

City of Glendale Council Workshop Agenda

May 20, 2014 – 1:30 p.m.

Welcome!

We are glad you have chosen to attend this meeting. We welcome your interest and encourage you to attend again.

Form of Government

The City of Glendale has a Council-Manager form of government. Policy is set by the elected Council and administered by the Council-appointed City Manager. The Council consists of a Mayor and six Councilmembers. The Mayor is elected every four years by voters city-wide. Councilmembers hold four-year terms with three seats decided every two years. Each of the six Councilmembers represent one of six electoral districts and are elected by the voters of their respective districts (see map on back).

Voting Meetings and Workshop Sessions

Voting meetings are held for Council to take official action. These meetings are held on the second and fourth Tuesday of each month at 6:00 p.m. in the Council Chambers of the Glendale Municipal Office Complex, 5850 West Glendale Avenue. **Workshop sessions** provide Council with an opportunity to hear presentations by staff on topics that may come before Council for official action. These meetings are generally held on the first and third Tuesday of each month at 1:30 p.m. in Room B3 of the Glendale Municipal Office complex.

Special voting meetings and workshop sessions are called for and held as needed.

Executive Sessions

Council may convene to an executive session to receive legal advice, discuss land acquisitions, personnel issues, and appointments to boards and commissions. Executive sessions will be held in Room B3 of the Council Chambers. As provided by state statute, executive sessions are closed to the public.

Regular City Council meetings are telecast live. Repeat broadcasts are telecast the second and fourth week of the month – Wednesday at 2:30 p.m., Thursday at 8:00 a.m., Friday at 8:00 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 1:30 p.m. on Glendale Channel 11.

If you have any questions about the agenda, please call the City Manager's Office at (623)930-2870. If you have a concern you would like to discuss with your District Councilmember, please call the City Council Office at (623)930-2249



For special accommodations or interpreter assistance, please contact the City Manager's Office at (623)930-2870 at least one business day prior to this meeting. TDD (623)930-2197.

Para acomodacion especial o traductor de español, por favor llame a la oficina del administrador del ayuntamiento de Glendale, al (623) 930-2870 un día hábil antes de la fecha de la junta.

Councilmembers

Cactus District – Ian Hugh
Cholla District – Manuel D. Martinez
Ocotillo District – Norma S. Alvarez
Sahuaro District – Gary D. Sherwood
Yucca District – Samuel U. Chavira



MAYOR JERRY P. WEIERS

Vice Mayor Yvonne J. Knaack – Barrel District

Appointed City Staff

Brenda S. Fischer – City Manager
Michael D. Bailey – City Attorney
Pamela Hanna – City Clerk
Elizabeth Finn – City Judge

Meeting Agendas

Generally, paper copies of Council agendas may be obtained after 4:00 p.m. on the Friday before a Council meeting from the City Clerk Department inside Glendale City Hall. Additionally, the agenda and all supporting documents are posted to the city's website, www.glendaleaz.com

Public Rules of Conduct

The presiding officer shall keep control of the meeting and require the speakers and audience to refrain from abusive or profane remarks, disruptive outbursts, applause, protests, or other conduct which disrupts or interferes with the orderly conduct of the business of the meeting. Personal attacks on Councilmembers, city staff, or members of the public are not allowed. It is inappropriate to utilize the public hearing or other agenda item for purposes of making political speeches, including threats of political action. Engaging in such conduct, and failing to cease such conduct upon request of the presiding officer will be grounds for ending a speaker's time at the podium or for removal of any disruptive person from the meeting room, at the direction of the presiding officer.

