

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, OCTOBER 20, 2015**



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

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Regular Meeting of the Scottsdale City Council at 5:03 P.M. on Tuesday, October 20, 2015, in the City Hall Kiva.

ROLL CALL

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

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

PLEDGE OF ALLEGIANCE – Councilwoman Littlefield

INVOCATION – Rabbi Ariel Shoshan, The Scottsdale Torah Center

MAYOR'S REPORT

Mayor Lane presented Brad Lundahl with a resolution declaring October 18 – 24, 2015, as Arizona Cities and Towns Week.

PRESENTATION/INFORMATION UPDATES – None

PUBLIC COMMENT

- Darlene Peterson expressed concern about setbacks for apartments and condominiums and plans for Scottsdale and Chaparral roads.
- Fred Unger expressed support for Scottsdale public art.

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.

MINUTES

Request: Approve the Special Meeting Minutes of September 21, 2015; Regular Meeting Minutes of September 21, 2015; and Work Study Session Minutes of September 21, 2015.

MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the Special Meeting Minutes of September 21, 2015; Regular Meeting Minutes of September 21, 2015; and Work Study Session Minutes of September 21, 2015. Councilwoman Klapp seconded the motion, which carried 7/0.

CONSENT AGENDA

1. **Boss Coffee Liquor License (88-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a Series 7 (beer and wine bar) State liquor license for a new location and owner.
Location: 23015 N. Scottsdale Road, Suite 107
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
2. **Andaz Scottsdale Resort Liquor License (89-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 11 (hotel/motel) State liquor license for an existing location with a new owner.
Location: 6160 N. Scottsdale Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
3. **Bubbles Liquor License (91-LL-2015)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a person transfer of a Series 7 (beer and wine bar) State liquor license for a new location and owner.
Location: 6990 E. Shea Boulevard, Suite 107
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
4. **Cake Nightclub In-Lieu Parking Credits (2-IP-2014)**

Moved to the regular agenda.
5. **El Regalo Final Plat (18-PP-2013#3)**
Request: Approve the re-plat of the El Regalo and El Regalo West subdivision plats into one sixty-lot subdivision plat known as El Regalo Amended, located on 23± acres with Planned Community Environmentally Sensitive Lands (P-C ESL) zoning, with the comparable zoning district of Town House Residential (R-4) district.
Location: Northeast corner of N. Scottsdale Road and E. Westland Drive
Staff Contact(s): Randy Grant, Planning and Development Services Director, 480-312-2664, rgrant@scottsdaleaz.gov

6. Los Gatos State Land Non-Major General Plan Amendment and Rezoning (2-GP-2015 and 8-ZN-2015)

Requests:

1. Adopt **Resolution No. 10241** approving a Non-Major General Plan Amendment to the Scottsdale General Plan 2001 Conceptual Land Use Map from Suburban Neighborhoods to Rural Neighborhoods on 28± acres located at the northeast corner of N. Pima Road and E. Los Gatos Drive, and 30± acres located south of the southeast corner of N. Pima Road and E. Los Gatos Drive.
2. Adopt **Ordinance No. 4223** approving a zoning district map amendment from Single-Family Residential, Environmentally Sensitive Lands (R1-190 ESL) to Single-Family Residential, Environmentally Sensitive Lands (R1-35 ESL) on 28± acres located at the northeast corner of N. Pima Road and E. Los Gatos Drive, and 30± acres located south of the southeast corner of N. Pima Road and E. Los Gatos Drive.

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

7. Traffic and Communications Facilities Easement

Request: Adopt **Resolution No. 10235** authorizing the acquisition of a traffic and communications facility easement for the location of an existing City traffic signal pole.

Location: Northwest corner of Scottsdale Road and Ashler Hills Drive

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

8. Limited Use License Agreement

Request: Adopt **Resolution No. 10230** authorizing Agreement No. 2015-216-COS with T-Mobile West, LLC, to allow T-Mobile access across City property.

Location: 11989 N. 136th Street

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555, dworth@scottsdaleaz.gov

9. Fiscal Year 2015/16 Capital Improvement Plan Budget Adjustments

Request: Adopt **Resolution No. 10247** authorizing FY 2015/16 capital improvement plan budget adjustments.

Staff Contact(s): Derek Earle, City Engineer, 480-312-2776, dearle@scottsdaleaz.gov

10. AZcentral.com Food & Wine Experience Event

Request: Adopt **Resolution No. 10251** to authorize:

1. Funding not to exceed \$75,000 from the City portion of bed tax allocated toward one-time commitment capital, event, and administration for the AZcentral.com Food & Wine Experience event.
2. New Event Funding Agreement No. 2015-229-COS with R Entertainment Company, LLC.

Staff Contact(s): Steve Geiogamah, Acting Tourism and Events Director, 480-312-4013, sgeiogamah@scottsdaleaz.gov

Councilwoman Littlefield asked staff to provide the Council with a post-event report.

11. Monthly Financial Report

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

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

12. Public Safety Personnel Retirement System Appointment

Request: Accept Mayor Lane's appointment of Jeffrey Burg as the Chair of the Public Safety Personnel Retirement System.

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

13. Murray v. City of Scottsdale Settlement Agreement

Request: Adopt **Resolution No. 10256** authorizing settlement in the amount of \$65,000 of Janice Murray's negligence lawsuit against the City entitled *Murray v. City of Scottsdale*,

Case No. CV2015-051378, currently pending in the Maricopa County Superior Court.

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

MOTION AND VOTE – CONSENT AGENDA

Councilmember Korte made a motion to approve Consent items 1 through 13, absent Item 4, which was moved to the regular agenda. Councilwoman Littlefield seconded the motion, which carried 7/0.

REGULAR AGENDA

4. Cake Nightclub In-Lieu Parking Credits (2-IP-2014)

Request: Adopt **Resolution No. 9834** approving a request to participate in the In-Lieu Parking Program for ten in-lieu parking credits.

