



**Voting Meeting Agenda
City Council Workshop**

*Mayor Jerry Weiers
Vice Mayor Ian Hugh
Councilmember Jamie Aldama
Councilmember Samuel Chavira
Councilmember Ray Malnar
Councilmember Lauren Tolmachoff
Councilmember Bart Turner*

Tuesday, November 17, 2015

1:30 PM

Council Chambers - Room B3

Workshop

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. 15-665 GLENDALE URBAN IRRIGATION UPDATE ON WATER SERVICES ADVISORY COMMISSION (WSAC) RECOMMENDATIONS
Staff Contact: Craig A. Johnson, P.E., Director, Water Services
Staff Presenter: Craig A. Johnson, P.E., Director, Water Services
Staff Presenter: Douglas E. Kupel, Ph.D., Deputy Water Services Director
Guest Presenter: Mr. Jonathan Liebman, Chairman, Water Services Advisory Commission
2. 15-728 COUNCIL ITEM OF SPECIAL INTEREST: STREET NAME CHANGES
Staff Contact: Jack Friedline, Director, Public Works
3. 15-734 COUNCIL ITEM OF SPECIAL INTEREST: HUMAN RELATIONS COMMISSION
Staff Contact: Jim Brown, Director, Human Resources and Rise Management
Attachments: Human Relations Commission Benchmark Data
4. 15-744 FY16-17 BUDGET OVERVIEW AND KEY INITIATIVES
Staff Contact and Presenter: Tom Duensing, Interim Assistant City Manager
Staff Presenter: Vicki Rios, Interim Director, Finance and Technology

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.

CITY ATTORNEY'S REPORT

This report allows the City Attorney 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 Attorney 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.

MOTION TO GO INTO EXECUTIVE SESSION

1. CALL TO ENTER INTO EXECUTIVE SESSION

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. 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 to receive an update, consider its position and provide instruction and direction to the City Attorney regarding Glendale's position in connection with contracts, agreements and/or development agreements of the area in, near and surrounding Bell Road and 83rd Avenue that are the subject of negotiations. (A.R.S. §§ 38-431.03(A)(3)(4))

3. LEGAL MATTERS - CONTRACTS

A. Discussion and consultation with the City Attorney to receive an update, consider its position and provide instruction and direction to the City Attorney regarding Glendale's position in connection with agreements associated with SW General, Inc., DBA Southwest Ambulance. (A.R.S. § 38-431.03 (A)(3)(4))

4. 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)(3)(4))

1. Arts Commission
2. Aviation Advisory Commission
3. Board of Adjustment
4. Citizens Bicycle Advisory Committee
5. Citizens Transportation Oversight Commission
6. Commission on Neighborhoods
7. Commission on Persons with Disabilities
8. Community Development Advisory Committee
9. Glendale Municipal Property Corporation
10. Historic Preservation Commission
11. Industrial Development Authority
12. Judicial Selection Advisory Board
13. Library Advisory Board
14. Parks and Recreation Advisory Commission
15. Personnel Board
16. Planning Commission

17. Public Safety Personnel Retirement Board/Fire
18. Public Safety Personnel Retirement Board/Police
19. Risk Management/Workers Compensation Trust Fund Board
20. Water Services Advisory Commission

B. The City Council will meet to discuss the finalists for the position of City Manager. (A.R.S. § 38-431.03 (A)(1))

C. The City Council will meet with the City Attorney to receive legal advice and provide instruction and direction to the City Attorney regarding the City Manager position. (A.R.S. § 38-431.03 (A)(1)(3))

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).



Legislation Description

File #: 15-665, **Version:** 1

GLENDALE URBAN IRRIGATION UPDATE ON WATER SERVICES ADVISORY COMMISSION (WSAC) RECOMMENDATIONS

Staff Contact: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: Craig A. Johnson, P.E., Director, Water Services

Staff Presenter: Douglas E. Kupel, Ph.D., Deputy Water Services Director

Guest Presenter: Mr. Jonathan Liebman, Chairman, Water Services Advisory Commission

Purpose and Policy Guidance

This agenda item is for City Council consideration and recommendation regarding urban irrigation motions adopted by the Water Services Advisory Commission (WSAC). At a May 6, 2015 meeting, the WSAC discussed urban irrigation and approved seven recommendations. Today, the Water Services Department will review all seven recommendations and provide the Council with its perspective. This is for Council information and direction.

Background

Water Services staff began looking at urban irrigation in response to initial interest by the Ad Hoc Citizen Task Force on Water and Sewers in 2012 and subsequent inquiry by the WSAC starting after its creation in 2013. Urban irrigation has been a periodic item of interest by the Council over the years because the system operates at a deficit. Going back to 1963, revenues have ranged from a low of 13% cost recovery to a high of 62% cost recovery. Over the past fifteen years, revenues have covered approximately 28% of costs.