How to Participate

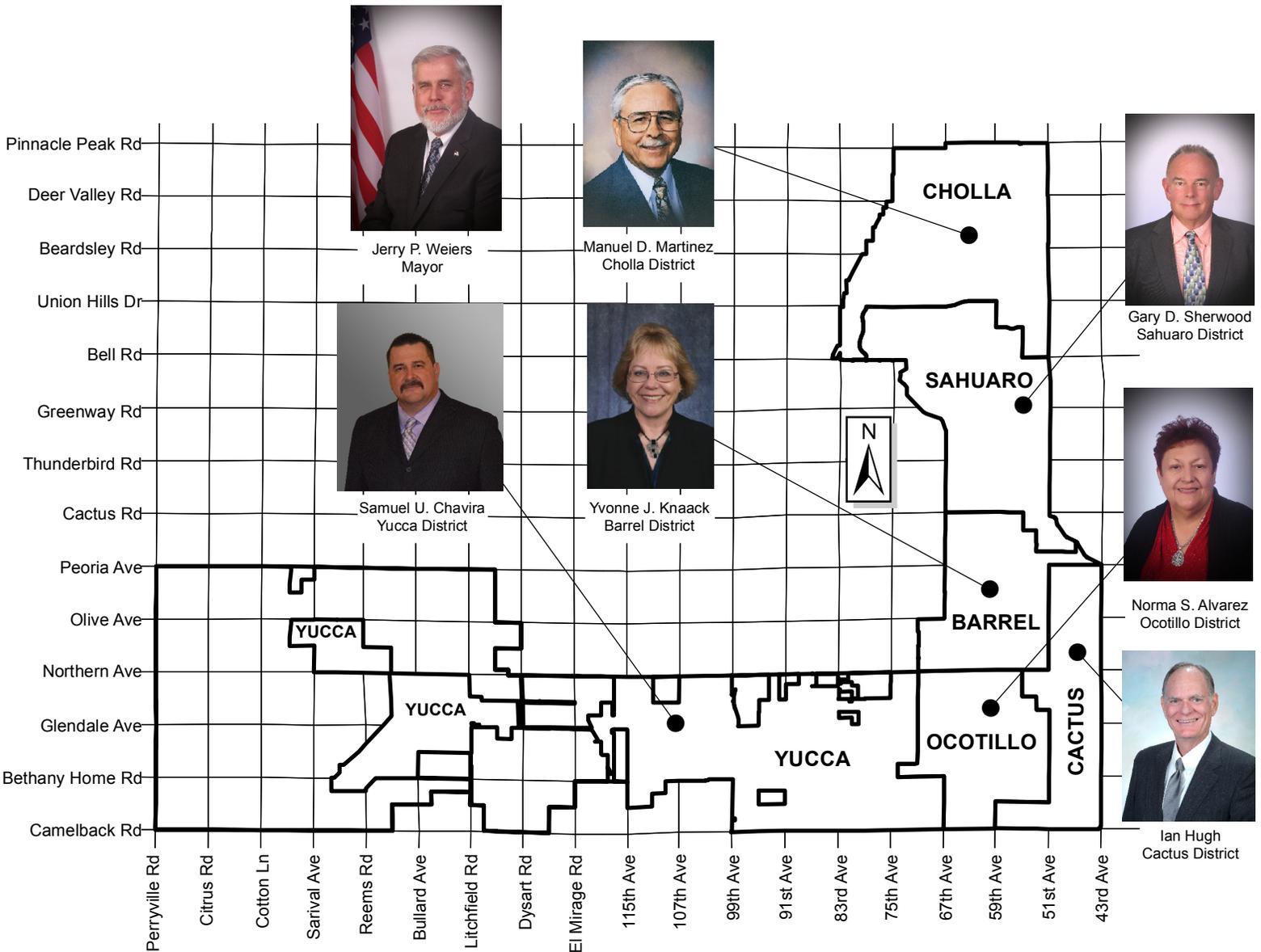
Voting Meeting - The Glendale City Council values citizen comments and input. If you wish to speak on a matter concerning Glendale city government that is not on the printed agenda, please fill out a blue Citizen Comments Card. Public hearings are also held on certain agenda items. If you wish to speak on a particular item listed on the agenda, please fill out a gold Public Hearing Speakers Card. Your name will be called when the Public Hearing on the item has been opened or Citizen Comments portion of the agenda is reached. **Workshop Sessions** - There is no Citizen Comments portion on the workshop agenda.

When speaking at the Podium - Please state your name and the city in which you reside. If you reside in the City of Glendale, please state the Council District you live in.

Regular Workshop meetings are telecast live. Repeat broadcasts are telecast the first and third week of the month – Wednesday at 3:00 p.m., Thursday at 1:00 p.m., Friday at 8:30 a.m., Saturday at 2:00 p.m., Sunday at 9:00 a.m. and Monday at 2:00 p.m. on Glendale Channel 11.



Council District Boundaries





GLENDALE CITY COUNCIL WORKSHOP SESSION
Council Chambers – Room B3
5850 West Glendale Avenue
May 20, 2014
1:30 p.m.

One or more members of the City Council may be unable to attend the Workshop or Executive Session Meeting in person and may participate telephonically, pursuant to A.R.S. § 38-431(4).