Location: 4426 N. Saddlebag Trail

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

Senior Planner Dan Symer gave a PowerPoint presentation (attached) on the Cake Nightclub in-lieu parking request.

MOTION AND VOTE – ITEM 4

Councilman Phillips made a motion to adopt Resolution No. 9384 approving a request to participate in the In-Lieu Parking Program for ten in-lieu parking credits. Councilwoman Littlefield seconded the motion, which carried 7/0.

14. Video Services Rights-of-Way License Agreement

Request: Presentation, public hearing, and consideration of adopting **Resolution No. 10217** authorizing Agreement No. 2015-199-COS with Google Fiber Arizona, LLC, to install, operate, and maintain a communications infrastructure providing video services and high-speed internet service.

Presenter(s): Brad Hartig, Chief Information Officer

Staff Contact(s): Brad Hartig, Chief Information Officer, 480-312-7615, bhartig@scottsdaleaz.gov

Chief Information Officer Brad Hartig gave a PowerPoint presentation (attached) on the proposed license agreement with Google Fiber.

Mayor Lane opened public testimony.

The following spoke in support of the proposed license agreement:

- Chuck Schmidt, Carefree resident, Arizona Board of Education
- Trey Brennan, Scottsdale resident

Mayor Lane closed public testimony.

MOTION AND VOTE – ITEM 14

Councilmember Korte made a motion to adopt Resolution No. 10217 authorizing Agreement No. 2015-199-COS with Google Fiber Arizona, LLC. Councilwoman Littlefield seconded the motion, which carried 6/1, with Councilwoman Milhaven dissenting.

15. Scottsdale Revised Code Section 2-221

Request: Presentation, discussion, and possible direction to staff regarding the use of Section 2-221(b)(1) and (5) of Scottsdale Revised Code for the disposition of City-owned real property or interests.

Presenter(s): Dan Worth, Public Works Director

Staff Contact(s): Dan Worth, Public Works Director, 480-312-5555,
dworth@scottsdaleaz.gov

Public Works Director Dan Worth gave a PowerPoint presentation (attached) on the provisions of Scottsdale Revised Code Section 2-221. He also reviewed the property transactions that were approved by Council within the past five years that included the use of the exceptions in Section 2-221(b).

MOTION – ITEM 15

Vice Mayor Smith made a motion to direct staff to bring back an ordinance amending the Scottsdale Revised Code to: (1) Specify, in Section 2-221(b)(5), that a sale to, or exchange with, adjacent an property owner be limited to properties that have an appraised or known value of less than \$100,000; and (2) delete the exchange provision in 2-221(b)(1). Councilman Phillips seconded the motion.

Councilwoman Milhaven called the question. Councilwoman Klapp seconded the call.

VOTE ON MOTION – ITEM 15

The Council vote on the motion to direct staff to bring back an ordinance amending the Scottsdale Revised Code to: (1) Specify, in Section 2-221(b)(5), that a sale to, or exchange with, adjacent an property owner be limited to properties that have an appraised or known value of less than \$100,000; and (2) delete the exchange provision in 2-221(b)(1) failed 3/4, with Mayor Lane and Councilmembers Klapp, Korte, and Milhaven dissenting.

16. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial presentation as of September 2015.

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 September 2015.

17. Fiscal Year 2014/15 Financial Update

Request: City Treasurer's financial summary presentation for FY 2014/15.

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 for Fiscal Year 2014/15. Mayor Lane asked for quantification of the off-balance sheet liabilities. Mr. Nichols committed to providing the Council with that information.

PUBLIC COMMENT – None

CITIZEN PETITIONS

12. 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 7:18 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

Officially approved by the City Council on November 10, 2015

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of Scottsdale, Arizona held on the 20th day of October 2015.

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

DATED this 10th day of November 2015.



Carolyn Jagger, City Clerk

Item 4

Cake Nightclub

In-Lieu Parking

2-IP-2014

Dan Symer, AICP

October 20, 2015

Cake Nightclub

Request:

- 1. Approval to participate in the In-lieu Parking Program for 10 night time parking credits**

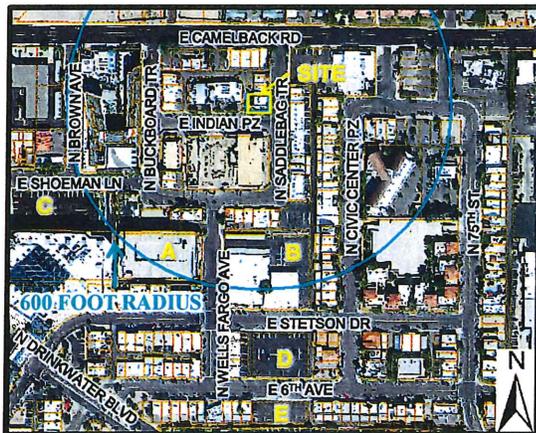
Cake Nightclub



AERIAL LOCATION

2-IP-2014

Cake Nightclub



24 hr Public Parking within 600 feet

N Brown Ave	20 Spaces
N Buckboard Tr	25 Spaces
N Civic Center Pz	63 Spaces
N Saddlebag Tr	41 Spaces
N Wells Fargo	7 Spaces
E Showman Ln	45 Spaces
E Indian Pz	49 Spaces
A - Galleria Parking Garage	127 Spaces
B - Shoeman Lot	22 Spaces
Total	399 Spaces

Additional Nights and Weekends

A - Galleria Parking Garage	220 Spaces
C - North Galleria Parking Lot	107 Spaces
Total Additional	327 Spaces

