

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, FEBRUARY 21, 2017**



**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 5:30 P.M. on Tuesday, February 21, 2017, in the City Hall Kiva.

ROLL CALL

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

Also Present: City Manager Jim Thompson, City Attorney Bruce Washburn, City Treasurer Jeff Nichols, City Auditor Sharron Walker, and City Clerk Carolyn Jagger

PLEDGE OF ALLEGIANCE – Scottsdale Bobcats, Neal Hallihan

INVOCATION – Chaplain Yule, Fire Chaplain, Highlands Church

MAYOR'S REPORT

Mayor Lane congratulated "40 Under 40" award recipient Economic Development Director Danielle Casey.

PRESENTATIONS

- **2017 Scottsdale Charros Update**
Presenter(s): Dennis Robbins, Executive Director

Charros Executive Director Dennis Robbins and Charros member David Westra gave a PowerPoint presentation (attached).

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

Mayor Lane explained that public comment is reserved for citizen comment on non-agendized items, with no official Council action, and is limited to items within the jurisdiction of the City Council. He noted that it is a Council decision on whether to have public comment, time limits, and the number of speakers, and reminded everyone that campaigning for an issue or a candidate is prohibited.

- Pat Shaler expressed frustration about the way that the Desert Discovery Center (DDC) is moving forward.
- Jason Alexander expressed concern about how the DDC would be funded.
- Joe Geusic asked the Council to advocate for education funding to grow Scottsdale's economy.
- Betty Janik read a letter that was sent to DDC supporters expressing concern about locating the DDC in the Preserve.
- Mark Stuart provided an update on the Save Our Preserve efforts.

Mayor Lane thanked Mr. Stuart for staying within the bounds of the public comment process and for not soliciting signatures for his campaign.

MINUTES

Request: Approve the Special Meeting Minutes of January 24, 2017; Regular Meeting Minutes of January 24, 2017; Work Study Session Minutes of January 31, 2017; and Executive Session Minutes of January 24, 2017.

MOTION AND VOTE – MINUTES

Councilman Phillips made a motion to approve the Special Meeting Minutes of January 24 2017; Regular Meeting Minutes of January 24, 2017; Work Study Session Minutes of January 31, 2017; and Executive Session Minutes of January 24, 2017. Vice Mayor Klapp seconded the motion, which carried 7/0.

CONSENT AGENDA

1. Vom Fass Liquor License (4-LL-2017)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 9 (liquor store) State liquor license for an existing location with a new owner.

Location: 7135 E. Camelback Road, Suite 145

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

2. Cactus Flower Florists Liquor License (5-LL-2017)

Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 10 (beer and wine store) State liquor license for a new location and owner.

Location: 10822 N. Scottsdale Road

Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

- 3. 6922 Mixed Use Rezoning (23-ZN-2016)**
Request: At the request of the applicant, continue to March 7, 2017.
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov
- 4. On-Call Transportation Engineering Services Contract Extensions**
Request: Adopt **Resolution No. 10700** authorizing the following on-call transportation engineering services one-year contract extensions:
1. Contract No. 2015-039-COS-A1 with Dibble & Associates Consulting Engineers, Inc., dba Dibble Engineering
2. Contract No. 2015-040-COS-A1 with Gavan & Barker, Inc.
3. Contract No. 2015-041-COS-A1 with Premier Engineering Corporation
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 5. Zone 2 Water System Improvements Construction Phase Services Contract**
Request: Adopt **Resolution No. 10713** authorizing CM@Risk Contract No. 2017-033-COS with MGC Contractors, Inc., in the amount of \$973,575 for Zone 2 Water System Improvements.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 6. Solid Waste Services Mutual Aid Program Intergovernmental Agreement**
Request: Adopt **Resolution No. 10714** authorizing Agreement No. 2017-036-COS with multiple cities and towns for waste collection, transportation, and emergency mutual aid.
Staff Contact(s): Daniel Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov
- 7. Paiute Neighborhood Center Revocable License Agreement Amendment**
Request: Adopt **Resolution No. 10723** authorizing Agreement No. 2016-056-COS-A1 with the Boys and Girls Club of Greater Scottsdale (BGC) to allow BGC to rename a portion of the Paiute Neighborhood Center that they occupy to the "*Scottsdale Boys and Girls Club Charros Branch*" with a wall-mounted plaque and temporary A-frame sign.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov
- 8. Thompson Peak Park Consent to Assignment of Lease Agreement**
Request: Adopt **Resolution No. 10731** authorizing Agreement No. 2000-209-COS-A2 with the Boys & Girls Clubs of Greater Scottsdale, Inc., regarding the lease of certain space at Thompson Peak Park.
Staff Contact(s): William Murphy, Community Services Director, 480-312-7954, bmurphy@scottsdaleaz.gov
- 9. First Things First Grant Acceptance for the Scottsdale Family Resource Center**
Request: Adopt **Resolution No. 10672** to authorize:
1. Intergovernmental Agreement No. 2017-020-COS with the Arizona Early Childhood Development and Health Board East Maricopa Regional Partnership Council to accept a grant in the amount of up to \$300,000 to be used to establish the Scottsdale Family Resource Center.

2. A budget transfer in the amount of \$100,000 from the adopted FY 2016/17 Future Grants Budget and/or Grant Contingency Budget and the creation of a new cost center to record the related grant activity.
3. The creation of four Family Resource Center positions: 1.0 FTE Coordinator; 1.0 FTE Human Services Specialist; 0.50 FTE Early Learning Specialist/Outreach Liaison; and 0.50 FTE Early Learning Specialist.
4. The Community Services Director to execute and submit all documents necessary for the acceptance and administration of the grant.

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

10. FEMA Assistance to Firefighters Grant

Request: Adopt **Resolution No. 10711** to authorize:

1. The acceptance of a FEMA Assistance to Firefighters grant in the amount of \$151,843, with a 15% cost share in the amount of \$22,776, to train fire department command officers.
2. The Fire Chief or designee to execute Memorandum of Understanding No. 2017-034-COS with the City of Peoria and other entities.
3. A budget transfer in the amount of \$151,843 from the adopted FY 2016/17 Future Grants Budget and/or Grant Contingency Budget and the creation of a new cost center to record the related grant activity.

Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov

11. Fire Department Urban Area Security Initiative Grant

Request: Adopt **Resolution No. 10728** to authorize:

1. The acceptance of a Arizona Department of Homeland Security, Urban Area Security Initiative Reallocation grant, remaining from FY 2014/15, in the amount of \$25,000 to support the Fire Terrorism Liaison Officer Program.
2. The Fire Chief or designee to conduct all negotiations and to execute and submit all documents in connection with the grant.
3. A budget transfer in the amount of \$25,000 from the adopted FY 2016/17 Future Grants Budget and/or Grant Contingency Budget and the creation of a new cost center to record the related grant activity.

Staff Contact(s): Tom Shannon, Fire Chief, 480-312-1821, tshannon@scottsdaleaz.gov

12. Vehicle Management System Maintenance Intergovernmental Agreement

Request: Adopt **Resolution No. 10705** authorizing Agreement No. 2017-025-COS with the City of Phoenix in the amount of \$17,356 for maintenance and support services for the City's transit vehicle management system.

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

13. Audit Committee Recommendation for the Airport Advisory Commission Sunset Review

Request: Adopt **Resolution No. 10715** accepting the Audit Committee's recommendation and authorizing the continuation of the Airport Advisory Commission.