CALL TO ORDER

WORKSHOP SESSION

1. **GRAND CANYON STATE LOGO SIGNS – URBAN LOGO SIGN PROGRAM**
PRESENTED BY: Cathy Colbath, Interim Executive Director, Transportation Services
Win Holden, Publisher, Arizona Highways Magazine, CEO, Grand Canyon State Logo Signs
2. **SALE OF CITY PROPERTY AND FACILITIES**
PRESENTED BY: Stuart Kent, Executive Director, Public Works
3. **FY 2013-14 THIRD QUARTER FINANCIAL REPORT**
PRESENTED BY: Tom Duensing, Executive Director, Financial Services
Vicki L. Rios, CPA, Assistant Finance Director, Financial Services

CITY MANAGER'S REPORT

This report allows the City Manager to update the City Council. The City Council may only acknowledge the contents to this report and is prohibited by state law from discussing or acting on any of the items presented by the City Manager since they are not itemized on the Council Workshop Agenda.

COUNCIL ITEMS OF SPECIAL INTEREST

Councilmembers may indicate topic(s) they would like to have discussed by the Council at a future Workshop and the reason for their interest. The Council does not discuss the new topics at the Workshop where they are introduced.

EXECUTIVE SESSION

1. LEGAL MATTERS

- A. The City Council will meet with the City Attorney for legal advice, discussion and consultation regarding the city's position in pending or contemplated litigation, including settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. § 38-431.03(A)(3)(4))
- B. The City Council will meet with the City Attorney and City Manager to receive legal advice, consider its position and provide instruction and direction to the City Attorney and City Manager regarding the City's position in connection with the property at or near 91st and Northern Avenues. (A.R.S. § 38-431.03(A)(3)(4))
- C. Council will meet to discuss and consider records exempt by law from public inspection and are specifically required to be maintained as confidential by state or federal law. (A.R.S. § 38-431.03(A)(4))

2. LEGAL MATTERS - PROPERTY & CONTRACTS

- A. Discussion and consultation with the City Attorney and City Manager to receive an update, consider its position and provide instruction and direction to the City Attorney and City Manager regarding Glendale's position in connection with agreements associated with the Arena and the Hockey Team, that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. § 38-431.03(A)(3)(4)(7)).

3. PERSONNEL MATTERS

- A. Various terms have expired on boards, commissions and other bodies. The City Council will be discussing appointments involving the following boards, commissions and other bodies. (A.R.S. § 38-431.03 (A)(1))
 - 1. Arts Commission
 - 2. Audit Committee
 - 3. Aviation Advisory Commission
 - 4. Board of Adjustment
 - 5. Citizens Bicycle Advisory Committee
 - 6. Citizens Transportation Oversight Commission
 - 7. Commission on Persons with Disabilities
 - 8. Community Development Advisory Committee
 - 9. General Plan Steering Committee
 - 10. Glendale Municipal Property Corporation
 - 11. Historic Preservation Commission
 - 12. Industrial Development Authority
 - 13. Judicial Selection Advisory Board
 - 14. Library Advisory Board

15. Parks and Recreation Advisory Commission
16. Personnel Board
17. Planning Commission
18. Public Safety Personnel Retirement Board/Fire
19. Public Safety Personnel Retirement Board/Police
20. Risk Management/Workers Compensation Trust Fund Board
21. Water Services Advisory Commission

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) discussion or consideration of personnel matters (A.R.S. § 38-431.03(A)(1));
- (ii) discussion or consideration of records exempt by law from public inspection (A.R.S. § 38-431.03(A)(2));
- (iii) discussion or consultation for legal advice with the city's attorneys (A.R.S. § 38-431.03(A)(3));
- (iv) discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4));
- (v) discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. § 38-431.03(A)(5)); or
- (vi) discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. § 38-431.03(A)(7)).

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. § 38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless the City Council takes a legal action at a properly noticed open meeting to approve of such expenditure prior to incurring any such obligation or indebtedness. A.R.S. § 38-431.07(A)(B).

Items Respectfully Submitted,



Brenda S. Fischer, ICMA-CM
City Manager



WORKSHOP COUNCIL REPORT

Meeting Date: **5/20/2014**
Meeting Type: **Workshop**
Title: **GRAND CANYON STATE LOGO SIGNS – URBAN LOGO SIGN PROGRAM**
Staff Contact: **Cathy Colbath, Interim Executive Director, Transportation Services**
Presented by: **Win Holden, Publisher, Arizona Highways Magazine, CEO, Grand Canyon State Logo Signs**

Purpose and Policy Guidance

This report outlines the Grand Canyon State Urban Logo Sign Program. The purpose of this report is to inform the City Council of the program and to seek direction regarding potential participation in the City of Glendale.

