

**SCOTTSDALE CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, OCTOBER 21, 2014**



**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 21, 2014 in the City Hall Kiva.

ROLL CALL

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

Also Present: City Manager Fritz Behring
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

Mayor Lane announced that Officer Dave Pubins is retiring after 22 years with the City and thanked him for his service.

PLEDGE OF ALLEGIANCE – Brownie Troop 1146 and Junior Girl Scout Troop 1588, Troop Leader Julie Ransom

INVOCATION – Pastor Jason Anderson, Living Word Bible Church

MAYOR'S REPORT

Mayor Lane wished the San Francisco Giants good luck as they compete in the World Series.

Director of Communications Kelly Corsette gave an update on the Annual Citizens Report.

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.

PRESENTATION/INFORMATION UPDATES

Junior Golf Association of Arizona Scottsdale City Championships Presenter(s): Scott McNevin, Executive Director

Junior Golf Association of Arizona Executive Director Scott McNevin gave a PowerPoint presentation (attached) on the Junior Golf Tournament, which was held at McCormick Ranch Golf Course this year.

PUBLIC COMMENT

- David Smith commented on the content of a City newsletter.

MINUTES

Request: Approve the Regular Meeting Minutes of September 23, 2014.

MOTION AND VOTE – MINUTES

Councilmember Korte made a motion to approve the Regular Meeting Minutes of September 23, 2014. Councilwoman Klapp seconded the motion, which carried 7/0.

CONSENT AGENDA

- 1. Aridus Wine Company Liquor License (90-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 19 (tasting room) State liquor license for a new location and owner.
Location: 7173 E. Main Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 2. El Rancho Liquor License (91-LL-2014)**
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 an existing location with a new owner.
Location: 3030 N. 68th Street
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
- 3. Park Place Bar & Grill Liquor License (92-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7373 Scottsdale Mall, Suite 6
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov

4. **Spiga Cucina Italiana Liquor License (93-LL-2014)**
Request: Consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 12 (restaurant) State liquor license for an existing location with a new owner.
Location: 7500 E. Pinnacle Peak Road, Suite J125
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
5. **Scottsdale Baseball Stadium Liquor License (94-LL-2014)**
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 6 (bar) State liquor license for an existing location with a new owner.
Location: 7408 E. Osborn Road
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
6. **Permanent Extension of Premises for Maya Day and Nightclub (15-EX-2014)**
Request: Considering forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for a Series 6 (bar) State liquor License.
Location: 7333 E. Indian Plaza
Staff Contact(s): Tim Curtis, Current Planning Director, 480-312-4210, tcurtis@scottsdaleaz.gov
7. **Safeway No. 2032 Fuel Center Conditional Use Permit (1-UP-2014)**
Request: Find that the conditional use permit criteria have been met and adopt **Resolution No. 9914** approving a Conditional Use Permit for a gas station in an existing shopping center with Highway Commercial (C-3) zoning.
Location: 10773 N. Scottsdale Road
Staff Contact(s): Randy Grant, Planning and Development Director, 480-312-2664, rgrant@scottsdaleaz.gov
8. **Indoor Vehicle Leasing, Sales, or Rental in I-1 Text Amendment (6-TA-2014)**
Request: Adopt **Ordinance No. 4173** approving a text amendment to the City of Scottsdale Zoning Ordinance No. 455, to amend Table 5.1803 (Land Use Table) in the Industrial Park District (I-1) to allow indoor vehicle leasing, sales, or rental in conjunction with restoration services, without outdoor display; and finding that the proposed zoning text amendment is consistent and conforms with the adopted General Plan.
Staff Contact(s): Randy Grant, Planning and Development Director, 480-312-2664, rgrant@scottsdaleaz.gov

Item 8 was removed from the agenda at the request of the applicant.

9. **Archaeological Services Contracts**
Request: Adopt **Resolution No. 9845** authorizing the following contracts to provide archaeological services related to identification, protection, and documentation of cultural resources located within the City:
 1. Contract No. 2014-135-COS with Archaeological Consulting Services, Ltd.
 2. Contract No. 2014-136-COS with Desert Archaeology, Inc.
 3. Contract No. 2014-137-COS with Logan Simpson Design, Inc.**Staff Contact(s):** Randy Grant, Planning and Development Director, 480-312-2664, rgrant@scottsdaleaz.gov

10. Shea Underpass Access at 124th Street In-Lieu Payment and Capital Budget Adjustment

Request: Adopt **Resolution No. 9896** authorizing:

1. Acceptance of an in-lieu payment in the amount of \$63,000 from Shea 124th Investments, LLC.
2. A FY 2014/15 capital budget adjustment in the amount of \$63,000 to change a funding source for the Shea Underpass Access at 124th Street Capital Project TB02A from the Transportation Sales Tax funding source to the In-Lieu Fees funding source.

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

11. Tony Nelssen Equestrian Center Expansion Capital Budget Reduction

Request: Adopt **Resolution No. 9931** authorizing a FY 2014/15 capital budget reduction in the amount \$380,000 to the Tony Nelssen Equestrian Center Expansion budget D1102 in the General Fund funding source.

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

12. Camelback Road and Hayden Road Wireless License Agreement

Request: Adopt **Resolution No. 9817** authorizing License Agreement No. 2014-088-COS with New Cingular Wireless PCS, LLC (AT&T), permitting the installation and operation of a wireless site on City land.

Location: Southeast corner of Camelback Road and Hayden Road (Indian School Park)

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

13. Public Access and Public Art Easements

Request: Adopt **Resolution No. 9925** authorizing the Water Resources Director to accept from Motorola Solutions, Inc., a public non-motorized access easement for the installation of a pedestrian path and a public art easement for the placement of public artwork.

Location: Southeast corner of Cattletrack Road and McDonald Drive

Staff Contact(s): Brian Biesemeyer, Water Resources Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov

14. DUI Enforcement and Education Grant

Request: Adopt **Resolution No. 9905** to authorize:

1. Contract No. 2014-166-COS with the Arizona Governor's Office of Highway Safety to accept a grant in the amount of \$100,000 for DUI enforcement and education overtime and associated expenses.
2. A budget transfer in the amount of \$100,000 from the adopted FY 2014/15 Future Grants and/or Grant Contingency Budget to the GOHS/DUI Enforcement and Education Grant Budget.