Staff Contact(s): Sharron Walker, City Auditor, 480-312-7867, swalker@scottsdaleaz.gov

14. Fuciarelli v. City of Scottsdale et al. Legal Fees

Request: Adopt **Resolution No. 10707** authorizing legal fees to be incurred in Contract No. 2015-035-COS with the law firm of Struck Wieneke & Love, in an amount not to exceed a total of \$400,000, for the defense of *Fuciarelli v. City of Scottsdale et al.*, Cause No. CV-14-01078-PHX-GMS, currently pending in the United States District Court.

Staff Contact(s): Bruce Washburn, City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov

Mayor Lane opened public testimony.

Mark Stuart, Scottsdale resident, asked why Item No. 14 was on the Consent Agenda.

Mayor Lane closed public testimony.

15. Monthly Financial Report

Request: Accept the FY 2016/17 Monthly Financial Report as of December 2016.

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

15A. Council Capital Improvement Program Subcommittee Appointments

Request: Confirm Mayor Lane's Council Capital Improvement Program Subcommittee appointments of Councilmembers Korte, Phillips, and Smith.

Staff Contact(s): Rachel Smetana, Mayor's Chief of Staff, 480-312-7806, rsmetana@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent Agenda Items 1 through 15A. Vice Mayor Klapp seconded the motion, which carried 7/0.

REGULAR AGENDA

16. Employee Medical Plans and Premiums

Request: Adopt **Resolution No. 10709** to authorize:

1. FY 2017/18 active employee medical and dental insurance contribution rates and PSPRS accidental disability retiree medical insurance contribution rates.
2. The addition of a plan that is the same as the OAP In-Network plan design except that coverage is limited to the Local Plus Network.
3. The adoption of a monthly blood pressure incentive of \$20; retaining the \$120 (employee) or \$240 (employee and spouse) incentive for participation in the City's wellness screening program; and implementing an annual City contribution to employees enrolled in a health savings account in the amount of \$500 (employee) or \$1,000 (employee and family).
4. Increasing the maximum amount of contributions to the medical flexible spending account from \$2,500 to the IRS maximum of \$2,600.
5. Changing the Cigna Legacy Drug Formulary to the Cigna Standard Drug Formulary.
6. Administrative Services Only Agreement No. 2016-093-COS-A1 with Cigna Health and Life Insurance Company regarding pre-funding of the City's account.

7. The Human Resources Director to execute future amendments to the City's Administrative Services Only Agreement when it does not impose any increased financial obligations to the City.

Presenter(s): Lauran Beebe, Human Resources Manager

Staff Contact(s): Donna Brown, Human Resources Director, 480-312-2615, dbrown@scottsdaleaz.gov

Human Resources Manager Lauran Beebe gave a PowerPoint presentation (attached) on the FY 2017/18 medical plans, premiums, and incentives.

Mayor Lane opened public testimony.

- Darlene Cook, Police Officers of Scottsdale Association, spoke in support of Option No. 3 (premium contribution split).
- Matt Heeren, Fraternal Order of the Police, spoke in support of Option No. 3 (premium contribution split).

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 16

Vice Mayor Klapp made a motion to adopt Resolution No. 10709, which includes provisions A through H in the resolution. Councilmember Korte seconded the motion, which carried 5/2, with Councilmembers Littlefield and Phillips dissenting.

17. State 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

Government Relations Director Brad Lundahl gave a PowerPoint presentation (attached) on current and pending State legislative issues and policies.

18. City's Proposed Fiscal Year 2017/18 Rates and Fees

Request: Presentation, discussion, and possible direction to staff regarding the City's proposed

FY 2017/18 rates and fees.

Presenter(s): Bill Murphy, Community Services Director; Tom Shannon, Fire Chief; Randy Grant, Planning and Development Director; Karen Churchard, Tourism and Events Director; Dan Worth, Public Works Director; Brian Biesemeyer, Water Resources Director

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

Public Works Director Dan Worth, Water Resources Director Brian Biesemeyer, Community Services Director Bill Murphy, Fire Chief Tom Shannon, Planning and Development Director Randy Grant, and Tourism and Events Director Karen Churchard gave PowerPoint presentations (attached) on Fiscal year 2017/18 proposed rates and fees.

MOTION AND VOTE – ITEM 18

Councilwoman Milhaven made a motion to direct staff to work with the Historic Preservation Commission to review the fees and processes related to historic preservation and make a recommendation to the City Council. Councilmember Korte seconded the motion, which carried 7/0.

19. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of January 2017.

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 January 2017.

PUBLIC COMMENT – None

CITIZEN PETITIONS

20. 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

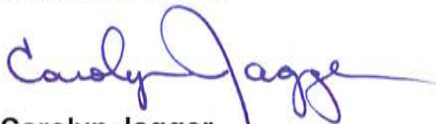
No citizen petitions were received.

MAYOR AND COUNCIL ITEMS – None

ADJOURNMENT

The Regular City Council Meeting adjourned at 8:24 P.M.

SUBMITTED BY:



**Carolyn Jagger
City Clerk**

Officially approved by the City Council on March 21, 2017

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 21st day of February 2017.

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

DATED this 21st day of March 2017.



Carolyn Jagger, City Clerk

Scottsdale City Council Meeting Scottsdale Charros Update

February 21, 2017



Who Are The Scottsdale Charros?



- Formed in 1961 – a 56 year commitment to Scottsdale.

- Mission:

To promote the City of Scottsdale and its community through Sports and Cultural Activities.

*As Philanthropic Ambassadors our membership is focused on providing support and funding for **youth, education, sports and local charities.***

Today, the Charros remain committed to bringing leadership, vision, and action to benefit Scottsdale and its citizens.





What Do The Charros Do?

- Host Spring Training Baseball at Scottsdale Stadium
- Provide Leadership and Support for Education Initiatives
- Make Charitable Contributions to Scottsdale Charities
- Promote and Support Scottsdale's Western Heritage
- Look for New and Innovative Ideas to Solve Complex Issues



2



Spring Training

- The Scottsdale Charros have hosted Spring Training baseball in Scottsdale since 1965.
- 5 different major league teams played baseball in Scottsdale.
 - Orioles, Red Sox, Cubs, A's, and Giants.
- Current stadium built in 1992 via bond approved by voters.
- Spring Training economic impact in Valley - \$544M (Super Bowl \$500M)



3

Spring Training



- More than 200,000 people attend Scottsdale Stadium per year
- Close to 10,000 guests attend the Charro Lodge
- Produce and Sell 9,000 Baseball Magazines per year
- 50/50 Raffle tickets raised \$40,000 for Charros and SF Giants charities in 2016
- Youth Clinic and Luncheon – 300 SUSD Kids!
- NEW! – Shade Covers entire Charro Lodge



4

Western Heritage



- Charro Ride began in 1962
- On November 15, approximately 13 Charros and 15 guests went on a four-day trail ride in the McDowell Mountains, departing from Scottsdale Country Club. Promoting camaraderie and true to the town's "The West's Most Western Town" slogan, the Ride became a signature annual event for the Charros.
- October 2016, 80 Charros and 82 guests rode for 4 days on the Four of a Kind Ranch near Pinetop, AZ.



