

Special #1

MAY 23 2011



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MEMORANDUM

Management Services Memo No. MS11-060

DATE: MAY 19, 2011

TO: MAYOR AND COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
DENNIS STRACHOTA, MANAGEMENT SERVICES DIRECTOR *Dij*
DAWN LANG, ASSISTANT DIRECTOR FOR FINANCE *DL*

FROM: GREG WESTRUM, ACTING BUDGET MANAGER *AW*

SUBJECT: FY 2011-12 PROPOSED BUDGET AMENDMENTS

After the Study Session on Monday, May 23, 2011 there will be a Special Meeting to discuss and vote on proposed budget amendments.

During the Council Budget Briefing on May 6, 2011 the City Attorney presented a request for two additional positions (one Assistant City Attorney and one Paralegal) for claims litigation. Because these positions would be funded by the Self-Insured Liability Fund and the salaries, benefits, and operating costs would be offset by a reduction in outside legal services costs, the City Manager has added these positions and associated appropriation to the proposed budget with no net change to the total budget.

If Council wishes to incorporate any amendments into the tentative budget, they must be voted on prior to adoption of the tentative budget, which is scheduled during the regular meeting on Thursday, May 26, 2011. Listed below are the FY 2011-12 proposed budget amendments in the form of motions.

1. Move to amend the proposed FY2012-21 Capital Improvement Program (CIP) to shift program funding as :
 - a. 12T316 - Alma School Road/Chandler Intersection – move construction phase from FY12/13 to FY13/14;
 - b. 12T478 - McQueen Road (Queen Creek to Riggs Road) – move the Chandler Heights to Riggs Road phase from FY16/17 to FY17/18;
 - c. 12T534 - Galveston Street Bike/Pedestrian Bridge – move construction from FY12/13 to FY13/14;
 - d. 12T596 - Gilbert Road (Queen Creek Road to Hunt Highway) – move construction of the Ocotillo Road to Chandler Heights phase from

FY17/18 to FY12/13, and move construction of the first mile of the Chandler Heights to Hunt Highway phase from FY18/19 to FY16/17.

There is no change to the FY2011/12 proposed CIP appropriation of \$252,793,683. This revision incorporates the recommendations made by the Transportation and Development Director at the May 6, 2011 Budget Briefing to Council, with the exception of the Galveston Street Bike/Pedestrian Bridge which is being shifted from FY12/13 to FY13/14 to match the timing for federal funding.

2. Move to amend the proposed FY 2011-12 budget by transferring \$300,000 in General Government Capital Project Fund one-time appropriation from the Downtown Redevelopment CIP Land Acquisition program (12G621) to a General Government Capital Projects Fund one-time appropriation in the newly created Infrastructure Maintenance Reserve. (Weninger)
3. Move to amend the proposed FY2011-12 budget by transferring \$300,000 in one-time General Government Capital Project Fund carryforward appropriation from the Downtown Redevelopment CIP to a General Government Capital Projects Fund one-time appropriation in the newly created Infrastructure Maintenance Reserve. (Weninger)
4. Move to amend the proposed FY2011-12 budget by transferring \$22,000 in one-time General Fund appropriation from the Green Building Program Decision Package to a General Government Capital Projects Fund one-time appropriation in the newly created Infrastructure Maintenance Reserve. (Weninger)
5. Move to amend the proposed FY2011-12 budget by transferring \$120,000 from one-time General Fund Council Contingency funds (101.1290.0000.5924) to the Community Services Capital Improvement Program (Existing Community Park Improvements/Repairs) in the General Government Capital Projects Fund (401.4580.0000.6611.12C530) for the design work for the Veterans Memorial at Veterans Oasis Park. These funds will be repaid through future capital fund raising campaign activities designed specifically for the development of the Memorial. (Orlando)
6. Move to amend the proposed FY2011-12 budget by transferring \$2,000,000 in appropriation from the Public Building Impact Fee Fund and reducing the associated General Fund loan transfer for the City Hall construction project, and transferring \$2,000,000 from General Fund to a General Government Capital Projects Fund one-time appropriation in the newly created Infrastructure Maintenance Reserve. (Weninger).

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If Council wishes to approve any of the proposed amendments, a motion will need to be made at the May 23rd meeting. Any budget amendments that are approved will be incorporated into the Auditor General report and Tentative Budget for adoption on Thursday, May 26, 2011. After the adoption of the Tentative Budget, staff will publish the revised Auditor General's report in the Arizona Republic Newspaper on June 2 and 7, 2011. According to State law (A.R.S. 42-17105) the total of the Final Adopted Budget cannot exceed the total of the published estimates of the Adopted Tentative Budget. The Final Adopted Budget total can be less than the Tentative Budget, but it cannot be more.

Should you have any questions, please feel free to call me at x2256, Dawn Lang at x2255, or Dennis Strachota at x2257. Thank you.

Attachment

cc: Pat McDermott, Assistant City Manager
Department Directors

SUMMARY OF BUDGET AMENDMENTS FOR FY 2011-12

Amendment Description		Appropriation Change			
		\$ Amount	(Use) Increase	\$ Amount	Source (Ongoing or One-Time)
AMENDMENTS PROPOSING TO USE COUNCIL CONTINGENCY (\$75,000 ONGOING, \$325,000 ONE-TIME AVAILABLE)		Amendment #			
Veterans Memorial Park	5	\$ 120,000	Existing Community Park Improvements/Repairs CIP	\$ (120,000)	One-Time Council Contingency
AMENDMENTS PROPOSING TO USE OTHER SOURCES		\$ Amount	(Use) Increase	\$ Amount	Source (Reduce Budget)
Revise timing of Streets Capital Improvements projects.	1	\$0	Advance second mile of Gilbert Road construction to FY12/13 and shift other projects to later years.	\$0	No change to FY11/12 appropriation. Total 10 Year CIP decreases \$714,000
Create Infrastructure Reserve in Fund 401 (General Government Capital Projects Fund)	2	\$ 300,000	Infrastructure Maintenance Reserve (Fund 401)	\$ (300,000)	Reduce Downtown Redevelopment CIP (Land Acquisition) (Fund 401)
	3	\$ 300,000	Infrastructure Maintenance Reserve (Fund 401)	\$ (300,000)	Reduce Downtown Redevelopment CIP Carryforward (Fund 401)
	4	\$ 22,000	Infrastructure Maintenance Reserve (Fund 401)	\$ (22,000)	Eliminate Green Building Program (Transportation & Development) (Fund 101)
	6	\$ 2,000,000	Infrastructure Maintenance Reserve (Fund 401)	\$ (2,000,000)	Reduce Public Building Impact Fee Fund (Fund 440) and associated loan transfer from General Fund (101)