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

15. Rugby Bowl Event

Request: Adopt **Resolution No. 9927** to authorize:

1. Funding not to exceed \$65,000 from the City portion of bed tax allocated toward one-time commitment capital for tourism-related event administration for the Rugby Bowl Beauty and the Beast event.
2. New Event Funding Agreement No. 2014-171-COS with The Rugby Bowl, LLC.

Staff Contact(s): Paul Katsenes, Tourism and Events Director, 480-312-2890, pkatsenes@scottsdaleaz.gov

16. Taste of the NFL Event

Request: Adopt **Resolution No. 9928** to authorize:

1. Funding not to exceed \$75,000 from the City portion of bed tax allocated toward one-time commitment capital for tourism-related event administration for the Taste of the NFL Party with a Purpose event.
2. New Event Funding Agreement No. 2014-172-COS with Hungry Related Events dba Taste of the NFL.

Staff Contact(s): Paul Katsenes, Tourism and Events Director, 480-312-2890, pkatsenes@scottsdaleaz.gov

17. WestWorld Event Contract Assignment

Request: Adopt **Resolution No. 9915** authorizing the East Valley Arabian Horse Association to assign its interest in WestWorld Event Contract No. 2013-182-COS to the Valley of the Sun Arabian Horse Association to allow the Valley of the Sun Arabian Horse Association to become the sole event producer and to change the name of the event to the Desert Classic All Arabian Horse Show.

Staff Contact(s): Paul Katsenes, Tourism and Events Director, 480-312-2890, pkatsenes@scottsdaleaz.gov

18. Jage, et al. v. City of Scottsdale, et al. Settlement

Request: Adopt **Resolution No. 9926** authorizing settlement in the amount of \$475,000 of Michael Jage and Marquie Jage's negligence lawsuit against the City entitled *Jage, et al. v. City of Scottsdale, et al.*, Case No. CV2011-098081, currently pending in the Maricopa County Superior Court.

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

19. Monthly Financial Report

Request: Accept the FY 2014/15 Monthly Financial Report as of August 2014.

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

20. Aviation Code Amendment

Request: Adopt **Ordinance No. 4171** amending Scottsdale Revised Code, Chapter 5, Sections 5-101, 5-351, 5-352, 5-354, and 5-356 through 5-361, and adding Sections 5-109.1 and 5-362, relating to the Airport Appeals Board, obstructions at the Airport, and updated noise sensitive uses.

Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

21. Scottsdale Airport Aviation Business Center Lease Agreement

Request: Adopt **Resolution No. 9883** authorizing Lease Agreement No. 2014-145-COS with Ciao Baby Catering, LLC, for commercial office space at the Scottsdale Airport Aviation Business Center.

Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

MOTION AND VOTE – CONSENT AGENDA

Vice Mayor Phillips made a motion to approve Consent Items 1 through 21, absent Item 8. Councilmember Korte seconded the motion, which carried 7/0.

REGULAR AGENDA

22. Scottsdale Airport Restaurant Lease Amendment

Request: Adopt **Resolution No. 9840** authorizing Contract No. 2011-121-COS-A1, the first amendment to the airport restaurant lease agreement with Ciao Baby Catering, LLC, dba Zulu Café.

Presenter(s): Gary Mascaro, Aviation Director

Staff Contact(s): Gary Mascaro, Aviation Director, 480-312-7735, gmascaro@scottsdaleaz.gov

Aviation Director Gary Mascaro gave a PowerPoint presentation (attached) on the proposed amendments to the airport restaurant lease agreement with Ciao Baby Catering. In response to a question from Council, restaurant operators Dee Dee Maza and Betsy Allen expressed a preference for Option A.

MOTION – ITEM 22

Councilman Littlefield made a motion to adopt Resolution No. 9840, with Option A. Councilwoman Klapp seconded the motion.

Airport Advisory Commissioner William Schuckert spoke in favor of Option B, which is the Airport Advisory Commission's preferred option.

VOTE – ITEM 22

The Council's vote on the motion to adopt Resolution No. 9840, with Option A, carried 6/1, with Councilwoman Milhaven dissenting.

23. WestWorld Paving Improvements General Fund Capital Contingency Budget Transfer

Request: Adopt **Resolution No. 9919** authorizing a FY 2014/15 General Fund Capital Budget Contingency transfer in the amount of \$168,100 to a newly created capital project titled WestWorld Paving Improvements.

Presenter(s): Dan Worth, Public Works Executive Director

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

City Engineer Derek Earle gave a PowerPoint presentation (attached) on the WestWorld Paving Improvements General Fund Capital Contingency Budget Transfer request.

MOTION AND VOTE – ITEM 23

Councilman Robbins made a motion to adopt Resolution No. 9919. Councilman Littlefield seconded the motion, which carried 6/1, with Councilwoman Milhaven dissenting.

24. Municipal Property Corporation Bond Issuance

Request: Adopt **Resolution No. 9903** to authorize:

1. The Mayor to execute and the City Clerk to attest an agreement with Scottsdale Municipal Property Corporation providing for financing in an amount not to exceed \$16.4 million in one or more series as tax-exempt and/or taxable bonds for the following public improvements (including bond issuance costs):
 - a. Up to \$15.2 million for Tournament Players Club (TPC) Clubhouse and Stadium Renovations Project and TPC Golf Course Irrigation Mainline Replacement Project.
 - b. Up to \$1.2 million for the Tony Nelssen Equestrian Center Project.
2. The form of the agreement, trust indenture and a continuing disclosure certificate with respect to the bonds, and the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

Presenter(s): Lee Guillory, Finance Director

Staff Contact(s): Jeff Nichols, City Treasurer, 480-312-2364, jenichols@scottsdaleaz.gov

Finance Director Lee Guillory gave a PowerPoint presentation (attached) on the proposed Municipal Property Corporation bond issuance. She explained that the Tony Nelssen Equestrian Center Project (TNEC) will not need additional bond funding; so, the draft document will be edited to remove any mention of the TNEC Project.

MOTION AND VOTE – ITEM 24

Councilman Littlefield made a motion to adopt Resolution No. 9903. Councilman Robbins seconded the motion, which carried 7/0.

25. Monthly Financial Update

Request: Receive, discuss, and provide possible direction on the City Treasurer's monthly financial update as of September 2014.

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 2014.

26. Fiscal Year 2013/14 Financial Update

Request: City Treasurer's financial summary presentation for Fiscal Year 2013/14.

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 2013/14.