Education

- Future Teacher scholarship
- Masters in Education scholarship
- Scottsdale Community College scholarship
- All-city athletic scholarship
- iTeachAZ scholarship for ASU education majors
- National Board Certification scholarship
- Education grants for SUSD K-12 schools – 30 schools
- Outstanding Students & Educators Awards Banquet – 30 years!
 - Honor 30 Elementary, Middle, and High School Teachers
 - Recognized 10 outstanding high school seniors and dozens of retiring teachers
- Contributed more than \$300,000 to Education Initiatives in 2016



6

Charitable Donations

- Proceeds from Spring Training Baseball have allowed the Charros to give back millions of dollars to our community:

Boys & Girls Clubs of Greater Scottsdale
 Health World Education - Horsense
 Miracle League of Arizona
 Family Promise Scottsdale
 Arizona Helping Hands
 City of Scottsdale - Scottsdale Cares
 Junior Achievement of Arizona
 STARS - Scottsdale
 Scottsdale Aquatic Club
 The ALS Association of AZ
 Child Crisis Arizona
 Boys Hope Girls Hope of Arizona
 Detour Company Theatre
 Health World Education - Program
 Make A Wish
 National Inventors Hall of Fame
 POSA - Police Officers of Scottsdale
 Reigning Grace Ranch
 Ryan House
 Sandra Day O'Connor Institute



7

The Charro Foundation

The Charro Foundation



- The Charro Foundation is a 501(c)(3) non-profit organization.
- The mission of the foundation is to promote education through scholarships and other educational programming, and to promote youth activities, sports and cultural enrichment in our community.
- The Charro Foundation Board of Directors consists of active and life members of the Charros, as well as 4 community members.
- Community Partners include:



8

CHAPS Charities



- New way to raise funds in our community
- Dollar for dollar Arizona state tax credit
- We are giving money to most of these charities already

- Boys & Girls Clubs of Greater Scottsdale
- Miracle League of Arizona
- Family Promise Scottsdale
- STARS - Scottsdale
- Boys Hope Girls Hope of Arizona
- Reigning Grace Ranch
- Ryan House
- Southwest Human Development
- NotMyKid
- Duet: Partners in Health and Aging
- Camelot Therapeutic Horsemanship
- Feeding Matters

- Arizona Helping Hands
- Child Crisis Arizona



9



Charros' Innovation

- The Scottsdale Charros organization and/or members helped to create many community service and non-profit organizations in Scottsdale.
- In addition to working directly with the Scottsdale Charros, our membership have been on the cutting edge of community service.
- For example:



10



Charros' Innovation

Recent innovation example:

- Our education committee convened a meeting with the new Dean of the Mary Lou Fulton Teachers College at ASU, the Superintendent of SUSD, two SUSD school board members, and many Active and Life members of the Scottsdale Charros to discuss how we could improve education in Scottsdale.
- The Coronado Success Initiative – to meet the Coronado High School academic achievement challenge, a strategic partnership between the Scottsdale Unified School District, Scottsdale Charros, and ASU's Mary Lou Fulton Teachers College was established to mobilize a community and take action to improve education at Coronado High School.



11

Item 16



Medical/Dental Plans and Premiums

February 21, 2017 City Council Meeting

City Employee Engagement: Recommendation (pre-Council discussion)

- Total Benefits Advisory Committee (TBAC)
 - Monthly claims and health risk assessment data
 - Outcomes based wellness incentives
 - How rate renewals are calculated
 - Surrounding city benefit comparisons
 - Pharmacy cost savings ideas
 - FY 17/18 rate projections and plan design options



City Employee Engagement: Recommendation (pre-Council discussion)

- Total Benefits Advisory Committee (TBAC)
- Benefits Coordinating Committee (BCC)
- Citywide communication - Benefits Bulletin
- Benefits email update (opt-in subscription)



3

Self-Insured Medical Plans

- 2,186 covered employees, with about 5,600 members
- 75% enrolled in Cigna OAP In-Network plan
- No changes results in overall 4.1 percent increase
- \$29.7 million = total expected medical costs
- Employees \$7 m (24%); city \$22.7 m (76%)



4

Blood Pressure Incentive

- 31 percent of our members have a chronic disease
- Our number one chronic disease is high blood pressure – 11 percent
- Implement a \$20 per month incentive for meeting target of <140 / <90
- Alternatives for meeting target are available



5

Health Risk Assessment Incentive

- Employees have wellness visit and complete health risk assessment
- \$120 employee-only; \$240 employee+spouse/partner
- Have increased participation to 50 percent
- 65 percent participation – Cigna guarantees they are able to move members from higher risk to lower risk



6

Health Savings Account Contribution

- Encourage members to be more involved in their healthcare decisions
- Health Savings Accounts - money for qualified medical expenses
- Triple tax savings for employees
- Implement city contributions of \$41 per month (\$500/year) for single and \$83/month (\$1,000/year) for family
- Employees have to meet either \$1,300 or \$2,600 deductible first



7

Pharmacy Savings

- Changes current Legacy formulary to Standard formulary
- Excludes higher cost drugs and replaces with generic or lower brand medications
- Exclude allergy/ulcer drugs that have an over-the-counter drug available
- Overall rate increase drops to 2.5 percent or a savings of approximately \$500,000



8

Additional Plan with LocalPlus Network

- Add new plan that mimics OAP In-Network plan design
- Decreases rates for those enrolled in LocalPlus Network plan by 10% for city and 7% for employees
- \$29 million = total expected medical costs
 - \$700,000 savings



9

Additional Option #3

- Request for prior premium contribution split for OAP In-Network and LocalPlus Network
 - 80% for employee only coverage
 - 75% for child/spouse/family coverage
- Additional \$400,000 cost to the city

10

Dental Plan

- Dental premiums – no increase



11

City Employee Engagement: Education (post-Council direction)

- Citywide communication – CityLink article
- Staff meetings
- Open meetings
- Computer-based training
- Dedicated benefits hotline # & email



12



Tonight's Agenda Item

Adopt Resolution No. 10709

- a. Increase rates by 1.3 percent overall
- b. Implement a blood pressure incentive of \$20 per month
- c. Implement an annual city contribution to HSA account of \$500 for single and \$1,000 for child/spouse/family
- d. Change to the Cigna Standard Drug Formulary and remove allergy and heartburn prescriptions that have over-the-counter options available



Tonight's Agenda Item

Adopt Resolution No. 10709

- e. Add an additional plan with LocalPlus network
- f. Approve \$120 employee-only; \$240 employee & spouse/partner HRA wellness incentive
- g. Increase FSA amount to \$2,600 (new IRS limits)
- h. Authorizing Amendment No. 2016-093-COS-A1 to the administrative services agreement

Item 17

State Legislative Update

Scottsdale City Council
February 21, 2017

Legislative Update

- Today is the 44th day of the First Regular Session of the 53rd Legislature.
- 1054 bills have been introduced. 1247 introduced last year.
- Deadline for bills to be heard in standing committees.

HB 2176 – Mobile Home Relocation

- Increases payments from the Mobile Home Relocation Fund to tenants forced to vacate due to change in use.
- \$5,000 to \$7,500 & \$10,000 to \$12,500
- Allows owners of “park models” to pay into and receive payments from Relocation Fund.
- Sponsored by Representative Doug Coleman (R – Apache Junction)

HB 2011 – Bonds; Levy; Net of Cash

- Will require a municipal bond levy to be net of all cash remaining from the prior year.
- Any municipality would have one year to spend-down their reserve within the year of enactment of HB 2011 (amendments are pending).
- Introduced by Representative Michelle Ugenti-Rita (R – Scottsdale).
- Passed House with vote of 35-25.