Total Night Time Spaces within 600 feet 726 Spaces

Additional Public Parking Lots

D - Stetson Parking Lot	72 Spaces
E - 6 th Avenue Parking Lot	33 Spaces

License for Google Fiber

- Google Fiber to the Home (TV & 1Gb internet)
 - 2011 Kansas City, KS region
 - 20 cities in the region
 - 2013 Austin, TX and Provo, UT
 - 2014 Announced 34 cities in 9 metro areas
 - Phoenix Metro (Phoenix, Tempe & Scottsdale)
 - Atlanta, Charlotte, Nashville, Portland, Raleigh-Durham, Salt Lake City, San Antonio, & San Jose

License for Google Fiber

- Current Cable TV and Internet Providers
 - Cox Communications (66,000 subscribers)
 - CenturyLink (3,500 subscribers)
- Annual License Fee Revenues = \$3.7M
- Competition is good for residential and business customers

License for Google Fiber

- In Scottsdale, Google will...
 - Install a fiber to the home network
 - Television programming services
 - 1 Gigabit internet access to residents and home-based businesses
- “Fiberhoods” selected by level of interest and commitment to subscribe to services
- Digital Inclusion Strategy

License for Google Fiber

- Google in Scottsdale
 - February 2014 Announced Phoenix metro
 - April 2014 City Council approved Hut License Agreement
- Google in Tempe
 - License approved in July 2015
- Google in Phoenix
 - License approved in September 2015

License for Google Fiber

- Video Services License allows Google to...
 - Install fiber optic cables and equipment in ROW
 - Offer television and internet services
- License protects the City's interests...
 - ROW Management (plans, permits, inspections)
 - Insurance & Indemnification
 - Reasonable compensation for use of ROW
 - Surety Bond for non-performance

License for Google Fiber

- Required for Google's consideration to build in the Phoenix metro area
- Promotes competition in television and internet access services and pricing
- License is based on existing licenses with Cox and CenturyLink
- City will consider issues and concerns from Cox and CenturyLink

Item 15

Disposition of City-owned Real Estate

City Council
October 20, 2015

Section 2-221 City Code

Section (a): City disposes of real property interests through a public competitive process

Section (b): **Exceptions-**

- (1) Exchange (Council resolution)
- (2) Sell to public agency (Council resolution)
- (3) Utility easement (Council resolution)
- (4) Within redevelopment area (redevelopment agreement)
- (5) Sell or exchange to adjacent property owner (Council resolution)
- (6) Lease of residential or small commercial property (City Manager or designee authority)

Section (c): Temporary licenses

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Section 2-221 (b) (1)

- City council may authorize the exchange of any real property or interest provided that:
 - written records of the exchange, including appraisals, are maintained open to public inspection for at least 3 years in the city clerk's office

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Section 2-221 (b) (5)

- Council may authorize sale or exchange of real property or interest therein to:
 - Person holding interest in same property; or
 - Person holding interest in adjoining property
- Provided that:
 - City Manager determines "the public benefit will be served by uniting ownership..."
 - Determination may take into account possible uses, proposed use, size, configuration, existing or proposed development restrictions, value of property, etc.

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Uses in Past 5 Years

Description	Date	Exception	Disposition	Size	Consideration
Notre Dame Prep	Dec 2010	Adjacent	Approved consent	7.6 acres	\$1.09 M
Scottsdale Healthcare	Mar 2011	Adjacent	Approved 5-1 (R. Littlefield)	1.7 acres	\$1.7 M
Mark Taylor- N of Culver	Sep 2011	Adjacent	Approved 6-1 (R. Littlefield)	3.74 acres	\$1.22 M
Mark Taylor- S of Culver	Feb 2012	Adjacent	Approved 5-2 (R. Littlefield, Borowsky)	1.58 acres	\$515,400
Excess water site- 128 th & E Mountain View	Aug 2012	Adjacent	Approved consent	4900 sf	\$18,000
SRP well site 6	Sep 2012	Adjacent	Approved consent	5000 sf	Waive cost of removals
Angus fuel station	Oct 2012	Adjacent	Approved consent	0.35 acre	\$200,000
Excess water site Pinnacle Peak CC	Jul 2013	Adjacent	Approved consent	0.13 acre	\$17,200
Parking at Sip Coffee & Beer	Jan 2014	Adjacent	Approved consent	0.1 acre	\$241,725
Harquahala Valley	Mar 2014	Adjacent	Approved consent	1216 acres	\$9,126,450
HR Building	May 2015	Govt entity	Approved 6-1 (Phillips)	13,128 sf	\$2.022 M
Bell Rd transit parcel	May 2015	Adjacent	Approved 4-3 (K. Littlefield, Phillips, Smith)	2.5 acres	\$750,000
Graphics building	Jul 2015	Exchange	Approved 4-3 (K. Littlefield, Phillips, Smith)	55,280 sf	\$2.045 M cash and land

Discussion – City Council Meeting August 25, 2015

- Exchange
 - Maximum variation in value between exchange parcels

- Sale to, or exchange with, adjacent property owner
 - Size or value threshold of adjacent property

Monthly Financial Update As of September 30, 2015

City Council
October 20, 2015
Prepared by: City Treasurer

General Fund Operating Sources September 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$20.4	\$21.9	\$22.9	\$21.7	\$1.1	5%
0.1% Public Safety	2.0	2.2	2.3	2.1	0.1	6%
State Shared: Sales Tax	4.5	4.7	5.0	5.0	-	-
Income Tax	6.1	6.6	6.5	6.5	-	-
Auto Lieu Tax	2.0	1.7	2.2	2.1	0.1	3%
Property Taxes (Primary)	0.5	0.5	0.5	0.5	-	-
Franchise Fees/In-Lieu Tax	2.0	1.7	1.7	2.0	(0.3)	(16%)
Other: Licenses, Permits & Fees	1.4	1.9	2.0	1.9	0.1	5%
Fines & Forfeitures	1.5	1.8	1.9	1.8	0.1	6%
Miscellaneous	1.7	1.9	5.6	3.5	2.0	57%
Building Permits	3.4	4.5	3.3	3.7	(0.4)	(12%)
Interest Earnings	0.5	0.1	0.4	0.2	0.2	76%
Indirect Cost Allocations	1.6	1.6	1.5	1.5	-	-
Transfers In	2.1	3.6	3.7	3.7	-	-
Total Operating Sources	\$49.7	\$54.6	\$59.4	\$56.4	\$3.0	5%

