur

Change in General Fund Divisions

(\$ in millions)

Division	FY 2015/16 Forecast	FY 2016/17 Proposed	Difference
Mayor/Council & Charter Officers	\$20.7	\$22.5	\$1.8
Administrative Services	\$15.8	\$17.1	\$1.3
Community & Economic Dev	\$24.7	\$25.8	\$1.1
Community Services	\$35.2	\$36.4	\$1.2
Public Safety - Fire	\$34.2	\$36.9	\$2.7
Public Safety - Police	\$93.8	\$98.6	\$4.8
Public Works	\$18.3	\$21.1	\$2.8
Vacancy Savings	(\$1.2)	(\$3.9)	(\$2.7)
Payouts (Medical & Vacation)	\$0.8	\$1.9	\$1.1
Total Divisions	\$242.3	\$256.4	\$14.1

Rounding differences may occur

Significant General Fund Uses Increases

(\$ in millions)

27 th Pay Period	\$6.2
Merit pay – 3% to max for employees who perform well	\$2.5
Police Officer compensation – 5% Step	\$1.3
Firefighter, Fire Engineer & Fire Captain – 5% step and increases for paramedic / specialty pays	\$1.1
Employee Healthcare	\$1.1

General Fund Package Requests *(\$ in millions)*

One-Time Items

Roof recoating - phase 1 of 4	\$0.7
Fire panels	\$0.3
Carpet replacement	\$0.3
Door repair/replacement	\$0.3
HVAC replacement at Urban Design Studio	\$0.2
Citywide re-lamping - phase 1 of 4	\$0.1
Scottsdale Stadium pad replacing	\$0.1

General Fund Package Requests *(\$ in millions)*

Cultural Council contract facility upgrades	\$0.4
Playground equipment replacement	\$0.3
<i>Subtotal One-Time Items</i>	<i>\$2.7</i>
<i>Ongoing Items</i>	
Transfer 2 FTE from Court Enhancement Fund <i>(final year)</i>	\$0.2
Cultural Council 3% contract increase	\$0.2
Facilities base to maintain infrastructure	\$0.4
<i>Subtotal Ongoing Items</i>	<i>\$0.8</i>
General Fund Total	\$3.5

Other Funds Package Requests *(\$ in millions)*

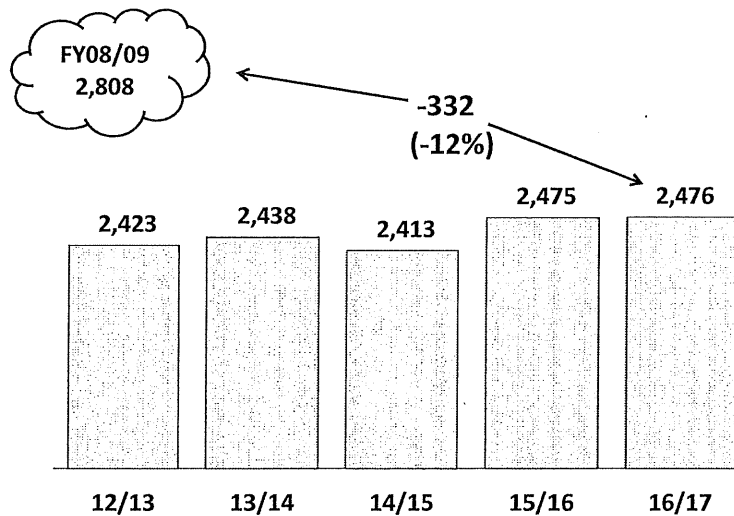
One-Time Item

Downtown ambiance lighting	\$0.5
----------------------------	-------

Ongoing Items

Destination marketing contract	\$0.9
Airport – new fire truck	\$0.9
Solid Waste residential service increase	\$0.4
Median landscaping contract	\$0.4
Downtown event activation	\$0.3
Traffic Management Center continued maintenance and operation	\$0.2
Other Funds Total	\$3.6

Staffing Levels (FTEs)



Full-Time Equivalent (FTE) Changes

Division	FTEs	Fund
Public Works	1.00	Transportation
Public Works	2.00	Solid Waste
Community Services	1.00	Special Programs
Community Services	1.00	Grant
Water Resources	2.00	Water Reclamation
Administrative Services	0.50	General
C&ED – Transportation	0.50	Transportation
Fire	0.40	General
City Treasurer	-1.00	General
Police	-6.40	General
Total	1.00	

General Fund = -6.50 FTE

Police Department Operations Study / Reorganization

Background

- November 2014: PD Reorganization Proposal Submitted to City Management to address staff needs, efficiency savings and service delivery
- June 2015: City Budget for FY 2015/16 included funding for comprehensive management study of Police Department
- July 2015: CPSM awarded \$70,800 contract for comprehensive study of Police Department
 - CPSM is consultant arm of ICMA and has conducted over 200 assessments of Police Departments
- Sept 2015: CPSM study began
 - Extensive data was submitted throughout September and October
 - Onsite visits, focus groups, and interviews September 22-25 & October 8, 2015
 - January 22, 2016: Final report and recommendations submitted to the city by CPSM