SB 1247 – Conservation Easements; In Lieu

- Would require all governments to pay a fee in lieu of property taxes on all conservation easements held by the government.
- Amendment grandfathers all conservation easements in place before January 1, 2017.
- Sponsored by Senator Gail Griffin (R – Hereford)
- Passed Senate Natural Resources and Energy with a vote of 5-2.

SB 1214 – Local Governments; Small Cell

- Requires municipality to allow installation, operation and maintenance of small cell equipment in public roads/right-of-ways by a cable provider.
- Allows municipality to charge competitively neutral and nondiscriminatory fee for placement of small cell equipment.
- Places limitations on location of placement and size of equipment including restrictions on height.

SB 1214 – Local Governments; Small Cell

- Maintains local government control of the right-of-way and allows for stealth and concealment.
- Introduced by Senator Karen Fann (R – Prescott) and passed the Senate Government Committee with a vote of 7-0.

HB 2365 – Wireless Facilities; Small Cell

- Establishes protocol for wireless providers to deploy small cell equipment in municipalities.
- Allows a wireless provider to install, by right, small cell equipment, including utility poles, in the public right-of-way.
- Provides size and height allowances and restrictions for equipment and antennae.
- Establishes timelines for approval and installation.

HB 2365 – Wireless Facilities; Small Cell

- Establishes municipal fees shall be capped at \$20 per unit.
- Prohibits a municipality from regulating or charging for the collocation of smallcell equipment and is not subject to zoning review, except as outlined.
- Introduced by Representative Jeff Weninger (R – Chandler).
- Passed House Commerce 9-0.
- Major amendments pending.

HB 2521 – TPT Reform; Contractors

- Eliminates Prime Contracting category except for road construction and manufactured building activities.
- Construction sales tax is collected at point of sale.
- Creates “municipal revenue sharing pool” managed by ADOR.
- ADOR must compile net value of all building permits and pay money from pool to each municipality based on the municipality’s 36-month average net value of building permits.

HB 2521 – TPT Reform; Contractors

- \$150 million estimated loss to state general fund.
- \$71-100 million estimated loss to local governments.
- Introduced by Representative Regina Cobb (R – Kingman).
- Will be heard in the House Ways & Means Committee on February 15th.

HB 2525 – Prohibition; Photo Radar

- Will prohibit state and local government from using photo radar to detect violations running red lights, left turns, and speed (including school zones).
- Introduced by Representative Travis Grantham (R – Gilbert).
- Assigned to House Appropriations Committee.

Governor's Budget

- Proposal would allow universities to “recapture” state TPT including shared revenue.
- Capital projects, maintenance and operation.
- Approximately \$37 million per year.
- Approximately \$7 million per year (city and county).
- Approximately \$3 million shared revenue impact to cities
- League Executive Committee vote.

Any Questions?

Item 18

**FY 2017/18 Proposed
Rates & Fees Changes**

City Council
Feb. 21, 2017



Enterprise Rates & Fees Policy

- Enterprise Funds
 - Aviation, Solid Waste, Water, Sewer
 - Recovery of all direct and indirect costs of service
 - Rates based on multi-year financial plans

Enterprise – Solid Waste

- No rate increase proposed for residential program in FY 2017/18
- Last year Council approved first commercial increase in 7 years, with a 2nd increase projected for FY 2017/18
- Now propose postponing second year of commercial increases pending approval of strategic plan, more cost history with new rates and new efficiencies

Enterprise - Aviation

- Last increase: Twin Engine & Jet Transient Parking Fees approved in August 2011 to bring to market
- No rate increases planned for FY 2017/18
- Proposed \$27.0M debt issuance in FY 2017/18 for terminal area development

Enterprise - Water Resources Significant Cost Drivers

- CAP rates/drought conditions
- CIP
 - Replacement and Rehabilitation
 - Technology and Security
 - Water Quality Improvements

Enterprise - Water Resources CAP Costs Cost per Acre Foot

Calendar Year	2017	2018	2019	2020	2021	2022
M&I Delivery Rate	\$164	\$171	\$178	\$203	\$221	\$227
M&I Capital Rate	\$31	\$49	\$45	\$45	\$45	\$45
Total M&I Rate	\$195	\$220	\$223	\$248	\$266	\$272

Fiscal Year	FY18	FY19	FY20	FY21	FY22
Purchased Water Budget w/Published Rates (in \$ millions)	\$16.9	\$18.0	\$19.1	\$20.9	\$21.9

Enterprise - Water Resources Significant CIP

	Water Resources (In \$ Millions)	FY18	5 Year
Water	Thomas Groundwater Treatment Facility	\$10.2	\$28.8
	Frank Lloyd Wright 24" Transmission Main & BS 83B	\$7.7	\$16.1
	Water Distribution System Improvements	\$6.3	\$65.0
	Zone 14/16 Water Improvements Phase 2	\$5.1	\$14.8
	Water Treatment Facility Improvements	\$4.6	\$18.3
	Other	\$21.7	\$217.5
	Total Capital Program	\$55.6	\$360.5
Sewer	Wastewater Collection System Improvements	\$7.7	\$25.2
	Wastewater Treatment Facility Improvements	\$3.4	\$12.6
	Sub Regional Operating Group (SROG)	\$3.0	\$19.0
	Campus/CAP Drainage & Paving Improvements	\$1.3	\$1.3
	Other	\$4.67	\$18.1
	Total Capital Program	\$20.1	\$76.1

Enterprise – Water Resources Long Term Financing

- Water and Sewer capital financing:

Fiscal Year	Water	Sewer	Combined Issuance
2017/18 Forecasted	\$42.1 million	\$15.0 million	\$57.1 million
2022/23 Forecasted	\$35.0 million	-	\$35.0 million

Long term debt is used for system rehabilitation and replacement and improved system capabilities.

Enterprise - Water Resources Rate and Service Charge Proposals

- Water rate increase proposed for FY 2017/18
- Sewer rate increase proposed for FY 2017/18
- Service charge adjustments proposed for FY 2017/18 to meet cost recovery requirements for various services

Enterprise - Water Resources Water and Water Reclamation Rates

Rates / Surcharge	Current Estimated Revenue	% Change	Estimated Revenue Change
Water Rates	\$90,142,000	2.9%	\$2,614,000
Sewer Rates	\$36,494,000	2.6%	\$950,000
Additional Water and Sewer Fund Revenue			\$3,564,000

Enterprise - Water Resources Water Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$11.25	\$11.90
3/4" Meter	\$14.50	\$15.40
1" Meter	\$20.50	\$21.75
1.5" Meter	\$33.75	\$35.75
2" Meter	\$45.00	\$47.75
3" Meter	\$60.00	\$95.00
4" Meter	\$140.00	\$148.50
6" Meter	\$280.00	\$297.00
8" Meter	\$390.00	\$413.50

Proposed implementation date – November 1, 2017

Enterprise - Water Resources Water Rates

Current Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)				Proposed Commercial Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$2.85	5,001	10,000	2	\$2.95	5,001	12,000
3	\$3.55	10,001	30,000	3	\$3.70	12,001	30,000
4	\$3.85	Over 30,000		4	\$4.05	Over 30,000	

