



CITY OF TEMPE REQUEST FOR COUNCIL ACTION

Meeting Date: 5/21/2024
Agenda Item: 2A

ACTION: Hold a public hearing to adopt a resolution adopting the fiscal year 2024/25 Tentative Budget and setting public hearings for June 6, 2024, for the following: 1) adopting the fiscal years 2024/25 through 2028/29 Capital Improvements Program, 2) holding a Truth in Taxation Hearing, 3) approving the fiscal year 2024/25 property tax levy, and 4) adopting the fiscal year 2024/25 Final Budget. Also, setting a second public hearing for the final adoption of the property tax levy rate at a meeting scheduled for June 27, 2024. (Resolution No. R2024.58)

FISCAL IMPACT: The fiscal year (FY) 2024/25 operating budget totals \$812,202,548 and the FY 2024/25 capital budget totals \$775,133,790 for a total financial program of \$1,587,336,338.

RECOMMENDATION: Adopt Resolution No. R2024.58.

BACKGROUND INFORMATION: The FY 2024/25 operating budget totals \$812,202,548 which represents a 11.7% or \$85.1 million increase from the current fiscal year (FY 2023/24) adopted budget. The operating budget includes employee compensation increases, approved operating budget supplementals, inflationary increases (e.g., fuel and electricity) and contingency appropriation. The total FY 2024/25 operating budget decreased by approximately \$4.3 million from the preliminary estimate provided at the April 18, 2024, Work Study Session due to refinement of the budget amounts.

The FY 2024/25 capital budget totals \$775,133,790 which represents a 24.7% or \$153.6 million increase from the current fiscal year (FY 2023/24) adopted budget. The capital budget total includes both new appropriation for continuation of existing projects or new projects and re-appropriation requests for projects that are delayed or unable to be completed by the end of the current fiscal year. The total FY 2024/25 capital budget increased by \$13.2 million from the preliminary estimate provided at the April 18, 2024, Work Study Session due to the refinement of carry-forward appropriation requests.

The FY 2023/24 public outreach plan provided information to residents about the City's budget and allowed residents to provide input and feedback during the budget development process. The budget planning and outreach process included the following:

- Online Tempe Forum - open from February 1 to March 6
- MYAC Youth Resource Fair – Regional Unity Walk, January 27
- Virtual and in-person forums – February 6
- Various media – Tempe Today, press releases, social media posts

The capital budget planning process included Work Study Session public meetings on February 22 and March 25, 2024. In addition, the City Manager presented the City's recommended operating and capital budget for FY 2024/25 at the April 18, 2024, Work Study Session.

The FY 2024/25 tentative budget adoption process will establish the maximum expenditure limit (spending authority) for next year's budget. As required by state statute, the tentative budget is presented in schedules A through G (Attachment A) and includes both the operating budget and the first

year (FY 2024/25) of the 5-year CIP. In addition, the tentative budget will be published in a newspaper of local circulation once a week for two consecutive weeks prior to the public hearing for final budget adoption.

ATTACHMENTS:

1. RESOLUTION.DOCX
2. ATTACHMENT A (FY25_TEMPE_SCHEDULE A_G FINAL).PDF

STAFF CONTACT(S): Tom Duensing, Chief Deputy City Manager, (480) 350-8505

Department Director: Tom Duensing, Chief Deputy City Manager

Legal review by: Dave Park, Assistant City Attorney

Prepared by: Benicia Benson, Management Assistant to the City Manager's Office

RESOLUTION NO. R2024.58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE CITY OF TEMPE FOR THE FISCAL YEAR 2024-25; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNTS ACTUALLY LEVIED AND THE AMOUNTS ESTIMATED AS COLLECTIBLE FOR THE PREVIOUS FISCAL YEAR; THE AMOUNT PROPOSED TO BE RAISED BY DIRECT PROPERTY TAXATION FOR THE VARIOUS PURPOSES; AND GIVING NOTICE OF THE TIMES FOR HEARING TAXPAYERS FOR ADOPTION OF THE CAPITAL IMPROVEMENTS PROGRAM AND THE BUDGET, FOR HOLDING A TRUTH IN TAXATION HEARING, AND FOR SETTING THE TAX LEVY AND RESULTING RATE.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE ARIZONA, as follows:

SECTION 1. In accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the estimates and schedules attached in Attachment "A" are hereby adopted for the purposes as hereinafter set forth as the tentative budget for the City of Tempe for the fiscal year 2024-25.