MAYOR AND COUNCIL

27. **Boards, Commissions, and Task Force Nominations (Note: Interviews and appointments scheduled for November 12, 2014)**

Board of Adjustment (*one vacancy*) - Councilmember Korte nominated M. Alper Adli.

Building Advisory Board of Appeals (*two vacancies*) - There were no applicants for this board.

Environmental Quality Advisory Board (*two vacancies: one scientific representative and one non-scientific representative*) - Mayor Lane nominated Michel Hulst.

Industrial Development Authority (*one vacancy*) - Councilwoman Klapp nominated Jessicah Amrine; Councilwoman Milhaven nominated Tim Stratton; and Councilman Robbins nominated Paul Watkins.

Judicial Appointments Advisory Board (*two vacancies: one Scottsdale citizen member and one Scottsdale Bar member*) - No applicants were nominated for this board.

Loss Trust Fund Board (*two vacancies*) - There were no applicants for this board.

Neighborhood Advisory Commission (*one vacancy*) - Councilwoman Milhaven nominated Jennifer Fabiano.

Personnel Board (*one vacancy*) - Councilman Robbins nominated Stacy Gabriel and Councilmember Korte nominated Steven Guttell.

Transportation Commission (*one vacancy*) - Councilmember Korte nominated Robert Stickles.

PUBLIC COMMENT

- Jimmy VanZandt expressed his belief that the passenger transport service provider Uber X is not complying with A.R.S. § 28-4033. He asked the City to require all passenger transport service providers to comply with the statute.

CITIZEN PETITIONS

28. **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 agendaize 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 6:31 P.M.

SUBMITTED BY:



Carolyn Jagger
City Clerk

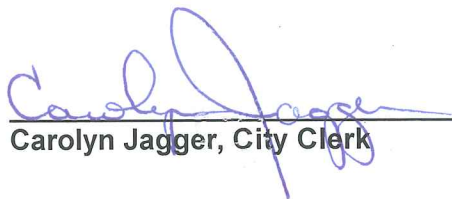
Officially approved by the City Council on November 18, 2014

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 21st day of October 2014.

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

DATED this 18th day of November 2014.



Carolyn Jagger, City Clerk

Presentations/Information Updates

the Junior Golf Association of Arizona presents

SCOTTSDALE CITY JUNIOR CHAMPIONSHIP

August 23rd & 24th

2014





STARFIRE GOLF COURSE



10 & Under Boys

- 1st - Anawin Pikulthong
- 2nd - Brayden Bozak
- T₃rd - Adam Miller
- T₃rd - Nicklas Nuez
- 5th - Vincent Cervantes



11 & 12 Boys

- 1st - Daniel Thompson
- 2nd - Preston Summerhays
- 3rd - Zachary Missigman
- 4th - Gain Aurilia
- T₅th - Noah Nuez
- T₅th - Tucker Clark



STARFIRE GOLF COURSE



10 & Under Girls

- 1st - Abbey Schutte
- 2nd - Drucella Pedrosa



11 & 12 Girls

- 1st - Toni St. John
- 2nd - Ashley Menne
- 3rd - Breyana Matthews
- 4th - Lauren Garcia
- T₅th - Bailee Tayles





STARFIRE GOLF COURSE



MCCORMICK RANCH GOLF CLUB

13-14 Boys

- 1st - Alejandro De Zavala
- 2nd - Hayden Sayre
- 3rd - Chaz Aurilia
- 4th - Jake Carlson
- 5th - Mason Domecq



15-18 Boys

- 1st - Keegan Brasch
- 2nd - Kyle Peterson
- 3rd - Gabriel Velarde
- T4th - Scott Redelsperger
- T4th - Steven Jordan



MCCORMICK RANCH GOLF CLUB

13-14 Girls

- 1st - Isabella Cantwell
- 2nd - Eve Worden
- 3rd - Katelyn Allen
- 4th - Michelle Koo
- T5th - Sloane Van Zanen
- T5th - Annabelle Huether



15-18 Girls

- 1st - Ciara Petronzio
- 2nd - Kathryn Ottman
- T3rd - Megan Liborio
- T3rd - Lilly Worden
- 5th - Ocean Pangan



MCCORMICK RANCH GOLF CLUB

Boys Championship

- 1st - Trevor Lampson
- 2nd - Brock Goyen
- 3rd - Ali Hameed



Girls Championship

- 1st - Haylin Harris
- 2nd - Mikayla Fitzpatrick
- T3rd - Taylor Hughes
- T3rd - Kaylee Benton



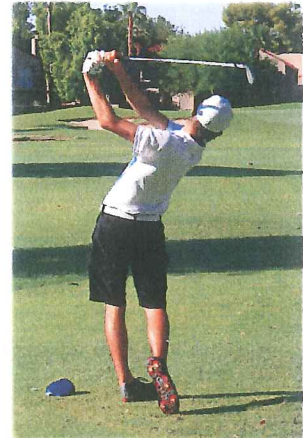
MCCORMICK RANCH GOLF CLUB



MCCORMICK RANCH GOLF CLUB



MCCORMICK RANCH GOLF CLUB



MCCORMICK RANCH GOLF CLUB



MCCORMICK RANCH GOLF CLUB



SCOTTSDALE CITY JUNIOR CHAMPIONSHIP

Item 22

Ciao Baby Catering, LLC dba Zulu Caffe Lease Amendment

City Council

October 21, 2014

Prepared by: Gary P. Mascaro, Aviation Director

1

Ciao Baby Catering, LLC dba Zulu Caffe Lease Amendment

History of Restaurant

- Airport Terminal renovated in the early 80's to add 3,619 sq ft to the terminal building for office space and a restaurant
- Left Seat: 1981 - 2000
- D'Atri's: 2000- 2003
- Blue Fig: 2003 - 2006
- Taylor's: 2006 - 2009
- Ciao Baby Catering dba Zulu Caffe: 2011 - Present

