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MEMORANDUM

Management Services Memo No. 16-069

DATE: MAY 5, 2016

TO: MAYOR AND COUNCIL

THRU: MARSHA REED, CITY MANAGER *MR*
DAWN LANG, MANAGEMENT SERVICES DIRECTOR *DL*

FROM: GREG WESTRUM, BUDGET MANAGER *GW*

SUBJECT: UPDATES TO FISCAL YEAR (FY) 2016-17 BUDGET BOOKS

During the final review of the Proposed FY 2016-17 Budget, staff identified three (3) expenditure omissions that will require revisions to the FY 2016-17 Proposed Budget prior to Tentative Adoption. One (1) is related to Operating and two (2) are related to the Capital Improvement Program (CIP). The Operating omission is the appropriation related to the additional \$2.5M in General Fund balance that is recommended for payment to the Public Safety Personnel Retirement System (PSPRS) towards the unfunded liability. This amount was forecasted and discussed in the Executive Summary, but omitted from the budget input, causing the General Fund and Total Budget to be understated.

The Capital project appropriation omissions include the Voice and Data Convergence project funding in the amount of \$107,346 that is designated as a transfer to the Technology Fund for future replacement of the City's telephone system; and the Public Safety Training Facility project funding in the amount of \$234,727 for estimated costs of City-paid System Development and Plan Review fees related to the project. Although the descriptions and amounts shown in the CIP document are correct, two lines were omitted when the individual account amounts were keyed into the proposed budgets in the capital cost centers.

Combined, these Operating and Capital updates require an adjustment to the total FY 2016-17 Proposed Budget from \$968,408,534 to \$971,250,607, as shown in the revised Budget Highlights pages attached.

These adjustments have an impact on the individual Department books (General Government, Police, and Management Services), as well as the Executive Summary, Budget Highlights and Resources books. Attached are the pages that are impacted by these changes and should replace the pages in the original FY 2016-17 Proposed Budget books (front and back pages are included in the attachments, even if only one page has a correction):

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Page 2

Executive Summary: pages 3/4
Budget Highlights book: pages 9/10 through 19/20, and 71/72
Resources book: pages 3/4, 7/8, 23/24 and 35/36
General Government book: pages 5/6, 67/68, and 79/80
Police book: pages 3/4 and 31/32
Management Services book: pages 3/4, 27/28, 29/30, and 31/32

We regret any confusion caused by these revisions. Should you have any questions, please feel free to call me at x2256 or Dawn Lang at x2255.

Attachments

c: Nachie Marquez, Assistant City Manager
Sean Duggan, Chief of Police
Steve Philbrick, Chief Information Officer