



City Council Budget Decision on 2018-19 Budget

This report transmits a balanced budget for fiscal year (FY) 2018-19. Following the presentation of the **Trial Budget** to City Council and the 15 Community Budget Hearings held throughout the City, staff recommends approval of the **2018-19 City Manager's Proposed Budget**. As presented, the proposed budget preserves existing City services and makes significant investments in public safety, homelessness, and other important community services including neighborhoods, trees and shade, arts and libraries.

The General Fund (GF) budget for action is the same as presented on May 8, 2018 with the exception of the following change proposed by three councilmembers:

- Increase funding for the CASS Homeless Shelter by \$75,000 from approximately \$833,000 to \$908,000 in FY 2018-19. These funds will be used to augment CASS case management. This will be achieved by reducing the proposed GF increase for Human Services outreach teams from \$300,000 to \$225,000. Additional funds for outreach will be identified through CDBG or other grant sources. Additional detail regarding this change can be found later in this report and in **Attachment A** "Homelessness" Human Services Items 1 and 3.

THIS REPORT IS FOR DISCUSSION AND ACTION.

Proposed General Fund Budget Additions

As presented on March 20, the Trial Budget included the preservation of existing city services and provided for modest investments in seven critical areas from the General Fund by strategically using the \$2.9 million surplus as follows:

Public Safety

Police and Fire staffing continues to be the single most important priority for the City Council and the community. Since public safety hiring resumed in late 2015, Police and Fire filled staffing levels have increased by 105 filled police positions and 73 filled fire positions. The Trial Budget continued that trend by providing the resources the Police Department needs to reach and maintain a total filled count of 3,125 total

sworn positions. This reflects an increase of 177 officers over the current filled count of 2,948. For Fire, the budget reflects the resources the Fire Department needs to maintain a total filled count of 1,654, which is required to ensure compliance with the 2016 SAFER Grant. Currently, the total number of sworn fire positions is 1,628. The Trial Budget also reflected the third and final year of pay restorations for public safety and all other city employees. It also continues to fully fund the annual required contribution for employee pensions.

Also reflected in the 2018-19 Trial Budget was the establishment of the Public Safety Pension Stabilization Fund that was created using \$25 million in pension savings from the current fiscal year. This fund can only be used to offset public safety pension costs.

The Trial Budget also included the following additions for Police and Fire:

Fire Department - \$342,000

The Trial Budget reflected reallocating five Fire Captains and one Fire Battalion Chief into six Firefighter positions to enhance first responder staffing levels. The savings from this reallocation will be used to partially offset a significant enhancement to the Fire Prevention Program by adding two Fire Protection Engineers, three Fire Prevention Supervisors and three Fire Prevention Specialist II positions. The additional inspections staff will be responsible for reviewing building plans, inspecting buildings for fire code violations, and evaluating and updating the Fire Code. In 2016, the Fire Department was awarded a SAFER staffing grant that provided for 32 firefighters. The Trial Budget included approximately \$6 million in matching funds required for this grant over the next three years. Additionally, the 2018-19 CIP Budget includes the construction of Fire Station 55 located at I-17 and Jomax Road. It is anticipated that construction for the station will be completed in the fourth quarter of 2018-19 and the Fire Department is expected to request additional staffing during the 2019-20 budget process.

Police Department - \$510,000

The Trial Budget reflected the addition of five civilian positions needed to support the department's Crime Gun Intelligence Center (CGIC). The goal of CGIC is to impact gun violence and to reduce violent crime in the community. The department has been designated as a regional testing facility by the ATF and the proposed additions will facilitate the processing and testing of ballistic materials. Currently the department impounds approximately 350 firearms per month and needs more resources to process this material in a more reasonable time. The proposed

additions would improve the speed of testing and are expected to have a positive impact on crime reduction. The Trial Budget also included the addition of 13 positions for the Public Records Unit to keep up with the ever-increasing demand for records requests and to prevent backlogs like those previously experienced by the department. The cost of these positions will be funded through the reallocation of existing department resources.

Homelessness

For many years, the city has invested resources into programs designed to fight chronic homelessness. Since 2013-14, city support of the CASS Homeless Shelter has increased from \$741,000 per year to approximately \$833,000 in 2018-19. However, if City Council approves this budget CASS Homeless Shelter funding for 2018-19 will increase by \$75,000 to \$908,000. The city also provides approximately \$1.1 million in GF and grant funds to UMOM for emergency shelter services for single women and families. The city has also leveraged a number of public housing resources, such as affordable housing and vouchers for veterans, to provide permanent ongoing housing alternatives for the community.

In response to increased demand for alternate solutions to homelessness and transient issues, the city launched Phoenix C.A.R.E.S. as a pilot program in November 2017. The program is a collaborative effort involving several City departments and contracted outreach teams to provide a comprehensive response to homelessness, including transitioning homeless to services and ensuring the remnants of encampments left behind on public and private lands are cleaned up. Of the 399 individuals who have been contacted by Homeless Outreach Teams between November 2017 and January 2018, 277 have accepted services and 10 percent were placed in permanent housing. The Trial Budget proposed the following enhancements to the city's Phoenix C.A.R.E.S. program:

Human Services and Neighborhood Services - \$472,000

The Human Services Department using Community Bridges responds to approximately 265 cases per month related to homelessness. The Trial Budget proposed adding contractual funding for two additional Homeless Outreach Teams to support the program, expanding the number of teams from seven to nine. This will increase the program caseload capacity by 360 clients per year. It is estimated that this addition will increase the percentage of clients who are connected to permanent housing from approximately 10 to 30 percent. The budget also proposes adding two administrative positions needed to keep pace with the growing demand for service, to manage and coordinate referrals to the Homeless Outreach Teams,

and to ensure coordination between city departments and external service providers.

Parks and Recreation - \$256,000

The proposed budget included two new park ranger positions to assist with monitoring and enforcing park rules at flatland parks. This addition increases the number of flatland park rangers from 9 to 11 and enhances the ability to enforce park regulations and provide additional support to the Phoenix C.A.R.E.S. program as it relates to homeless issues in city parks. Overall this addition would raise the total park ranger count to 79, just two short of the pre-recession peak of 81 total park rangers.

Neighborhoods

Based on City Council direction, the Trial Budget proposed adding the resources needed to establish and monitor a Sober Living Home (SLH) Licensing Program. The purpose of this program is to enhance the health, safety and welfare of residents of sober living homes and the surrounding community by establishing standards and regulations for the homes and their operators. This will bridge the gap until state regulations are in place. Based on current estimates, staff anticipates that the workload would consist of approximately 400 licensing inspections and 240 unlicensed complaint investigations annually. To implement this program, the Trial Budget proposed adding 2 positions for City Clerk and 5 positions for the Neighborhood Services Department. The projected costs of this program are based on an estimate of 400 homes. It is important to note that any change in the definition of the homes that are being licensed, the scope of the licensing review process, the total number of applicants, and/or the proposed fees would alter the projected impact to the general fund. A summary of the additions for each department follows:

City Clerk - No Cost

The Trial Budget proposed adding two Business License Clerk positions to administer the program, which would include licensing the homes and owners. This would include performing background reviews, collecting information about the home, and verifying compliance with zoning/registration requirements. The cost of these positions is expected to be recovered through licensing fees and would result in no additional expense to the GF.

Neighborhood Services - \$235,000

The Trial Budget proposed adding two teams to conduct citywide inspections and to

investigate complaints and violations of SSLH ordinances, zoning, property maintenance and environmental safety regulations. Each team is expected to be able to handle 200 license requests and 120 additional complaint investigations per year.

Trees and Shade

The Tree and Shade Master Plan was the product of a multi-department task force led by the Parks and Recreation Department. The task force met for a year and a half to evaluate the causes of Phoenix's declining urban forest. The plan strives to create a healthier, more livable and prosperous Phoenix through the strategic care, maintenance and expansion of the urban forest and engineered shade. The plan was adopted by the City Council on Jan. 5, 2010.

Street Transportation - \$450,000

Each year the city loses approximately 100-200 trees due to storm damage and accidents in the Right-of-Way and as many as 1,000 trees citywide. Currently there is limited funding available to replace these trees. The Trial Budget included funding for the installation and maintenance for up to 750 more trees per year. By replacing these trees, the city will greatly enhance the livability of the city as recommended in the Tree and Shade Master Plan.

Arts and Culture/Latino Cultural Center

The City's Arts Program provides facility support and maintenance for cultural facilities such as the Phoenix Art Museum, Phoenix Theatre, Arizona Science Center, and the Phoenix Children's Museum among others. Also included in arts programming is operating support including \$25,000 for youth arts added last year.

Arts and Culture - \$189,000

The Trial Budget proposed adding a project management position to oversee the coordination and development of the Latino Cultural Center as a site is identified to bring this important community asset to reality. This position would be responsible for working with the City Council, community and the non-profit community as this important community project moves forward in the development process.

Following the Great Recession, GF support of the Arts Grant Program was significantly reduced from a high of \$787,000 in 2000-01 to just over \$212,000 in 2009-10. Over the last few years GF support of the Arts Grant Program has been slowly restored to its current funding level of \$760,000. The Trial Budget proposed adding an additional \$30,000 for the Arts Grant Program which would increase GF

support of the Arts Grant Program to \$790,000, a return to pre-recession levels.

Library Hours Restoration

Library - \$295,000

Prior to the Great Recession the library averaged approximately 72 hours per branch, not including Burton Barr Library hours. Following the closure of the Burton Barr Library in the summer of 2017, four additional hours were added on Sunday to the Yucca, Century, Harmon and Ocotillo branches. The Trial Budget proposed that these hours remain as permanent additions to the library's ongoing service levels, even after Burton Barr reopens in the summer of 2018. This addition will restore branch hours to approximately 48 hours per branch or 67 percent of pre-recession level hours.

Proposed Non-General Fund Additions

The City budget is made up of three separate pieces: the General Fund, Enterprise Funds and Other Restricted Funds. Recommendations for the General Fund were discussed above. Enterprise Funds include Aviation, Water, Wastewater, Solid Waste and the Convention Center. These funds, with the exception of the Convention Center, are funded with user fees. The Convention Center includes fees paid by those who use the facility and Convention Center parking garages and certain earmarked sales tax categories. Enterprise funds can only be used for costs directly associated with delivering enterprise fund services. The Trial Budget proposed continuing to carefully manage the Solid Waste and Water Funds with no supplemental additions.

The Restricted Funds category includes federal and state grants, gas taxes (AHUR), debt service, the Development Services fund, the Phoenix Parks and Preserve Initiative (PPPI) and the voter-approved Transportation 2050 Fund. These funds can only be used in accordance with grant and other statutory rules. The Trial Budget included additions to keep up with growth in Development Services, AHUR and Transportation 2050 Funds.

Responding to Community Growth

Development Services Fund

Planning and Development proposed adding several new positions in order to meet the needs of current workload demands and expected increases in development activity. The proposed additions will enhance customer service and ensure a more streamlined experience for the development process. The department had 669 total staff at the height of the last economic cycle (2006-07) and decreased to a staff of

253 in 2010-11. Today the department has a staff of 364 employees. In 2006-07 the department served almost 120,000 customers. That dropped to a little over 70,000 customers in 2010-11. In 2017-18 the department is projected to serve approximately 113,000 customers. In addition, increased complexity of infill development and the need to work with surrounding property owners and residents on a much more frequent basis than in 2006-07, places a greater demand on staff time.

Maintaining Our Transportation Infrastructure

Street Transportation Arizona Highway User Revenue (AHUR) Fund

The Street Transportation Department proposed adding several new positions in order to meet the needs of current workload demands associated with Right of Way Management and Utility Coordination. The Trial Budget also included additional staffing needed to coordinate the department's robust capital improvement program which includes both AHUR and T2050 funded projects. Due to a \$22 million reimbursement from regional funds for the City's advancement of funding for the Dove Valley Road and I-17 improvements, the department proposed increasing the pavement and traffic management programs to accelerate street improvements citywide. The Preliminary Five-Year CIP reflects \$172 million in Street Transportation and Drainage projects for FY 2018-19.