CPSM Findings

- Findings included accolades and recommendations
 - “The Scottsdale Police Department may well be the finest police agency CPSM has assessed.”
 - “This underscores the dynamic nature of the department and its willingness to constantly examine better strategies to improve organizational effectiveness.”
 - “These recommendations present opportunities to build upon the strengths of an outstanding organization by offering additional steps that might be taken to improve operations.”
- 64 recommendations submitted by CPSM
- Scottsdale PD response in three phases
 - FY 2016/17 Budget submittal, including some CPSM recommendations
 - March 2016 Reorganizational proposal to address staff needs, efficiency savings and service delivery, including some CPSM recommendations
 - Police Strategic Plan, to be updated in FY 2016/17 with remaining CPSM recommendations

2016 Police Department Reorganization

- Based on findings in the CPSM report and current needs in the department
- Address other identified organizational resource needs, and streamline the organization to achieve efficiency savings
- Supported by further staggering of patrol shift start times to increase overlap of resources and improve efficiency, and allowing redeployment and reduction of sworn staffing
- Includes both internally identified, and CPSM identified, changes to the organizational structure.
- Fulfills many of the staffing and organizational structure recommendations put forth in the CPSM report

2016 Police Department Reorganization

- Add 2 part-time dispatchers (1.0 total FTE)
- Add 2 part-time records specialists (1.0 total FTE)
- Add 1 part-time parking control position (0.6 total FTE) to Traffic Enforcement
- Add 1 full-time civilian records specialist for ACJIS in Dispatch (1.0 total FTE)
- Reduce 10 sworn police officers through attrition (-10.0 total FTE)
- Reclassify 1 sworn detective position to a civilian forensic accountant
- Reclassify 1 vacant polygraph examiner to a personnel manager
- Reclassify 1 vacant background investigator to a communications supervisor
- Downgrade 1 lieutenant position to a sergeant position through attrition

- Total change in personnel is a reduction of 6.4 FTEs
- Total financial impact is a reduction of \$340,000
(- \$750,000 for reorg + \$410,000 for priority budget packages)

Capital Improvement Plan (CIP) Overview

CIP General Fund Contribution *(\$ in million)*

25% of Construction Sales Tax	\$2.3
Net Interest in Excess of \$1 million	\$0.4
1.1% Food Tax	\$2.5
Unreserved Fund Balance	<u>\$5.0</u>
Total	\$10.2

Rounding differences may occur

Proposed Capital Improvement Plan

FY 2016/17 Changes from previous discussion with Council:

General Fund

1. Downtown Public Restroom Main Street
2. Downtown Lighting & Electrical Outlets
3. Scottsdale Stadium Safety Repairs & Maintenance
4. Closed Circuit TV / Security Camera Access Control Replacement
5. McCormick Park Reservoir Removal
6. License and Permit Management System

Transportation Fund

1. Downtown Sidewalk Improvements
2. Second Street Bike Path Connection

Proposed CIP General Fund Budget (\$ in millions)

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
ANTICIPATED BEGINNING CASH BALANCE	24.3	18.0	15.6	17.2	15.1
25% Construction Sales Tax	2.3	2.4	2.4	2.4	2.4
Net Interest in excess of \$1M	0.4	1.0	1.6	2.1	2.4
Food Tax	2.5	5.1	7.9	8.1	8.4
Unreserved Fund Balance	5.0	5.0	-	-	-
Interest Earnings	0.0	0.0	0.1	0.1	0.1
Total Resources	34.5	31.5	27.6	27.9	26.4
Granite Reef Watershed	6.4	-	-	-	-
* Data Center Resiliency Plan	-	4.9	-	-	-
Indian Bend Wash Lakes Phase I	2.6	-	-	-	-
* Facilities Repair & Maintenance	1.5	1.9	1.8	1.8	2.2
* IT-Server Infrastructure	0.8	0.3	1.7	0.8	0.6
* WestWorld Tent Removal	0.7	-	-	-	-
Fire Stations 613, 616, 603, 605	0.6	-	-	-	-
* Aquatics Chemical System Replacement	0.5	1.5	1.5	-	-
Public Safety Radio System Phase I	0.5	-	-	-	-
Skysong	0.4	-	-	-	-
* IT-Network Infrastructure	0.3	0.3	0.4	0.4	0.5
Payroll System Replacement	0.3	-	-	-	-
* Crime Laboratory Equipment Replacement	0.2	0.2	0.3	0.3	0.3
Loop 101 Detention Basin	0.2	-	-	-	-
TNEC	0.2	-	-	-	-
* Public Safety Radio Network Lifecycle Project	0.2	1.3	0.2	0.2	0.2
* Police Portable & Vehicle Radio Replacement	0.1	1.1	1.1	1.0	1.0
Other Projects with Minor Balances	0.3	-	-	-	-
* CityCable Audio/Video Equip Replacements	-	0.2	0.0	-	0.2
* Crime Lab Latent Print Comparison & AFIS Room	0.0	-	-	-	-
* City Microwave Radio Network Upgrade	-	-	-	3.0	-
* Renovate Vista del Camino Park/BW Area	-	18.5	-	-	-
* Downtown Public Restroom Main Street	0.7	-	-	-	-
* Downtown Lighting & Electrical Outlets	0.8	-	-	-	-
* Scottsdale Stadium Safety Repairs & Maintenance	1.2	0.5	-	-	-
* License and Permit Management System	0.3	-	-	-	-
* CCTV/Security Camera Access Control Repl	0.6	0.4	0.4	0.2	0.2
* McCormick Park Reservoir Removal	1.0	-	-	-	-
Total Expenditures Budget	30.8	31.1	24.4	27.7	25.2
Total Estimated Expenditures	(16.6)	(15.9)	(10.4)	(14.8)	(14.3)
CASH BALANCE AT END OF EACH YEAR	18.0	15.6	17.2	15.1	14.1