SECTION 2. That the City Clerk is hereby authorized and directed to publish in the manner prescribed by law, the estimates of expenditures, as set forth in Attachment "A", together with a notice that the Council will meet for the purpose of final hearing of taxpayers on June 6, 2024, immediately following the Regular Council Meeting which begins at the hour of 6:00 p.m. in the Council Chambers, 31 East Fifth Street for the following: 1) adopting the fiscal years 2024-25 through 2028-29 Capital Improvements Program, 2) holding a Truth in Taxation Hearing, 3) approving the fiscal year 2024-25 property tax levy, and 4) adopting the fiscal year 2024-25 Final Budget.

SECTION 3. That the City Clerk is hereby authorized and directed to publish in the manner prescribed by law a notice that the City Council will hold a meeting to officially set the fiscal year 2024-25 property tax levy and resulting rate on June 27, 2024 immediately following the Regular City Council meeting which begins at 6:00 p.m. in the Council Chambers, 31 East Fifth Street.

SECTION 4. The transfers of any sums within or without any specific appropriations shall conform to Section 5.08, Tempe City Charter.

SECTION 5. Money from any funds may be used for any of these appropriations, except money specifically restricted by State law, or by the Tempe City Charter, Code, Ordinances, or Resolutions.

SECTION 6. Schedules A through G are attached hereto as Attachment "A" and incorporated herein by reference. Copies of this information, along with supporting documentation, are available for public inspection at the office of the Deputy City Manager, 31 East Fifth Street, Third Floor, the City Clerk's Office, 31 East Fifth Street, Second Floor, the Library, 3500 South Rural Road, and the World Wide Web at www.tempe.gov/budget.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 21st day of May, 2024.



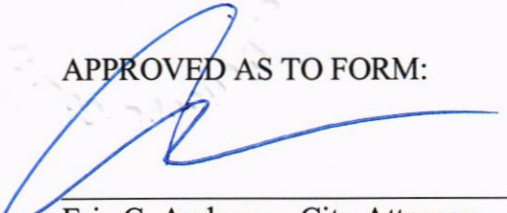
Corey D. Woods, Mayor

ATTEST:



Kara A. DeArrastia, City Clerk

APPROVED AS TO FORM:



Eric C. Anderson, City Attorney

Attachment A

City of Tempe, Arizona
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2025

Fiscal year	S c h	Funds							Total all funds
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Enterprise Funds Available	Internal Service Funds		
2024	E 1	299,784,188	191,592,647	42,714,394	616,254,545	141,691,784	51,335,625	1,343,373,183	
2024	E 2	291,409,570	159,186,565	42,714,394	359,803,542	126,772,083	48,505,075	1,028,391,229	
2025	3	98,786,233	121,192,869	7,478,357	95,089,174	72,181,398	19,427,718	414,155,749	
2025	B 4	22,543,575						22,543,575	
2025	B 5			40,061,431				40,061,431	
2025	C 6	298,453,399	230,414,510	1,983,125	134,788,831	140,591,371	50,952,276	857,183,512	
2025	D 7				517,561,675			517,561,675	
2025	D 8				0			0	
2025	D 9	94,750	1,750,000	3,438,375	27,694,110	3,905,251		36,882,486	
2025	D 10	9,245,832	13,422,095	2,382,827	0	11,831,732		36,882,486	
2025	11								
		3,019,554						3,019,554	
2025	12	407,612,571	339,935,284	50,578,461	775,133,790	204,846,288	70,379,994	1,848,486,388	
2025	E 13	322,513,851	241,259,280	49,555,068	775,133,790	144,376,951	54,497,398	1,587,336,338	

Expenditure limitation comparison		2024	2025
1	Budgeted expenditures/expenses	\$ 1,343,373,183	\$ 1,587,336,338
2	Add/subtract: estimated net reconciling items	(467,470,342)	(771,842,385)
3	Budgeted expenditures/expenses adjusted for reconciling items	875,902,841	815,493,953
4	Less: estimated exclusions	434,367,236	290,178,851
5	Amount subject to the expenditure limitation	\$ 441,535,605	\$ 525,315,102
6	EEC expenditure limitation	\$ 624,338,073	\$ 667,344,884

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**City of Tempe, Arizona
Tax levy and tax rate information
Fiscal year 2025**

	<u>2024</u>	<u>2025</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 21,802,798	\$ 22,543,575
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ 21,802,825	\$ 22,543,575
Property tax judgment		
B. Secondary property taxes	37,983,522	40,061,431
Property tax judgment		
C. Total property tax levy amounts	\$ 59,786,347	\$ 62,605,006
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 21,323,772	
(2) Prior years' levies	42,997	
(3) Total primary property taxes	\$ 21,366,769	
B. Secondary property taxes		
(1) Current year's levy	\$ 37,148,946	
(2) Prior years' levies	74,906	
(3) Total secondary property taxes	\$ 37,223,852	
C. Total property taxes collected	\$ 58,590,621	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.8776	0.8747
Property tax judgment		
(2) Secondary property tax rate	1.5289	1.5544
Property tax judgment		
(3) Total city/town tax rate	2.4065	2.4291