Proposed implementation date – November 1, 2017

Enterprise - Water Resources Water Rates

Current Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)				Proposed Residential Use Including Landscaping Volume Charges (Rates Per 1K Gallons)			
Tier	Rate	From	To	Tier	Rate	From	To
1	\$1.65	0	5,000	1	\$1.65	0	5,000
2	\$2.85	5,001	12,000	2	\$2.95	5,001	12,000
3	\$3.55	12,001	40,000	3	\$3.70	12,001	30,000
4	\$4.50	40,001	65,000	4	\$4.75	30,001	65,000
5	\$5.25	Over 65,000		5	\$5.55	Over 65,000	

Proposed implementation date – November 1, 2017

Enterprise - Water Resources Water Reclamation Rates

Base Fees (All Customers)		
	Current	Proposed
5/8" Meter	\$3.00	\$3.25
3/4" Meter	\$3.00	\$3.25
1" Meter	\$3.00	\$3.25
1.5" Meter	\$18.00	\$19.50
2" Meter	\$42.00	\$45.50
3" Meter	\$54.00	\$58.50
4" Meter	\$78.00	\$84.50
6" Meter	\$150.00	\$162.50
8" Meter	\$210.00	\$227.50

Proposed implementation date – July 1, 2017

Enterprise - Water Resources Water Reclamation Rates

Proposed
implementation
date – July 1,
2017

Customer Category	Current Rates	Proposed Rates	Percent Change
Single Family Residential	\$2.63	\$2.63	-
Multi Family Residential	\$2.70	\$2.63	(2.6%)
Commercial Without Dining	\$2.70	\$2.63	(2.6%)
Commercial With Dining	\$3.25	\$3.50	7.7%
Hotels Without Dining	\$2.79	\$2.87	2.9%
Hotels With Dining	\$3.35	\$3.50	4.5%
Car Washes	\$2.60	\$2.60	-
Commercial Laundry	\$3.39	\$3.15	(7.1%)
Metal Platers	\$2.76	\$2.90	5.1%
Laundromats	\$2.72	\$2.63	(3.3%)
Restaurants/Bakeries	\$4.70	\$4.90	4.3%
Service Station Auto Repair	\$2.79	\$2.63	(5.7%)
Medical Institutions	\$2.94	\$2.63	(10.5%)
Schools	\$2.72	\$2.63	(3.3%)

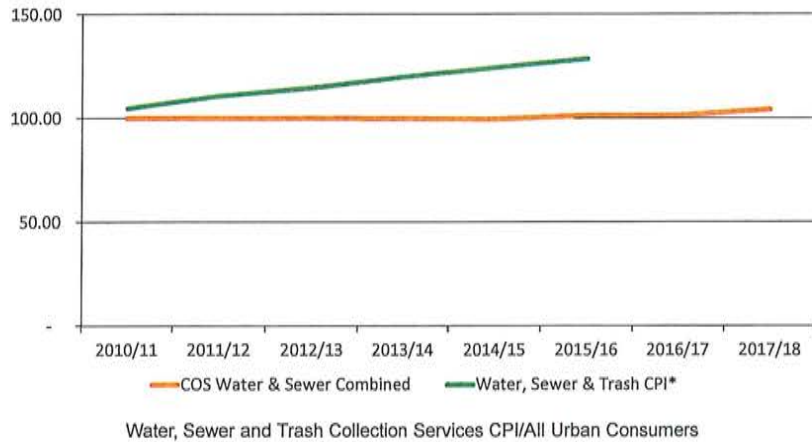
Enterprise - Water Resources Historical Rate Changes

- Water and Sewer Rate Adjustment history:

Fiscal Year	Water	Sewer	Weighted Average
2010/11	- 0 -	- 0 -	- 0 -
2011/12	- 0 -	- 0 -	- 0 -
2012/13	- 0 -	- 0 -	- 0 -
2013/14	(1.8%)	4.0%	(0.2%)
2014/15	- 0 -	(1.2%)	(0.3%)
2015/16	1.3%	2.6%	1.7%
2016/17	- 0 -	- 0 -	- 0 -
2017/18	2.9%	2.6%	2.8%
Cumulative	2.4%	8.0%	4.0%

Rate reductions driven by rate structural changes as recommended by cost of service study results and revenue stability.

Enterprise - Water Resources Historical Rate Changes and Utility CPI



Enterprise - Water Resources Service Charge Proposals - Water

Service Charges	Estimated Transactions	FY 16/17 Fee	Proposed FY 17/18 Fee	Increase Amt	% Change	Estimated Revenue Change
Bulk Water Rate	3	\$1.65/1KG	\$1.75/1KG	\$0.10/1KG	6%	\$13,550
Move Meter Up To 15'	15	\$322	\$800	\$478	148%	\$7,170
Move Hydrant Meter	50	\$70	\$100	\$30	43%	\$1,500
1" Construction/Hydrant Deposit	25	\$300	\$500	\$200	67%	\$5,000
3" Construction/Hydrant Deposit	40	\$1,200	\$1,500	\$300	25%	\$12,000
Out of City Surcharge-Water	1,400	10%	15%	5%	50%	\$5,650
Out of City Surcharge-Sewer	175	10%	15%	5%	50%	\$2,500
AMI/AMR Turn Off Fee	New-1	-	\$25	\$25	100%	\$25
Com. Private Fire Suppression	New-3,370	-	\$2	\$2	100%	\$80,880
Com. Water Hauler Base Fee	New-10	-	\$10	\$10	100%	\$1,200
Res. Water Hauler Base Fee	New-50	-	\$5	\$5	100%	\$3,000
Additional Water Fund Revenue						\$132,475

KG – Thousand Gallons

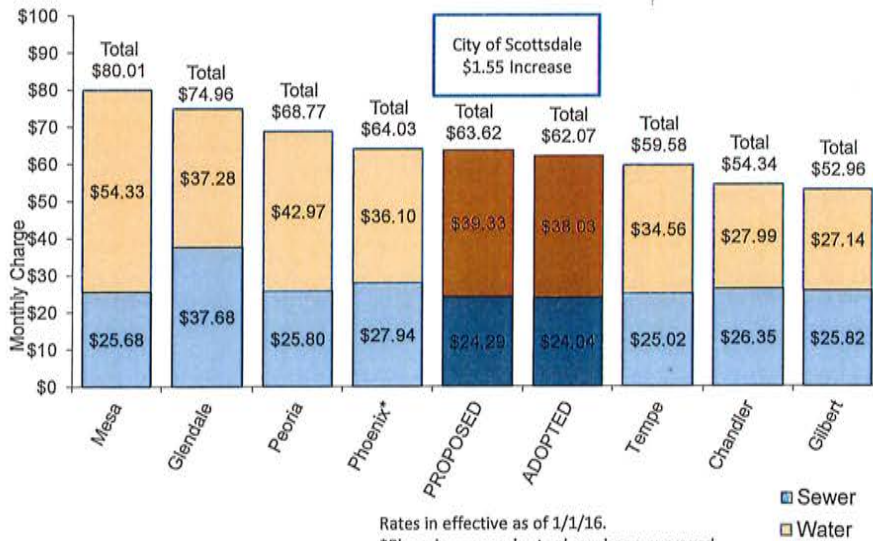
Enterprise - Water Resources Service Charge Proposals - Water

Service Charges	Estimated Transactions	FY 16/17 Fee	Proposed FY 17/18 Fee	Increase Amt	% Change	Estimated Revenue Change
Service Only - 5/8" Meter	10	\$908	\$1,215	\$307	34%	\$3,070
Service Only - 3/4" Meter	15	\$919	\$1,215	\$296	32%	\$4,440
Service Only - 1" Meter	550	\$979	\$1,220	\$241	25%	\$132,550
Service Only - 1.5" Meter	20	\$1,576	\$1,795	\$219	14%	\$4,380
Service Only - 1.5" Fire*	10	\$1,700	\$1,795	\$95	6%	\$950
Service Only - 2" Meter	15	\$1,810	\$2,065	\$255	14%	\$3,825
Service Only - 2" Fire*	10	\$1,813	\$2,065	\$252	14%	\$2,520
Meter Only - 1.5" Meter*	10	\$472	\$530	\$58	12%	\$580
Meter Only - 2" Meter*	10	\$568	\$660	\$92	16%	\$920
Additional Water Fund Revenue						\$153,235

*Total necessary increase was spread over two years. This is the second year of implementation.