Public Involvement and Community Feedback

Following the Trial Budget presentation, fifteen community budget hearings were held throughout the City in all Council districts to present the Trial Budget and gather feedback from the public. One new location was used this year: Arizona School for the Arts which was hosted by District 7. Additionally, citywide hearings were held for seniors, Spanish-language speakers, and youth. Daytime hearings were held in addition to evening hours in response to previous concerns about opportunities for seniors to participate.

Attendance at budget hearings and comments on the budget through other channels was encouraging. In all, approximately 394 comments were heard at budget hearings and approximately 30 comments were received via email and social media. Public comments at the budget hearings and those received through email and social media mostly focused on the following topics:

- Preserving existing services
- Increased funding for homelessness and homelessness clean-ups
- Increased funding for arts and public art maintenance

- Increased library access and expanded hours
- Hiring of more police officers and firefighters
- Increased funding for street maintenance and repair
- Increased funding for parks, pedestrians and shade
- Increased funding for youth programs and other community services
- Funding for a legal defense fund for the families of those impacted by illegal immigration arrests and a compensation fund for those impacted by police actions

The public can access the written minutes and video recordings of completed budget hearings, including speaker comments and questions at phoenix.gov/budget, Phoenix 11 and the City of Phoenix YouTube channel.

Proposed Changes to the Trial Budget

Community input at budget hearings is a critical component of the City's Trial Budget process. Each year the City Manager's Proposed Budget is developed based on the feedback and input obtained during the community budget hearings. The feedback received this year and discussed earlier in this report focused on public safety, arts, homelessness, street maintenance, library, pedestrian and bicycle safety. In response to public comment and input, both on-line and in-person, the following revisions to the Trial Budget are proposed for City Council consideration:

Fire Station 55 - Addition from Existing General Fund Resources

The proposed budget recommends including the funding and staffing needed to expand the hours of temporary Fire Station 55, near I-17/Jomax in North Phoenix from part-time to full-time operations every day on a 24-hour schedule. This addition is expected to improve response times and provide the resources needed to respond to the increasing demand in the service area. With this addition the projected filled staffing level for fire will increase from 1,654 to 1,668. This request will be funded through the reallocation of existing overtime and other miscellaneous savings and therefore does not increase the overall General Fund budget (See Attachment A "Public Safety" Fire Item 2).

Arts Maintenance - Addition from Existing General Fund Resources

In an effort to effectively maintain the City's public art, the proposed budget recommends that funding for arts maintenance be increased to \$100,000. This increase in funding comes from the General Fund facilities maintenance budget and as a result does not increase the overall General Fund budget (See Attachment A

"Arts & Culture" Office of Arts & Culture Item 3).

Homelessness - Addition from Existing General Fund Resources

The proposed budget recommends increasing GF support of the CASS Homeless Shelter by \$75,000 ([Attachment C](#)). With the increased funding it is expected that CASS will add one additional case manager who will be responsible for developing plans to assist clients with obtaining necessary resources and services and result in additional individuals being housed each year. The increase in funding comes from a slight reduction to the proposed GF increase for additional outreach teams and as a result does not increase the overall General Fund budget (See [Attachment A](#) "Homelessness" Human Services Items 1 and 3).

Homelessness - Solid Waste Fund Addition

The proposed budget recommends adding the resources and staffing needed to improve the city's ability to clean up homelessness sites identified through the Phoenix C.A.R.E.S. program. By adding two solid waste equipment operators and the appropriate equipment, the Public Works Department will be available for Phoenix C.A.R.E.S. alleyway clean-ups five days per week. Additionally, the proposed budget recommends adding five positions to the Streets Department to clean up right-of-ways, city-owned lots, natural washes, culverts and drainage easements from one day a week to five days a week. Both of these additions will be funded out of the Solid Waste Fund (See [Attachment B](#) "Homelessness" Solid Waste Item 1 and Streets Item 1). This is a one-year effort using existing fund balances. To continue past 2018-19, the program will need to be incorporated into the Solid Waste rate.

Pedestrian Safety - AHUR Fund Addition

The proposed budget recommends adding a position to serve as the Pedestrian Safety Coordinator. This position will work with the multi-department Pedestrian Fatality Review Team to conduct studies and implement enforcement strategies to improve pedestrian safety. This position will be funded out of the AHUR fund (See [Attachment B](#) "Maintaining Our Transportation Infrastructure" Streets Item 11).

Although other expressed community needs are not able to be addressed in this budget due to lack of available resources, the City will continue to examine how the other requests from residents may be addressed in the future. Additional detail on all of the proposed budget additions can be found in [Attachments A and B](#).

Additional Information

The proposed balanced 2018-19 General Fund budget is \$1,310,119,000. This is a \$32 million or 2.5 percent increase from the adopted 2017-18 General Fund budget of \$1,277,740,000. The increase is largely driven by the third and final year of negotiated employee compensation restorations of 1.3% or \$14 million; increased funding for vehicles, technology and facilities maintenance totaling approximately \$14 million; the 2016 SAFER matching funds; and a \$2 million increase in the contingency fund.

Projected General Fund revenue in 2018-19 is estimated to be \$1.184 billion, an increase of 1.7% over the revised current year estimate. This reflects continued City and State sales tax growth based on projections from the University of Arizona and continued growth in other key tax categories.

Including revenue along with the estimated beginning fund balance of approximately \$115 million, and fund transfers and recoveries estimated at \$11.3 million, total 2018-19 General Fund resources are estimated to be \$1.310 billion.

For all operating funds, which includes General, Enterprise and Special Revenue funds such as grants, and all debt service and pay-as-you-go capital costs, the proposed 2018-19 budget amount is \$4,421,922,000.

Extensive budget detail for all City funds is provided in several schedules attached to this report. The various budget schedules include:

- Resources and expenditures by fund for 2016-17 actual, 2017-18 estimate, and 2018-19 proposed budget
- Proposed revenues for all City funds by major source
- Proposed expenditures by department, including fund source
- Proposed debt service by program, source of funds, and expense type
- Preliminary pay-as-you-go 2018-19 Capital Improvement Program budget
- Proposed interfund transfers
- Proposed full-time equivalent (FTE) positions by department
- Preliminary 2018-19 Capital Improvement Program resources and expenditures by capital fund, program, and fund source
- Summary of proposed property tax levy and rate information. The levy grows due to growth in assessed valuation, but the rate is proposed to float down by 0.02 to 2.1404. Based on state law, the City will publish a "Truth in Taxation" notice reflecting a \$3.1 million levy increase in primary property tax.

Next Steps

The City Manager's Proposed Budget was presented for information and discussion at the May 8, 2018 City Council Meeting for review and comment. Following the Council's budget action on May 22, both the City Charter and state law require subsequent public notification, advertising, and City Council actions. The May 22 Council action provides staff with direction and sufficient time to prepare the required legal publications for the following actions:

<u>Date</u>	<u>Event</u>
June 6, 2018	2018-19 Tentative Budget Ordinance Adoption
June 20, 2018	2018-19 Funding Plan and Final Budget Ordinance Adoption
July 5, 2018	2018-19 Property Tax Levy Ordinance Adoption

Responsible Department

This item is submitted by City Manager Ed Zuercher and the Budget and Research Department.

**2018-19
CITY MANAGER'S
FINAL PROPOSED BUDGET SUMMARY**

Attachments

Attachment A: [General Fund Additions](#)

Attachment B: [Non-General Fund Additions](#)

Attachment C: [CASS Homeless Shelter Addition](#)

Schedules

1. [Resources and Expenditures by Fund](#)
 - [2016-17 Actual](#)
 - [2017-18 Proposed Estimate](#)
 - [2018-19 Proposed Budget](#)
2. [Proposed Revenues by Major Source](#)
3. [Proposed Expenditures by Department](#)
4. [Proposed 2018-19 Expenditures by Department by Source Funds](#)
5. [Proposed Debt Service Expenditures by Program, Source of Funds and Type of Expenditure](#)
6. [Proposed Capital Improvement Program Financed from Operating Funds](#)
7. [Proposed Interfund Transfers to the General Fund](#)
8. [Proposed Positions by Department](#)
9. [Proposed Resources and Expenditures by Capital Fund 2018-19 Capital Improvement Program](#)
10. [Proposed 2018-19 Capital Improvement Program by Program and Source of Funds](#)
11. [Proposed 2018-19 Tax Levy and Tax Rate Information](#)

ATTACHMENT A
2018-19
PROPOSED SUPPLEMENTALS
GENERAL FUND

PUBLIC SAFETY

<u>Department</u>	<u>2018-19</u>
Fire	
<i>Program: Fire Prevention General Inspections, Fire Prevention Special Hazards, Fire Emergency Medical Services and Hazardous Incident Response</i>	
1. Add funding for two Fire Protection Engineers, three Fire Prevention Supervisors, and three Fire Prevention Specialist II positions. These positions will enhance the current Fire Prevention program by providing increased supervisory support to the inspectors. This addition will ensure that inspectors are provided comprehensive support from their supervisors and will ensure the Fire Prevention program's efforts are as efficient as possible. The additional cost for the 8 positions will be partially offset with savings from reallocating five Fire Captains and one Fire Battalion Division Chief to six Firefighter positions which will be reallocated to front-line service.	\$342,000 8.0
<i>Program: Fire Emergency Medical Services and Hazardous Incident Response</i>	
2. Add funding for three Fire Captain 56hr, three Fire Engineer 56hr and eight Firefighter 56hr positions to expand the hours of temporary Fire Station 55 in North Phoenix from part-time to full-time operations every day on a 24-hour schedule. This will improve response times and provide resources needed to respond to the increasing demand in the area. This request will be funded through the reallocation of existing overtime and other miscellaneous savings. Construction on the permanent site for the new Fire Station 55 at Interstate 17 and Jomax Road is scheduled to begin in the summer and is expected to be complete in late 2019. Funding to operate the new station full time will be requested in the 2019-20 budget process.	- 14.0
Total Fire	\$342,000 22.0

Department

2018-19

Police

Program: Public Records Unit

1. Add funding for one Information Technology Project Manager, three Police Records Clerks, four Administrative Aides, and five Forensic Photo Specialists to meet the staffing needs of the Phoenix Police Department Public-Traffic Records Detail. The number of public records requests has increased by 15,000 since FY2013-14. It is anticipated that additional support staff will help to prevent future public records request backlogs. This request will be funded through the reallocation of existing department resources.

\$-
13.0

Program: Crime Gun Intelligence Center

2. Add one Criminal Intelligence Analyst and four Police Assistants to increase the effectiveness of the Criminal Gun Intelligence Center (CGIC) in reducing crimes related to gun violence. The CGIC is a regional resource and uses advanced technologies and investigative techniques to identify, locate and apprehend violent criminal offenders possessing guns. These positions will perform data collection, research, obtain fingerprints and DNA, and provide intelligence to law enforcement in a timely manner to assist in apprehending “trigger pullers”.

510,000
5.0

Total Police

\$510,000
18.0

Law

Program: Civil Division

1. An administrative no cost conversion of two existing temporary positions assisting with public safety related matters; specifically, an Assistant City Attorney IV for the Fire Department and an Administrative Aide within the Legal Assistant Unit to provide support for the Police Department’s body-worn camera program. Positions will be funded through existing budgets.