“Urban irrigation” refers to the direct delivery of non-potable Salt River Project (SRP) irrigation water to locations in urbanized areas. Urban irrigation from open or underground ditch systems used for outside landscaping takes place in several locations in the Salt River Valley. This is a remnant from an earlier era. The vast majority of water customers in the Valley and Glendale now receive potable water only from a municipal delivery system for both inside and outside use.

In the Glendale area, water for farm lands came from the Salt and Verde Rivers delivered from the Arizona Canal completed in 1885. Some irrigation water came from the earlier Grand Canal. Farmers and land owners built and paid for these canals and smaller laterals and ditches to bring water to their land.

As these farm lands were urbanized, some subdivisions kept irrigation while others did not. Those areas that kept irrigation are called urban irrigation areas. Urban irrigation did not occur uniformly across the Valley. There are many areas that never received it. The decision to have urban irrigation was one made by the property owner or developer at the time the land was first subdivided or placed into use. This was a personal decision made at the time.

Analysis

The long process of research and discussion regarding urban irrigation culminated when the WSAC requested that the subject be placed on its May 6, 2015 agenda for discussion and possible action. At the May 6 meeting, the WSAC took the following actions:

1. Move that a recommendation be made to Council that they preserve, protect, and maintain urban irrigation in the future.
2. Recommend to Council that when feasible as per staff suggestion that urban irrigation could be extended to those customers within the service area, subject to department analysis, and lots must be capable of safely taking delivery.
3. Move that a recommendation be made to Council that new service customers are responsible for costs incurred for establishing new service and ensuring that property is up to standards so it can safely receive urban irrigation water.
4. Move that a recommendation be made to Council that urban irrigation be de-indexed to potable water rates and tie them to the direct cost of urban irrigation service.
5. Establish a 50% cost recovery rate roll forward over a 5 year period of 2010-2014, with the ultimate target of a 50% cost recovery rate to be reached at the end of the fifth year.
6. Make a recommendation to Council that the cost recovery program be delayed until supporting documentation is submitted by the city to support and define expenses assigned to urban irrigation.
7. Make a recommendation to Council that prior to implementation of a Capital Improvement fee program, that the city maintain and repair the system up to standards, with certification of the system by an engineering firm, for a period of 10 years.

The following is the analysis by the Water Services Department of each of the recommendations.

1. Move that a recommendation be made to Council that they preserve, protect, and maintain urban irrigation in the future.

The Water Services Department has consistently supported the idea that the urban irrigation system is a historic and environmental amenity for the City. The system became a point of discussion by the Citizen Task Force on Water and Sewers because costs exceed revenues. These discussions were continued by the Water Services Advisory Commission. The City Council is on record as being committed to repairing and maintaining the urban irrigation system as established by Ordinance 27. The City has also demonstrated its commitment by continuing to fund and support the system. It is likely that such a City Council statement of support as recommended by the WSAC is not needed as a matter of policy; however, such a statement could serve as a reiteration of current conditions.

2. Recommend to Council that when feasible as per staff suggestion that urban irrigation could be extended to those customers within the service area, subject to department analysis, and lots must be capable of safely taking delivery.

Water Services has indicated it is "open for business" with regard to urban irrigation. The Department has reinforced that current Water Services policy is to handle requests for urban irrigation system connections on

a case-by-case basis. Service may be extended if the property is located within the 23-mile wet pipeline area served by the existing system. However, those interested in receiving urban irrigation in this area must show that the lot is able to safely take physical delivery of the water and pay for needed connections to the City system.

This WSAC recommendation is already current City practice per Resolution 588 and Water Service Department procedure.

3. Move that a recommendation be made to Council that new service customers are responsible for costs incurred for establishing new service and ensuring that property is up to standards so it can safely receive urban irrigation water.

There is already a payment requirement as adopted by City Council. In 1960, the City adopted Resolution 588 requiring property owners to pay for the cost of installing urban irrigation infrastructure. There is currently no "standard" adopted by Council; however, WSD and its urban irrigation contractor have an existing "checklist" to make sure properties are ready for the safe delivery of urban irrigation water.

This WSAC recommendation is already current City practice per Resolution 588 and Water Service Department procedure.

4. Move that a recommendation be made to Council that urban irrigation be de-indexed to potable water rates and tie them to the direct cost of urban irrigation service.