Background

Under the Grand Canyon State Logo Sign Program, businesses are able to lease space on signs owned and maintained by the Arizona Department of Transportation (ADOT) on which they place their business logos. These signs are located on freeways and let drivers know where they can exit and find those businesses.

The Grand Canyon State Logo Sign Program has been in existence for over 20 years. Previously, the program was only available in rural areas; however, in July 2013, the program was expanded to allow logo signs on urban freeways such as Loop 101. Until 2012, the program was managed by an outside contractor who retained all proceeds. ADOT now operates the program, and revenue is deposited into the State Highway Fund.

Analysis

The federal Manual of Uniform Traffic Control Devices (MUTCD) provides guidelines for the Grand Canyon State Logo Sign Program. Per the MUTCD, program participation is limited to six categories of qualified businesses: food, gas, lodging, 24-hour pharmacies, attractions and camping.

Any qualified business who wishes to lease logo sign space must be located within three miles of the freeway, and they must be located on the exited road. In this case, only one sign is needed, which is located in ADOT's right-of-way at the exit ramp. The sign indicates to the driver the direction of travel to reach the business.

The program also allows a business located one more turn off the main roadway to participate, but this requires an additional "pathfinder" sign to be erected. These pathfinder signs will need to be



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placed in city right-of-way. In most cases, pathfinder signs only include one or two logos; however, in locations such as Westgate, where food and lodging businesses are clustered, up to four logos may be included on one sign, and more than one pathfinder sign may be necessary.

These pathfinder signs are installed by ADOT in city right-of-way, and ADOT must receive the city's permission to install the signs. ADOT will pay for all costs for installation and maintenance of the pathfinder signs located in city right-of-way. If Council chooses to allow pathfinder signs, Transportation Services staff will review the locations of all requests before the signs are installed.

Community Benefit/Public Involvement

This program assists motorists in locating travel-related businesses in the area.

Additional information regarding the Grand Canyon State Logo Sign Program can be found by visiting www.grandcanyonstatelogosigns.com.

Budget and Financial Impacts

The minimal impact to the budget will be in staff review time of the sign location requests.

Attachments

None



WORKSHOP COUNCIL REPORT

Meeting Date: **5/20/2014**
Meeting Type: **Workshop**
Title: **SALE OF CITY PROPERTY AND FACILITIES**
Staff Contact: **Stuart Kent, Executive Director, Public Works**

Purpose and Policy Guidance

Staff is seeking guidance on the possible sale of city property and facilities. The city owns over 140 buildings encompassing over two million square feet. Buildings vary from ancillary storage buildings at a water treatment plant and restrooms at a city park to larger structures including city hall and Jobing.com Arena. Attached is a list of all city buildings and properties. Should Council wish to proceed with further evaluation of any properties or facilities, staff recommends that a request for qualifications be issued to hire a company to conduct a comprehensive evaluation and appraisal of any selected properties.

Background

Below is a summary of the major categories of city facilities and the total square feet of buildings in each category. Staff has not included remnant parcels of land or right of way in this summary. All of the facilities in the categories below and listed on the attached spreadsheet are operated or managed by Glendale staff.

A. Community Facilities – 376,592 square feet

This includes all of the parks, recreation and library facilities, all the restrooms in the parks, and all of the buildings at Sahuaro Ranch Park. In addition to the buildings, the city owns over 2,000 acres of parkland.

B. Public Works Facilities – 565,030 square feet

This includes each of the buildings at the five water and wastewater facilities, the field operations center buildings, and the transportation buildings. In addition to the buildings, the city owns approximately 400 acres of land encompassing the city landfill and recycling facilities, the park and ride lot at 99th and Glendale Avenues, the 16 acre water services lot at 99th and Bethany Home Road and the remainder of the field operations center campus including the Lazy J trailer park.

C. Public Safety Facilities – 627,523 square feet

This includes each of the fire stations, police stations, main public safety building and garage, all the buildings at GRPSTC, the city court building and prosecutor's offices. In addition to facilities there are approximately six acres of land the city owns at 47th and Glendale Avenues for the future court site.



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D. General Government Facilities – 473,705 square feet

This includes city hall, the council chambers and the attached parking garage, the information technology building, the media center and the Glendale housing facilities.