\$-
-

Total Law

\$-
-

TOTAL PUBLIC SAFETY

\$852,000
40.0

NEIGHBORHOODS

Department

2018-19

City Clerk

Program: License Services

- | | | |
|----|--|------------|
| 1. | Add two temporary Business License Service Clerk positions to support the Structured Sober Living Home (SSLH) licensing program. Staff would license SSLH facilities, owners and managers, including conducting background reviews, collecting information about the home and copies of various home operation documents, and verifying compliance with zoning/registration and training requirements. It is anticipated that approximately 400 homes, and 800-1200 managers, will require licensing. Licensing costs will be offset by fee revenue. | \$-
2.0 |
|----|--|------------|

Total City Clerk

\$-
2.0

Neighborhood Services

Program: Code Compliance Program

- | | | |
|----|--|------------------|
| 1. | Add temporary positions and equipment to enforce regulations related to the Structured Sober Living Home (SSLH) licensing program. Two teams would be established to conduct citywide SSLH inspections and investigate complaints and violations of SSLH ordinances, zoning, property maintenance and environmental safety ordinances and housing safety regulations. Staff will also conduct community outreach/education and serve as liaison to industry and community stakeholder groups. It is anticipated that approximately 400 licensing inspections will be required annually in addition to 240 unlicensed SSLH complaint investigations. Enforcement costs will be partially offset by fee revenue. | \$235,000
5.0 |
|----|--|------------------|

Total Neighborhood Services

\$235,000
5.0

TOTAL NEIGHBORHOODS

\$235,000
7.0

HOMELESSNESS

Department

2018-19

Human Services

Program: Homeless Outreach Services

- | | | |
|----|---|----------------|
| 1. | Add funding to provide contractual services for two additional Homeless Outreach Teams to support the PHX C.A.R.E.S. program, expanding the number of teams from seven to nine. CDBG and other grant funds will be sought to supplement this funding. This will increase the program caseload capacity by 360 clients per year. The additional resources will also allow the program to provide more clients with a level of case management beyond the initial provision of emergency services. This will result in increasing the percentage of clients who are connected to permanent housing from approximately 10% to 30%. | \$225,000
- |
|----|---|----------------|

Program: Homeless Outreach Services

- | | | |
|----|---|---------------|
| 2. | Add an Administrative Assistant I position to manage and coordinate case referrals to the Homeless Outreach Teams supporting the PHX C.A.R.E.S. program to improve response times. This position will also conduct research, track performance measures, and make recommendations for improvements. | 86,000
1.0 |
|----|---|---------------|

Program: Homeless Emergency Services

- | | | |
|----|--|-------------|
| 3. | Increase funding to provide additional case management resources to assist clients with obtaining necessary services resulting in 100 clients being successfully housed each year. | 75,000
- |
|----|--|-------------|

Total Human Services

\$386,000
1.0

Neighborhood Services

Program: Code Compliance Program

- | | | |
|----|--|-----------------|
| 1. | Add funding for a position for the PHX C.A.R.E.S. program to prioritize, dispatch, manage and coordinate resources, including tracking and referring cases to multiple departments (Human Services, Neighborhood Services, Public Works, Streets Transportation and Parks and Recreation). This program will maximize effectiveness and optimize response times. This position will also conduct research, analyze performance measures, evaluate effectiveness and make recommendations for improvements. | \$86,000
1.0 |
|----|--|-----------------|

Total Neighborhood Services

\$86,000
1.0

Department

2018-19

Parks and Recreation

Program: Park Rangers – Community and Neighborhood Parks

- | | |
|---|------------------|
| 1. Add two Park Ranger positions and materials to support the PHX C.A.R.E.S. program within the City’s urban park system by increasing direct contact for individuals requiring services from PHX C.A.R.E.S. Homeless Outreach Teams. | \$256,000
2.0 |
|---|------------------|

These positions will also increase daily Park Ranger patrol coverage from 4:00 a.m. through 11:00 p.m., monitor and educate the public on park rules, regulations and ordinances related to city park use, and provide customer service and information to daily users.

Total Parks and Recreation	\$256,000 2.0
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TOTAL HOMELESSNESS	\$728,000 4.0
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TREES, SHADE AND CAPITAL CONSTRUCTION

Street Transportation

Program: Streetscape Management

- | | |
|---|----------------|
| 1. Add funding for the installation of approximately 750 trees (annually) and repair or installation of irrigation systems along surface streets to enhance the city’s Tree and Shade Master Program. | \$450,000
- |
|---|----------------|

Program: Design and Construction Procurement

- | | |
|---|----------|
| 2. Add two Contract Specialist II positions to the Design and Construction Procurement section to support the City’s Capital Improvement Program (CIP) to address increasing workloads and ensure contract documents are executed in a timely manner. Positions will be funded through work order credits charged to individual CIP projects. | -
2.0 |
|---|----------|

Program: Municipal Facility Design and Construction

- | | |
|--|----------|
| 3. Add a Project Manager position to assist the Vertical Project Management section with project management and support functions due to increased workloads generated by citywide client departments. Funded through work order credits charged to individual projects. | -
1.0 |
|--|----------|

Department

2018-19

Program: City Engineer Support

- 4. Convert a temporary Civil Engineer III position to regular status. This position will provide dedicated support and assistance to the City Engineer to establish and manage a Capital Improvement Program project management training program. In addition, the position will be responsible for overseeing the consolidation of various project management information systems. -

Total Street Transportation **\$450,000**
3.0

TOTAL TREES, SHADE AND CAPITAL CONSTRUCTION **\$450,000**
3.0

ARTS & CULTURE

Office of Arts & Culture

Program: Cultural Facilities Development and Property Management Services

- 1. Add a temporary position to oversee the coordination and development of the Latino Cultural Center. This position would be responsible for working with the City Council, community and the non-profit community as this project moves forward in the development process to explore the development of a Latino cultural center. \$159,000
1.0

Program: Arts Grants Services and Community Initiatives

- 2. Increase funding for arts grants. Arts grants provide operating support, including rental support, to local arts and culture organizations. 30,000
-

Program: Public Art Program

- 3. Increase funding for the maintenance of the City's public art installations. This increase in funding comes from the General Fund facilities maintenance budget and as a result does not increase the overall General Fund budget. 18,500
-

Total Office of Arts & Culture **\$207,500**
1.0

TOTAL ARTS & CULTURE **\$207,500**
1.0

LIBRARY HOURS RESTORATION

<u>Department</u>	<u>2018-19</u>
Library	
<i>Program: Branch Libraries</i>	
1. Continue the additional four hours of service on Sundays at four branch libraries that were temporarily added because of the Burton Barr Library closure: Yucca, Century, Harmon and Ocotillo. The additional Sunday hours have resulted in an average 10% increase in usage at the four branches, serving over 21,000 people in 24 weeks.	\$295,000 4.4
Total Library	\$295,000 4.4
TOTAL LIBRARY HOURS RESTORATION	\$295,000 4.4

PROTECTING OUR FUTURE - CENSUS

Census	
<i>Program: Federal, State, Regional and Tribal Programs</i>	
1. Add funding for one temporary Management Assistant II and additional resources to support the 2020 Census. For the first time, the national decennial census will be conducted online rather than by mail. The Management Assistant II position and additional resources will help ensure Phoenix maximizes census participation, which will affect future federal funding allocations and state shared revenues.	\$151,000 1.0
Total Census	\$151,000 1.0
TOTAL PROTECTING OUR FUTURE - CENSUS	\$151,000 1.0
TOTAL PROPOSED GENERAL FUND ADDITIONS	\$2,918,500 60.4

ATTACHMENT B

2018-19
PROPOSED SUPPLEMENTALS
NON-GENERAL FUND

RESPONDING TO COMMUNITY GROWTH

<u>Department</u>	<u>2018-19</u>
Community and Economic Development	
<i>Program: Workforce Development Program</i>	
1. Convert eight Federally funded temporary full-time positions to regular status to continue to support the Workforce Investment and Opportunity Act (WIOA) program for the City of Phoenix. Positions include two Workforce Development Specialists, one Training Specialist, one Workforce Development Supervisor, one Customer Service Clerk, one Budget Analyst I, one Administrative Assistant I, and one Caseworker III*Workforce Development.	\$- -
Total Community and Economic Development	\$- -
Planning and Development	
<i>Program: Civil Plan Review and Inspections</i>	
1. Add a Traffic Engineer II and Building Code Examiner position to meet plan review turnaround times as a result of increased development activity. These positions' duties would include reviewing paving plans, streetlight reviews, minor commercial building plans, and staffing customer service counters.	\$183,000 2.0
<i>Administration</i>	
2. Add a Senior Engineering Technician and Chief Engineering Technician to support the Electronic Plan Review team. These positions will provide direct customer assistance with technical and process support.	144,000 2.0
<i>Program: Civil Plan Review and Inspections</i>	
3. Add three Civil Inspector II positions to address increased workload and customer demand.	337,000 3.0
<i>Administration</i>	
4. Add an Administrative Assistant II position to support the director with the increase in public records requests and on call contract management oversight.	94,000 1.0

<u>Department</u>	<u>2018-19</u>
<i>Program: Residential Plan Review and Inspections</i>	
5. Add two General Inspector II positions to address increased workloads.	225,000 2.0
<i>Administration</i>	
6. Add an Information Technology Analyst Programmer II position to support the department's increased mapping and spatial data needs including more than twenty GIS applications and tools.	102,000 1.0
<i>Program: Commercial Plan Review and Inspections</i>	
7. Add an Electrical Inspector II*Ind/PR, Structural Inspector II and a Senior Engineering Technician to the Annual Facilities Program to assist with increased development workloads and meet customer demands.	299,000 3.0
<i>Administration</i>	
8. Add a Planner III position to perform multi-disciplinary planning and economic research projects, including monitoring and analyzing development and permit activity and socio-economic data, to help project growth citywide and within designated impact fee areas.	102,000 1.0
<i>Administration</i>	
9. Add an Engineering Technician position to address high call volumes due to increased development activity.	59,000 1.0
<i>Program: Civil Plan Review and Inspections</i>	
10. Add two Senior Materials Technician positions to provide additional oversight of material testing performed by developers' private labs.	206,000 2.0
<i>Administration</i>	
11. Convert a temporary Principal Planner position to regular status. This position assists with the coordination of multiple departments and Arizona Department of Transportation in the planning, design and construction of the Loop 202 Freeway.	- -
Total Planning and Development	\$1,751,000 18.0
TOTAL RESPONDING TO COMMUNITY GROWTH	\$1,751,000 18.0

MAINTAINING OUR TRANSPORTATION INFRASTRUCTURE

Public Transit

*Program: **Regional Fixed Route Support***

- | | | |
|----|--|-----------------|
| 1. | Add a Quality Assurance Engineer position to provide vehicle inspections to ensure vehicles are properly maintained per FTA Federal Transit Asset Management guidelines as new vehicles are added to support the upcoming service improvements under the Phoenix Transportation 2050 Plan. | \$92,000
1.0 |
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Total Public Transit

\$92,000
1.0

Street Transportation

*Program: **Right of Way Management***

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|----|---|------------------|
| 1. | Add two Chief Construction Inspector positions to address increased work load for field monitoring, improving contractor compliance and increasing public safety. | \$229,000
2.0 |
|----|---|------------------|

*Program: **Traffic Signal Shop***

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|----|--|----------------|
| 2. | Add an Electronic System Specialist, two Electrician*Leads, an Administrative Assistant I and a Supplies Clerk II*U3 to support the Arterial System Construction and Maintenance section as the City continues to add new traffic signals. Positions will be partially offset through work order credits charged to individual Capital Improvement Program (CIP) projects. | 180,000
5.0 |
|----|--|----------------|

*Program: **Street Cleaning***

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|----|--|---------------|
| 3. | Add a Motorbroom Operator position to operate a supplemental motorbroom to ensure the department meets established street cleaning service levels and assist in avoiding violation of dust control mandates. | 75,000
1.0 |
|----|--|---------------|

Administration

- | | | |
|----|--|----------|
| 4. | Add a position in the Design and Construction Management section to address workload increases and ensure high quality customer service. The position will be funded through work order credits charged to CIP projects. | -
1.0 |
|----|--|----------|