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**FY 2024/25 Primary Property Tax Levy - Truth in Taxation Calculation
Calculation for Truth in Taxation Hearing Notice pursuant to A.R.S. § 42-17107**

Actual current primary property tax levy (FY23/24):	\$ 21,802,825
2024 Net assessed valuation:	\$ 2,577,292,262
Net Assessed value of new construction:	\$ 34,777,411
Net assessed value minus new construction:	\$ 2,542,514,851
Maximum tax rate that can be imposed without a Truth in Taxation Hearing:	\$ 0.8575
Growth in property tax levy capacity associated with new construction:	\$ 298,216
Maximum primary property tax levy without a Truth in Taxation Hearing:	\$ 22,101,041
Proposed primary property tax levy:	\$ 22,543,575
Proposed increase in primary property tax levy, exclusive of new construction	\$ 437,311
Proposed percentage increase in primary property tax levy:	2.0%
Proposed primary property tax rate:	\$ 0.8747
Proposed increase in primary property tax rate:	\$ 0.0172
Proposed primary property tax levy on a home valued at \$100,000	\$ 87.47
Primary property tax levy on a home valued at \$100,000 if the tax rate was not	\$ 85.75
Proposed primary property tax levy increase on a home valued at \$100,000:	\$ 1.72

City of Tempe, Arizona
Revenues other than property taxes
Fiscal Year 2025

Source of Revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
General Fund			
Local Taxes			
City Sales Tax	\$ 143,871,812	\$ 142,295,025	\$ 142,067,169
Transient Lodging Tax	12,300,572	13,707,389	14,566,344
Franchise Fees	2,699,996	2,496,800	2,456,800
Licenses & Permits	2,589,500	2,437,000	2,462,000
Intergovernmental			
State	86,523,559	85,975,994	77,812,102
Other	1,706,786	1,926,510	1,931,271
Charges for Services	17,759,038	22,348,068	24,366,499
Fines & Forfeits	3,392,474	3,690,037	5,962,069
Interest on Investments	6,435,000	7,592,771	11,687,993
Voluntary Contributions	3,887,097	3,970,694	4,129,522
Miscellaneous	10,315,535	11,000,015	11,011,630
Total General Fund	\$ 291,481,369	\$ 297,440,303	\$ 298,453,399
Special Revenue Funds			
Transit			
Transit Tax	\$ 59,681,071	\$ 59,055,133	\$ 58,960,302
ASU-Flash Transit	750,000	948,144	948,144
Interest Income	2,935,000	2,935,000	5,823,797
Intergovernmental	482,702	463,380	463,380
Miscellaneous Revenue	11,058,000	11,058,000	10,770,262
	\$ 74,906,773	\$ 74,459,657	\$ 76,965,885
Highway User Revenue			
Highway User Revenue Tax	\$ 14,295,674	\$ 13,852,639	\$ 14,252,741
Barricading Fees	230,000	230,000	230,000
Miscellaneous Revenue	5,800	5,800	222,599
	\$ 14,531,474	\$ 14,088,439	\$ 14,705,340
Arts & Culture			
Arts & Culture Tax	\$ 12,253,433	\$ 12,088,710	\$ 12,069,298
Fees & Admissions	669,500	568,500	675,500
Interest Income	248,500	248,500	489,629
Miscellaneous Revenue	4,000	4,000	4,000
	\$ 13,175,433	\$ 12,909,710	\$ 13,238,427
CDBG & Section 8 Housing			
Community Development Block Grant (CDBG)	\$ 23,013,192	\$ 9,133,192	\$ 33,827,237
Section 8 Housing	28,909,447	19,463,486	33,050,619
	\$ 51,922,639	\$ 28,596,678	\$ 66,877,856
Restricted Revenue & Donations	\$ 5,055,970	\$ 5,198,229	\$ 9,428,692
Police Department-RICO & Grants	\$ 9,177,332	\$ 9,813,253	\$ 11,513,153
Governmental Grants	\$ 23,378,511	\$ 22,329,550	\$ 35,716,887
Court Enhancement	\$ 580,696	\$ 1,264,977	\$ 1,584,518
Peterson House Endowment	\$ 101,000	\$ 103,652	\$ 112,252
Housing Trust	\$ 270,000	\$ 20,896	\$ 271,500
Total Special Revenue Funds	\$ 193,099,828	\$ 168,785,041	\$ 230,414,510

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**City of Tempe, Arizona
Revenues other than property taxes
Fiscal Year 2025**