Besides the city facilities that are currently being operated and managed by the city, there are several properties that are not currently operated or managed by the Glendale staff directly, but are owned by the city and are either vacant or operated by another party.

- 1) **Bank of America:** Located at 5800 W. Glenn Drive the building is approximately 57,000 square feet. It is managed by a private company, but owned by the city.
- 2) **Downtown parking garage:** Located at 5835 W. Paltaire Lane the garage opened in 2010 and includes 600 parking spaces and just over 10,000 square feet of retail space almost all of which is currently leased by Southwest Ambulance (SWA).
- 3) **Glendale Camelback Ranch:** Located at 10710 W. Camelback Road the facility hosts the Chicago White Sox and Los Angeles Dodgers for spring training each year and is managed and operated by the teams.
- 4) **Glendale Expo Hall and Garage:** Located at 9494 W. Maryland Avenue this facility includes the exposition hall adjacent to the media center that is used for events as well as the parking garage adjacent to the Marriott Renaissance Hotel.
- 5) **Jivemind:** Located at 5754 W. Glenn Drive the building is approximately 4,600 square feet. It is managed by a private company for music production, lessons, and rehearsal studios.
- 6) **Jobing.com Arena:** Located at 9400 W. Maryland the arena is home to the Phoenix Coyotes and hosts concerts and other events year round.
- 7) **St. Vincent DePaul:** Located at 7016 N. 57th Avenue the building includes 5,076 square feet of space. It is zoned pedestrian retail and St. Vincent DePaul continues to operate a thrift store at the site.
- 8) **Thunderbird lounge and retail shops:** Located at 6820-6832 58th Avenue and the total area includes 12,121 square feet of pedestrian retail zoned space.

Analysis

A more detailed analysis of any of the properties would need to be conducted by a professional firm capable of completing a market appraisal of the sites as well as providing a recommendation of any alternatives for Council consideration should Council provide such direction.



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Previous Related Council Action

Staff previously provided a report to City Council at the October 2, 2012 workshop session regarding several properties and the viability of selling those assets in the future.

Community Benefit/Public Involvement

Some properties listed may necessitate the need for greater public outreach should Council direct pursuing any options and all properties would need to be sold in accordance with Arizona Revised Statutes regarding sale of land.

Budget and Financial Impacts

If any of the aforementioned properties were sold, there may be a reduction in costs to operate or maintain the facility. A more detailed analysis would need to be completed by a professional firm that could advise the Council on options related to selling, leasing or continuing to own any building or property.

Attachments

Listing of city buildings

Inventory of City Facilities

Building Name	Building Details	Square Footage
<u>Community Facilities</u>		
Bonsall Park North and South Restrooms		1,330
Cholla Park Restroom Bldg.		300
Civic Center & Annex	Includes main building, offices, and annex	38,000
Community Center		7,470
Community Center North		4,092
Foothills Aquatic & Recreation Center		73,800
Foothills Ballfield Restrooms		1,250
Foothills Branch Library		33,800
Foothills Skate Park Buildings	Includes concession and restroom buildings	4,250
Glendale Adult Center		50,269
Lions Field Restrooms		400
Main Library		64,166
Manistee Ranch		8,884
O'Neil Recreation Hall and Pool		8,690
Parks & Rec. Maintenance Building		1,344
Paseo Sports Complex	Includes racquet center and restroom building	6,699
Rose Lane Pool	Includes pool, recreation hall, and restrooms	6,754
Sahuaro Ranch and Adobe House	Includes historic buildings, restroom and maintenance buildings, and concession areas	36,052
Sands Park Restrooms		400
Skunk Creek Restrooms		400
Thunderbird Park Restrooms		1,080
Thunderbird Paseo Restrooms	Includes 2 restroom buildings	1,400
Velma Teague Library		15,964
West Area Recreation Facility	Includes concession and 2 restroom buildings	5,750
Westside Food Bank		4,048
<i>Community Facilities - Subtotal Sq. Ft.</i>		<i>376,592</i>
<u>Public Works Facilities</u>		
Arrowhead WWRF Facilities	Includes 9 buildings	15,242
Cholla WTP Facilities	Includes 4 buildings	19,196
Field Operations Center	Includes 21 buildings	252,626
Field Operations Storage Building at Lions Field		7,000
Glendale Cemetery Office and Rock House		2,300
Glendale Municipal Airport	Includes 4 buildings	75,487