Department

2018-19

- Program: Utility Coordination and Inspection*
5. Add a Chief Engineering Technician, a Support Service Aide and four Senior Construction Inspectors to the Utility Inspection group to support increased inspection requests related to small cell wireless system installations, underground utility work related to fiber optic installations and modernization of underground natural gas infrastructure. These positions will be funded through work order credits to individual CIP projects and fee revenue. -
6.0
- Program: Street Marking and Striping*
6. Add an additional pavement marking crew consisting of a Traffic Maintenance Worker and two Trades Helper positions to support the T2050 Bike Program initiatives. This will allow for proper maintenance cycles for remarking crosswalks and turn arrows, ensuring safety of motorists, bicyclists and pedestrians. Positions will be partially offset through work order credits charged to individual Capital Improvement Program (CIP) projects. 145,000
3.0
- Program: Transportation and Drainage Design and Construction*
7. Add eight positions to support additional projects in the right of way for the Water Services Department, pedestrian crossing traffic signals and Bicycle Master Plan implementation, and Transportation 2050 Program projects such as bus bays and street maintenance. The cost of the positions will be partially offset through work order credits to CIP projects. 94,000
8.0
- Program: Traffic Signal and Transportation Administration*
8. Add a Traffic Engineer II, a Signal Systems Specialist I and a Senior Engineering Technician to support the Arterial Systems Design section with developing timing for the traffic signal network, support growing design requirements, conduct permit reviews for small wireless facilities, and respond to customer requests. These positions will be funded through work order credits to individual CIP projects and fee revenue. -
3.0
- Administration*
9. Add a Senior Business Analyst to review and update business processes and technology requirements for the Street Maintenance and Traffic Services divisions in support of T2050 projects and asset management. 136,000
1.0
- Program: Transportation and Drainage Design and Construction*
10. Convert two temporary Project Manager positions to regular status to address Capital Improvement Program pavement preservation and Americans with Disabilities Act projects. -
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Department

2018-19

- Program: Traffic Safety and Neighborhood Traffic*
11. Add a Traffic Engineer III position, and equipment, to be the Pedestrian Safety Coordinator. This position will analyze pedestrian collisions to determine trends and causal factors, and work with the multi-department Pedestrian Fatality Review team to conduct coordinated studies to evaluate infrastructure improvements, educational opportunities, and targeted enforcement plans to improve pedestrian safety. The coordinator will also help evaluate policy and design standards for pedestrian infrastructure such as crosswalks, and assist with the safe routes to school program.

\$172,000
1.0

Total Street Transportation

\$1,031,000
31.0

**TOTAL MAINTAINING OUR TRANSPORTATION
INFRASTRUCTURE**

\$1,123,000
32.0

HOMELESSNESS

Solid Waste

Program: Institutional Collection and Special Services Program

1. Add temporary positions and equipment to increase the clean-up of homeless encampments, as identified through the PHX C.A.R.E.S. program, from twice a week to five times a week. Clean-ups will be conducted in City alleyways. Staff currently cleans approximately 15 sites per week as needed. With increased funding and support, staff expects to clean approximately 50-60 sites per week with improved response times.

\$573,000
2.0

Total Solid Waste

\$573,000
2.0

Department

2018-19

Street Transportation

Program: Street Cleaning

1. Add temporary positions and equipment to increase the clean-up of homeless encampments, as identified through the PHX C.A.R.E.S. program, from once a week to five times a week. Clean-ups will be conducted in areas such as the right-of-way, city owned lots, natural washes, culverts, and drainage easements. Staff are expected to clean approximately 12-15 sites per week.

\$600,000
5.0

Total Street Transportation

\$600,000
5.0

TOTAL HOMELESSNESS

\$1,173,000
7.0

TOTAL PROPOSED NON-GENERAL FUND ADDITIONS

\$4,047,000
57.0

**2016-17 SCHEDULE 1
RESOURCES AND EXPENDITURES BY FUND
ACTUAL
(In Thousands of Dollars)**

	Resources						Expenditures				Ending Fund Balances
	Beginning Fund Balances	Revenue ^{1/}	Recovery	Fund Transfer		Total	Operating	Capital	Debt		
				To	From				Service	Total	
General Funds:											
General	\$ 112,544	\$ 263,319	\$ 3,496	\$ 870,367	\$ 128,423	\$ 1,121,303	\$ 971,559	\$ 5,250	\$ -	\$ 976,809	\$ 144,494
Parks and Recreation	-	16,231	159	72,642	-	89,032	89,032	-	-	89,032	-
Library	-	37,062	29	-	2,208	34,883	34,712	171	-	34,883	-
Cable Communications	-	10,391	6	-	5,759	4,638	4,638	-	-	4,638	-
Total General	\$ 112,544	\$ 327,003	\$ 3,690	\$ 943,009	\$ 136,390	\$ 1,249,856	\$ 1,099,941	\$ 5,421	\$ -	\$ 1,105,362	\$ 144,494
Special Revenue Funds:											
Excise Tax	\$ -	\$ 1,210,387	\$ -	\$ -	\$ 1,210,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nghbrhd Protection-Police	8,043	112	1	21,121	173	29,104	15,422	-	-	15,422	13,682
Nghbrhd Protection-Fire	7,064	75	-	7,543	-	14,682	8,354	-	-	8,354	6,328
Nghbrhd Protection-Block Watch	3,014	279	-	1,510	-	4,803	1,272	-	-	1,272	3,531
2007 Public Safety Exp-Police	519	(10)	1	48,277	349	48,438	36,582	-	-	36,582	11,856
2007 Public Safety Exp-Fire	3,721	27	-	12,069	57	15,760	12,455	-	-	12,455	3,305
Public Safety Enhance-Police	1,438	-	-	15,536	290	16,684	10,989	-	-	10,989	5,695
Public Safety Enhance-Fire	2,944	-	-	9,523	-	12,467	8,451	-	-	8,451	4,016
Parks and Preserves	47,318	1,054	413	30,172	4	78,953	3,989	31,169	-	35,158	43,795
Transit 2000 ^{2/}	175,186	2,730	312	-	47,089	131,139	125,731	4,130	-	129,861	1,278
Transportation 2050 ^{2/}	106,857	48,452	96	203,710	14,689	344,426	41,508	48,160	-	89,668	254,758
Court Awards	(89)	6,405	18	-	-	6,334	5,774	325	-	6,099	235
Development Services	46,240	53,410	71	-	3,289	96,432	41,879	333	-	42,212	54,220
Capital Construction	6,037	142	243	11,064	-	17,486	198	6,064	-	6,262	11,224
Sports Facilities	26,453	8,976	1	23,083	299	58,214	2,268	249	17,888	20,405	37,809
AZ Highway User Revenue	51,922	127,142	1,477	1,575	-	182,116	52,397	74,304	-	126,701	55,415
Regional Transit	(14,001)	43,866	(468)	-	24	29,373	30,758	12,604	-	43,362	(13,989) ^{3/}
Community Reinvestment	12,161	7,068	-	-	2,064	17,165	388	4,747	-	5,135	12,030
Secondary Property Tax	100	95,759	-	31,362	-	127,221	-	-	126,695	126,695	526
Impact Fee Program Admin	972	383	-	-	-	1,355	450	-	-	450	905
Regional Wireless Cooperative	2,326	4,123	-	-	-	6,449	4,693	-	-	4,693	1,756
Golf Course	317	5,770	4	-	-	6,091	5,841	-	-	5,841	250
City Improvement	-	-	-	180,993	86,309	94,684	-	-	94,568	94,568	116
Other Restricted Funds	72,937	40,897	300	23,444	7,775	129,803	39,768	5,374	-	45,142	84,661
Grant Funds	15,170	250,481	617	2,165	340	268,093	190,927	53,683	-	244,610	23,483
Total Special Revenue	\$ 576,649	\$ 1,907,528	\$ 3,086	\$ 623,147	\$ 1,373,138	\$ 1,737,272	\$ 640,094	\$ 241,142	\$ 239,151	\$ 1,120,387	\$ 616,885
Enterprise Funds:											
Aviation	\$ 326,033	\$ 354,651	\$ 1,498	\$ 18,959	\$ 24,294	\$ 676,847	\$ 245,095	\$ 42,693	\$ 54,948	\$ 342,736	\$ 334,111
Water	105,473	417,702	2,770	352	26,028	500,269	171,897	152,430	113,349	437,676	62,593
Wastewater	120,667	228,719	1,680	105	16,476	334,695	95,161	82,388	70,276	247,825	86,870
Solid Waste	54,679	151,113	468	-	12,704	193,556	126,156	10,557	12,942	149,655	43,901
Convention Center	41,879	20,402	51	49,082	2,680	108,734	44,047	1,187	19,720	64,954	43,780
Total Enterprise	\$ 648,731	\$ 1,172,587	\$ 6,467	\$ 68,498	\$ 82,182	\$ 1,814,101	\$ 682,356	\$ 289,255	\$ 271,235	\$ 1,242,846	\$ 571,255
GRAND TOTAL	\$ 1,337,924	\$ 3,407,118	\$ 13,243	\$ 1,634,654	\$ 1,591,710	\$ 4,801,229	\$ 2,422,391	\$ 535,818	\$ 510,386	\$ 3,468,595	\$ 1,332,634

^{1/} General fund sales tax revenue is reflected as a transfer from the excise tax fund. Total transfer equates to \$778.8 million, and is included in the General Funds revenue total of \$1,105.8 million shown on Schedule 2.

^{2/} The Transportation 2050 sales tax (Proposition 104) was established by the voters effective January 1, 2016 and increased the Transit 2000 sales tax (Proposition 2000) to fund a comprehensive transportation plan with a 35 year sunset date. The Proposition increased the transaction privilege (sales) tax rates by 0.3% for various business activities.

^{3/} The negative fund balance in Regional Transit is due to the timing of reimbursements for project costs from the regional transportation plan (Proposition 400).