* New projects or significant changes

Rounding differences may occur

Proposed CIP Transp. Budget (\$ in millions)

	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21
ANTICIPATED BEGINNING CASH BALANCE	19.3	7.5	2.2	3.0	5.0
50% Transportation Sales Tax	10.2	10.5	10.8	11.2	11.5
Interest Income	0.1	0.1	0.1	0.1	0.1
Total Revenue	29.5	18.1	13.1	14.3	16.6
* Pavement Overlay	6.7	6.6	6.6	6.6	6.6
* Raintree: Scottsdale to Hayden	4.1	-	-	-	-
* ITS/Signal Systems Upgrade	2.0	-	-	-	-
* Intersection Mobility Enhancements	1.7	0.8	0.8	0.8	0.8
FLW: Scottsdale Rd to Shea	0.7	-	-	-	-
Redfield: Raintree to Hayden	0.6	-	-	-	-
Pima: Pinnacle Peak to Happy Valley	0.5	1.4	-	-	-
* Streets North Storage Yard	0.5	-	-	-	-
Raintree: Hayden to Loop 101	0.5	2.0	-	-	-
Pima: Krail Street to Chaparral	0.4	0.3	0.8	-	-
* Trail Program	0.6	0.4	0.4	0.4	0.4
* Bikeways Program	0.5	0.5	0.5	0.5	0.5
Southbound Loop 101 Frontage Rd Connections	0.3	-	-	-	-
WestWorld Trail Connections	0.3	-	-	-	-
* Traffic Signals	0.3	0.3	0.3	0.3	0.3
* Sidewalk Improvements	0.4	0.4	0.4	0.4	0.4
* Replace Drainage Grates	0.1	0.1	0.1	0.1	0.1
* Transit Stop Improvements	0.3	0.1	0.1	0.1	0.1
* Neighborhood Traffic Management Program	0.3	0.3	0.3	0.3	0.3
Transit Vehicle Refurbishment	0.1	-	-	-	-
* Downtown Sidewalk Improvements	4.0	-	-	-	-
* Second Street Bike Path Connection	0.1	0.3	-	-	-
Total Expenditure Budget	24.7	13.3	10.1	9.3	9.3
Total Estimated Expenditures	(22.1)	(15.8)	(10.1)	(9.3)	(9.1)
CASH BALANCE AT END OF EACH YEAR	7.5	2.2	3.0	5.0	7.5

*New projects or significant changes

Rounding differences may occur

Property Tax

Property Taxes (\$ in millions, except rate)

Primary	GF	Growth	2%	Total GF	Tort	Total	Primary	Primary	Primary	Primary
	Primary		Allowance	Primary		Primary				
	Levy			Levy	Recovery	Levy		Valuation		
Prior (FY15/16)	\$25.7	\$0.3	\$ -	\$26.0	\$1.3	\$27.3		\$5,161.7		\$0.5293
Proposed (FY16/17)	\$26.0	\$0.4	\$ -	\$26.4	\$1.0	\$27.4	0.4%	\$5,398.9	4.6%	\$0.5069 -4.2%

Secondary	Debt	Debt Service	Total	Secondary	Secondary	Secondary
	Service	Reserve	Secondary	Assessed	Rate	
			Levy	Valuation		
Prior (FY15/16)	\$32.7	(\$0.5)	\$32.2	\$5,161.7	\$0.6244	
Proposed (FY16/17)	\$34.1	(\$0.5)	\$33.6	\$5,398.9	\$0.6219 -0.4%	

Total	Total Levy		Total Rate
Prior (FY15/16)	\$59.5		\$1.1537
Proposed (FY16/17)	\$61.0	2.5%	\$1.1288 -2.2%

Rounding differences may occur

Questions?

Item 14

**Community Development Block Grant (CDBG)
HOME Investment Partnership Programs**

**Solicit public testimony on the
FY 2016/2017 Annual Action Plan
Adopt Resolution No. 10370**

Community Development Block Grant (CDBG)

- Administered by U.S. Department of Housing and Urban Development (HUD)
- Non-competitive grants to cities over 50,000
- Eligible expenditures include:
 - public services (max. 15%), housing activities, public facilities, economic development, program administration (max. 20%)
- Minimum of 70% of the funds must benefit low- and moderate-income households
- Expenditures must be consistent with 5-Year Consolidated Plan

HOME Investment Partnership Program (HOME)

- **Scottsdale's participation in the Maricopa HOME Consortium**
- **The intent of the HOME program:**
 - **to provide decent affordable housing to lower-income households**
 - **expand the capacity of non-profit housing providers**
 - **strengthen the ability of state and local governments to provide housing**
 - **leverage private sector participation**
- **Requires local match funds of no less than 25%**

HUD Requirements

- **5-Year Consolidated Plan**
- **Annual Action Plan on the proposed use of all allocated funds**
- **Public participation and public hearings prior to adoption of Plan**
- **Annual Action Plan due to HUD by May 15, 2016**
- **July 1, 2016 starts FY 2016/17 funding**

**ANNUAL ACTION PLAN
FY 2016/17**

FY 16/17 Annual Action Plan Public Process

- Sept. 2, 2015** Notice of Request for Proposals
Published
- Sept. 30, 2015** Applicant Orientation – overview of
application process to non-profits
- Nov. 13, 2015** Proposal submission deadline
- Feb. 19, 2016** Human Services Commission
Agency presentations