Building Name	Building Details	Square Footage
Landfill	Includes 3 buildings	2,436
Material Recycling Facility	Includes office area and processing plant	52,500
Oasis Water Treatment Plant	Includes 3 buildings	19,678
Park-And-Ride		800
Pyramid Peak WTP Facilities	Includes 3 buildings	48,465
Western Area Water Reclamation Facility (WAWRF)	Includes 3 buildings	66,300
Zone 4 Booster Station		3,000
Public Works Facilities - Subtotal Sq. Ft.		565,030
<u>Public Safety Facilities</u>		
City Court Future Site		51,000
Fire Resource Facility (Old Station #151)		13,261
Fire Station #151		15,429
Fire Station #152		12,622
Fire Station #153		12,373
Fire Station #154		9,470
Fire Station #155		24,236
Fire Station #156		6,738
Fire Station #157		16,000
Fire Station #158		11,900
Fire Station #159		15,000
Foothills Public Safety Bldg.		15,958
Glendale Reg. Public Safety Training		128,450
Gateway Police Station		20,340
Prosecutor's Modular Bldg.		4,500
Public Safety Detention Facility		6,253
Public Safety Main Office & Court Complex	Includes public safety main building, court complex, and parking garage	249,493
Sine Building (Fire Administration office)		14,500
Public Safety Facilities - Subtotal Sq. Ft.		627,523
<u>General Government Facilities</u>		
Glendale Housing Complex	Includes 8 buildings at various locations (Cholla Vista, Lamar, & Ocotillo, etc.)	132,340
Glendale IT Department		7,000
Glendale Municipal Office Complex	Includes 2 buildings, parking garage, and plaza	299,365
Glendale Media Center		35,000
General Government Facilities - Subtotal Sq. Ft.		473,705
GRAND TOTAL Sq. Ft.		2,042,850



WORKSHOP COUNCIL REPORT

Meeting Date: **5/20/2014**
Meeting Type: **Workshop**
Title: **FY 2013-14 THIRD QUARTER FINANCIAL REPORT**
Staff Contact: **Tom Duensing, Executive Director, Financial Services**
Presented by: **Vicki L. Rios, CPA, Assistant Finance Director, Financial Services**

Purpose and Policy Guidance

The purpose of this item is to provide Council with a FY 2013-14 Third Quarter Financial Report for the major operating funds which gives information regarding the actual results of the city's revenue collections and expenditures through March 31, 2014 including forecast to actual comparisons and an assessment of any foreseeable financial issues.

Background

March 31, 2014 marks the end of the third quarter of the city's fiscal year. As part of the annual budget process and the preparation of the Five-Year Forecast, it is important to compare the actual financial results with the budgets and forecasts. Best financial practice calls for periodic analysis of the variances between the budget or forecast and the actual financial results. This variance analysis identifies any significant factors that may influence revenue collections and expenditure levels. The analysis also serves to improve future forecasts and identify any foreseeable financial issues so they can be proactively addressed.

Analysis

Approach

For each of the major operating funds, the actual revenues and expenditures recorded in the city's financial system through March 31, 2014 are compared to the budget and the most recent Five-Year Forecast. The General Fund Five-Year Forecast was presented to the Council on December 17, 2013. The Five-Year Forecast for the other major operating funds was presented to the Council at the February 18, 2014 Budget Workshop. As a general guideline at the end of the third quarter, revenues and expenditures are considered to be on target if they are close to 75% of the forecasted amount. The actual revenues and expenditures are also compared to the information at the same time last year. This analysis identifies upward or downward trends in revenue and expenditures compared to the previous year. At the request of the Council, year-to-date revenues and expenditures for FY 2012 are also presented to show a two-year comparison. Significant trends and variances are analyzed in more detail to determine what factors may be influencing the results.



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Overall, the results of the analysis for the major funds show no material variances from the recent forecasts. Staff will continue to monitor the actual results and prepare a financial analysis quarterly.

This report is divided into three sections. The first section covers the General Fund which includes all sources of revenue not designated for a special purpose and expenditures to support general City services such as police; fire; parks, recreation, and library; city court; general administrative services; and contractual obligations such as the Arena and Camelback Ranch. The second section covers Special Revenue Funds which includes the Highway User Revenue Fund (HURF), and Transportation, Police, and Fire Special Revenue Funds. The third section covers Enterprise Funds which consists of the Water and Sewer; Sanitation; and Landfill Enterprise Funds.