Source of Revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Debt Service Funds			
Special Assessments	\$ 1,985,500	\$ 1,985,500	\$ 1,983,125
Total Debt Service Funds	\$ 1,985,500	\$ 1,985,500	\$ 1,983,125
Capital Projects Funds			
Development Fees	\$ 13,380,368	\$ 3,509,077	\$ 13,835,839
Grants	54,386,147	340,894	68,676,927
Federal Funding			10,974,658
Miscellaneous	24,452,189	137,309	41,301,407
Total Capital Projects Funds	\$ 92,218,704	\$ 3,987,280	\$ 134,788,831
Enterprise Funds			
Water/Wastewater	\$ 98,919,060	\$ 100,177,409	\$ 109,849,068
Solid Waste	21,522,471	21,770,133	23,149,023
Emergency Medical Transport	6,325,000	6,975,000	7,593,280
Total Enterprise Funds	\$ 126,766,531	\$ 128,922,542	\$ 140,591,371
Internal Service Funds			
Tempe Health	\$ 39,910,964	\$ 39,470,956	\$ 42,390,602
Risk Management	4,896,342	3,872,613	4,974,738
Worker's Compensation	3,586,936	3,392,606	3,586,936
Total Internal Service Funds	\$ 48,394,242	\$ 46,736,175	\$ 50,952,276
Total All Funds	\$ 753,946,174	\$ 647,856,841	\$ 857,183,512

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Tempe, Arizona
Other financing sources/(uses) and interfund transfers
Fiscal year 2025

Fund	Other financing 2025		Interfund transfers 2025	
	Sources	(Uses)	In	(Out)
General Fund				
General Fund	\$	\$	\$ 94,750	\$ 9,245,832
Total General Fund	\$	\$	\$ 94,750	\$ 9,245,832
Special Revenue Funds				
Highway User Revenue	\$	\$	\$ 1,500,000	\$ 3,857,615
Arts & Culture			250,000	3,860,000
Transit				5,704,480
Total Special Revenue Funds	\$	\$	\$ 1,750,000	\$ 13,422,095
Debt Service Funds				
General Governmental	\$	\$	\$ 3,438,375	\$ 2,382,827
Total Debt Service Funds	\$	\$	\$ 3,438,375	\$ 2,382,827
Capital Projects Funds				
Enterprise Related Capital Program	\$ 241,081,372	\$	\$ 7,641,173	\$
Special Purpose Capital Program			11,630,569	
General Purpose Capital Program	203,723,665		4,572,368	
Transportation Capital Program	72,756,638		3,850,000	
Total Capital Projects Funds	\$ 517,561,675	\$	\$ 27,694,110	\$
Enterprise Funds				
Water/Wastewater	\$	\$	\$ 2,565,277	\$ 11,754,117
Solid Waste			1,339,974	77,615
Emergency Medical Rescue Transport				
Total Enterprise Funds	\$	\$	\$ 3,905,251	\$ 11,831,732
Total All Funds	\$ 517,561,675	\$	\$ 36,882,486	\$ 36,882,486

Attachment A

**City of Tempe, Arizona
Expenditures/expenses by fund
Fiscal year 2025**

Fund/Department	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
General Fund				
Mayor and Council	\$ 711,312	\$	\$ 732,405	\$ 673,702
City Manager	3,400,521		2,796,701	4,243,982
Internal Audit	794,996	(80,737)	681,401	835,667
Economic Development	2,794,167		2,337,131	2,847,147
Strategic Management and Innovation	1,615,733		1,509,657	1,572,992
Sustainability Office	1,323,249	117,730	1,418,270	
Diversity, Equity and Inclusion	772,038		691,084	659,612
Communication and Marketing Office	1,825,177		1,516,877	1,993,148
Government Relations Office	587,097		568,960	510,461
City Clerk	2,339,463		2,193,925	2,520,842
City Court	5,694,194		5,685,906	5,997,986
Human Resources	5,380,858	363,087	5,446,586	5,741,693
Education, Career and Family Services	12,147,691	(736,125)	9,649,132	
City Attorney	4,308,376		4,154,995	4,609,357
Financial Services	14,169,631	(58,756)	13,516,734	15,618,201
Municipal Budget Office	569,936		458,595	548,190
Information Technology				
Police	114,328,633	1,100,208	115,467,896	126,004,651
Fire Medical Rescue	49,395,113	(28,142)	50,548,667	53,547,815
Community Services	37,404,516	(288,444)	35,710,355	38,648,872
Community Development	16,324,826	627,792	16,605,775	17,735,504
Community Health and Human Services	13,962,660	40,000	14,134,755	25,933,991
Engineering and Transportation	2,854,920	(8,148)	1,877,666	
Transportation & Sustainability				2,816,960
Municipal Utilities	2,546,437	3,670	1,881,682	
Public Works				3,536,801
Non-Departmental	2,550,165	(608,723)	1,824,415	2,916,277
General Fund Contingency	2,000,000	(460,933)		3,000,000
Total General Fund	\$ 299,801,709	\$ (17,521)	\$ 291,409,570	\$ 322,513,851
Special Revenue Funds				
Highway User Revenue Fund	\$ 16,344,358	\$	\$ 13,052,960	\$ 18,794,144
Transit	72,457,000	6,475	73,065,718	83,665,063
CDBG/HOME	23,013,192		9,133,192	33,827,237
Section 8 Housing	28,909,447		19,463,486	33,050,619
Housing Trust	270,000			271,500
Arts & Culture	12,287,620		10,404,706	13,295,215
Restricted Rev & Donations	5,055,970		3,086,492	9,428,692
Police Department-RICO & Grants	9,177,332	11,046	8,758,578	11,513,153
Governmental Grants	23,378,511		21,971,235	35,716,887
Court Enhancement	580,696		250,198	1,584,518
Petersen House Endowment	101,000			112,252
Total Special Revenue Funds	\$ 191,575,126	\$ 17,521	\$ 159,186,565	\$ 241,259,280
Debt Service Funds				
General Obligation	\$ 40,728,894	\$	\$ 40,728,894	\$ 47,571,943
Special Assessment	1,985,500		1,985,500	1,983,125
Total Debt Service Funds	\$ 42,714,394	\$	\$ 42,714,394	\$ 49,555,068