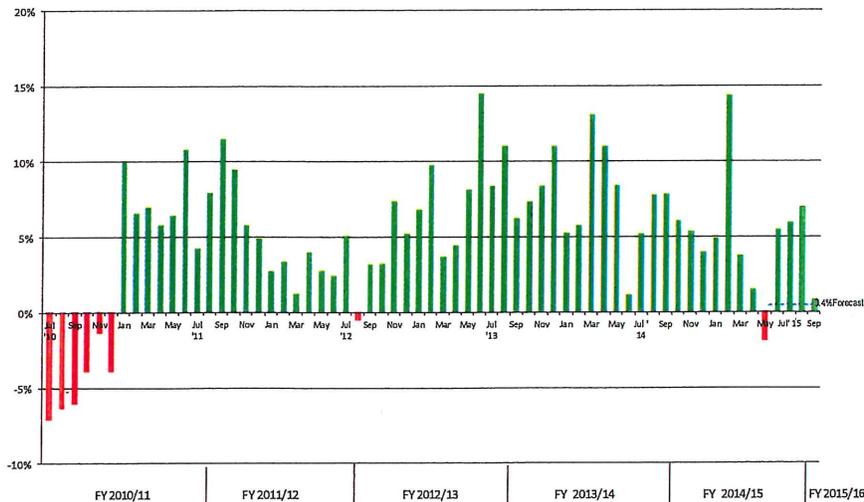
General Fund Operating Sources: Sales Tax September 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$3.2	\$3.4	\$3.9	\$3.6	\$0.3	9%
Large retail stores	2.1	2.1	2.1	2.2	(0.1)	(5%)
Misc goods & services	1.4	1.6	1.8	1.6	0.2	11%
Grocery & convenience	1.4	1.4	1.5	1.5	-	-
Auto sales & maintenance	2.9	3.1	3.5	3.2	0.2	8%
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.7	0.7	0.8	0.7	-	-
Restaurants & bars	1.7	1.8	2.0	2.0	-	-
<u>Business:</u>						
Construction	2.5	3.0	2.5	2.2	0.3	15%
Rental	3.1	3.2	3.4	3.2	0.2	5%
Utilities	1.2	1.2	1.2	1.2	-	-
Licenses, penalties/interest	0.3	0.3	0.2	0.3	(0.1)	(27%)
Total 1.0% Sales Tax	\$20.4	\$21.9	\$22.9	\$21.7	\$1.1	5%

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



General Fund Operating Uses: by Category September 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$31.0	\$32.6	\$33.1	\$33.1	\$0.1	0%
Overtime	2.0	1.7	1.7	1.7	(0.1)	(4%)
FICA	2.1	2.2	2.3	2.3	-	-
Retirement	4.5	4.9	5.6	5.7	0.1	2%
Health/Dental & Misc	3.9	3.9	4.2	4.2	0.1	2%
<i>Total Personnel Services</i>	<u>\$43.5</u>	<u>\$45.4</u>	<u>\$46.8</u>	<u>\$47.0</u>	<u>\$0.2</u>	<u>0%</u>
Contractual, Commodities, Capital Outlay	14.7	16.6	16.8	18.5	1.6	9%
<i>Total Operating Expenses</i>	<u>\$58.2</u>	<u>\$62.0</u>	<u>\$63.7</u>	<u>\$65.4</u>	<u>\$1.7</u>	<u>3%</u>
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	2.0	2.0	-	-
<i>Total Operating Uses</i>	<u>\$58.2</u>	<u>\$62.0</u>	<u>\$65.7</u>	<u>\$67.5</u>	<u>\$1.7</u>	<u>3%</u>
*Pay Periods thru September:	7	7	7			

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General Fund Operating Uses: by Division September 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$4.8	\$5.0	\$5.8	\$5.9	\$0.1	2%
Administrative Services	4.3	4.6	4.6	5.0	0.4	8%
Comm. & Econ Development	6.5	6.9	6.8	6.9	0.1	2%
Community Services	8.6	9.1	9.1	9.4	0.3	3%
Public Safety - Fire	8.2	8.5	8.8	9.1	0.2	3%
Public Safety - Police	22.0	23.5	24.5	24.8	0.3	1%
Public Works	3.7	4.4	4.0	4.3	0.2	6%
<i>Total Operating Expenses</i>	<u>\$58.2</u>	<u>\$62.0</u>	<u>\$63.7</u>	<u>\$65.4</u>	<u>\$1.7</u>	<u>3%</u>

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General Fund Results: Summary September 2015: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$49.7	\$54.6	\$59.4	\$56.4	\$3.0	5%
Uses	58.2	62.0	65.7	67.5	1.7	3%
Change in Fund Balance	(\$8.5)	(\$7.4)	(\$6.3)	(\$11.1)	\$4.7	

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General Fund Operating Sources September 2015

(in millions: rounding differences may occur)

Sources Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$6.7	\$7.3	\$7.3	\$7.2	\$0.1	1%
0.1% Public Safety	0.7	0.7	0.7	0.7	-	-
State Shared: Sales Tax	1.5	1.5	1.6	1.6	-	-
Income Tax	2.0	2.2	2.2	2.2	-	-
Auto Lieu Tax	0.6	0.6	0.7	0.7	-	-
Property Taxes (Primary)	0.1	0.1	0.1	0.1	-	-
Franchise Fees/In-Lieu Tax	0.0	0.0	0.0	0.0	-	-
Other: Licenses, Permits & Fees	0.7	0.6	0.8	0.7	-	-
Fines & Forfeitures	0.5	0.6	0.6	0.6	-	-
Miscellaneous	0.4	0.3	2.2	0.3	2.0	nm
Building Permits	0.8	1.1	1.2	1.0	0.2	15%
Interest Earnings	0.1	0.1	0.3	0.1	0.2	nm
Indirect Cost Allocations	0.5	0.5	0.5	0.5	-	-
Transfers In	0.7	0.6	0.7	0.7	-	-
Total Operating Sources	\$15.3	\$16.3	\$18.9	\$16.3	\$2.6	16%