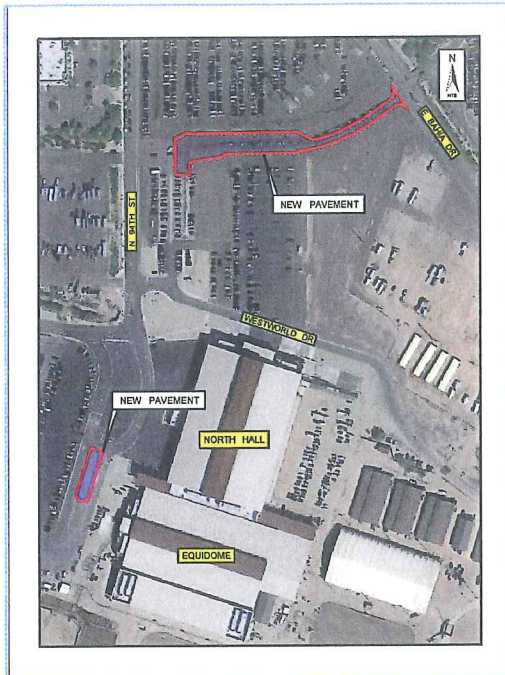
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Ciao Baby Catering, LLC dba Zulu Caffè Lease Amendment

Options

- Option A (Requested by the Lessee)
Restaurant hours of operation 8 A.M. to 2 P.M. Monday through Friday
- Option B (Airport Advisory Commission Recommendation)
Restaurant hours of operation 8 A.M. to 2 P.M. Monday through Friday, Saturday from 8 A.M. to 12 P.M.
- Option C
Keep current restaurant hours of operation 7 A.M. to 6 P.M. Monday through Friday, Saturday from 7 A.M. to 11 A.M., Sunday from 10 A.M. to 2 P.M.

Item 23



WestWorld Paving



Requested Action:

Adopt Resolution No. 9919 authorizing a FY 2014/15 General Fund Capital Budget Contingency transfer in the amount of \$168,100.00 to a newly created capital project to be titled WestWorld Paving Improvements.



New MPC Bond Issuance



City Council

October 21, 2014

Prepared by Lee Guillory, Finance Director

Tournament Players Club (TPC) Project

TPC Mainline Irrigation Project	\$ 945,000
TPC Clubhouse and Stadium Project	<u>\$14,055,000</u>
	\$15,000,000

Funding for the project to come from MPC bond proceeds and up to \$1,150,000 of bed tax carryover funds



Tony Nelssen Equestrian Center (TNEC) Project

Due to Council's action on October 7, 2014, bond proceeds will not be needed to fund the TNEC project and any reference to that project will be removed from the bond documents.

3



Debt Service

Annual Debt Service payments for the TPC project will come from:

Tourism funds	\$900,000
Increased Golf Course percentage fee	\$173,000

4



Next Steps

- Meet with MPC Board November
- Credit Rating Agency Presentation November
- Pricing December
- Closing January

5



Action

Adopt Resolution No. 9903 allowing staff to proceed with the bond sale to provide sufficient funds to meet the financial requirements described within the Resolution.

6



Monthly Financial Update As of September 30, 2014

City Council
October 21, 2014
Prepared by: City Treasurer

General Fund Operating Sources September 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

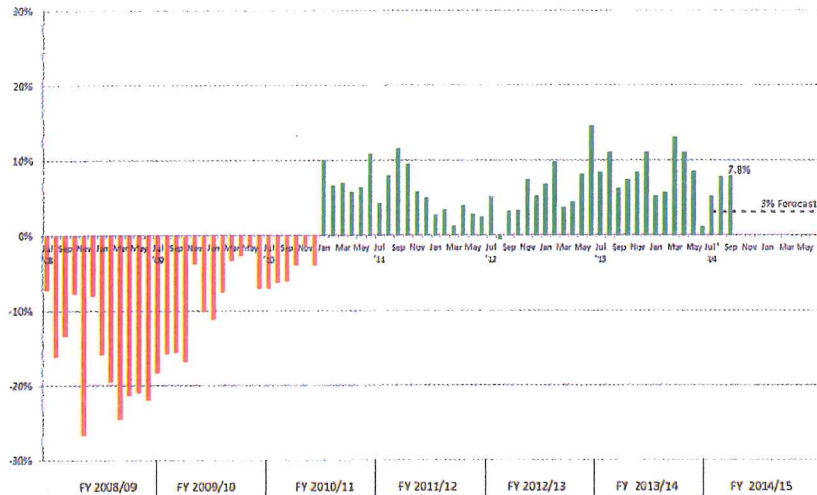
Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15 Budget	Actual vs. Budget	
	Actual	Actual	Actual		Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$19.0	\$20.4	\$21.9	\$21.4	\$0.4	2%
0.1% Public Safety	1.9	2.0	2.2	2.1	-	-
State Shared: Sales Tax	4.2	4.5	4.7	4.7	-	-
Income Tax	5.6	6.1	6.6	6.6	-	-
Auto Lieu Tax	1.8	2.0	1.7	1.9	(0.1)	(8%)
Property Taxes (Primary)	0.6	0.5	0.5	0.6	(0.1)	(15%)
Franchise Fees/In-Lieu Tax	2.0	2.0	1.7	2.0	(0.3)	(14%)
Other: Licenses, Permits & Fees	1.4	1.4	1.9	1.4	0.5	34%
Fines & Forfeitures	1.7	1.5	1.8	1.8	0.0	2%
Miscellaneous	1.6	1.7	1.9	1.1	0.7	65%
Building Permits	2.9	3.4	4.5	2.7	1.8	66%
Interest Earnings	0.3	0.5	0.1	0.1	(0.1)	(47%)
Indirect Cost Allocations	1.8	1.6	1.6	1.6	-	-
Transfers In	2.1	2.1	3.6	3.3	0.3	8%
<i>Subtotal Operating Sources</i>	<u>\$46.8</u>	<u>\$49.7</u>	<u>\$54.6</u>	<u>\$51.4</u>	<u>\$3.2</u>	<u>6%</u>
Bed Taxes	-	-	-	-	-	-
<i>Total Operating Sources</i>	<u>\$46.8</u>	<u>\$49.7</u>	<u>\$54.6</u>	<u>\$51.4</u>	<u>\$3.2</u>	<u>6%</u>

General Fund Operating Sources: Sales Tax September 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Consumer Spending:</i>						
Small retail stores	\$3.0	\$3.2	\$3.4	\$3.4	\$ -	-
Large retail stores	2.1	2.1	2.1	2.1	-	-
Misc goods & services	1.1	1.4	1.6	1.5	0.1	8%
Grocery & convenience	1.4	1.4	1.4	1.4	-	-
Auto sales & maintenance	2.6	2.9	3.1	3.2	(0.1)	(2%)
<i>Tourism/Entertainment:</i>						
Hotel lodging & misc sales	0.6	0.7	0.7	0.7	-	-
Restaurants & bars	1.6	1.7	1.8	1.8	0.1	4%
<i>Business:</i>						
Construction	2.1	2.5	3.0	2.8	0.2	9%
Rental	3.0	3.1	3.2	3.1	0.1	2%
Utilities	1.2	1.2	1.2	1.2	-	-
Licenses, penalties/interest	0.3	0.3	0.3	0.3	-	-
Total 1.0% Sales Tax	\$19.0	\$20.4	\$21.9	\$21.4	\$0.4	2%