General Fund

The city's total general fund revenue is \$124.3 million which is on target at 75% of the estimate. Revenues are \$10.2 million or 9% higher than revenues at the end of March last year. The two largest components of general fund revenues are City Sales Tax and State Shared Tax Revenues. Together these two revenue sources represent \$98.5 million or 79% of the general fund revenue at the end of the quarter. General Fund City Sales Tax collections are \$59.1 million which is an increase of \$4.4 million or 8% over the previous year. Approximately \$1.8 million of the sales tax increase is attributable to the .7% temporary sales tax which was implemented in August 2012. City Sales Tax collections are also on target at 74% of the estimate for the year. These figures include sales tax collected from holiday activity in December 2013 which was reported in January and holiday tax revenues met the forecasted levels. State Shared revenues are \$39.4 million which is an increase of \$2.8 million or 7.7% over last year. State Shared Revenues are also on target at 76% of the annual estimate.

General Fund expenditures are \$116.4 million which is slightly below target at 70% of the annual estimate. The actual expenditures increased by \$16.9 million over the last year. This increase is attributable to an increase in budgeted transfers from the general fund to pay contractual obligations. Overall the actual General Fund revenues and expenditures are in line with the first year of the Five-Year Forecast.

General Fund			Full Year		
Item Description	March	March	FY 14	March	
	FY 12 YTD	FY 13 YTD	Forecast	FY 14 YTD	% of Forecast
City Sales Tax	38,758,318	54,706,781	79,817,728	59,102,217	74%
State Shared Revenues	32,829,009	36,622,757	51,840,278	39,425,625	76%
Other Revenues	22,559,392	22,734,341	33,096,411	25,780,186	78%
Total Revenues	94,146,719	114,063,879	164,754,417	124,308,028	75%
Total Expenditures	(105,092,159)	(99,497,802)	(166,876,384)	(116,356,088)	70%



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Special Revenue Funds

Special revenue funds presented below include the Highway User Revenue Fund (HURF), Transportation Sales Tax Special Revenue Fund, Police Special Revenue Fund, and Fire Special Revenue Fund.

Highway User Revenue Fund (HURF)

Revenues in the Highway User Revenue Fund are \$9.1 million which is an increase of \$270,000 or 3% over the same time last year. Nevertheless, revenues are below the target at 66% of the annual estimate. The revised revenue estimate of \$13.8 million includes a \$1 million transfer from the Transportation Sales Tax Fund to offset debt service payments on bonds issued for street and pavement projects. This transfer will not occur until year-end when the payment is made. The forecast also anticipates a payment of LTAF II funding of \$666,707 which is expected to be received in April 2014. When the transfer occurs and the LTAF II money is received during the last quarter, revenues will be on track to reach the forecast.

Expenditures in the fund are significantly lower than the target at only 36% of the annual estimate. Two factors are causing this low expenditure level through the end of the third quarter. The first item is \$3 million which is planned to be used for pavement management improvements in the current fiscal year that council reviewed on December 17, 2013. Design work for the improvements is currently underway and it is estimated a construction contract will be awarded in late spring 2014. The second is the budgeted debt service payment of \$4.7 million which does not occur until the end of the year. As these items are completed, the expenditures are expected to approach the annual estimate.

Highway User Revenue Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Highway User Revenues	7,942,612	8,867,738	13,792,455	9,137,881	66%
Total Expenditures	(6,132,481)	(5,240,520)	(16,573,265)	(5,913,459)	36%

Transportation, Police and Fire Special Revenue Funds

The Transportation, Police and Fire Special Revenue Funds rely primarily on city sales tax collections. These revenue figures include sales tax collected from holiday activity in December 2013 which was collected in January 2014.

Transportation Sales Tax Special Revenue Fund

Revenues in the Transportation Sales Tax Special Revenue Fund are \$17.5 million and 71% of the estimate. Revenues are \$232,000 or 1.3% higher than the amount received through the third quarter of the previous year. Revenues are expected to meet the annual estimate. Expenditures in this fund are below target at only 25% of the estimate because most of the



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budgeted expenditures in this fund are for capital projects which will be paid for as they are completed throughout the year or carried over into the following year.

Transportation Sales Tax Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Total Revenues	16,231,948	17,268,066	24,714,389	17,500,000	71%
Total Expenditures	(8,861,837)	(14,496,807)	(56,055,391)	(13,901,984)	25%

Police Special Revenue Fund

Revenues in the Police Special Revenue Fund are \$10 million which is on target at 72% of the current estimate. This revenue is \$192,000 or 1.9% higher than the amount received in the previous year. Expenditures in the Police Special Revenue Fund are \$9.7 million which is slightly below the target at 62% of the revised estimate. Some of the budgeted expenditures in this fund are for capital items which will be paid for in the last quarter.