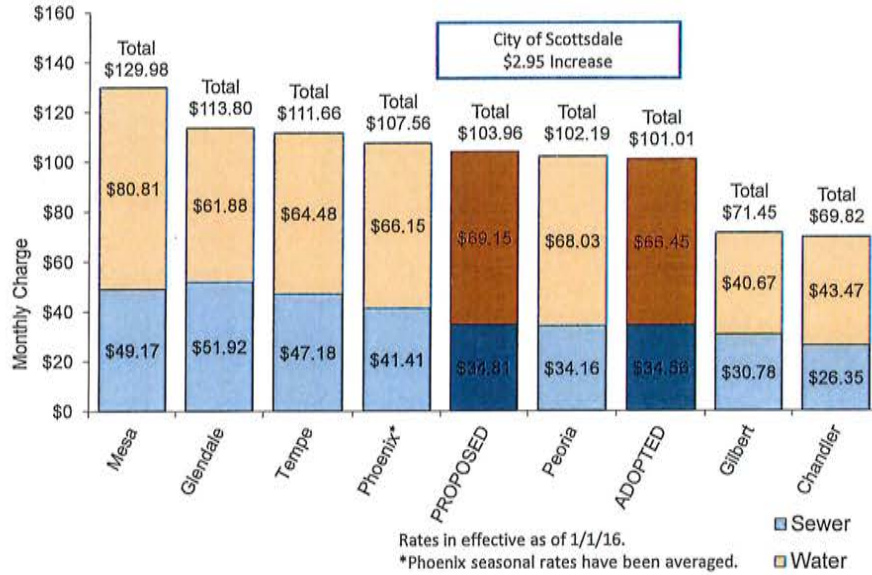
Utility Comparison

Residential Utility Bill Comparison
Water Use 11,500 gallons on 5/8" Meter and
Sewer Use 8,000 gallons



Utility Comparison

Residential Utility Bill Comparison
 Water Use 17,000 gallons on 1" Meter and
 Sewer Use 12,000 gallons



Enterprise - Water Resources Public Notice

- Environmental Quality Advisory Board – meeting scheduled March 15th
- City of Scottsdale/Water Resources web posting
- Council Presentation

Enterprise - Water Resources

- Questions?

Non-Enterprise Rate Change Proposals

- Annual review to determine direct and indirect cost of service recovery rate
- Acceptable recovery rate and associated rates and fees changes approved by City Council
- Proposals for rates and fees changes submitted by:
 - Community Services
 - Public Safety – Fire
 - Community & Economic Development
 - Planning & Development
 - Tourism & Events

Non-Enterprise Rates & Fees Change Proposals

- New/adjusted fees estimated to increase General Fund revenue by **\$65,323** for FY 2017/18

Community Services	\$ 27,338
C& ED - Planning & Development	38,285
Public Safety - Fire	0
C&ED - Tourism	<u>(300)</u>
Total Revenue Increase	<u>\$ 65,323</u>

- New/adjusted fees estimated to increase Special Programs Fund by **\$ 108,000** (Community Services)

Community Services

Annual review of Programming and Rental Fees Schedule resulted in the following proposals:

Scottsdale Sports Complex:

- Implement a lower 5K event vendor fee
- Increase fees for standard and custom soccer field prep

Club SAR Fitness Center:

- Increase daily drop-in rate for residents and non-residents

Special Events:

- Develop Fast Pass for Mighty Mud Mania event

Youth Sport Field Allocation (YSFA) Field Rental:

- Increase field rental fee

Additional/New revenues
of **\$135,338** for FY 2017/18

Community Services

Human Services – Court Program Fee *

- A minimum of 110% recovery of direct and indirect-related costs of the program including staffing, contractual, commodity and capital outlay expenses divided by the projected number of participants.

* Fee is contingent on approval of out of budget package.

Community Services

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Scottsdale Sports Complex:						
SK specific vendor fee	per half day	\$100 (For two days)	\$25	(\$75)	\$100	More users will purchase at reduced rate because SK only lasts for 1/2 day
Field Prep Fee - Standard Soccer	per field	\$50	\$75	\$25	\$6,900	
Field Prep Fee - Custom	per field	\$75	\$115	\$40	\$2,560	
Total Additional Revenue						\$9,560

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Club SAR:						
Daily Drop-In Fee (resident)	per day	\$3	\$4	\$1	\$14,756	
Daily Drop-In Fee (non-resident)	per day	\$5	\$6	\$1	\$22	
Total Additional Revenue						\$14,778

Community Services

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Special Events:						
Fast Pass for Mighty Mud Mania	per event	\$0	\$300	\$300	\$3,000	Last year a pilot program was run, this will be a permanent optional fee moving forward
Total Additional Revenue					\$3,000	

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Youth Sport Field Allocation (YSFA):						
YSFA Field Rental Fee	per hour	\$3	\$5	\$2	\$108,000	
Total Additional Revenue					\$108,000	

Public Safety - Fire

Fire Safety Permit Fees for Special Events

- Fire Safety Permit fee calculation being adjusted for temporary structures or vehicles.
- Establish a fee based on the current permit rate. The new fee calculation would be \$159 to establish the fire safety permit for 1 to 9 temporary structures or vehicles and \$477 for 10 or more.
- These fees cover the issuance of the permit and the follow-up site inspections for safety compliance.

Additional General Fund
revenue of **\$0** for FY2017/18

Public Safety - Fire

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change In Fee per User	Revenue Change	Comment
Tent Fire Safety Permit:						
1 to 9 Tents	per 1-9 tents	Varied	\$159	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
10+ Tents	per 10+ tents	Varied	\$477	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
Total Additional General Fund Revenue						\$0

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change In Fee per User	Revenue Change	Comment
Vehicle Display Safety Permit:						
1 to 9 Vehicles	per 1-9 vehicles	Varied	\$159	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
10+ Vehicles	per 10+ vehicles	Varied	\$477	\$0	\$0	No additional revenue is anticipated. Change made for consistency and clarity.
Total Additional General Fund Revenue						\$0

C&ED – Planning & Development

Wireless Communications Facilities in Right-of-Way

- Proposed increase of 3% for all installations

Additional General Fund revenue of **\$38,285** for FY 2017/18

C&ED – Planning & Development

- Ordinance No. 7983 states that the City Council is authorized to establish fees for wireless communications facilities and may adjust these fees on an annual basis.
- Since its adoption in 2009, the fee schedule has been increased each year by 3%.
- Licenses and leases for wireless communication sites on City property have annual escalators set at 5% of the annual rent.
- The 3% increase being proposed is consistent with lease payments in the wireless industry.