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



General Fund Operating Uses: by Category September 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Personnel Services*:						
Salaries & Wages	\$30.9	\$31.0	\$32.6	\$32.8	\$0.2	1%
Overtime	1.8	2.0	1.7	1.5	(0.2)	(17%)
FICA	2.1	2.1	2.2	2.2	-	-
Retirement	4.2	4.5	4.9	5.0	0.1	2%
Health/Dental & Misc	3.7	3.9	3.9	4.0	0.1	2%
<i>Total Personnel Services</i>	<i>\$42.8</i>	<i>\$43.5</i>	<i>\$45.4</i>	<i>\$45.5</i>	<i>\$0.1</i>	<i>-</i>
Contractual, Commodities, Capital Outlay	14.2	14.7	16.6	17.1	0.5	3%
<i>Total Operating Expenses</i>	<i>\$57.0</i>	<i>\$58.2</i>	<i>\$62.0</i>	<i>\$62.6</i>	<i>\$0.6</i>	<i>1%</i>
Debt Serv. & Contracts	0.7	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
<i>Total Operating Uses</i>	<i>\$57.7</i>	<i>\$58.2</i>	<i>\$62.0</i>	<i>\$62.6</i>	<i>\$0.6</i>	<i>1%</i>
*Pay Periods thru September:	7	7	7			

General Fund Operating Uses: by Division September 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$4.7	\$4.8	\$5.0	\$5.1	\$0.2	3%
Administrative Services	4.6	4.3	4.6	4.8	0.2	4%
Comm. & Econ Development	6.3	6.5	6.9	7.0	0.1	1%
Community Services	8.7	8.6	9.1	9.2	0.2	2%
Public Safety - Fire	7.6	8.2	8.5	8.6	0.1	1%
Public Safety - Police	21.4	22.0	23.5	23.7	0.2	1%
Public Works	3.8	3.7	4.4	4.1	(0.3)	(7%)
<i>Total Operating Expenses</i>	<i>\$57.0</i>	<i>\$58.2</i>	<i>\$62.0</i>	<i>\$62.6</i>	<i>\$0.6</i>	<i>1%</i>

General Fund Results: Summary September 2014: Fiscal Year to Date

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$46.8	\$49.7	\$54.6	\$51.4	\$3.2	6%
Uses	57.7	58.2	62.0	62.6	0.6	1%
Change in Fund Balance	(\$11.0)	(\$8.5)	(\$7.4)	(\$11.2)	\$3.8	

General Fund Operating Sources September 2014

(in millions: rounding differences may occur)

Sources Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sales Tax: 1.0% General Purpose	\$6.3	\$6.7	\$7.3	\$7.1	\$0.2	3%
0.1% Public Safety	0.6	0.7	0.7	0.7	-	-
State Shared: Sales Tax	1.3	1.5	1.5	1.5	-	-
Income Tax	1.9	2.0	2.2	2.2	-	-
Auto Lieu Tax	0.6	0.6	0.6	0.6	-	-
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	0.6	0.7	0.6	0.6	-	-
Fines & Forfeitures	0.5	0.5	0.6	0.6	-	-
Miscellaneous	0.4	0.4	0.3	0.3	0.1	35%
Building Permits	0.8	0.8	1.1	1.0	0.1	9%
Interest Earnings	0.1	0.1	0.0	0.0	-	-
Indirect Cost Allocations	0.6	0.5	0.5	0.5	-	-
Transfers In	0.7	0.7	0.6	0.6	-	-
Subtotal Operating Sources	\$14.5	\$15.3	\$16.3	\$15.9	\$0.4	3%
Bed Taxes	(0.7)	-	-	-	-	-
Total Operating Sources	\$13.9	\$15.3	\$16.3	\$15.9	\$0.4	3%

General Fund Operating Sources: Sales Tax September 2014

(in millions: rounding differences may occur)

1.0% Sales Tax Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Consumer Spending:</i>						
Small retail stores	\$1.0	\$1.0	\$1.1	\$1.1	\$0.1	5%
Large retail stores	0.7	0.7	0.8	0.7	-	-
Misc goods & services	0.3	0.5	0.5	0.5	-	-
Grocery & convenience	0.5	0.5	0.5	0.5	-	-
Auto sales & maintenance	0.9	1.0	1.1	1.1	-	-
<i>Tourism/Entertainment:</i>						
Hotel lodging & misc sales	0.2	0.2	0.2	0.2	-	-
Restaurants & bars	0.5	0.6	0.6	0.6	-	-
<i>Business:</i>						
Construction	0.7	0.8	0.9	0.9	-	-
Rental	0.9	1.0	1.0	1.0	-	-
Utilities	0.6	0.4	0.4	0.4	-	-
Licenses, penalties/interest	0.1	0.1	0.1	0.1	-	-
Total 1.0% Sales Tax	\$6.3	\$6.7	\$7.3	\$7.1	\$0.2	3%

General Fund Operating Uses: by Category September 2014

(in millions: rounding differences may occur)

Category	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
<i>Personnel Services*:</i>						
Salaries & Wages	\$8.7	\$8.9	\$8.9	\$8.9	\$ -	-
Overtime	0.5	0.6	0.6	0.5	(0.1)	(21%)
FICA	0.6	0.6	0.6	0.6	-	-
Retirement	1.2	1.3	1.4	1.4	-	-
Health/Dental & Misc	1.2	1.3	1.3	1.3	-	-
Total Personnel Services	\$12.2	\$12.8	\$12.8	\$12.8	\$ -	-
Contractual, Commodities, Capital Outlay	4.1	4.6	4.6	5.0	0.4	9%
Total Operating Expenses	\$16.3	\$17.4	\$17.4	\$17.8	\$0.4	2%
Debt Serv. & Contracts	0.2	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Operating Uses	\$16.5	\$17.4	\$17.4	\$17.8	\$0.4	2%
*Pay Periods in September:	2	2	2			