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**City of Tempe, Arizona
Expenditures/expenses by fund
Fiscal year 2025**

Fund/Department	Adopted budgeted expenditures/expenses 2024	Expenditure/expense adjustments approved 2024	Actual expenditures/expenses* 2024	Budgeted expenditures/expenses 2025
Capital Projects Funds				
Enterprise Related Capital Program	\$ 198,794,833	\$ (1,859,958)	\$ 123,897,064	\$ 237,582,562
Special Purpose Capital Program	52,732,674		24,158,615	62,009,924
General Purpose Capital Program	296,348,266	(2,922,585)	177,919,052	372,834,696
Transportation Capital Program	73,633,184	(471,869)	33,828,811	102,706,608
Total Capital Projects Funds	\$ 621,508,957	\$ (5,254,412)	\$ 359,803,542	\$ 775,133,790
Enterprise Funds				
Water/Wastewater	\$ 103,489,419		\$ 97,082,476	\$ 107,036,411
Solid Waste	31,322,538		23,567,491	30,393,777
Emergency Medical Transport	6,879,827		6,122,116	6,946,763
Total Enterprise Funds	\$ 141,691,784	\$	\$ 126,772,083	\$ 144,376,951
Internal Service Funds				
Tempe Health	\$ 40,980,097		\$ 41,367,606	\$ 44,063,474
Risk Management	6,896,342		3,872,613	6,974,738
Worker's Compensation	3,459,186		3,264,856	3,459,186
Total Internal Service Funds	\$ 51,335,625	\$	\$ 48,505,075	\$ 54,497,398
Total All Funds	\$ 1,348,627,595	\$ (5,254,412)	\$ 1,028,391,229	\$ 1,587,336,338