FY 16/17 Annual Action Plan Public Process

- Mar 10, 2016** **Human Services Commission – Funding discussion & informal funding recommendations**
- Mar 24, 2016** **Human Services Commission - Formal funding recommendations**
- April 19, 2016** **City Council - Public Hearing CDBG/HOME**
- May 15, 2016** **Annual Action Plan due to HUD**

PROCESS IMPROVEMENTS

- **Proposal Submittal Requirements**
 - Limit one proposal per agency per funding source
 - Funding request caps
 - Scottsdale Cares – max 15% of available funding
 - General Funds – max of 20% of available funding
- **Leveraging additional resources - SRPMIC**
 - Salt River Pima Maricopa Indian Community funds
 - Fund 6 additional proposals (\$259,552)
 - Ability to fund all Agencies requesting General Funds

CDBG Funding History

FY	Allocation	Annual Reduction
13/14	\$ 908,128	
14/15	\$ 895,072	<\$13,056> Reduction
15/16	\$ 927,479	\$ 32,407 Increase
16/17	\$ 941,577	\$ 14,098 Increase

Funding increase of \$46,505 in the last 2 years

HOME Funding History

FY	Allocation	Annual Reduction
13/14	\$209,178	
14/15	\$220,405	\$ 11,227 increase
15/16	\$206,420	\$ <13,985>
16/17	\$234,124	\$ 27,704 increase

Net increase of \$24,946 from FY 13/14 to FY 16/17

Alternative Funding - SRPMIC

Salt River Pima Maricopa Indian Community

- **Tempe Community Action Agency (TCAA)**
Home Delivered Meals - \$79,568
Congregate Meals - \$58,319
- **Foothills Caring Corps - \$13,665**
- **Concerned Citizens for Community Health (CCCH) - \$ 15,000**
- **Central Arizona Shelter Services, Inc. (CASS)**
Regional Single Adult Shelter- \$53,000
A New Leaf – La Mesita Family Homeless Shelter - \$40,000

Funding Allocations FY 16/17

Community Development Block Grant (CDBG)

Available Funding

\$ 941,577 *FY 16/17 Allocation*

\$ 241,439 *Reprogrammed funds & Program Income*

\$ 1,183,016 *Total Funds Available*

Award Recommendations

\$ 883,373 *Programs & Services*

\$ 188,315 *Planning & Admin*

\$ 1,071,688 *Total Funds Recommended for Award*

***\$111,328 will be reprogrammed in FY 2017/18**

Funding Allocations FY 16/17

HOME Investment Partnerships Program

Available Funding

\$ 234,124 *FY 16/17 Allocation*
\$ 36,163 *Program Income Received*
\$270,287 *Total Funds Available*

Award Recommendations

\$ 200,654 *Awarded for Programs*
\$ 11,706 *Planning & Admin*
\$ 212,360 *Total Funds Recommended for Award*

\$57,927 *To be Reprogrammed to eligible projects*

Funding Proposals Summary FY 15/16

Fiscal Year 2016/17	Proposals Presented	Funds Available-Programs	Funds Requested	Proposals Recommended for Funding	Amount Awarded
CDBG	19	\$994,701	\$ 1,015,578	14	\$ 883,373
HOME	1	\$258,581	\$200,654	1	\$ 200,654
Total	20	\$ 1,253,282	\$1,216,232	15	\$1,084,027

Recommendations for CDBG FY 15/16

Public Services	\$154,992
Youth, Domestic Violence Victims, Seniors, Disabled and Homeless	
Non-Public Services - Housing	\$ 421,200
Housing Rehabilitation, Emergency and Roof Repair Programs	
Non-Public Services- Facilities/Improvements	\$307,181
Improvements to transitional shelter ADA Accessibility Modifications	
Program Administration	<u>\$ 188,315</u>
Total Funds Awarded	\$1,071,688

Recommendation for HOME FY 15/16

Housing Reconstruction	\$ 200,654
Program Administration	<u>\$ 11,706</u>
Total Funds Awarded	\$ 212,360

Adoption of Resolution No. 10370

- **Approves FY 2016/17 Annual Action Plan**
- **Approves the use, award and allocation of CDBG & HOME funds**
- **Authorizes the reprogramming of remaining CDBG/HOME funds**
- **Approves the return of program income**
- **Authorizes Mayor to execute CDBG contracts with agencies**

Adoption of Resolution No. 10074

- **Authorizes City Manager to execute contract with HUD**
- **Authorizes Community Assistance Manager to**
 - **execute documents related to the City's Housing Rehabilitation Program**
 - **adjust the allocation of CDBG and HOME funds based upon federal funding allocations**
 - **Take other actions necessary to carry out the intent of this Resolution**