C&ED – Tourism & Events

Marshall Way Bridge & Stetson Plaza w/Trolley Access Fee Change:

- Eliminates \$250 daily fee for each or \$500 for both due to safety conflicts with simultaneous event use and trolley access. Fee was not used and is not expected to be used.

Alley/Downtown Alley Closure Fee Change:

- Changes fee from 0.40 cents per square foot to a \$150 flat fee per alley segment per day. Fee was never used.
- The previous cost per square foot resulted in total fees that were in one case \$1,500 to close an alley when it would have only been \$400 to close a neighboring street.

On Street Parking Space Closure Fee Change:

- Changes fee per closed parking spot from \$60 to \$30 per day.
- Cost to close 5 parking spots was more than closing the street. Fee change is designed to encourage keeping streets open if possible when an event doesn't warrant a total closure.

Net Reduction of General Fund revenue **(\$300)** for FY 2017/18

C&ED – Tourism & Events

Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Marshall Way Bridge & Stetson Plaza w/Trolley Access Fee:						
Bridge & Plaza w/Trolley Access Fee	per day	\$250 for each, \$500 for both	\$0	(\$500)	\$0	This fee was not used and is not expected to be used this year. It is recommended that the fee be eliminated.
Total Additional General Fund Revenue					\$0	
Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
Alley/Downtown Alley Closure Fee:						
Alley Closure Fee	per sq foot/per day	.40 cents	\$150	\$0	\$300	This fee was not used last year. It is recommended that it be replaced with a more cost efficient flat fee.
Total Additional General Fund Revenue					\$300	
Program/Fee	Fee Assessed	Current FY 2016/17 Fee	Proposed FY 2017/18 Fee	Change in Fee per User	Revenue Change	Comment
On Street Parking Space Closure Fee:						
Parking Space Closure Fee	per parking spot	\$60	\$30	(\$30)	(\$600)	Provides incentive to keep street open and only close parking spots.
Total Additional General Fund Revenue					(\$600)	

Item 19

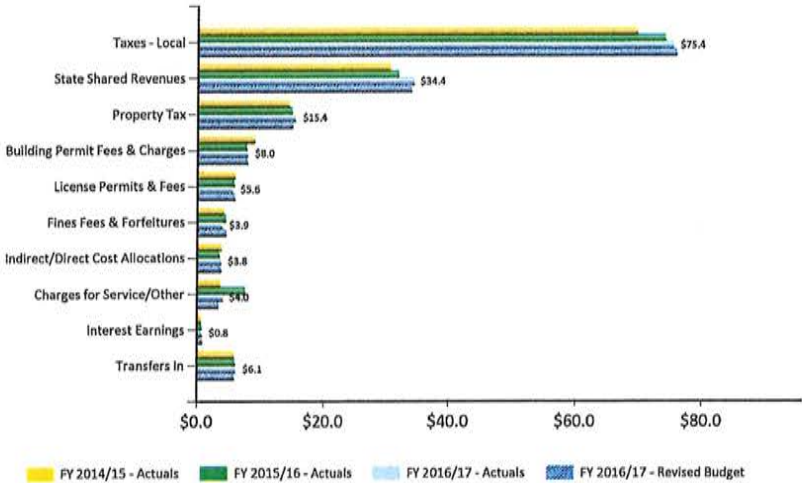
Monthly Financial Update As of January 31, 2017

City Council
February 21, 2017



General Fund Operating Sources January 2017: Fiscal Year to Date

(In millions; rounding differences may occur)



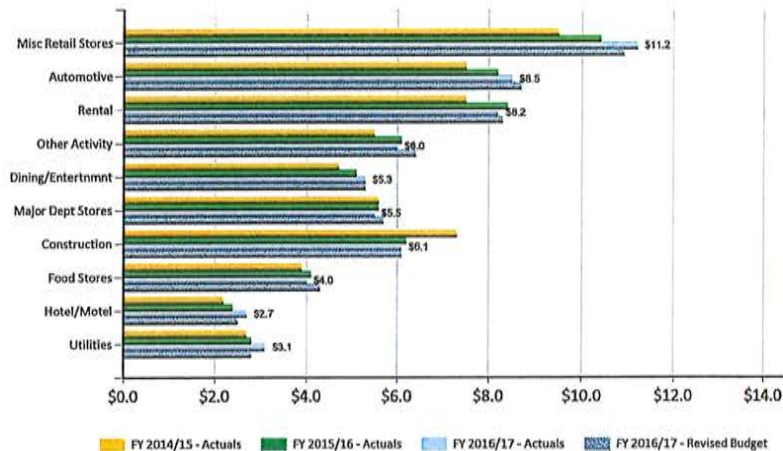
General Fund Operating Sources January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Taxes - Local	\$69.7	\$74.1	\$75.4	\$75.9	(\$0.5)	(1%)
State Shared Revenues	30.7	32.0	34.4	34.1	0.3	1%
Property Tax	14.4	14.9	15.4	15.0	0.5	3%
Building Permit Fees & Charges	9.0	7.8	8.0	7.9	-	-
License Permits & Fees	6.0	5.8	5.6	5.9	(0.3)	(5%)
Fines Fees & Forfeitures	4.2	4.5	3.9	4.6	(0.6)	(14%)
Indirect/Direct Cost Allocations	3.8	3.5	3.8	3.7	-	-
Charges for Service/Other	3.6	7.6	4.0	3.4	0.6	18%
Interest Earnings	0.6	0.7	0.8	0.8	-	-
Transfers In	5.8	6.0	6.1	5.9	0.2	3%
Total Sources	\$147.8	\$156.9	\$157.5	\$157.2	\$0.2	0%

General Fund Operating Sources: Sales Tax January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



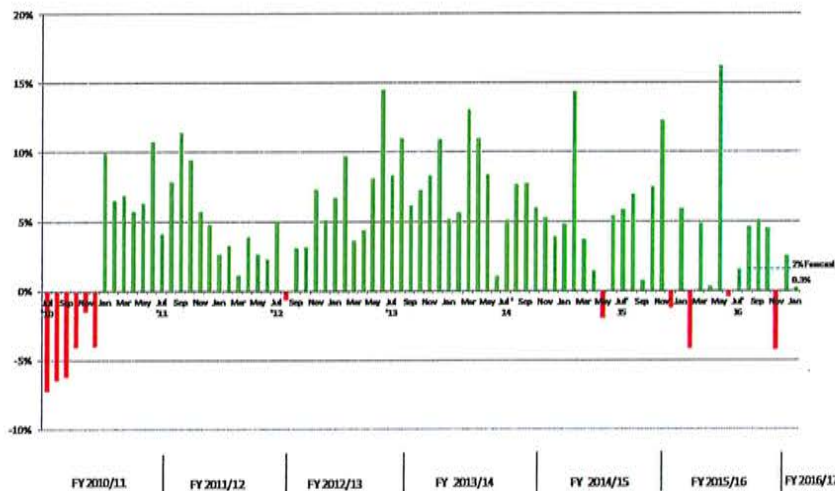
General Fund Operating Sources: 1% Sales Tax January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Misc Retail Stores	\$9.5	\$10.4	\$11.2	\$10.9	\$0.3	2%
Automotive	7.5	8.2	8.5	8.7	(0.2)	(2%)
Rental	7.5	8.4	8.2	8.3	-	-
Other Activity	5.5	6.1	6.0	6.4	(0.3)	(5%)
Dining/Entertainment	4.7	5.1	5.3	5.3	-	-
Major Dept Stores	5.6	5.6	5.5	5.7	(0.3)	(5%)
Construction	7.3	6.2	6.1	6.1	(0.1)	(1%)
Food Stores *	3.9	4.1	4.0	4.3	(0.3)	(8%)
Hotel/Motel	2.2	2.4	2.7	2.5	0.1	5%
Utilities	2.7	2.8	3.1	2.8	0.3	9%
Sales Tax Total	\$56.3	\$59.4	\$60.5	\$61.1	(\$0.6)	(1%)