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Attachment A

City of Tempe, Arizona
Expenditures/expenses by department
Fiscal year 2025

Department/Fund	Adopted budgeted expenditures/expenses 2024	Expenditure/expense adjustments approved 2024	Actual expenditures/expenses* 2024	Budgeted expenditures/expenses 2025
Mayor and Council:				
General Fund	\$ 711,312	\$	\$ 732,405	\$ 673,702
Department Total	\$ 711,312	\$	\$ 732,405	\$ 673,702
City Manager:				
General Fund	\$ 3,400,521	\$	\$ 2,796,701	\$ 4,243,982
Transit Fund	709,126		710,087	724,828
Restricted Revenue & Donations	21,450	158,564	27,633	109,811
Governmental Grants	3,900,353	145,700	1,765,116	5,610,000
Department Total	\$ 8,031,450	\$ 304,264	\$ 5,299,537	\$ 10,688,621
Internal Audit:				
General Fund	\$ 794,996	\$ (80,737)	\$ 681,401	\$ 835,667
Department Total	\$ 794,996	\$ (80,737)	\$ 681,401	\$ 835,667
Economic Development:				
General Fund	\$ 2,794,167	\$	\$ 2,337,131	\$ 2,847,147
Restricted Revenue & Donations	354,879	47,371	312,250	90,000
Governmental Grants	500,000	(489,500)	10,500	
Department Total	\$ 3,649,046	\$ (442,129)	\$ 2,659,881	\$ 2,937,147
Strategic Management and Innovation:				
General Fund	\$ 1,615,733	\$	\$ 1,509,657	\$ 1,572,992
Governmental Grants	1,148,955	1,506,738	414,599	2,030,693
Department Total	\$ 2,764,688	\$ 1,506,738	\$ 1,924,256	\$ 3,603,685
Sustainability Office:				
General Fund	\$ 1,323,249	\$ 117,730	\$ 1,418,270	\$
Governmental Grants		474,293	74,293	
Department Total	\$ 1,323,249	\$ 592,023	\$ 1,492,563	\$
Diversity, Equity and Inclusion:				
General Fund	\$ 772,038	\$	\$ 691,084	\$ 659,612
Restricted Revenue & Donations		210,853	210,853	5,000
Governmental Grants		101,219	50,000	133,219
Department Total	\$ 772,038	\$ 312,072	\$ 951,937	\$ 797,831
Communication and Marketing Office:				
General Fund	\$ 1,825,177	\$	\$ 1,516,877	\$ 1,993,148
Restricted Revenue & Donations		2,515	2,515	
Department Total	\$ 1,825,177	\$ 2,515	\$ 1,519,392	\$ 1,993,148
Government Relations Office:				
General Fund	\$ 587,097	\$	\$ 568,960	\$ 510,461
Department Total	\$ 587,097	\$	\$ 568,960	\$ 510,461
City Clerk:				
General Fund	\$ 2,339,463	\$	\$ 2,193,925	\$ 2,520,842
Department Total	\$ 2,339,463	\$	\$ 2,193,925	\$ 2,520,842

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Attachment A

City of Tempe, Arizona
Expenditures/expenses by department
Fiscal year 2025

Department/Fund	Adopted budgeted expenditures/expenses	Expenditure/expense adjustments approved	Actual expenditures/expenses*	Budgeted expenditures/expenses
	2024	2024	2024	2025
City Court:				
General Fund	\$ 5,694,194	\$	\$ 5,685,906	\$ 5,997,986
Court Enhancement Fund	330,696	250,000	250,198	1,084,518
Department Total	\$ 6,024,890	\$ 250,000	\$ 5,936,104	\$ 7,082,504
Human Resources:				
General Fund	\$ 5,380,858	\$ 363,087	\$ 5,446,586	\$ 5,741,693
Tempe Health Fund	40,980,097		41,367,606	44,063,474
Department Total	\$ 46,360,955	\$ 363,087	\$ 46,814,192	\$ 49,805,167
Education, Career and Family Services:				
General Fund	\$ 12,147,691	\$ (736,125)	\$ 9,649,132	\$
Restricted Revenue & Donations	65,000	229,575	267,931	
Governmental Grants	4,771,200	5,235,520	12,829,135	
Department Total	\$ 16,983,891	\$ 4,728,970	\$ 22,746,198	\$
City Attorney:				
General Fund	\$ 4,308,376	\$	\$ 4,154,995	\$ 4,609,357
Restricted Revenue & Donations		18,771	18,771	
Governmental Grants		11,927	56,927	
Department Total	\$ 4,308,376	\$ 30,698	\$ 4,230,693	\$ 4,609,357
Financial Services:				
General Fund	\$ 14,169,631	\$ (58,756)	\$ 13,516,734	\$ 15,618,201
Risk Management Fund	4,896,342		3,872,613	4,974,738
Worker's Compensation Fund	3,459,186		3,264,856	3,459,186
Water/Wastewater Fund	3,632,394	(43,997)	3,654,904	4,091,708
Department Total	\$ 26,157,553	\$ (102,753)	\$ 24,309,107	\$ 28,143,833
Municipal Budget Office:				
General Fund	\$ 569,936	\$	\$ 458,595	\$ 548,190
Department Total	\$ 569,936	\$	\$ 458,595	\$ 548,190
Information Technology:				
General Fund	\$	\$	\$	\$
Department Total	\$	\$	\$	\$
Police:				
General Fund	\$ 114,328,633	\$ 1,100,208	\$ 115,467,896	\$ 126,004,651
Police Department-Rico & Grants	7,177,332	193,923	8,758,578	8,513,153
Department Total	\$ 121,505,965	\$ 1,294,131	\$ 124,226,474	\$ 134,517,804
Fire Medical Rescue:				
General Fund	\$ 49,395,113	\$ (28,142)	\$ 50,548,667	\$ 53,547,815
Emergency Medical Transport Fund	6,679,827		6,122,116	6,746,763
Restricted Revenue & Donations	859,942	1,119,170	549,729	2,383,313
Governmental Grants	140,266	946,418	360,685	507,781
Department Total	\$ 57,075,148	\$ 2,037,446	\$ 57,581,197	\$ 63,185,672