General Fund Operating Uses: by Division September 2014

(in millions: rounding differences may occur)

Division	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Mayor & Council, Charter Officers	\$1.3	\$1.3	\$1.4	\$1.3	\$ -	-
Administrative Services	1.1	1.3	1.0	1.3	0.3	23%
Comm. & Econ Development	1.6	1.8	1.4	1.8	0.4	22%
Community Services	2.5	2.5	2.6	2.7	0.1	4%
Public Safety - Fire	2.1	2.6	2.7	2.6	(0.2)	(6%)
Public Safety - Police	6.2	6.5	6.5	6.7	0.1	2%
Public Works	1.5	1.4	1.8	1.5	(0.3)	(22%)
<i>Total Operating Expenses</i>	<u>\$16.3</u>	<u>\$17.4</u>	<u>\$17.4</u>	<u>\$17.8</u>	<u>\$0.4</u>	<u>2%</u>

General Fund Results: Summary September 2014

(in millions: rounding differences may occur)

	FY 12/13	FY 13/14	FY 14/15	FY 14/15	Actual vs. Budget	
	Actual	Actual	Actual	Budget	Fav/(Unf)	%
Sources	\$13.9	\$15.3	\$16.3	\$15.9	\$0.4	3%
Uses	16.5	17.4	17.4	17.8	0.4	2%
Change in Fund Balance	<u>(\$2.6)</u>	<u>(\$2.1)</u>	<u>(\$1.1)</u>	<u>(\$1.9)</u>	<u>\$0.8</u>	

FY 2013/14 Financial Highlights (Preliminary Results)

City Council
October 21, 2014
Prepared by: City Treasurer

1

General Fund Operating Sources FY 2013/14 (in millions: rounding differences may occur)

Sources Category	Forecast Used @ Budget Adoption	FYE Actual	Actual vs. Budget	
			Fav/(Unf)	%
Sales Tax: 1.00% General Purpose	\$94.8	\$95.6	\$0.8	1%
0.10% Public Safety	9.3	9.3	-	-
State Shared: Sales Tax	18.8	18.9	0.1	1%
Revenue	24.3	24.2	-	-
Auto Lieu Tax	7.2	7.8	0.6	8%
Property Taxes (Primary)	25.5	25.3	(0.2)	(1%)
Franchise Fees/In-Lieu Tax	12.1	12.2	0.1	1%
Other: Licenses, Permits & Fees	9.2	9.5	0.3	3%
Fines & Forfeitures	7.0	6.7	(0.3)	(4%)
Miscellaneous	6.3	8.1	1.8	29%
Building Permits	13.8	14.4	0.6	4%
Interest Earnings	0.6	0.8	0.2	33%
Indirect Cost Allocations	6.5	6.6	0.1	2%
Transfers In	10.9	12.5	1.6	15%
Total Operating Sources	\$246.2	\$251.9	\$5.6	2%

2

General Fund Operating Sources: 1.00% Sales Tax FY 2013/14

(in millions: rounding differences may occur)

1.00% Sales Tax Category	Forecast Used @ Budget Adoption	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
<i>Consumer Spending:</i>				
Small retail stores	\$15.7	\$16.1	\$0.4	3%
Large retail stores	9.4	9.2	(0.2)	(2%)
Misc. goods & services	7.6	7.6	-	-
Grocery & convenience	6.6	6.6	-	-
Auto sales & maintenance	12.1	12.4	0.3	2%
<i>Tourism/Entertainment</i>				
Hotel lodging & misc sales	4.9	5.0	0.1	2%
Restaurants & bars	8.4	8.5	0.1	1%
<i>Business:</i>				
Construction	11.1	11.1	-	-
Rental	12.5	12.4	(0.1)	(1%)
Utilities	4.3	4.4	0.1	2%
Licenses, penalties/interest	2.3	2.3	-	-
<i>Total 1.00% Sales Tax</i>	<u>\$94.8</u>	<u>\$95.6</u>	<u>\$0.8</u>	<u>1%</u>

3

General Fund Operating Uses: by Category FY 2013/14

(in millions: rounding differences may occur)

Category	Forecast Used @ Budget Adoption	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
<i>Personnel Services:</i>				
Salaries & Wages	\$116.3	\$115.6	\$0.6	1%
Overtime	7.0	7.2	(0.2)	(3%)
FICA	7.9	7.9	-	-
Retirement	17.3	17.2	0.1	1%
Health/Dental & Misc	15.7	15.6	0.1	1%
<i>Total Personnel Services</i>	<u>\$164.2</u>	<u>\$163.6</u>	<u>\$0.6</u>	<u>-</u>
Contractual, Commodities, Capital Outlays	64.5	61.5	3.0	5%
<i>Total Operating Expenses</i>	<u>\$228.7</u>	<u>\$225.0</u>	<u>\$3.7</u>	<u>2%</u>
Debt Serv. & Contracts	14.6	15.7	(1.1)	(8%)
Transfers Out	5.9	6.3	(0.4)	(7%)
<i>Total Operating Uses</i>	<u>\$249.2</u>	<u>\$247.0</u>	<u>\$2.2</u>	<u>1%</u>

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General Fund Operating Uses: by Division FY 2013/14

(in millions: rounding differences may occur)

Division	Forecast Used @ Budget Adoption	FYE Actual	Actual vs. Forecast	
			Fav/(Unf)	%
Mayor & Council, Charter Officers	\$18.7	\$17.8	\$0.9	5%
Administrative Services	15.3	14.8	0.5	3%
Comm. & Econ Development	23.4	23.3	0.1	1%
Community Services	33.9	33.1	0.8	2%
Public Safety	12.6	12.3	0.3	3%
Public Safety - Fire	28.5	28.5	-	-
Public Safety - Police	75.4	75.5	-	-
Public Works	20.3	19.7	0.6	3%
Undistributed Other	0.5	-	0.5	100%
<i>Total Operating Expenses</i>	<u>228.7</u>	<u>\$225.0</u>	<u>\$3.7</u>	<u>2%</u>

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FY 2013/14 General Fund Sources and Uses

(\$ millions)

	Forecast Used @ Budget Adoption	FYE Actual	Fav/ (Unfav)	% Change
Sources	\$246.2	\$251.9	\$5.7	2%
Uses	249.2	247.0	2.2	1%
Change in Fund Balance	(\$3.0)	\$4.9	\$7.9	

Unassigned (Unreserved Fund Balance)