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General Fund Operating Sources: Sales Tax September 2015

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Consumer Spending:</u>						
Small retail stores	\$1.0	\$1.1	\$1.3	\$1.2	\$ -	-
Large retail stores	0.7	0.8	0.8	0.8	-	-
Misc goods & services	0.5	0.5	0.5	0.5	-	-
Grocery & convenience	0.5	0.5	0.5	0.5	-	-
Auto sales & maintenance	1.0	1.1	1.2	1.1	-	-
<u>Tourism/Entertainment:</u>						
Hotel lodging & misc sales	0.2	0.2	0.2	0.2	-	-
Restaurants & bars	0.6	0.6	0.7	0.7	-	-
<u>Business:</u>						
Construction	0.8	0.9	0.8	0.7	0.1	16%
Rental	1.0	1.0	1.0	1.1	-	-
Utilities	0.4	0.4	0.5	0.4	-	-
Licenses, penalties/interest	0.1	0.1	0.1	0.1	-	-
Total 1.0% Sales Tax	\$6.7	\$7.3	\$7.3	\$7.2	\$0.1	1%

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General Fund Operating Uses: by Category September 2015

(in millions: rounding differences may occur)

Category	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<u>Personnel Services*:</u>						
Salaries & Wages	\$8.9	\$8.9	\$9.2	\$9.3	\$ -	-
Overtime	0.6	0.6	0.5	0.5	-	-
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.3	1.4	1.6	1.6	-	-
Health/Dental & Misc	1.3	1.3	1.4	1.4	-	-
Total Personnel Services	\$12.8	\$12.8	\$13.4	\$13.5	\$0.1	1%
Contractual, Commodities, Capital Outlay	4.6	4.6	5.6	6.0	0.5	8%
Total Operating Expenses	\$17.4	\$17.4	\$19.0	\$19.6	\$0.6	3%
Debt Serv. & Contracts	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Operating Uses	\$17.4	\$17.4	\$19.0	\$19.6	\$0.6	3%

***Pay Periods in September: 2 2 2**

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General Fund Operating Uses: by Division September 2015

(in millions: rounding differences may occur)

Division	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.3	\$1.4	\$2.1	\$2.1	\$ -	-
Administrative Services	1.3	1.0	1.2	1.2	-	-
Comm. & Econ Development	1.8	1.4	1.8	1.8	-	-
Community Services	2.5	2.6	2.5	2.7	0.2	7%
Public Safety - Fire	2.6	2.7	2.7	2.9	0.2	6%
Public Safety - Police	6.5	6.5	7.2	7.3	-	-
Public Works	1.4	1.8	1.4	1.6	0.2	11%
<i>Total Operating Expenses</i>	<u>\$17.4</u>	<u>\$17.4</u>	<u>\$19.0</u>	<u>\$19.6</u>	<u>\$0.6</u>	<u>3%</u>

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General Fund Results: Summary September 2015

(in millions: rounding differences may occur)

	FY 13/14	FY 14/15	FY 15/16	FY 15/16	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$15.3	\$16.3	\$18.9	\$16.3	\$2.6	16%
Uses	17.4	17.4	19.0	19.6	0.6	3%
Change in Fund Balance	<u>(\$2.1)</u>	<u>(\$1.1)</u>	<u>(\$0.1)</u>	<u>(\$3.3)</u>	<u>\$3.2</u>	

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FY 2014/15 Financial Highlights (Preliminary Results)

City Council
October 20th, 2015
Prepared by: City Treasurer

General Fund Operating Sources FY 2014/15

(in millions: rounding differences may occur)

Sources Category	May Monthly Financial Forecast	FYE Actual	Actual vs. Budget	
			Fav/(Unf)	%
Sales Tax: 1.00% General Purpose	\$99.8	\$100.6	\$0.8	1%
0.10% Public Safety	9.8	9.8	-	-
State Shared: Sales Tax	19.7	19.9	0.2	1%
Revenue	26.3	26.3	-	-
Auto Lieu Tax	7.7	8.3	0.6	8%
Property Taxes (Primary)	25.7	25.5	(0.2)	(1%)
Franchise Fees/In-Lieu Tax	12.1	12.4	0.3	3%
Other: Licenses, Permits & Fees	10.9	10.8	(0.1)	(1%)
Fines & Forfeitures	7.3	7.6	0.3	4%
Miscellaneous	9.9	11.0	1.1	12%
Building Permits	14.8	14.8	-	-
Interest Earnings	0.6	0.9	0.3	43%
Indirect Cost Allocations	6.4	6.5	0.1	1%
Transfers in	10.0	10.0	-	-
Total Operating Sources	\$261.0	\$264.4	\$3.4	1%

General Fund Operating Sources: 1.00% Sales Tax FY 2014/15

(in millions: rounding differences may occur)

1.00% Sales Tax Category	May Monthly Financial Forecast	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
<u>Consumer Spending:</u>				
Small retail stores	\$16.9	\$17.1	\$0.2	1%
Large retail stores	9.5	9.5	-	-
Misc. goods & services	7.7	7.9	0.2	3%
Grocery & convenience	6.9	7.0	0.1	1%
Auto sales & maintenance	13.7	13.7	-	-
<u>Tourism/Entertainment</u>				
Hotel lodging & misc sales	5.4	5.3	(0.1)	(1%)
Restaurants & bars	9.3	9.4	0.1	1%
<u>Business:</u>				
Construction	11.0	11.1	0.1	1%
Rental	12.8	12.9	0.1	1%
Utilities	4.4	4.4	-	-
Licenses, penalties/interest	2.2	2.2	-	-
<i>Total 1.00% Sales Tax</i>	<u>\$99.8</u>	<u>\$100.6</u>	<u>\$0.8</u>	1%