Item 15

Four Transportation Grants Acceptance

City Council Meeting

April 19, 2016

Regular Agenda Item #15

Four Transportation Grants Acceptance

Total Cost Three Projects.....\$7,035,908

Total Four Grants.....\$5,992,678

Total Scottsdale Cost.....\$1,043,230

Four Transportation Grants Acceptance

McDowell Road: 64th Street to Pima Road Bike Lanes

2 Grants: Congestion Mitigation and Air Quality

Chaparral Road Underpass at Indian Bend Wash

1 Grant: Congestion Mitigation and Air Quality

Osborn Road: Scottsdale Road to Hayden Road

1 Grant: Transportation Alternatives Program

Bond and Grant Schedule History

Bond Discussed.....2 March 2015

Bond Direction Received.....21 April 2015

Bond Authorized.....3 June 2015

Grants Availability Announced.....10 August 2015

Applications Due.....21 September 2015

Awards Announced.....24 February 2016

Fiscal Year Scottsdale Expenditures

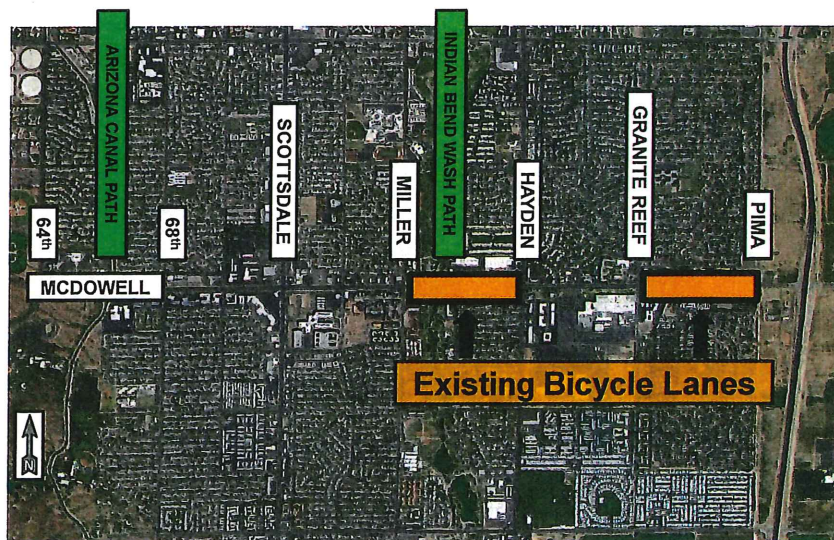
Fiscal Year 2016 / 2017.....\$26,790

Fiscal Year 2017 / 2018.....\$533,551

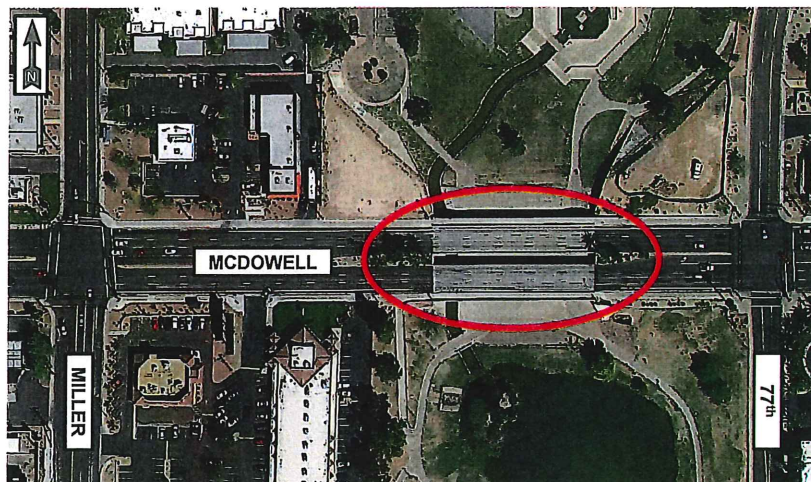
Fiscal Year 2018 / 2019.....\$399,481

Fiscal Year 2019 / 2020.....\$83,408

McDowell Road: 64th Street to Pima Road



McDowell Road: 64th Street to Pima Road

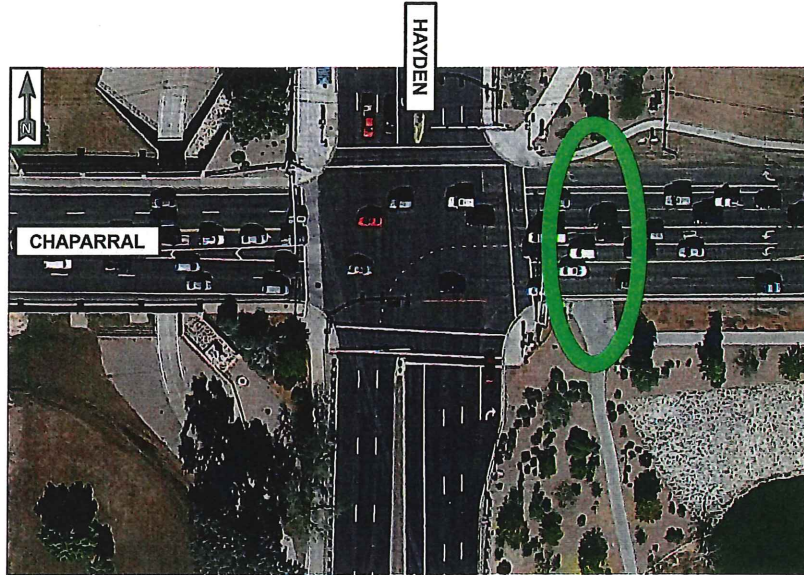


7

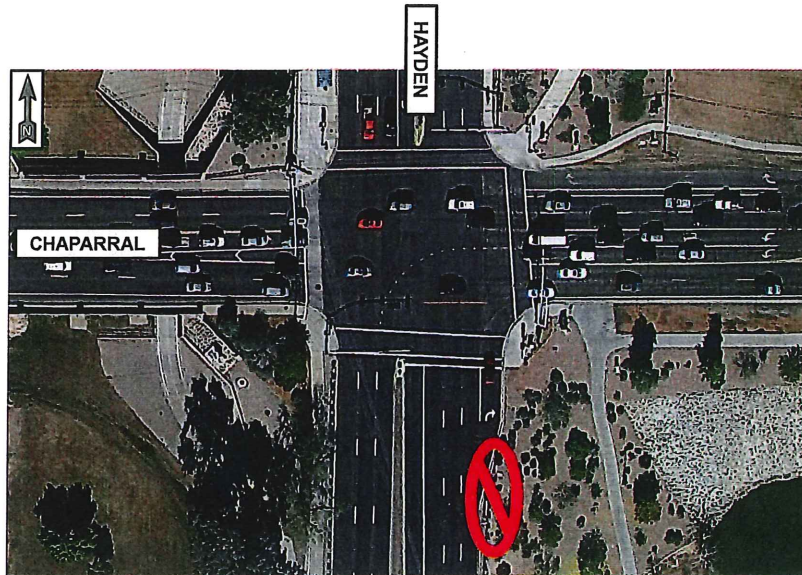
McDowell Road: 64th Street to Pima Road



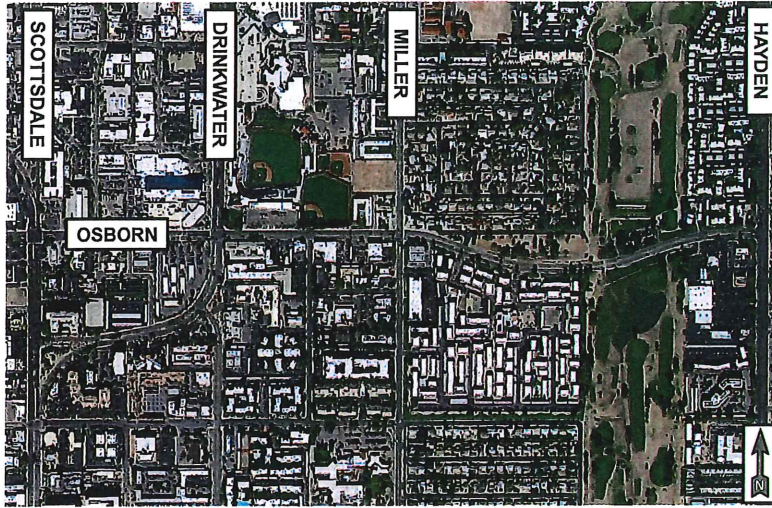
Chaparral Road Underpass at Indian Bend Wash



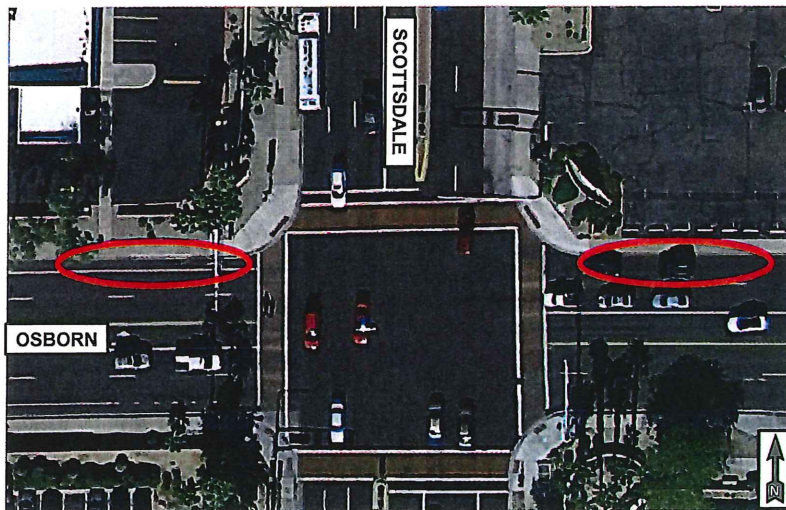
Chaparral Road Underpass at Indian Bend Wash



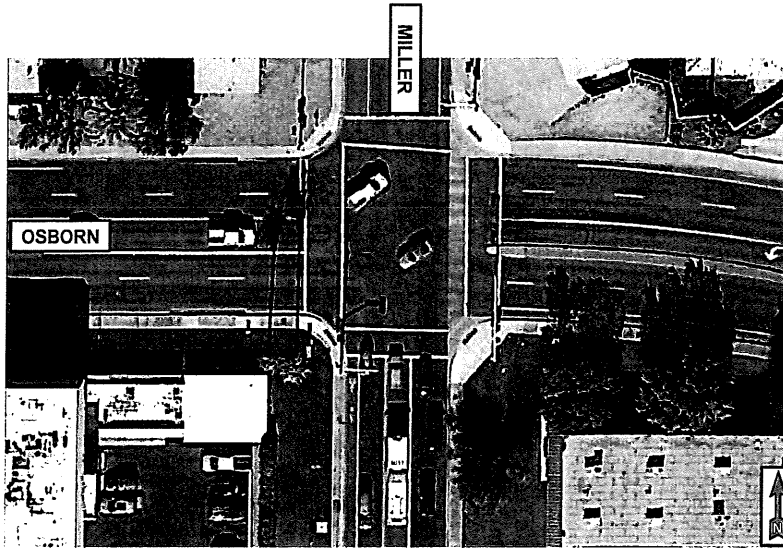
Osborn Road: Scottsdale Road to Hayden Road