**2017-18 SCHEDULE 1
RESOURCES AND EXPENDITURES BY FUND
PROPOSED ESTIMATE
(In Thousands of Dollars)**

	Resources						Expenditures				Ending Fund Balances
	Beginning Fund Balances	Revenue ^{1/}	Recovery	Fund Transfer		Total	Operating	Capital	Debt		
				To	From				Service	Total	
General Funds:											
General	\$ 144,494	\$ 283,672	\$ 1,000	\$ 887,763	\$ 156,717	\$ 1,160,212	\$ 1,041,024	\$ 4,065	\$ -	\$ 1,045,089	\$ 115,123
Parks and Recreation	-	17,216	-	74,763	-	91,979	91,979	-	-	91,979	-
Library	-	47,539	-	2,063	2,103	47,499	40,139	7,360	-	47,499	-
Cable Communications	-	10,105	-	-	5,275	4,830	4,830	-	-	4,830	-
Total General	144,494	358,532	1,000	964,589	164,095	1,304,520	1,177,972	11,425	-	1,189,397	115,123
Special Revenue Funds:											
Excise Tax	\$ -	\$ 1,251,869	\$ -	\$ -	\$ 1,251,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nghbrhd Protection-Police	13,682	163	-	21,978	330	35,493	24,507	-	-	24,507	10,986
Nghbrhd Protection-Fire	6,328	95	-	7,848	10	14,261	9,407	-	-	9,407	4,854
Nghbrhd Protection-Block Watch	3,531	332	-	1,569	9	5,423	1,250	-	-	1,250	4,173
2007 Public Safety Exp-Police	11,856	135	-	50,232	420	61,803	39,015	-	-	39,015	22,788
2007 Public Safety Exp-Fire	3,305	29	-	12,559	76	15,817	13,361	-	-	13,361	2,456
Public Safety Enhance-Police	5,695	-	-	15,576	199	21,072	14,304	-	-	14,304	6,768
Public Safety Enhance-Fire	4,016	-	-	9,546	-	13,562	9,428	-	-	9,428	4,134
Parks and Preserves	43,795	870	280	33,135	198	77,882	5,607	21,982	-	27,589	50,293
Transit 2000 ^{2/}	1,278	-	19	-	1,297	-	-	-	-	-	-
Transportation 2050 ^{2/}	254,758	48,061	500	213,580	66,360	450,539	202,141	47,802	-	249,943	200,596
Court Awards	235	5,042	260	-	-	5,537	5,070	-	-	5,070	467
Development Services	54,220	55,870	-	-	3,494	106,596	54,881	1,531	-	56,412	50,184
Capital Construction	11,224	190	280	9,377	-	21,071	199	6,164	-	6,363	14,708
Sports Facilities	37,809	7,904	105	19,368	388	64,798	2,374	2,142	20,062	24,578	40,220
AZ Highway User Revenue	55,415	132,107	600	-	-	188,122	62,049	62,766	-	124,815	63,307
Regional Transit	(13,989)	41,433	-	-	-	27,444	31,681	2,919	-	34,600	(7,156) ^{3/}
Community Reinvestment	12,030	6,219	-	857	2,068	17,038	489	2,992	-	3,481	13,557
Secondary Property Tax	526	100,382	426	436	-	101,770	-	-	101,670	101,670	100
Impact Fee Program Admin	905	388	-	-	-	1,293	451	-	-	451	842
Regional Wireless Cooperative	1,756	4,495	40	-	-	6,291	4,754	-	-	4,754	1,537
Golf Course	250	5,471	-	-	-	5,721	5,351	-	-	5,351	370
City Improvement	116	-	-	103,735	1,026	102,825	-	-	102,825	102,825	-
Other Restricted Funds	84,661	32,626	110	48,874	9,624	156,647	49,407	5,959	-	55,366	101,281
Grant Funds	23,483	228,692	100	-	273	252,002	226,258	7,860	-	234,118	17,884
Total Special Revenue	\$ 616,885	\$ 1,922,373	\$ 2,720	\$ 548,670	\$ 1,337,641	\$ 1,753,007	\$ 761,984	\$ 162,117	\$ 224,557	\$ 1,148,658	\$ 604,349
Enterprise Funds:											
Aviation	\$ 334,111	\$ 366,280	\$ 3,060	\$ 15,750	\$ 11,970	\$ 707,231	\$ 256,067	\$ 55,894	\$ 65,203	\$ 377,164	\$ 330,067
Water	62,593	421,857	6,060	25,000	23,304	492,206	197,023	104,732	110,046	411,801	80,405
Wastewater	86,870	235,556	1,160	-	14,814	308,772	170,302	33,050	69,931	273,283	35,489
Solid Waste	43,901	151,452	260	-	10,368	185,245	130,168	9,538	9,492	149,198	36,047
Convention Center	43,780	22,680	50	49,505	4,227	111,788	47,182	4,782	19,928	71,892	39,896
Total Enterprise	\$ 571,255	\$ 1,197,825	\$ 10,590	\$ 90,255	\$ 64,683	\$ 1,805,242	\$ 800,742	\$ 207,996	\$ 274,600	\$ 1,283,338	\$ 521,904
GRAND TOTAL	\$ 1,332,634	\$ 3,478,730	\$ 14,310	\$ 1,603,514	\$ 1,566,419	\$ 4,862,769	\$ 2,740,698	\$ 381,538	\$ 499,157	\$ 3,621,393	\$ 1,241,376

^{1/} General fund sales tax revenue is reflected as a transfer from the excise tax fund. Total transfer equates to \$805.9 million, and is included in the General Funds revenue total of \$1,164.4 million shown on Schedule 2.

^{2/} The Transportation 2050 sales tax (Proposition 104) was established by the voters effective January 1, 2016 and increased the Transit 2000 sales tax (Proposition 2000) to fund a comprehensive transportation plan with a 35 year sunset date. The Proposition increased the transaction privilege (sales) tax rates by 0.3% for various business activities.

^{3/} The negative fund balance in Regional Transit is due to the timing of reimbursements for project costs from the regional transportation plan (Proposition 400).

**2018-19 SCHEDULE 1
RESOURCES AND EXPENDITURES BY FUND
PROPOSED BUDGET
(In Thousands of Dollars)**

	Resources						Expenditures				Ending Fund Balances
	Beginning Fund Balances	Revenue ^{1/}	Recovery	Fund Transfer		Total	Operating	Capital	Debt Service	Total	
				To	From						
General Funds:											
General	\$ 115,123	\$ 290,954	\$ 1,000	\$ 907,600	\$ 138,019	\$ 1,176,658	\$ 1,163,462	\$ 13,196	\$ -	\$ 1,176,658	\$ -
Parks and Recreation	-	17,061	-	76,322	-	93,383	93,383	-	-	93,383	-
Library	-	39,346	-	632	2,103	37,875	37,675	200	-	37,875	-
Cable Communications	-	10,105	-	-	7,902	2,203	2,203	-	-	2,203	-
Total General	\$ 115,123	\$ 357,466	\$ 1,000	\$ 984,554	\$ 148,024	\$ 1,310,119	\$ 1,296,723	\$ 13,396	\$ -	\$ 1,310,119	\$ -
Special Revenue Funds:											
Excise Tax	\$ -	\$ 1,286,950	\$ -	\$ -	\$ 1,286,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nghbrhd Protection-Police	10,986	163	-	22,803	428	33,524	28,996	-	-	28,996	4,528
Nghbrhd Protection-Fire	4,854	95	-	8,144	39	13,054	10,311	-	-	10,311	2,743
Nghbrhd Protection-Block Watch	4,173	332	-	1,629	8	6,126	1,250	-	-	1,250	4,876
2007 Public Safety Exp-Police	22,788	135	-	52,121	653	74,391	57,984	-	-	57,984	16,407
2007 Public Safety Exp-Fire	2,456	30	-	13,030	128	15,388	15,388	-	-	15,388	-
Public Safety Enhance-Police	6,768	-	-	16,128	199	22,697	17,151	-	-	17,151	5,546
Public Safety Enhance-Fire	4,134	-	-	9,885	-	14,019	11,615	-	-	11,615	2,404
Parks and Preserves	50,293	650	80	32,577	158	83,442	5,551	59,812	-	65,363	18,079
Transportation 2050	200,596	48,783	400	221,093	69,347	401,525	216,081	97,655	-	313,736	87,789
Court Awards	467	4,610	-	-	-	5,077	4,584	-	-	4,584	493
Development Services	50,184	55,955	-	-	3,494	102,645	61,389	14,924	-	76,313	26,332
Capital Construction	14,708	120	230	9,034	-	24,092	167	16,655	-	16,822	7,270
Sports Facilities	40,220	4,049	-	19,315	393	63,191	17,478	15,358	28,754	61,590	1,601
AZ Highway User Revenue	63,307	136,209	600	-	1,258	198,858	66,785	127,095	-	193,880	4,978
Regional Transit	(7,156)	37,207	-	-	-	30,051	32,632	19,150	-	51,782	(21,731) ^{2/}
Community Reinvestment	13,557	5,252	-	3,421	2,063	20,167	1,348	6,446	-	7,794	12,373
Secondary Property Tax	100	105,917	650	1,390	-	108,057	-	-	107,957	107,957	100
Impact Fee Program Admin	842	388	-	-	-	1,230	486	-	-	486	744
Regional Wireless Cooperative	1,537	4,858	-	-	-	6,395	4,420	-	-	4,420	1,975
Golf Course	370	5,266	-	-	-	5,636	5,283	-	-	5,283	353
City Improvement	-	-	-	113,033	1,028	112,005	-	-	112,005	112,005	-
Other Restricted Funds	101,281	29,521	110	23,242	6,085	148,069	53,362	11,980	-	65,342	82,727
Grant Funds	17,884	323,343	50	-	272	341,005	211,931	117,663	-	329,594	11,411
Total Special Revenue	\$ 604,349	\$ 2,049,833	\$ 2,120	\$ 546,845	\$ 1,372,503	\$ 1,830,644	\$ 824,192	\$ 486,738	\$ 248,716	\$ 1,559,646	\$ 270,998
Enterprise Funds:											
Aviation	\$ 330,067	\$ 373,795	\$ 1,200	\$ 16,250	\$ 11,344	\$ 709,968	\$ 279,092	\$ 240,707	\$ 96,397	\$ 616,196	\$ 93,772
Water	80,405	424,700	2,710	-	24,289	483,526	223,449	118,643	118,012	460,104	23,422
Wastewater	35,489	237,665	1,020	-	15,403	258,771	110,881	21,563	75,971	208,415	50,356
Solid Waste	36,047	153,959	260	-	10,437	179,829	140,402	24,661	14,317	179,380	449
Convention Center	39,896	23,752	50	50,907	4,050	110,555	54,632	13,497	19,933	88,062	22,493
Total Enterprise	\$ 521,904	\$ 1,213,871	\$ 5,240	\$ 67,157	\$ 65,523	\$ 1,742,649	\$ 808,456	\$ 419,071	\$ 324,630	\$ 1,552,157	\$ 190,492
GRAND TOTAL	\$ 1,241,376	\$ 3,621,170	\$ 8,360	\$ 1,598,556	\$ 1,586,050	\$ 4,883,412	\$ 2,929,371	\$ 919,205	\$ 573,346	\$ 4,421,922	\$ 461,490

^{1/} General fund sales tax revenue is reflected as a transfer from the excise tax fund. Total transfer equates to \$826.2 million, and is included in the General Funds revenue total of \$1,183.7 million shown on Schedule 2.

^{2/} The negative fund balance in Regional Transit is due to the timing of reimbursements for project costs from the regional transportation plan (Proposition 400).

SCHEDULE 2
PROPOSED REVENUES BY MAJOR SOURCE
(In Thousands of Dollars)

Revenue Source	2016-17 Actuals	2017-18 Estimate	Percent Increase/ Decrease from 2016-17 Actuals	2018-19 Budget	Percent Increase/ Decrease from 2017-18 Estimate
GENERAL FUND					
Local Taxes and Related Fees					
Local Sales Tax	\$ 421,239	\$ 429,546	2.0%	\$ 444,563	3.5%
Privilege License Fees	1,485	2,090	40.7%	2,080	-0.5%
Other General Fund Excise Taxes	17,984	18,130	0.8%	18,310	1.0%
Subtotal	\$ 440,708	\$ 449,766	2.1%	\$ 464,953	3.4%
State Shared Revenues					
Sales Tax	143,976	153,160	6.4%	159,407	4.1%
State Income Tax	191,225	200,035	4.6%	198,297	-0.9%
Vehicle License Tax	61,586	67,745	10.0%	70,794	4.5%
Subtotal	\$ 396,787	\$ 420,940	6.1%	\$ 428,498	1.8%
Primary Property Tax	\$ 146,121	\$ 155,020	6.1%	\$ 161,586	4.2%
User Fees/Other Revenue					
Licenses & Permits	2,879	2,929	1.7%	3,558	21.5%
Cable Communications	10,391	10,105	-2.8%	10,105	0.0%
Fines and Forfeitures	12,039	13,022	8.2%	12,667	-2.7%
Court Default Fee	1,164	1,308	12.4%	1,308	0.0%
Fire	45,886	47,931	4.5%	48,650	1.5%
Hazardous Materials Inspection Fee	1,388	1,400	0.9%	1,400	0.0%
Library Fees	701	8,561	+100%	518	-93.9%
Parks and Recreation	7,571	7,933	4.8%	7,240	-8.7%
Planning	1,690	1,806	6.9%	1,860	3.0%
Police	13,720	14,133	3.0%	14,010	-0.9%
Street Transportation	5,194	6,209	19.5%	4,682	-24.6%
Other Service Charges	16,752	19,446	16.1%	19,648	1.0%
Other	2,800	3,913	39.8%	2,998	-23.4%
Subtotal	\$ 122,175	\$ 138,696	13.5%	\$ 128,644	-7.2%
TOTAL GENERAL FUNDS	\$ 1,105,791	\$ 1,164,422	5.3%	\$ 1,183,681	1.7%

SCHEDULE 2
PROPOSED REVENUES BY MAJOR SOURCE (Continued)
(In Thousands of Dollars)