Police Special Revenue Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Total Revenues	9,228,273	9,843,903	13,872,917	10,035,649	72%
Total Expenditures	(8,570,650)	(8,313,287)	(15,627,787)	(9,700,242)	62%

Fire Special Revenue Fund

Revenues in the Fire Special Revenue Fund are \$5 million which is 74% of the current estimate. This is \$107,000 or 2.1% higher than the amount received through the same time last year. Fire Special Revenue fund expenditures are \$5.1 million which is on target at 74% of the annual estimate.

Fire Special Revenue Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Total Revenues	4,617,120	4,921,313	6,793,394	5,028,303	74%
Total Expenditures	(5,209,356)	(5,157,170)	(6,913,425)	(5,138,846)	74%

Enterprise Funds

The funds presented below include the Water and Sewer, Sanitation, and Landfill Enterprise Funds.



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Water and Sewer Enterprise Funds

Revenues in the Water and Sewer enterprise fund total \$61.8 million at the end of the quarter. The water revenue of \$35.4 million is \$104,190 lower than last year which is a variance of less than 1%. Water revenues are currently 75% of the annual estimate. Sewer revenues are \$24 million which is \$468,900 or 2% lower than last year but only slightly lower than the target at 73% of the annual estimate. Combined revenues in the fund are expected to reach the annual estimate.

Expenditures in the water and sewer enterprise funds are \$5.9 million higher than the previous year but below target at 53% of the annual estimate. This variance is due to \$17.5 million budgeted in this fund for capital projects which will be paid for as they are completed throughout the remainder of the year or carried over into the following year.

Water and Sewer Enterprise Funds					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Water Revenues	36,181,725	35,467,974	47,040,655	35,363,777	75%
Sewer Revenues	23,327,678	24,486,930	32,981,526	24,018,022	73%
Other Revenues	3,645,268	3,355,310	2,602,633	2,470,660	95%
Total Revenues	63,154,671	63,310,214	82,624,814	61,852,459	75%
Total Expenditures	(47,803,963)	(44,630,047)	(95,055,191)	(50,555,562)	53%

Sanitation Enterprise Fund

Combined revenues in the Sanitation Enterprise Fund are \$11.1 million which is equivalent to the same time last year and on target at 75% of the annual estimate. Expenditures are \$285,150 lower than last year and below target at only 66% of the annual budget. This variance is caused expenditures for capital projects which occur unevenly during the year.

Sanitation Enterprise Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Commercial Sanitation Revenue	2,930,904	2,942,932	4,000,000	2,947,747	74%
Residential Sanitation Revenue	7,836,335	7,924,746	10,401,000	8,012,799	77%
Other Sanitation Revenue	208,926	194,935	374,879	128,161	34%
Total Revenues	10,976,165	11,062,613	14,775,879	11,088,707	75%
Total Expenditures	(10,497,416)	(10,307,531)	(15,943,518)	(10,592,688)	66%

Landfill Enterprise Fund

Revenues in the Landfill Enterprise Fund are \$489,600 higher than last year and on target at 73% of the annual estimate. Expenditures in the fund are below target at only 28% of the annual amount. This is due to \$11.2 million in capital projects which are expended



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unevenly throughout the year and a \$768,000 debt service payment which will not occur until year end. These projects will be completed throughout the remainder of the year or carried over into the following year.

Landfill Enterprise Fund					
Item Description	March FY 12 YTD	March FY 13 YTD	Full Year FY 14 Forecast	March FY 14 YTD	% of Forecast
Total Revenues	5,737,736	6,331,089	9,404,424	6,820,693	73%
Total Expenditures	(5,188,135)	(5,411,676)	(17,981,615)	(4,972,808)	28%

Previous Related Council Action

This analysis of revenues and expenditures is based on the General Fund Financial Forecast which was provided to the council on December 17, 2013 and the Five Year Financial Forecast – Other Operating Funds which was provided to the council on February 18, 2014. A FY2013-14 Mid-Year Financial Report was provided to the council on March 4, 2014.

Community Benefit/Public Involvement

The community benefit of a third quarter financial report is to provide solid financial analysis which compares actual results to the forecast. This helps identify any significant factors that may influence revenue and expenditure levels, improves future forecasts, and identifies any foreseeable financial issues so they can be proactively addressed.

Attachments

None