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General Fund Operating Uses: by Category FY 2014/15

(in millions: rounding differences may occur)

Category	May Monthly Financial Forecast	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
<u>Personnel Services:</u>				
Salaries & Wages	\$118.8	\$119.3	(\$0.5)	0%
Overtime	8.0	8.0	-	-
FICA	8.2	8.1	0.1	1%
Retirement	18.6	18.4	0.2	1%
Health/Dental & Misc	15.8	15.8	-	-
<i>Total Personnel Services</i>	<u>\$169.4</u>	<u>\$169.6</u>	<u>(\$0.2)</u>	0%
Contractual, Commodities, Capital Outlays	62.4	62.4	-	-
<i>Total Operating Expenses</i>	<u>\$231.8</u>	<u>\$232.0</u>	<u>(\$0.2)</u>	0%
Debt Serv. & Contracts	14.4	15.4	(1.0)	(7%)
Transfers Out	12.9	13.0	(0.1)	(1%)
<i>Total Operating Uses</i>	<u>\$259.1</u>	<u>\$260.3</u>	<u>(\$1.2)</u>	(0%)

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General Fund Operating Uses: by Division FY 2014/15

(in millions: rounding differences may occur)

Division	May Monthly Financial Forecast	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
Mayor & Council, Charter Officers	\$18.0	\$18.1	(\$0.1)	(1%)
Administrative Services	15.0	15.1	(0.1)	(1%)
Comm. & Econ Development	24.0	23.8	0.2	1%
Community Services	33.9	33.9	-	-
Public Safety - Fire	33.0	33.0	-	-
Public Safety - Police	88.9	88.5	0.4	0%
Public Works	19.2	19.5	(0.3)	(2%)
Undistributed Other	(0.2)	-	(0.2)	100%
<i>Total Operating Expenses</i>	<u>231.8</u>	<u>\$232.0</u>	<u>(\$0.2)</u>	<u>0%</u>

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FY 2014/15 General Fund Sources and Uses

(\$ millions)

	May Monthly Financial Forecast	FYE Actual	Fav/ (Unfav)	% Change
Sources	\$261.0	\$264.4	\$3.4	1%
Uses	259.1	260.3	(1.2)	0%
Change in Fund Balance	\$1.9	\$4.1	\$2.2	

Unassigned (Unreserved Fund Balance)

\$23.8

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FY 2014/15 Financial Highlights Statement of Net Position

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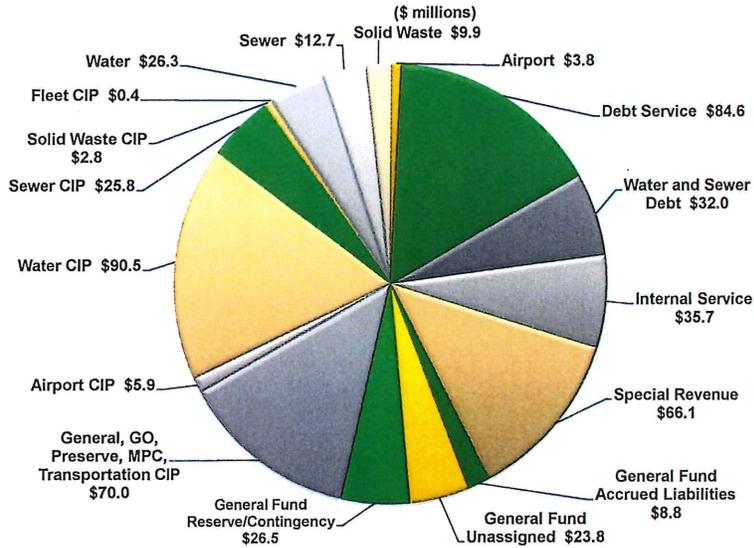
FY 2014/15 Financial Highlights Statement of Net Position

(\$ millions)

	FY 2014/15	FY 2013/14	Change
Assets			
Cash and Cash Equivalents	\$525.6	\$475.3	\$50.3
Receivables	86.8	95.4	(8.6)
Other	195.1	125.1	70.0
Capital Assets (Net of Depreciation)			
Governmental Activities	3,574.5	3,609.8	(35.3)
Equity in Joint Venture	104.6	109.5	(4.9)
Other Enterprise Activities	1,448.7	1,471.9	(23.20)
Total Assets	5,935.3	5,887.0	48.3
Liabilities			
Accruals: Payables, Payroll and Benefits	(123.0)	(132.4)	9.4
Accrued Compensated Absences	(29.1)	(28.3)	(0.8)
Other Liabilities	(104.9)	(75.8)	(29.1)
Net Pension Liabilities	(272.1)	0.0	(272.1)
Bonds, Loans and Other Payables	(1,308.2)	(1,308.1)	(0.1)
Total Liabilities	(1,837.3)	(1,544.6)	(292.7)
NET POSITION	\$4,098.0	\$4,342.4	\$(244.4)

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FY 2014/15 Financial Highlights Cash and Equivalent Balances \$525.6 million