Revenue Source	2016-17 Actuals	2017-18 Estimate	Percent Increase/ Decrease from 2016-17 Actuals	2018-19 Budget	Percent Increase/ Decrease from 2017-18 Estimate
SPECIAL REVENUE FUNDS					
Neighborhood Protection	\$ 30,550	\$ 31,896	4.4%	\$ 33,106	3.8%
2007 Public Safety Expansion	60,184	62,776	4.3%	65,196	3.9%
Public Safety Enhancement	25,059	25,122	0.3%	26,013	3.5%
Parks and Preserves	31,136	32,176	3.3%	33,167	3.1%
Transit 2000 ^{1/}	2,730	-	-100.0%	-	NA
Transportation 2050 ^{1/}	251,294	261,283	4.0%	269,637	3.2%
Court Awards	6,405	5,042	-21.3%	4,610	-8.6%
Development Services	53,410	55,870	4.6%	55,955	0.2%
Capital Construction	11,206	9,567	-14.6%	9,154	-4.3%
Sports Facilities	27,411	26,246	-4.3%	22,336	-14.9%
Arizona Highway User Revenue	127,142	132,107	3.9%	136,209	3.1%
Regional Transit Revenues	43,866	41,433	-5.5%	37,207	-10.2%
Community Reinvestment	7,068	6,219	-12.0%	5,252	-15.5%
Secondary Property Tax	95,759	100,382	4.8%	105,917	5.5%
Impact Fee Program Administration	383	388	1.3%	388	0.0%
Regional Wireless Cooperative	4,123	4,495	9.0%	4,858	8.1%
Golf Courses	5,770	5,471	-5.2%	5,266	-3.7%
Other Restricted Revenues	45,712	37,813	-17.3%	35,097	-7.2%
Grants					
Public Housing Grants	89,723	92,830	3.5%	95,210	2.6%
Human Services Grants	46,084	45,981	-0.2%	48,668	5.8%
Community Development	19,846	27,344	37.8%	20,363	-25.5%
Criminal Justice	9,744	10,461	7.4%	7,757	-25.8%
Public Transit Grants	55,272	14,847	-73.1%	116,715	+100%
Other Grants	29,812	37,229	24.9%	34,630	-7.0%
Subtotal - Grants	\$ 250,481	\$ 228,692	-8.7%	\$ 323,343	41.4%
SUBTOTAL SPECIAL REVENUE FUNDS	\$ 1,079,689	\$ 1,066,978	-1.2%	\$ 1,172,711	9.9%
ENTERPRISE FUNDS					
Aviation	354,651	366,280	3.3%	373,795	2.1%
Water System	417,702	421,857	1.0%	424,700	0.7%
Wastewater System	228,719	235,556	3.0%	237,665	0.9%
Solid Waste	151,113	151,452	0.2%	153,959	1.7%
Convention Center	69,453	72,185	3.9%	74,659	3.4%
SUBTOTAL ENTERPRISE FUNDS	\$ 1,221,638	\$ 1,247,330	2.1%	\$ 1,264,778	1.4%
TOTAL ALL OPERATING FUNDS	\$ 3,407,118	\$ 3,478,730	2.1%	\$ 3,621,170	4.1%

1/ The Transportation 2050 sales tax (Proposition 104) was established by the voters effective January 1, 2016 and increased the Transit 2000 sales tax (Proposition 2000) to fund a comprehensive transportation plan with a 35 year sunset date. The Proposition increased the transaction privilege (sales) tax rates by 0.3% for various business activities.

SCHEDULE 3
PROPOSED EXPENDITURES BY DEPARTMENT ¹
(In Thousands of Dollars)

Program	2016-17 Actual	2017-18		2018-19 City Manager Recommended	Percent Change from 2017-18		
		Budget	Estimate		Budget	Estimate	
General Government							
Mayor	\$ 1,559	\$ 1,962	\$ 1,962	1,995	1.7%	1.7%	
City Council	3,352	4,206	4,216	4,409	4.8%	4.6%	
City Manager	2,439	2,649	2,541	2,636	(0.5%)	3.7%	
Government Relations	993	1,091	1,041	1,281	17.4%	23.1%	
Communications Office	2,291	2,489	2,466	2,544	2.2%	3.2%	
City Auditor	2,358	2,853	2,726	2,980	4.5%	9.3%	
Equal Opportunity	2,520	2,970	2,841	3,158	6.3%	11.2%	
Human Resources	11,745	11,692	11,504	12,041	3.0%	4.7%	
Phoenix Employment Relations Board	82	96	97	102	6.3%	5.2%	
Regional Wireless Cooperative	4,693	4,628	12,874	12,537	170.9%	(2.6%)	
Retirement Systems	5	-	-	-	-	-	
Law	4,452	5,069	5,470	8,676	71.2%	58.6%	
Information Technology	36,827	40,660	40,645	42,435	4.4%	4.4%	
City Clerk and Elections	4,252	4,946	4,690	6,712	35.7%	43.1%	
Finance	24,956	40,841	26,977	26,650	(34.7%)	(1.2%)	
Budget and Research	3,044	3,501	3,029	3,396	(3.0%)	12.1%	
Total General Government	\$ 105,568	\$ 129,653	\$ 123,079	\$ 131,552	1.5%	6.9%	
Public Safety							
Police	\$ 600,417	\$ 677,593	\$ 643,975	\$ 687,794	1.5%	6.8%	
Fire	307,307	353,985	344,058	365,547	3.3%	6.2%	
Emergency Management	828	1,031	1,245	1,032	0.1%	(17.1%)	
Total Public Safety	\$ 908,552	\$ 1,032,609	\$ 989,278	\$ 1,054,373	2.1%	6.6%	
Criminal Justice							
Municipal Court	\$ 36,551	\$ 41,513	\$ 35,865	\$ 41,116	(1.0%)	14.6%	
City Prosecutor	15,273	16,678	16,507	16,811	0.8%	1.8%	
Public Defender	4,700	5,081	4,893	5,028	(1.0%)	2.8%	
Total Criminal Justice	\$ 56,524	\$ 63,272	\$ 57,265	\$ 62,955	(0.5%)	9.9%	
Transportation							
Street Transportation	\$ 71,750	\$ 83,749	\$ 83,214	\$ 87,480	4.5%	5.1%	
Aviation	244,468	255,739	255,365	264,372	3.4%	3.5%	
Public Transit	271,858	310,951	315,269	324,613	4.4%	3.0%	
Total Transportation	\$ 588,076	\$ 650,439	\$ 653,848	\$ 676,465	4.0%	3.5%	

SCHEDULE 3 (continued)
PROPOSED EXPENDITURES BY DEPARTMENT ¹
(In Thousands of Dollars)

Program	2016-17 Actual	2017-18		2018-19 City Manager Recommended	Percent Change from 2017-18		
		Budget	Estimate		Budget	Estimate	
Community Development							
Planning and Development	\$ 46,394	\$ 60,934	\$ 59,360	\$ 61,091	0.3%	2.9%	
Housing	84,070	95,455	91,777	96,180	0.8%	4.8%	
Community and Economic Development	29,757	32,058	31,601	33,999	6.1%	7.6%	
Neighborhood Services	30,654	50,070	49,741	33,537	(33.0%)	(32.6%)	
PCDIC	618	911	805	980	7.6%	21.7%	
Total Community Development	\$ 191,493	\$ 239,428	\$ 233,284	\$ 225,787	(5.7%)	(3.2%)	
Community Enrichment							
Parks and Recreation	\$ 102,510	\$ 107,295	\$ 107,318	\$ 108,597	1.2%	1.2%	
Library	35,257	39,692	41,083	39,161	(1.3%)	(4.7%)	
Phoenix Convention Center	45,959	49,600	49,420	53,982	8.8%	9.2%	
Human Services	65,031	67,057	66,040	69,392	3.5%	5.1%	
Office of Arts and Culture	4,110	4,428	4,957	8,624	94.8%	74.0%	
Total Community Enrichment	\$ 252,867	\$ 268,072	\$ 268,818	\$ 279,756	4.4%	4.1%	
Environmental Services							
Water	\$ 266,248	\$ 298,067	\$ 366,758	\$ 320,602	7.6%	(12.6%)	
Solid Waste Management	125,968	129,442	129,997	139,230	7.6%	7.1%	
Public Works	20,117	21,559	19,214	25,258	17.2%	31.5%	
Environmental Programs	1,117	1,358	1,556	1,795	32.2%	15.4%	
Office of Sustainability	429	432	426	484	12.0%	13.6%	
Total Environmental Services	\$ 413,879	\$ 450,858	\$ 517,951	\$ 487,369	8.1%	(5.9%)	
Contingencies	\$ -	\$ 103,400	\$ -	\$ 123,119	19.1%	-	
GRAND TOTAL	\$ 2,516,959	\$ 2,937,731	\$ 2,843,523	\$ 3,041,376	3.5%	7.0%	

¹ For purposes of this schedule, department budget allocations include Grants and City Improvement debt service payments.

SCHEDULE 4

PROPOSED 2018-19 EXPENDITURES BY DEPARTMENT ¹
BY SOURCE OF FUNDS
(In Thousands of Dollars)

Program	Total	General Funds	Enterprise Funds	Special Revenue Funds ¹
General Government				
Mayor	\$ 1,995	\$ 1,995	\$ -	\$ -
City Council	4,409	4,409	-	-
City Manager	2,636	2,624	-	12
Government Relations	1,281	1,281	-	-
Communications Office	2,544	2,169	-	375
City Auditor	2,980	2,980	-	-
Equal Opportunity	3,158	2,660	-	498
Human Resources	12,041	10,624	-	1,417
Phoenix Employment Relations Board	102	102	-	-
Regional Wireless Cooperative	12,537	-	-	12,537
Retirement Systems	-	-	-	-
Law	8,676	8,676	-	-
Information Technology	42,435	37,587	681	4,167
City Clerk and Elections	6,712	6,693	-	19
Finance	26,650	23,567	1,924	1,159
Budget and Research	3,396	3,396	-	-
Total General Government	\$ 131,552	\$ 108,763	\$ 2,605	\$ 20,184
Public Safety				
Police	\$ 687,794	\$ 546,207	\$ -	\$ 141,587
Fire	365,547	308,591	-	56,956
Emergency Management	1,032	91	-	941
Total Public Safety	\$ 1,054,373	\$ 854,889	\$ -	\$ 199,484
Criminal Justice				
Municipal Court	\$ 41,116	\$ 29,719	\$ -	\$ 11,397
City Prosecutor	16,811	15,412	-	1,399
Public Defender	5,028	5,028	-	-
Total Criminal Justice	\$ 62,955	\$ 50,159	\$ -	\$ 12,796
Transportation				
Street Transportation	\$ 87,480	\$ 17,286	\$ -	\$ 70,194
Aviation	264,372	-	264,372	-
Public Transit	324,613	1,640	-	322,973
Total Transportation	\$ 676,465	\$ 18,926	\$ 264,372	\$ 393,167

SCHEDULE 4 (continued)
PROPOSED 2018-19 EXPENDITURES BY DEPARTMENT ¹
BY SOURCE OF FUNDS
(In Thousands of Dollars)

Program	Total	General Funds	Enterprise Funds	Special Revenue Funds ¹
Community Development				
Planning and Development Services	\$ 61,091	\$ 4,150	\$ -	\$ 56,941
Housing	96,180	54	-	96,126
Community and Economic Development	33,999	5,319	645	28,035
Neighborhood Services	33,537	13,565	-	19,972
PCDIC	980	-	-	980
Total Community Development	\$ 225,787	\$ 23,088	\$ 645	\$ 202,054
Community Enrichment				
Parks and Recreation	\$ 108,597	\$ 93,383	\$ -	\$ 15,214
Library	39,161	37,675	-	1,486
Phoenix Convention Center	53,982	2,163	51,094	725
Human Services	69,392	19,245	350	49,797
Office of Arts and Culture	8,624	8,519	-	105
Total Community Enrichment	\$ 279,756	\$ 160,985	\$ 51,444	\$ 67,327
Environmental Services				
Water	\$ 320,602	\$ -	\$ 318,326	\$ 2,276
Solid Waste Management	139,230	-	139,230	-
Public Works	25,258	17,192	-	8,066
Environmental Programs	1,795	618	334	843
Office of Sustainability	484	484	-	-
Total Environmental Services	\$ 487,369	\$ 18,294	\$ 457,890	\$ 11,185
Contingencies	\$ 123,119	\$ 61,619	\$ 31,500	\$ 30,000
GRAND TOTAL	\$ 3,041,376	\$ 1,296,723	\$ 808,456	\$ 936,197

¹ For purposes of this schedule, department budget allocations include Grants and City Improvement debt service payments.