17.6

6

FY 2013/14 Financial Highlights Statement of Net Position

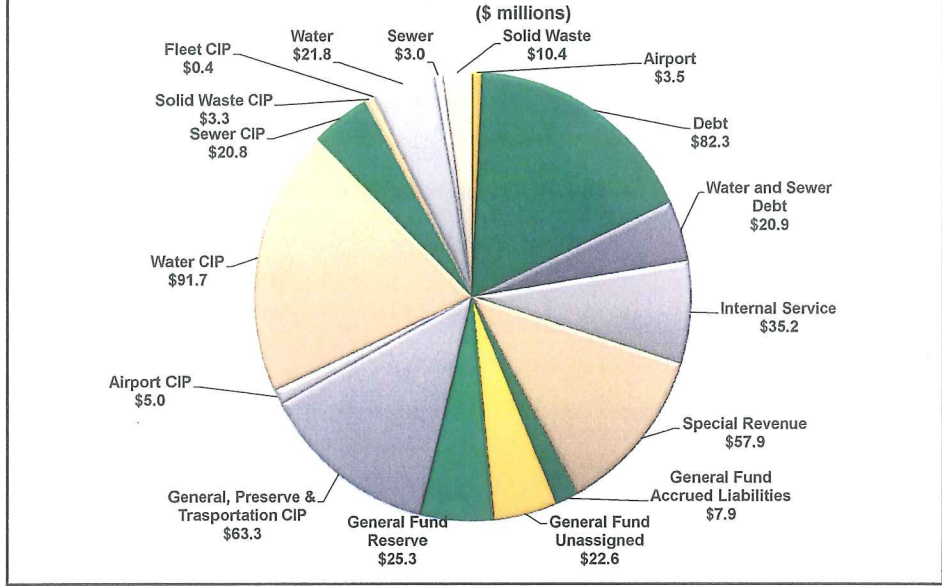
7

FY 2013/14 Financial Highlights Statement of Net Position (\$ millions)

	<u>FY 2013/14</u>	<u>FY 2012/13</u>	<u>Change</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$475.3	\$452.0	\$23.3
Receivables	95.4	97.0	(1.6)
Other	125.1	65.3	59.8
Capital Assets (Net of Depreciation)			
Governmental Activities	3,609.8	3,663.5	(53.7)
Equity in Joint Venture	109.5	115.3	(5.8)
Other Enterprise Activities	1,471.9	1,468.3	3.6
Total Assets	5,887.0	5,861.4	25.6
<u>Liabilities</u>			
Accruals: Payables, Payroll and Benefits	(132.4)	(121.9)	(10.5)
Accrued Compensated Absences	(28.3)	(26.9)	(1.4)
Other Liabilities	(75.8)	(45.6)	(30.2)
Bonds, Loans and Other Payables	(1,308.1)	(1,333.3)	25.2
Total Liabilities	(1,544.6)	(1,527.7)	(16.9)
NET POSITION	\$4,342.4	\$4,333.7	\$8.7

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**FY 2013/14 Financial Highlights
Cash and Equivalent Balances
\$475.3 million**



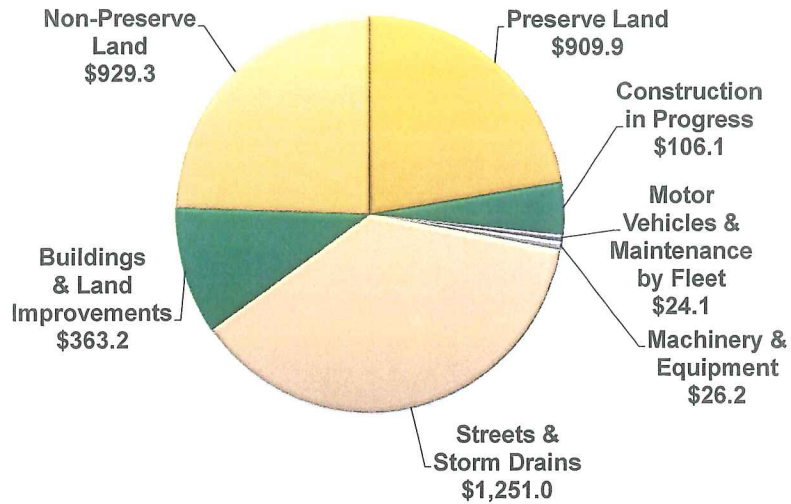
**FY 2013/14 Financial Highlights
Receivables and Other Assets
(\$ millions)**

\$95.4 Receivables

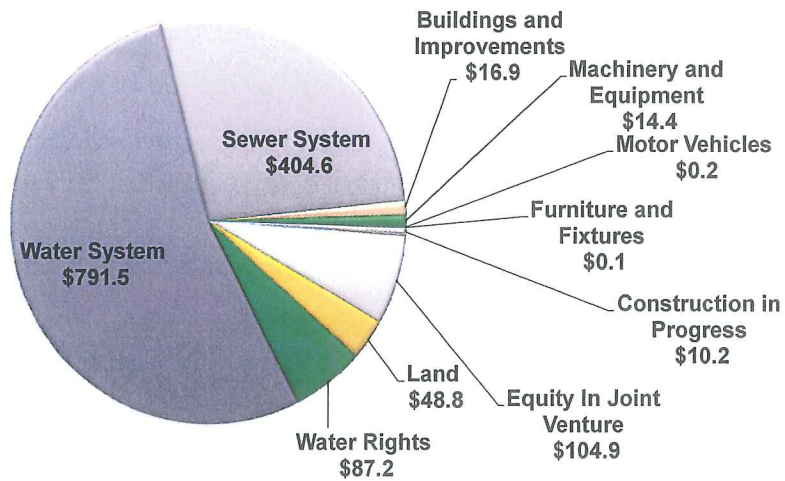
- \$11.7 Property Taxes and Penalties
- \$26.1 Other Local Taxes
- \$31.5 Intergovernmental
- \$16.9 Charges for Service
- \$9.2 Interest and Other

\$125.1 Other (primarily service concession arrangements and prepayments)