Osborn Road: Scottsdale Road to Hayden Road



Osborn Road: Scottsdale Road to Hayden Road



Recommendation

Adopt Resolution 10416

Item 16

Monthly Financial Update

As of March 31, 2016

City Council
 April 19, 2016
 Prepared by: City Treasurer

General Fund Operating Sources March 2016: Fiscal Year to Date

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$69.6	\$74.1	\$77.2	\$73.8	\$3.4	5%
0.1% Public Safety	6.8	7.2	7.6	7.2	0.4	5%
State Shared: Sales Tax	14.0	14.5	15.3	15.3	-	-
Income Tax	18.2	19.7	19.6	19.6	-	-
Auto Lieu Tax	5.8	5.7	6.6	5.9	0.7	12%
Property Taxes (Primary)	16.4	15.9	16.6	16.8	(0.3)	-2%
Franchise Fees/In-Lieu Tax	8.4	8.3	8.5	8.1	0.4	5%
Other: Licenses, Permits & Fees	6.5	7.6	7.6	6.9	0.7	11%
Fines & Forfeitures	4.8	5.5	5.9	5.5	0.4	8%
Miscellaneous	5.2	5.3	9.6	8.7	1.0	11%
Building Permits	11.6	11.1	10.0	9.9	0.1	1%
Interest Earnings	1.4	0.7	1.2	0.7	0.6	84%
Indirect Cost Allocations	4.9	4.8	4.5	4.5	-	-
Transfers In	5.4	6.7	7.1	7.1	-	-
Total Operating Sources	\$178.8	\$187.3	\$197.2	\$189.9	\$7.3	4%

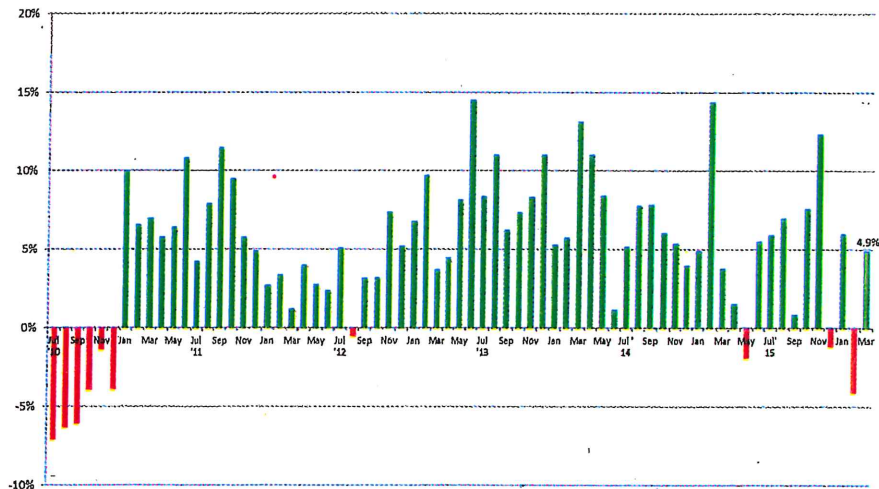
General Fund Operating Sources: Sales Tax March 2016 : Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$11.5	\$12.3	\$13.5	\$12.9	\$0.5	4%
Large retail stores	6.8	7.0	7.0	7.3	(0.3)	-4%
Misc goods & services	5.5	5.7	6.4	5.7	0.7	12%
Grocery & convenience	4.9	5.1	5.3	5.2	0.1	1%
Auto sales & maintenance	9.0	10.0	10.7	10.5	0.2	2%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	3.2	3.5	3.7	3.6	0.1	2%
Restaurants & bars	6.0	6.6	6.9	6.8	0.1	2%
<u>Business:</u>						
Construction	8.0	9.0	7.8	6.5	1.3	19%
Rental	9.3	9.6	10.8	9.9	0.9	10%
Utilities	3.4	3.4	3.4	3.4	-	-
Licenses, penalties/interest	2.0	1.8	1.7	1.9	(0.2)	-10%
Total 1.0% Sales Tax	\$69.6	\$74.1	\$77.2	\$73.8	\$3.4	5%

3

General Fund Sales Tax: 1.0% General Purpose — Year over Year Change



General Fund Operating Uses: by Category March 2016: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$88.9	\$91.9	\$93.1	\$94.0	\$0.9	1%
Overtime	5.9	6.4	5.5	5.5	-	-
FICA	6.1	6.3	6.3	6.4	0.1	1%
Retirement	13.3	14.2	16.2	16.3	0.2	1%
Health/Dental & Misc	11.7	11.8	12.6	12.8	0.2	2%
<i>Total Personnel Services</i>	<i>\$126.0</i>	<i>\$130.7</i>	<i>\$133.7</i>	<i>\$135.0</i>	<i>\$1.3</i>	<i>1%</i>
Contractual, Commodities, Capital Outlay	43.9	45.6	46.2	48.9	2.7	6%
<i>Total Operating Expenses</i>	<i>\$169.9</i>	<i>\$176.3</i>	<i>\$179.8</i>	<i>\$183.9</i>	<i>\$4.1</i>	<i>2%</i>
Debt Serv. & Contracts	1.6	1.6	1.6	1.6	-	-
Transfers Out	0.4	-	3.7	2.0	(1.7)	-85%
<i>Total Operating Uses</i>	<i>\$172.0</i>	<i>\$177.9</i>	<i>\$185.2</i>	<i>\$187.5</i>	<i>\$2.3</i>	<i>1%</i>
*Pay Periods thru March:	20	20	20			