SCHEDULE 5
PROPOSED DEBT SERVICE EXPENDITURES
BY PROGRAM, SOURCE OF FUNDS AND TYPE OF EXPENDITURE
(In Thousands of Dollars)

Program	2016-17 Actual	2017-18 Estimate	2018-19 Proposed
Aviation	\$ 124,628	\$ 132,283	\$ 161,317
Cultural Facilities	15,484	11,384	12,170
Economic Development	46,341	36,168	48,964
Environmental Programs	1,140	1,136	475
Fire Protection	4,510	4,420 ¹	10,700
Freeway Mitigation	336 ¹	335 ¹	335 ¹
Historic Preservation	711	498	367
Human Services	2,059	1,754	825
Information Systems	1,650	1,126	1,096
Libraries	6,417	4,816	8,232
Local Streets/Street Improvements/Lighting	5,067	5,026 ¹	5,061
Maintenance Service Centers	1,268	616	668
Municipal Administration Building	390	-	-
Neighborhood Preservation & Senior Services Centers	12,606	11,797	5,698
Parks & Recreation/Open Space	12,507	12,351	12,035
Phoenix Convention Center	40,169	42,427	42,930
Police, Fire and Computer Tech	5,366	7,860	8,637
Police Protection	6,847	5,937	6,102
Public Housing	5,400	4,157	1,928
Public Transit	61,006	63,994	67,255
Solid Waste Disposal	12,942	9,492	14,317
Storm Sewer	15,820	11,992	12,832
Street Light Refinancing	6 ¹	6 ¹	6 ¹
Wastewater	70,276	69,931	75,971
Water	113,349	110,046	118,012
General Government Nonprofit Corporation Bonds	33,354	38,641	44,678
Bond Issuance Costs	2,474	2,777	3,926
Total Program	\$ 602,123	\$ 590,970	\$ 664,537
Type of Expenditure			
Principal	\$ 307,460	\$ 297,961	\$ 343,203
Interest and Other	294,663	293,009	321,334
Total Debt Service Expenditures	\$ 602,123	\$ 590,970	\$ 664,537

¹ Interest only.

SCHEDULE 5
PROPOSED DEBT SERVICE EXPENDITURES
BY PROGRAM, SOURCE OF FUNDS AND TYPE OF EXPENDITURE (continued)
(In Thousands of Dollars)

Source of Funds	2016-17 Actual	2017-18 Estimate	2018-19 Proposed
<u>Operating Funds</u>			
Secondary Property Tax	\$ 126,695	\$ 101,670	\$ 107,957
Sports Facilities	17,888	20,062	28,754
<i>City Improvement</i>			
General	33,488	36,820	41,598
Housing	73	73	72
Transit 2000	46,332	-	-
Transportation 2050	14,675	64,035	67,296
Library	-	115	115
Other Operating	-	1,666	2,924
Other Financing Sources	-	116	-
Aviation	54,948	65,203	96,397
Convention Center	19,720	19,928	19,933
Solid Waste	12,942	9,492	14,317
Wastewater	70,276	69,931	75,971
Water	113,349	110,046	118,012
Subtotal Operating Funds	<u>\$ 510,386</u>	<u>\$ 499,157</u>	<u>\$ 573,346</u>
<u>Capital Funds</u>			
Nonprofit Corporation Bonds			
Aviation	\$ 23,019	\$ 23,765	\$ 22,274
Convention Center	-	18	150
Solid Waste	139	-	-
Wastewater	609	325	475
Water	599	-	850
Other	261	135	-
Customer Facility Charge	3	3	3
Federal, State & Other Participation	20,449	22,499	22,996
Passenger Facility Charges	46,658	45,068	43,643
Capital Reserve	-	-	800
Subtotal Capital Funds	<u>\$ 91,737</u>	<u>\$ 91,813</u>	<u>\$ 91,191</u>
Total Source of Funds	<u>\$ 602,123</u>	<u>\$ 590,970</u>	<u>\$ 664,537</u>

SCHEDULE 6
PROPOSED CAPITAL IMPROVEMENT PROGRAM
FINANCED FROM OPERATING FUNDS
(In Thousands of Dollars)

Program	2016-17 Actual	2017-18 Estimate	2018-19 Proposed
Arts and Cultural Facilities	\$ -	\$ -	44
Aviation	41,814	55,309	238,051
Economic Development	6,835	6,017	8,261
Energy Conservation	1,181	1,200	1,200
Facilities Management	2,673	4,907	11,154
Finance	-	15	1,432
Fire Protection	616	-	6,100
Housing	3,848	5,567	15,104
Information Technology	8,131	8,661	15,434
Libraries	171	7,728	200
Neighborhood Services	841	244	1,748
Parks, Recreation and Mountain Preserves	36,504	22,457	61,921
Phoenix Convention Center	1,436	7,669	27,817
Planning and Historic Preservation	-	-	13,000
Police Protection	325	-	-
Public Transit	92,910	29,228	186,294
Solid Waste Disposal	6,312	7,229	20,627
Street Transportation and Drainage	98,235	92,963	175,734
Wastewater	79,610	29,458	12,580
Water	154,376	102,886	122,504
Total	\$ 535,818	\$ 381,538	\$ 919,205
 Source of Funds			
General Fund:			
General Fund	\$ 5,250	\$ 4,065	\$ 13,196
Library	171	7,360	200
Total General Fund	\$ 5,421	\$ 11,425	\$ 13,396
Special Revenue Funds:			
Arizona Highway User Revenue	\$ 74,304	\$ 62,766	\$ 127,095
Capital Construction	6,064	6,164	16,655
Community Reinvestment	4,747	2,992	6,446
Court Awards	325	-	-
Development Services	333	1,531	14,924
Operating Grants	53,683	7,860	117,663
Other Restricted	5,374	5,959	11,980
Parks and Preserves	31,169	21,982	59,812
Regional Transit	12,604	2,919	19,150
Sports Facilities	249	2,142	15,358
Transit 2000	4,130	-	-
Transportation 2050	48,160	47,802	97,655
Total Special Revenue Funds	\$ 241,142	\$ 162,117	\$ 486,738
Enterprise Funds:			
Aviation	\$ 42,693	\$ 55,894	\$ 240,707
Convention Center	1,187	4,782	13,497
Solid Waste	10,557	9,538	24,661
Wastewater	82,388	33,050	21,563
Water	152,430	104,732	118,643
Total Enterprise Funds	\$ 289,255	\$ 207,996	\$ 419,071
Total Operating Funds	\$ 535,818	\$ 381,538	\$ 919,205

SCHEDULE 7
PROPOSED INTERFUND TRANSFERS TO THE GENERAL FUND
(In Thousands of Dollars)

	2016-17 Actuals	2017-18 Estimate	2018-19	
			Budget	Increase/ (Decrease)
Transfers to the General Fund				
Enterprise Funds				
Aviation				
Central Service Cost Allocation	\$ 8,373	\$ 9,141	\$ 9,141	\$ -
Monthly MOU Installment	1,165	1,165	776	(389)
Total	9,538	10,306	9,917	(389)
Water Funds				
Central Service Cost Allocation	8,103	8,574	8,574	-
In-Lieu Property Taxes	14,484	14,730	15,715	985
Total	22,587	23,304	24,289	985
Wastewater Funds				
Central Service Cost Allocation	5,402	5,716	5,716	-
In-Lieu Property Taxes	8,787	9,098	9,687	589
Total	14,189	14,814	15,403	589
Solid Waste				
Central Service Cost Allocation	6,901	7,178	7,178	-
In-Lieu Property Taxes	1,292	1,316	1,385	69
Total	8,193	8,494	8,563	69
Convention Center				
Central Service Cost Allocation	2,663	2,710	2,710	-
Total From Enterprise Funds	\$ 57,170	\$ 59,628	\$ 60,882	\$ 1,254

SCHEDULE 7
PROPOSED INTERFUND TRANSFERS TO THE GENERAL FUND (Continued)
(In Thousands of Dollars)

	2016-17 Actuals	2017-18 Estimate	2018-19	
			Budget	Increase/ (Decrease)
Special Revenue Funds				
Excise				
Transfer to General Fund	\$ 778,788	\$ 805,890	\$ 826,215	\$ 20,325
Development Services				
Central Service Cost Allocation	3,289	3,494	3,494	-
Sports Facilities				
Central Service Cost Allocation	220	186	186	-
Phoenix Union Parking Maintenance	79	79	79	-
Total	299	265	265	-
Public Housing In-Lieu Property Taxes	261	200	200	-
ASU Facilities Operations Fund	779	780	779	(1)
Downtown Community Reinvestment Fund	2,064	2,068	2,063	(5)
T2000 Central Service Costs	752	-	-	-
T2050 Central Service Costs	-	945	945	-
Neighborhood Protection Central Service Costs	173	317	317	-
Public Safety Enhancement Central Service Costs	290	199	199	-
Public Safety Expansion Central Service Costs	406	466	466	-
Housing Central Office Central Service Costs	197	253	253	-
Other Restricted - Sale of Land	669	3,932	1,000	(2,932)
Library Reserve Fund	-	2,063	632	(1,431)
AHUR Capital Reserve Fund	2,600	-	-	-
Workers Compensation Fund	15,000	-	-	-
Total From Special Revenue Funds	\$ 805,567	\$ 820,872	\$ 836,828	\$ 15,956
Total Transfers to the General Fund	\$ 862,737	\$ 880,500	\$ 897,710	\$ 17,210
Transfers from the General Fund				
Strategic Economic Development Fund	\$ 1,000	\$ 1,000	\$ 1,000	\$ -
Public Safety Other Restricted Fund	16,000	16,000	16,000	-
Public Safety Pension Reserve Fund	-	24,750	-	(24,750)
Other Restricted	672	-	-	-
Aviation-Emergency Transportation Services	-	250	250	-
Regional Wireless Cooperative L/P Fund	3,729	-	-	-
Library Reserve Fund	337	-	-	-
Retiree Rate Stabilization Fund	1,026	1,026	1,028	2
Infrastructure Repayment Agreements	-	45	1,189	1,144
City Improvement - Library	-	115	115	-
City Improvement	33,354	36,820	41,598	4,778
Total Transfers from the General Fund	\$ 56,118	\$ 80,006	\$ 61,180	\$ (18,826)
Net Transfers to the General Fund	\$ 806,619	\$ 800,494	\$ 836,530	\$ 36,036

SCHEDULE 8
PROPOSED POSITIONS BY DEPARTMENT
Number of Full Time Equivalent Positions