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Attachment A

City of Tempe, Arizona
Expenditures/expenses by department
Fiscal year 2025

Department/Fund	Adopted budgeted expenditures/expenses 2024	Expenditure/expense adjustments approved 2024	Actual expenditures/expenses* 2024	Budgeted expenditures/expenses 2025
Community Services:				
General Fund	\$ 37,404,516	\$ (288,444)	\$ 35,710,355	\$ 38,648,872
Arts & Culture Fund	10,705,870	(22,885)	9,822,956	11,710,715
Restricted Revenue & Donations	344,767	512,570	548,738	601,724
Governmental Grants	636,487	(108,573)	513,636	1,550,623
Petersen House Endowment	101,000			112,252
Department Total	\$ 49,192,640	\$ 92,668	\$ 46,595,685	\$ 52,624,186
Community Development:				
General Fund	\$ 16,324,826	\$ 627,792	\$ 16,605,775	\$ 17,735,504
Restricted Revenue & Donations	432,833	(118,882)	364,138	
Governmental Grants	170,837	(48,185)	110,682	22,391
Department Total	\$ 16,928,496	\$ 460,725	\$ 17,080,595	\$ 17,757,895
Community Health and Human Services:				
General Fund	\$ 13,962,660	\$ 40,000	\$ 14,134,755	\$ 25,933,991
CDBG/HOME Fund	9,313,168		8,583,168	9,070,414
Section 8 Housing Fund	18,909,447		19,463,486	23,050,619
Restricted Revenue & Donations	264,372	160,566	729,930	1,911,703
Governmental Grants	3,610,413	177,516	5,785,662	5,462,180
Housing Trust Fund	20,000			21,500
Department Total	\$ 46,080,060	\$ 378,082	\$ 48,697,001	\$ 65,450,407
Engineering and Transportation:				
General Fund	\$ 2,854,920	\$ (8,148)	\$ 1,877,666	\$
Transit Fund	65,550,125	(174,447)	67,657,882	
Highway User Revenue Fund	15,344,358		13,052,960	
Restricted Revenue & Donations	196,348	(138,360)	37,625	
Department Total	\$ 83,945,751	\$ (320,955)	\$ 82,626,133	\$
Transportation and Sustainability:				
General Fund	\$	\$	\$	\$ 2,816,960
Transit Fund				76,748,701
Highway User Revenue Fund				17,794,144
Restricted Revenue & Donations				18,003
Governmental Grants Fund				400,000
Department Total	\$	\$	\$	\$ 97,777,808
Municipal Utilities:				
General Fund	\$ 2,546,437	\$ 3,670	\$ 1,881,682	\$
Water/Wastewater Fund	56,144,503	(529,304)	50,715,050	
Solid Waste Fund	30,822,538	(1,015,397)	23,567,491	
Restricted Revenue & Donations Fund	16,379		16,379	
Department Total	\$ 89,529,857	\$ (1,541,031)	\$ 76,180,602	\$
Public Works:				
General Fund	\$	\$	\$	\$ 3,536,801
Water/Wastewater Fund				59,538,658
Solid Waste Fund				29,893,777
Restricted Revenue & Donations Fund				309,138
Department Total	\$	\$	\$	\$ 93,278,374

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Tempe, Arizona
Expenditures/expenses by department
Fiscal year 2025