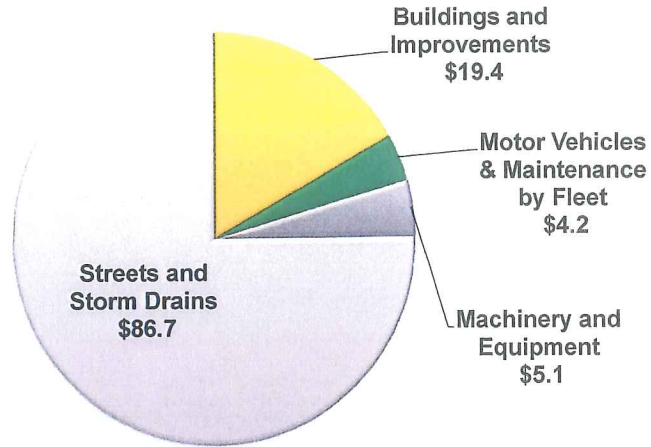
FY 2013/14 Financial Highlights
Net Capital Assets by Type – Government
\$3,609.8 million
(\$ millions)



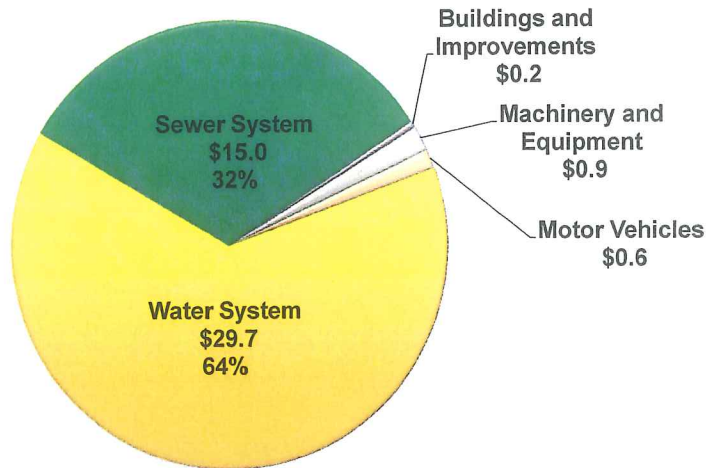
FY 2013/14 Financial Highlights
Net Capital Assets by Type – Enterprise
\$1,478.7 million
(\$ millions)



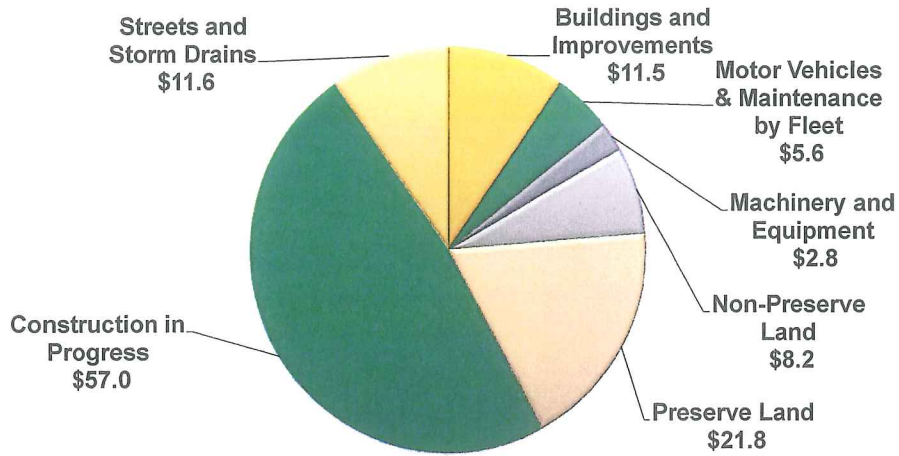
**FY 2013/14 Financial Highlights
Annual Depreciation by Type –
Government \$115.4 million**
(\$ millions)



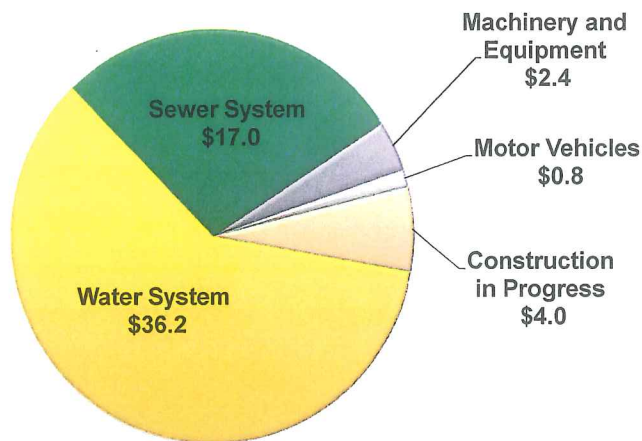
**FY 2013/14 Financial Highlights
Annual Depreciation by Type –
Enterprise \$46.4 million**
(\$ millions)



**FY 2013/14 Financial Highlights
Acquisitions by Type –
Government \$118.5 million**
(\$ millions)



**FY 2013/14 Financial Highlights
Acquisitions by
Type – Enterprise \$60.4 million**
(\$ millions)



**FY 2013/14 Financial Highlights
Accruals and Other Liabilities**

(\$ millions)

\$132.4 Accruals: Payables, Payroll and Benefits

- \$122.6 Accounts and Interest Payable
- \$ 9.8 Payroll and Benefits

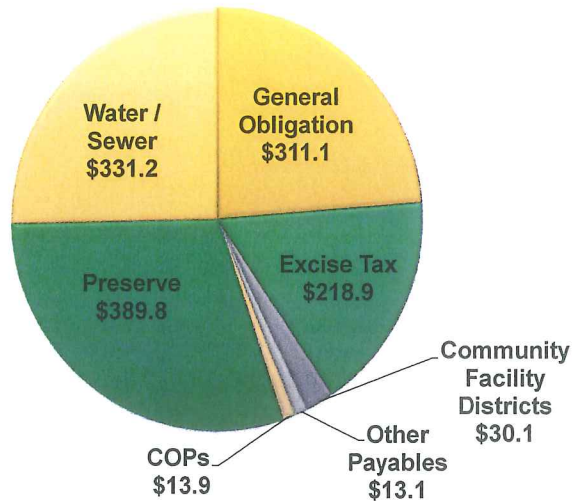
\$28.3 Accrued Compensated Absences

\$75.8 Other Liabilities

**FY 2013/14 Financial Highlights
Bonds, Loans and Other Payables**

\$1,308.1 million

(\$ millions)



**FY 2013/14 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”

Pension Obligations

ASRS & PSPRS underfunded status – GASB
68 will require this disclosure on the balance
sheet for FY 2014/15