Program	2016-17 Actual	2017-18 Estimate	1/ Additions/Reductions		2018-19 Allowances
			2017-18	2018-19	June 30, 2019 Authorized
General Government					
Mayor	12.5	12.5	2.5	-	15.0
City Council	31.0	31.0	-	-	31.0
City Manager	19.5	19.5	-	-	19.5
Government Relations	5.0	5.0	1.0	1.0	7.0
Communications Office	19.1	19.1	-	-	19.1
City Auditor	25.5	25.5	(0.1)	-	25.4
Equal Opportunity	25.0	25.0	-	-	25.0
Human Resources	105.0	101.0	(1.8)	-	99.2
Phoenix Employment Relations Board	1.0	1.0	-	-	1.0
Retirement Systems	15.0	15.0	-	-	15.0
Law	197.0	197.0	2.0	-	199.0
Information Technology	195.0	195.0	2.0	-	197.0
City Clerk and Elections	53.0	53.0	(0.5)	2.0	54.5
Finance	214.0	214.0	1.0	-	215.0
Budget and Research	25.0	25.0	(1.0)	-	24.0
Regional Wireless Cooperative	4.0	4.0	-	-	4.0
Total General Government	946.6	942.6	5.1	3.0	950.7
Public Safety					
Police	4,301.6	4,317.6	(7.0)	18.0	4,328.6
Fire	2,011.9	2,011.9	2.9	22.0	2,036.8
Homeland Security and Emergency Management	8.0	8.0	-	-	8.0
Total Public Safety	6,321.5	6,337.5	(4.1)	40.0	6,373.4
Criminal Justice					
Municipal Court	273.0	273.0	-	-	273.0
Public Defender	11.0	11.0	(2.0)	-	9.0
Total Criminal Justice	284.0	284.0	(2.0)	0.0	282.0

SCHEDULE 8
PROPOSED POSITIONS BY DEPARTMENT
Number of Full Time Equivalent Positions (Continued)

Program	2016-17 Actual	2017-18 Estimate	^{1/} Additions/Reductions		2018-19 Allowances June 30, 2019 Authorized
			2017-18	2018-19	
Transportation					
Street Transportation	646.0	646.0	(2.0)	39.0	683.0
Aviation	853.0	857.0	35.0	-	892.0
Public Transit	103.5	106.5	7.0	1.0	114.5
Total Transportation	1,602.5	1,609.5	40.0	40.0	1,689.5
Community Development					
Planning and Development	336.8	363.8	15.0	18.0	396.8
Housing	182.0	182.0	(12.0)	-	170.0
Community and Economic Development	97.5	97.5	(1.5)	-	96.0
Neighborhood Services	186.0	186.0	-	6.0	192.0
PCDIC	8.0	8.0	-	-	8.0
Total Community Development	810.3	837.3	1.5	24.0	862.8
Community Enrichment					
Parks and Recreation	1,009.9	1,034.9	(37.2)	2.0	999.7
Library	373.1	371.5	(0.8)	4.4	375.1
Phoenix Convention Center	221.0	221.0	1.0	-	222.0
Human Services	322.0	316.0	(2.0)	1.0	315.0
Office of Arts and Culture	10.5	10.5	-	1.0	11.5
Total Community Enrichment	1,936.5	1,953.9	(39.0)	8.4	1,923.3
Environmental Services					
Water Services	1,469.6	1,469.6	(2.0)	-	1,467.6
Solid Waste Management	589.0	597.0	3.0	2.0	602.0
Public Works	394.5	394.5	-	-	394.5
Environmental Programs	10.0	10.0	-	-	10.0
Office of Sustainability	4.0	4.0	-	-	4.0
Total Environmental Services	2,467.1	2,475.1	1.0	2.0	2,478.1
TOTAL	14,368.5	14,439.9	2.5	117.4	14,559.8

1. Additions/Reductions reflect the combined total of proposed and year-to-date budget reductions, budget additions and new positions associated with opening new facilities.

SCHEDULE 9
PROPOSED RESOURCES AND EXPENDITURES BY CAPITAL FUND
2018-19 CAPITAL IMPROVEMENT PROGRAM
(In Thousands of Dollars)

Capital Fund	RESOURCES			EXPENDITURES	FUND BALANCES		
	Beginning Balance	Projected Revenue ¹	Total	Estimated Expenditures	Ending Fund Balance	Projected Resources Beyond 18/19 ²	Funds Available Beyond 18/19
BONDS AND RELATED FUNDS							
2006 Bonds							
Libraries, Senior & Cultural Centers	\$ (3,136)	\$ -	\$ (3,136)	\$ 600	\$ (3,736)	\$ 27,190	\$ 23,454
Education	(4,563)	-	(4,563)	-	(4,563)	8,090	3,527
Affordable Housing & Neighborhoods	5,740	-	5,740	2,568	3,172	17,795	20,967
Parks and Open Spaces	5,253	-	5,253	3,294	1,959	13,685	15,644
Police, Fire & Homeland Security	65	-	65	7,990	(7,925)	36,700	28,775
Police, Fire & City Technology Street and Storm Sewer Improvement	274	-	274	-	274	4,790	5,064
	5,925	-	5,925	270	5,655	27,495	33,150
2001 Bonds							
Affordable Housing & Homeless Shelter	1,053	-	1,053	-	1,053	-	1,053
Educational, Youth & Cultural Facilities	(179)	-	(179)	998	(1,177)	1,700	523
Environmental Improvement & Cleanup	261	-	261	-	261	630	891
Fire Protection Facilities & Equipment	(788)	-	(788)	-	(788)	800	12
Neighborhood Protection & Senior Centers	4,853	-	4,853	4,939	(86)	2,355	2,269
New & Improved Libraries	3,450	-	3,450	-	3,450	900	4,350
Parks, Open Space & Recreation	(332)	-	(332)	-	(332)	4,425	4,093
Police Protection Facilities & Equipment	(524)	-	(524)	-	(524)	1,115	591
Police, Fire & Computer Technology	(50)	-	(50)	-	(50)	615	565
Preserving Phoenix Heritage	(174)	-	(174)	-	(174)	795	621
Storm Sewers	-	-	-	-	-	50	50
Street Improvements	(457)	-	(457)	-	(457)	2,225	1,768
1989 Historic Preservation	2	-	2	-	2	-	2
1988 Bonds							
Freeway Mitigation, Neighborhood Stabilization, Slum & Blight Elimination	845	-	845	-	845	1,000	1,845
Parks, Recreation & Mountain Preserves	419	-	419	-	419	-	419
Police Protection	27	-	27	-	27	-	27
Nonprofit Corporation Bonds							
Aviation	(259,252)	524,810	265,558	265,558	-	696,199	696,199
Convention Center	4	150	154	150	4	-	4
Solid Waste	588	-	588	14,724	(14,136)	75,000	60,864
Wastewater	(77,431)	180,055	102,624	102,624	-	224,945	224,945
Water	(161,987)	389,356	227,369	227,369	-	135,644	135,644
Other	31,789	(2,085)	29,704	22,400	7,304	120,945	128,249
OTHER FINANCING							
Impact Fees	140,518	-	140,518	105,245	35,273	-	35,273
Passenger Facility Charge	35,764	80,000	115,764	114,412	1,352	320,000	321,352
Customer Facility Charge	10,188	9,736	19,924	3	19,921	-	19,921
Other Cities' Participation in Joint Ventures	-	23,554	23,554	23,554	-	-	-
Solid Waste Remediation	4,196	-	4,196	1,255	2,941	-	2,941
Capital Grants	-	74,422	74,422	74,422	-	-	-
Federal, State & Other Participation Capital	-	59,029	59,029	59,029	-	-	-
Gifts	31	-	31	-	31	-	31
Capital Reserves	348,428	-	348,428	29,196	319,232	-	319,232
Other Capital	3,339	-	3,339	2,776	563	-	563
TOTAL	\$ 94,139	\$ 1,339,027	\$ 1,433,166	\$ 1,063,376	\$ 369,790	\$ 1,725,088	\$ 2,094,878

¹ Includes bond proceeds, interfund transfers and funds which "pass through" capital funds such as grants, land sales and other agency and private participation funds. Actual bond sales will be according to cash flow requirements.

² Includes bonds authorized and available for sale, pledged resources and cost recovery for projects billed and/or reimbursed on a cash flow basis.

SCHEDULE 10
PROPOSED 2018-19 CAPITAL IMPROVEMENT PROGRAM
BY PROGRAM AND SOURCE OF FUNDS
(In Thousands of Dollars)

Program	Total Program	Pay-As-You-Go Operating	2001 Bonds	2006 Bonds	Nonprofit Corporation Bonds	Other Capital Sources
Arts and Cultural Facilities	\$ 1,042	\$ 44	\$ 998	\$ -	\$ -	\$ -
Aviation	678,063	238,051	-	-	265,557	174,455
Economic Development	8,261	8,261	-	-	-	-
Energy Conservation	1,200	1,200	-	-	-	-
Facilities Management	17,658	11,154	4,900	104	665	835
Finance	2,263	1,432	-	-	-	831
Fire Protection	19,442	6,100	-	7,990	2,400	2,952
Housing	22,210	15,104	-	-	-	7,106
Human Services	600	-	-	600	-	-
Information Technology	34,529	15,434	-	-	18,295	800
Libraries	200	200	-	-	-	-
Neighborhood Services	3,234	1,748	18	1,468	-	-
Parks, Recreation and Mountain Preserves	84,078	61,921	-	3,525	-	18,632
Phoenix Convention Center	50,963	27,817	-	-	150	22,996
Planning and Historic Preservation	13,786	13,000	21	765	-	-
Public Transit	193,570	186,294	-	-	-	7,276
Regional Wireless Cooperative	9,908	-	-	-	-	9,908
Solid Waste Disposal	37,860	20,627	-	-	14,685	2,548
Street Transportation and Drainage	254,977	175,734	-	271	1,295	77,677
Wastewater	177,624	12,580	-	-	102,438	62,606
Water	371,113	122,504	-	-	227,339	21,270
Total	\$ 1,982,581	\$ 919,205	\$ 5,937	\$ 14,723	\$ 632,824	\$ 409,892

SCHEDULE 11
Proposed Tax Levy and Tax Rate Information
Fiscal Year 2018-19
(In Thousands)

	2017-18	2018-19
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>163,197</u>	\$ <u>170,113</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u> </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>156,586</u>	\$ <u>163,218</u>
B. Secondary property taxes	<u>96,596</u>	<u>102,187</u>
C. Total property tax levy amounts	<u>\$ 253,182</u>	<u>\$ 265,405</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>155,020</u>	
(2) Prior years' levies	<u>468</u>	
(3) Total primary property taxes	<u>\$ 155,488</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u>95,630</u>	
(2) Prior years' levies	<u>383</u>	
(3) Total secondary property taxes	<u>\$ 96,013</u>	
C. Total property taxes collected	<u>\$ 251,501</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>1.3359</u>	<u>1.3163</u>
(2) Secondary property tax rate	<u>0.8241</u>	<u>0.8241</u>
(3) Total city/town tax rate	<u>2.1600</u>	<u>2.1404</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating zero special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* The 2018-19 planned primary and secondary levies are \$163,218,253 and \$102,186,555, respectively. Historically, actual property tax collections have been slightly lower than the amount levied. For 2018-19, actual collections for primary and secondary property taxes are estimated to be \$161,586,000 and \$101,165,000, or 99% of the levy amount.

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



City of Phoenix

OFFICE OF THE CITY COUNCIL

Thelda Williams
Councilwoman

May 14, 2018

Sina Matthes
Council Assistant

District 1
602-262-7444
Fax: 602-534-4793
TTY: 602-495-5810
council.district.1@phoenix.gov

City Manager Ed Zuercher
Phoenix City Hall
200 W. Washington St., 12th Floor
Phoenix, AZ 85003

RE: \$75,000 General Funds for CASS Case Management

Dear Ed:

We are requesting \$75,000 in General Funds for increased case management services at Central Arizona Shelter Services (CASS). These funds will be used for one additional case manager who will be responsible for developing plans to assist clients with obtaining necessary resources and services and result in additional individuals to be successfully housed each year. In addition to current funding, this amount will be included in a quarterly report from CASS to the City Council.

Sincerely,

Handwritten signature of Thelda Williams in black ink.

Vice Mayor Thelda Williams
District 1

Handwritten signature of Debra Stark in black ink.

Councilwoman Debra Stark
District 3

Handwritten signature of Michael Nowakowski in black ink.

Councilman Michael Nowakowski
District 7