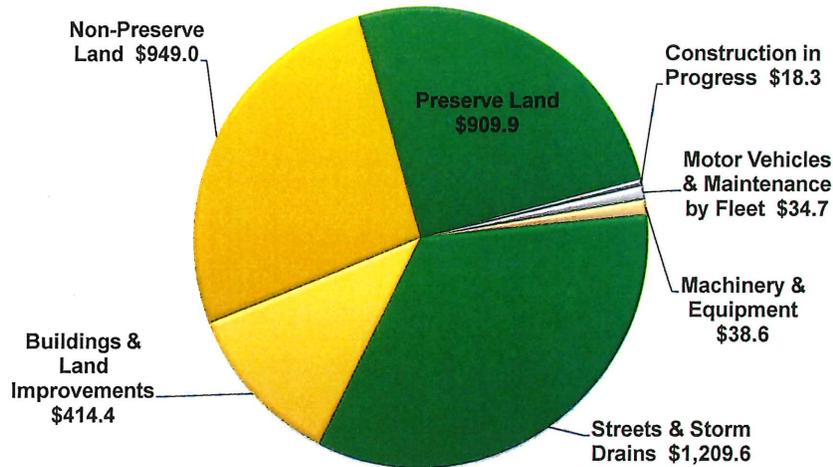
FY 2014/15 Financial Highlights Receivables and Other Assets (\$ millions)

\$86.8 Receivables

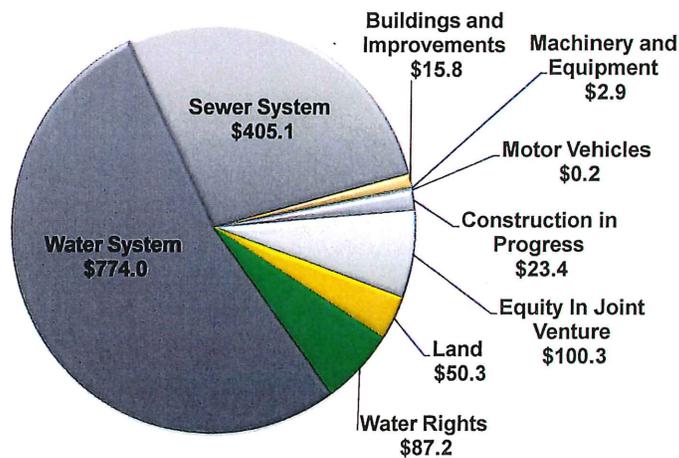
- \$12.2 Property Taxes and Penalties
- \$24.5 Other Local Taxes
- \$23.6 Intergovernmental
- \$15.2 Charges for Service
- \$11.3 Interest and Other

\$195.1 Other (primarily the change in assumptions from one year to the next that are not captured in pension expense, service concession arrangements and prepayments)

FY 2014/15 Financial Highlights
Net Capital Assets by Type – Government
\$3,574.5 million
(\$ millions)

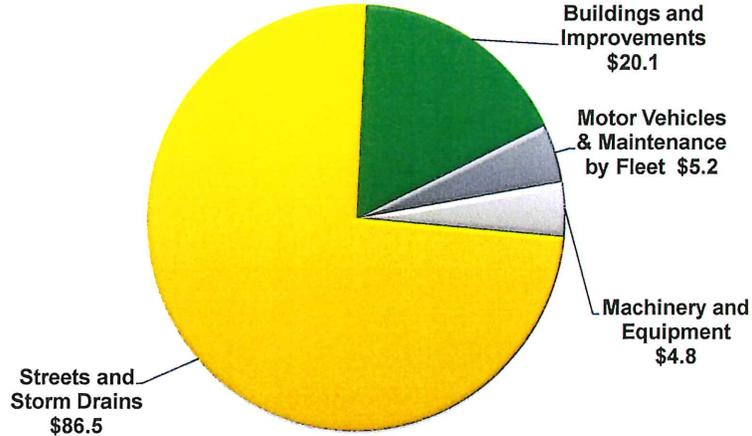


FY 2014/15 Financial Highlights
Net Capital Assets by Type – Enterprise
\$1,459.3 million
(\$ millions)



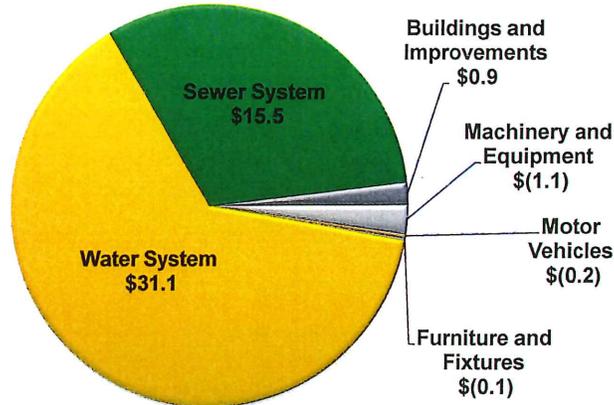
FY 2014/15 Financial Highlights Annual Depreciation by Type – Government \$116.6 million

(\$ millions)



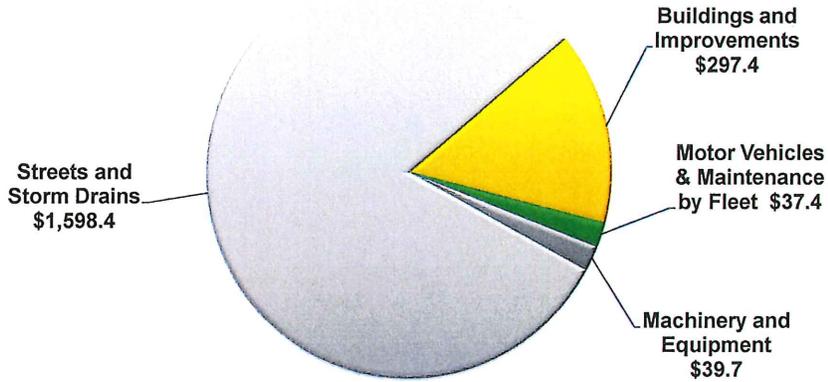
FY 2014/15 Financial Highlights Annual Depreciation by Type – Enterprise \$46.1 million

(\$ millions)