5

General Fund Operating Uses: by Division March 2016 : Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$13.6	\$13.9	\$15.3	\$15.3	\$ -	-
Administrative Services	11.4	11.6	12.1	12.2	0.1	1%
Comm. & Econ Development	18.4	18.6	18.6	19.2	0.6	3%
Community Services	24.5	25.2	25.3	26.2	0.9	3%
Public Safety - Fire	23.9	25.1	26.3	26.2	(0.1)	0%
Public Safety - Police	64.4	68.6	69.5	71.5	2.0	3%
Public Works	13.6	13.2	12.8	13.3	0.5	4%
<i>Total Operating Expenses</i>	<i>\$169.9</i>	<i>\$176.3</i>	<i>\$179.8</i>	<i>\$183.9</i>	<i>\$4.1</i>	<i>2%</i>

6

General Fund Results: Summary March 2016: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$178.8	\$187.3	\$197.2	\$189.9	\$7.3	4%
Uses	172.0	177.9	185.2	187.5	2.3	1%
Change in Fund Balance	\$6.8	\$9.4	\$12.0	\$2.4	\$9.6	

7

General Fund Operating Sources March 2016

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$8.3	\$8.6	\$9.0	\$8.6	\$0.4	5%
0.1% Public Safety	0.8	0.8	0.9	0.8	-	-
State Shared: Sales Tax	1.5	1.6	1.6	1.6	-	-
Income Tax	2.0	2.2	2.2	2.2	-	-
Auto Lieu Tax	1.0	0.7	1.2	0.7	0.5	63%
Property Taxes (Primary)	1.0	0.9	1.0	1.0	-	-
Franchise Fees/In-Lieu Tax	0.0	0.0	0.0	0.0	-	-
Other: Licenses, Permits & Fees	1.0	1.0	1.2	1.2	-	-
Fines & Forfeitures	0.6	0.7	0.7	0.6	0.1	18%
Miscellaneous	0.4	0.6	0.8	0.3	0.6	nm
Building Permits	1.3	1.2	1.2	1.1	0.1	7%
Interest Earnings	0.2	0.2	0.3	0.1	0.3	nm
Indirect Cost Allocations	0.5	0.5	0.5	0.5	-	-
Transfers In	0.5	0.5	0.5	0.5	-	-
Total Operating Sources	\$19.2	\$19.5	\$21.3	\$19.3	\$1.9	10%

8

General Fund Operating Sources: Sales Tax March 2016

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$1.3	\$1.5	\$1.6	\$1.6	\$ -	-
Large retail stores	0.8	0.7	0.7	0.8	-	-
Misc goods & services	0.8	0.6	0.8	0.6	0.2	36%
Grocery & convenience	0.6	0.6	0.6	0.6	-	-
Auto sales & maintenance	1.0	1.2	1.2	1.2	(0.1)	-5%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.6	0.6	0.7	0.6	0.1	13%
Restaurants & bars	0.8	1.0	1.0	1.0	-	-
<u>Business:</u>						
Construction	0.8	0.8	0.7	0.6	0.2	31%
Rental	1.1	1.1	1.2	1.1	0.1	9%
Utilities	0.3	0.3	0.3	0.3	-	-
Licenses, penalties/interest	0.2	0.2	0.2	0.2	-	-
Total 1.0% Sales Tax	\$8.3	\$8.6	\$9.0	\$8.6	\$0.4	5%

9

General Fund Operating Uses: by Category March 2016

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Personnel Services*:</u>						
Salaries & Wages	\$8.7	\$9.3	\$9.1	\$9.2	\$0.1	1%
Overtime	0.5	0.6	0.5	0.5	0.1	10%
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.3	1.4	1.6	1.6	0.1	4%
Health/Dental & Misc	1.3	1.3	1.4	1.4	-	-
Total Personnel Services	\$12.4	\$13.2	\$13.2	\$13.5	\$0.3	2%
Contractual, Commodities, Capital Outlay	4.6	4.4	4.4	5.4	1.0	19%
Total Operating Expenses	\$17.0	\$17.6	\$17.6	\$18.8	\$1.3	7%
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Operating Uses	\$17.0	\$17.6	\$17.6	\$18.8	\$1.3	7%

*Pay Periods in March:

2 2 2

10

General Fund Operating Uses: by Division March 2016

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.6	\$1.3	\$1.3	\$1.4	\$0.1	5%
Administrative Services	1.2	1.1	1.1	1.2	-	-
Comm. & Econ Development	1.7	1.7	1.8	2.0	0.2	10%
Community Services	2.4	2.6	2.6	2.8	0.2	7%
Public Safety - Fire	2.6	2.6	2.6	2.8	0.2	7%
Public Safety - Police	6.3	7.0	6.8	7.2	0.4	6%
Public Works	1.3	1.4	1.4	1.5	0.2	10%
<i>Total Operating Expenses</i>	<u>\$17.0</u>	<u>\$17.6</u>	<u>\$17.6</u>	<u>\$18.8</u>	<u>\$1.3</u>	<u>7%</u>

11

General Fund Results: Summary March 2016

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$19.2	\$19.5	\$21.3	\$19.3	\$1.9	10%
Uses	17.0	17.6	17.6	18.8	1.3	7%
Change in Fund Balance	<u>\$2.2</u>	<u>\$1.9</u>	<u>\$3.6</u>	<u>\$0.5</u>	<u>\$3.2</u>	

12