Department/Fund	Adopted budgeted expenditures/expenses	Expenditure/expense adjustments approved	Actual expenditures/expenses*	Budgeted expenditures/expenses
	2024	2024	2024	2025
Non-Departmental:				
General Fund	\$ 2,550,165	\$ (608,723)	\$ 1,824,415	\$ 2,916,277
Department Total	\$ 2,550,165	\$ (608,723)	\$ 1,824,415	\$ 2,916,277
Contingency:				
General Fund	\$ 2,000,000	\$ (460,933)	\$	\$ 3,000,000
Risk Management Fund	2,000,000			2,000,000
Emergency Medical Transport Fund	200,000			200,000
Water/Wastewater Fund	1,000,000	573,301		1,000,000
Solid Waste Fund	500,000	1,015,397		500,000
Arts & Culture Fund	1,000,000	22,885		1,000,000
Transit Fund	1,500,000	180,922		1,500,000
Highway User Revenue Fund	1,000,000			1,000,000
CDBG/Home Fund	13,150,000			24,200,000
Section 8 Housing Fund	10,000,000			10,000,000
Restricted Revenue & Donations Fund	2,500,000	(2,202,713)		4,000,000
Police Department-Rico & Grants Fund	2,000,000	(182,877)		3,000,000
Governmental Grants Fund	8,500,000	(7,953,073)		20,000,000
Court Enhancement Fund	250,000	(250,000)		500,000
Housing Trust Fund	250,000			250,000
Department Total	\$ 45,850,000	\$ (9,257,091)	\$	\$ 72,150,000
Debt Service:				
Water/Wastewater Fund	\$ 42,712,522	\$	\$ 42,712,522	\$ 42,406,045
Arts & Cultural Fund	581,750		581,750	584,500
Transit Fund	4,697,749		4,697,749	4,691,534
CDBG/Home Fund	550,024		550,024	556,823
General Obligation Fund	40,728,894		40,728,894	47,571,943
Special Assessment Fund	1,985,500		1,985,500	1,983,125
Department Total	\$ 91,256,439	\$	\$ 91,256,439	\$ 97,793,970
Capital:				
Enterprise Related Capital Program	\$ 198,794,833	\$ (1,859,958)	\$ 123,897,064	\$ 237,582,562
Special Purpose Capital Program	52,732,674		24,158,615	62,009,924
General Purpose Capital Program	296,348,266	(2,922,585)	177,919,052	372,834,696
Transportation Capital Program	73,633,184	(471,869)	33,828,811	102,706,608
Department Total	\$ 621,508,957	\$ (5,254,412)	\$ 359,803,542	\$ 775,133,790
Total All Departments	\$ 1,348,627,595	\$ (5,254,412)	\$ 1,028,391,229	\$ 1,587,336,338

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Attachment A

City of Tempe, Arizona
Full-time employees and personnel compensation
Fiscal year 2025

Fund	Full-time equivalent (FTE)	Employee salaries and hourly costs	Retirement costs *	Healthcare costs	Other benefit costs **	Total estimated personnel compensation
	2025	2025	2025	2025	2025	2025
General Fund						
General Fund	1,712.95	\$ 157,495,704	\$ 23,116,720	\$ 22,197,880	\$ 14,663,285	\$ 217,473,589
Total General Fund	1,712.95	\$ 157,495,704	\$ 23,116,720	\$ 22,197,880	\$ 14,663,285	\$ 217,473,589
Special Revenue Funds						
Highway User Revenue Fund	52.50	\$ 4,110,558	\$ 501,096	\$ 710,176	\$ 358,126	\$ 5,679,956
Transit	38.00	3,103,152	357,364	523,518	265,793	4,249,827
CDBG/HOME	7.50	368,977	45,348	68,682	31,278	514,285
Section 8 Housing	8.00	829,623	101,667	144,696	72,739	1,148,725
Arts & Culture	62.44	4,582,498	464,989	384,758	406,547	5,838,792
Gov't Restricted Rev & Donations	14.50	273,023	57,674	86,208	34,600	451,505
Police Department-RICO & Grants	11.00	1,039,711	185,898	200,995	78,208	1,504,812
Governmental Grants	2.40	655,493	81,170	130,506	50,796	917,965
Court Enhancement	2.00	115,721	14,222	38,171	8,853	176,967
Total Special Revenue Funds	198.34	\$ 15,078,756	\$ 1,809,428	\$ 2,287,710	\$ 1,306,940	\$ 20,482,834
Capital Projects Funds						
Municipal Arts	3.00	\$ 254,725	\$ 31,306	\$ 41,190	\$ 21,520	\$ 348,741
Total Capital Projects Funds	3.00	\$ 254,725	\$ 31,306	\$ 41,190	\$ 21,520	\$ 348,741
Enterprise Funds						
Water/Wastewater	193.32	\$ 17,203,755	\$ 2,112,263	\$ 3,048,342	\$ 1,528,185	\$ 23,892,545
Solid Waste	79.90	5,422,051	664,673	970,688	520,757	7,578,169
Emergency Medical Transport	41.89	3,410,249	417,761	452,617	260,242	4,540,869
Total Enterprise Funds	315.11	\$ 26,036,055	\$ 3,194,697	\$ 4,471,647	\$ 2,309,184	\$ 36,011,583
Internal Service Funds						
Risk Management	6.00	\$ 591,281	\$ 72,522	\$ 85,497	\$ 45,102	\$ 794,402
Total Internal Service Funds	6.00	\$ 591,281	\$ 72,522	\$ 85,497	\$ 45,102	\$ 794,402
Total All Funds	2,235.40	\$ 199,456,521	\$ 28,224,673	\$ 29,083,924	\$ 18,346,031	\$ 275,111,149

*Represents employer contributions to Arizona State Retirement System, Public Safety Personnel Retirement System, and Elected Officials Retirement System.

**Includes FICA, deferred compensation contributions, mediflex reimbursements, and employer contributions to a health reimbursement plan for future retirees.