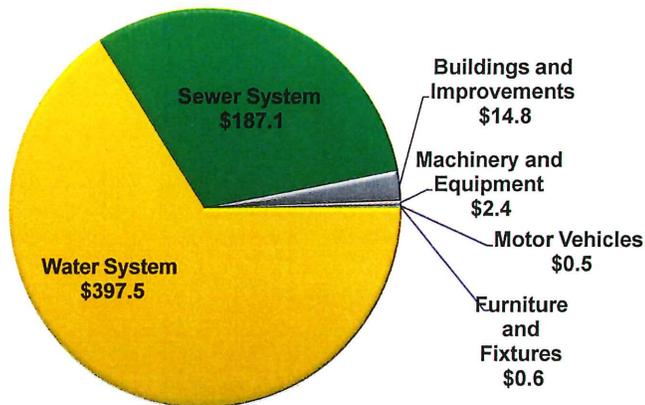


Note: Assets were restated to move cost of \$15,179,982, accumulated depreciation of \$5,324,534 from Machinery & Equipment and cost of \$59,203, accumulated depreciation of \$28,169 from Furniture, Fixtures and Office Equipment to Water System cost \$6,293,365, accumulated depreciation \$3,794,227 and cost of \$8,945,800, accumulated depreciation of \$1,558,476 to Sewer System.

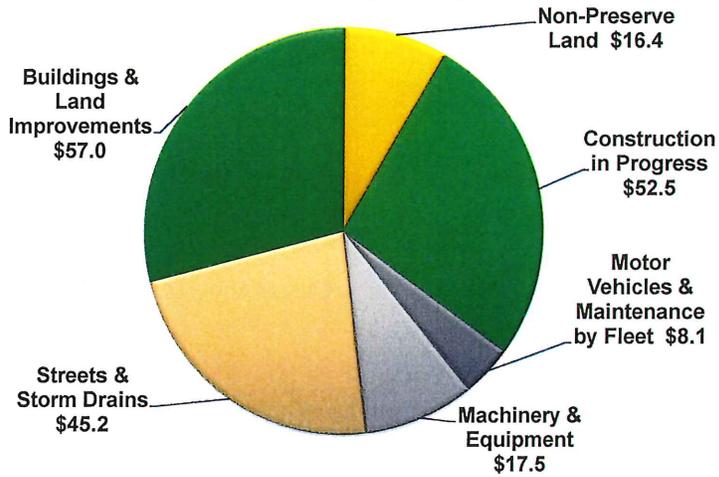
**FY 2014/15 Financial Highlights
Accumulated Depreciation by Type –
Government \$1,972.9 million**
(\$ millions)



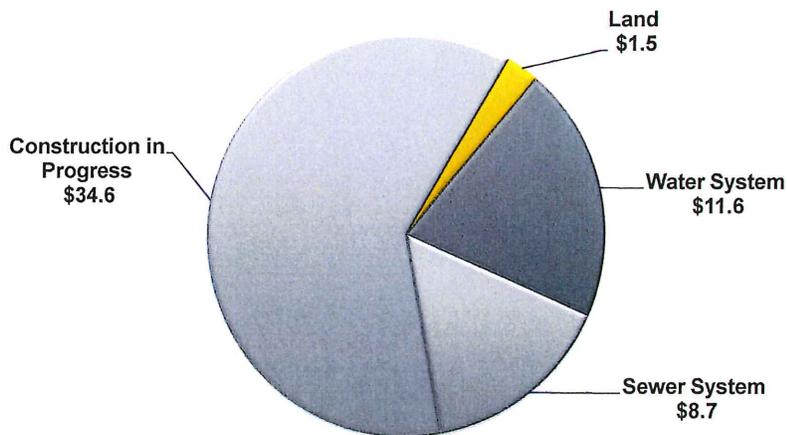
**FY 2014/15 Financial Highlights
Accumulated Depreciation by Type –
Enterprise \$602.9 million**
(\$ millions)



**FY 2014/15 Financial Highlights
Acquisitions by Type –
Government \$196.7 million**
(\$ millions)



**FY 2014/15 Financial Highlights
Acquisitions by
Type – Enterprise \$56.5 million**
(\$ millions)



**FY 2014/15 Financial Highlights
Accruals and Other Liabilities**

(\$ millions)

\$123.0 Accruals: Payables, Payroll and Benefits

- \$112.7 Accounts and Interest Payable
- \$ 10.3 Payroll and Benefits

\$29.1 Accrued Compensated Absences

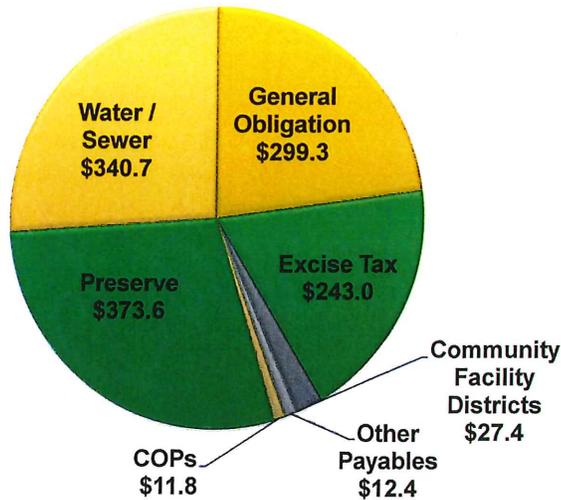
\$104.9 Other Liabilities

\$272.1 Net Pension Liabilities

**FY 2014/15 Financial Highlights
Bonds, Loans and Other Payables**

\$1,308.2 million

(\$ millions)



**FY 2014/15 Financial Highlights
“Off-Balance Sheet” Liabilities**

Compensated Absences

Liability to be earned by employees during
future service

Implicit Subsidies

Liability for health insurance at subsidized rates
for “medically-retired”