*YTD CIP transfer = \$1.3 million

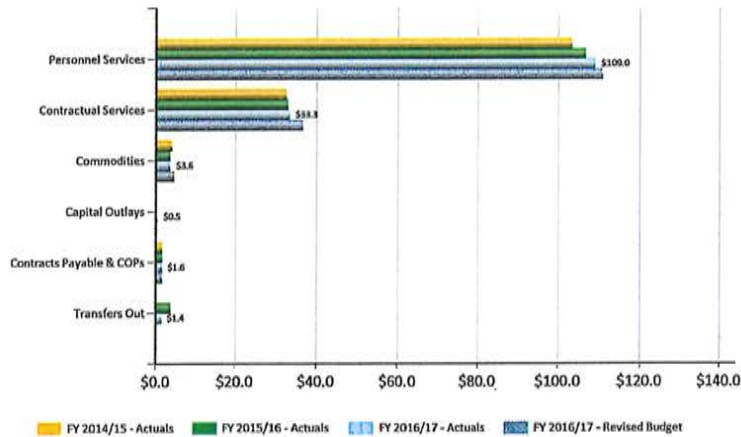
General Fund 1% Sales Tax Year over Year Change



*November 2016 reduced year over year sales tax collections primarily due to large overpayment for construction contractor (corrected in December).

General Fund Operating Uses: by Category January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



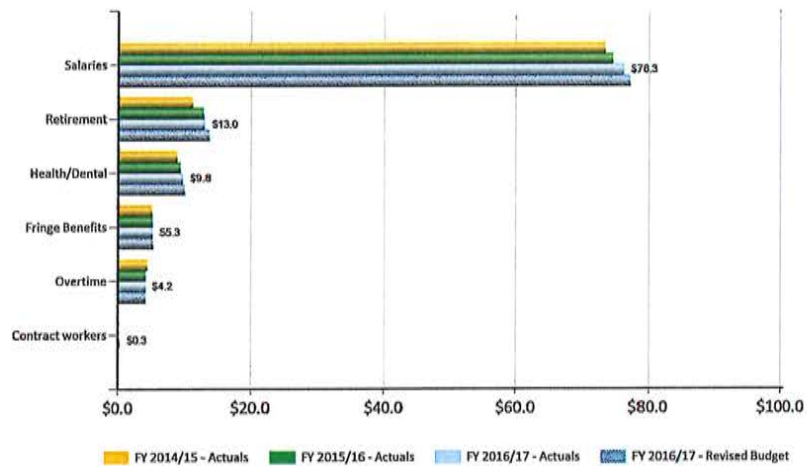
General Fund Operating Uses: by Category January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Personnel Services*	\$103.4	\$106.7	\$109.0	\$110.8	\$1.9	2%
Contractual Services	32.5	32.9	33.3	36.5	3.2	9%
Commodities	4.0	3.6	3.6	4.6	1.0	21%
Capital Outlays	0.2	0.1	0.5	0.3	(0.2)	(62%)
Contracts Payable & COPs	1.6	1.6	1.6	1.6	-	-
Transfers Out	-	3.7	1.4	-	(1.4)	n/a
Total Uses	\$141.7	\$148.7	\$149.4	\$153.9	\$4.5	3%
*Pay Periods thru January:	16	16	16			

General Fund Operating Uses: Personnel Services January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



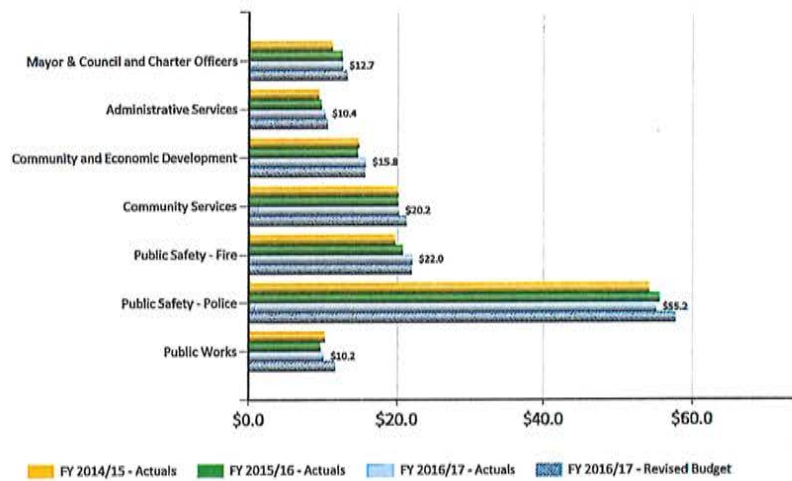
General Fund Operating Uses: Personnel Services January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Salaries*	\$73.4	\$74.6	\$76.3	\$77.3	\$1.0	1%
Retirement	11.3	12.9	13.0	13.7	0.7	5%
Health/Dental	9.0	9.5	9.8	10.1	0.3	3%
Fringe Benefits	5.2	5.3	5.3	5.4	0.1	1%
Overtime	4.5	4.2	4.2	4.2	-	-
Contract workers	0.1	0.1	0.3	0.1	(0.1)	nm
Personnel Services Total	\$103.4	\$106.7	\$109.0	\$110.8	\$1.9	2%
*Pay Periods thru January:	16	16	16			

General Fund Operating Division Expenditures January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)



General Fund Operating Division Expenditures January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	Actual vs. Budget	
	Actuals	Actuals	Actuals	Revised Budget	Favorable / (Unfavorable) Amount	Percent
Mayor & Council and Charter Officers	\$11.3	\$12.6	\$12.7	\$13.4	\$0.7	5%
Administrative Services	9.5	9.8	10.4	10.6	0.3	3%
Community and Economic Development	14.9	14.8	15.8	15.7	(0.1)	0%
Community Services	20.1	20.1	20.2	21.2	1.0	5%
Public Safety - Fire	19.7	20.7	22.0	21.9	(0.1)	(1%)
Public Safety - Police	54.3	55.6	55.2	57.8	2.6	4%
Public Works	10.3	9.7	10.2	11.7	1.5	13%
Total	\$140.1	\$143.3	\$146.4	\$152.3	\$5.9	4%

General Fund Results: Summary January 2017 : Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 16/17 Budget	Actual vs. Budget	
					Fav/(Unf)	%
Sources	\$147.8	\$156.9	\$157.5	\$157.2	\$0.2	0%
Uses	141.7	148.7	149.4	153.9	\$4.5	3%
Change in Fund Balance	\$6.1	\$8.2	\$8.1	\$3.3	\$4.7	