This is a logical first step in shifting urban irrigation to a cost of service rate. In 2010, during a period of sequential water rate increases, the City Council made a decision to index urban irrigation rates to rate increases for potable water rates. In other words, if water rates increased a certain percentage, then urban irrigation rates would increase at that same percentage. Water Services believes urban irrigation should be a stand-alone rate component based on the cost of service or some percentage thereof. Water Services is supportive of this WSAC recommendation.

5. Establish a 50% cost recovery rate roll forward over a 5 year period of 2010-2014, with the ultimate target of a 50% cost recovery rate to be reached at the end of the fifth year.

Over the past fifteen years, revenues paid by direct beneficiaries of the urban irrigation system have covered approximately 28 percent of costs. During the course of many discussions by the public, the Citizen Task Force, and the WSAC, a general consensus emerged that an initial goal for cost recovery should be fifty percent (50%). This would mean that revenues collected from direct beneficiaries of the program cover fifty percent of costs. This percentage might effectively balance the benefit to the customers of the program with overall benefits to the community as a whole.

Because the fifty percent recovery rate will vary depending on annual variations in expenses and revenues, a base period should be used to arrive at a cost recovery amount. The WSAC motion recommends using a five-year period so that variations would be averaged over five years. This recommendation should result in a reasonable approximation of actual costs for a specific five year period.

In order to make sure that the calculation for cost recovery is recent, the WSAC recommended the last five years be used with the cost basis being rolled forward each year. While this will result in a more accurate and contemporary recovery percentage, it is likely that the most recent years will have heavier expenses than prior years. It might be preferable to omit the "roll forward" portion of the WSAC recommendation and thus limit uncertainty for customers and avoid more recent years when costs tended to be higher.

Using the base period covering FY2010 thru FY2014, the average annual expenses were \$181,883, giving a 50% cost recovery amount of \$90,942. Average annual revenues were \$53,806, meaning that additional revenue in the amount of \$37,136 would be needed to reach 50% cost recovery. Based on 350 customers, each customer would need to pay an additional \$106.10 beyond the current rate to reach 50% cost recovery.

An issue not addressed by the Commission's motion is how to lessen the impact of increasing the rate. No matter what period of years is used as a base, it would lessen the financial impact on individual urban irrigation customers if any changes would be phased-in over a period of years. The more years of phase-in, the smaller the actual rate increase in any one year. For example, to recover the additional \$106.10 per year to reach 50% cost recovery for the base period 2010-2014, it would take an additional payment of \$26.53 per customer / per year spread over four years to reach the set amount. If the goal amount of \$106.10 were spread over five years, it would take an additional payment of \$21.22 per customer / per year to reach the set amount.

Water Services is supportive of setting a fifty percent (50%) cost recovery goal using the five year period from 2010-2014 as the base period. Water Services recommends that this be an amount certain of \$106.10 and that the increase be phased in over a period of five years at a yearly increase of \$21.22 per customer / per year.

Because the fifty percent cost recovery amount may not remain static given future expenses and revenues, it is anticipated that there would need to be a periodic re-evaluation of amounts to determine if this goal was being met.

6. Make a recommendation to Council that the cost recovery program be delayed until supporting documentation is submitted by the city to support and define expenses assigned to urban irrigation.

The Water Services Department has responded to numerous questions and public records requests for documentation regarding all aspects of the program. This information has already been provided to the Commission and to the public that submitted the requests. This includes documentation of expenses. Because this information has already been prepared and is available, there is no need to delay a cost recovery program for this reason. Information regarding current FY 2015-16 expenses is found in the budget book.

7. Make a recommendation to Council that prior to implementation of a Capital Improvement fee program, that the city maintain and repair the system up to standards, with certification of the system by an engineering firm, for a period of 10 years.

One item that has been raised at public meetings regarding urban irrigation is how will major repairs to the system be paid for? Because the system is low-pressure and gravity-fed, major emergency repairs are not

anticipated. However, since it is certain the system will require both major and minor repairs in the future one way to lessen the impact on rates would be to establish a capital improvement fund for major repairs (those over \$10,000). The purpose of a reserve account of this type (sometimes called a “sinking fund”) would be to level out the impact to rates from unanticipated major repairs to the urban irrigation system.

One way to develop a reserve fund would be to institute a capital improvement charge on each account. The funds collected could be set aside in the capital improvement fund for major repairs. An appropriate amount to collect from direct beneficiaries on an annual basis would need to be determined. As an example, an annual capital improvement fee of \$25.00 per customer would collect \$8,750 per year based on 350 customers. To lessen the impact on customers, it might be best to consider this at the end of any transitional period to an “amount certain” cost recovery percentage.

Unfortunately, predicating the establishment of a capital improvement charge on an engineering evaluation and 10-year guarantee as called for in the motion will result in adding needless costs to already high overhead. While it is difficult to predict the costs of such a study and guarantee, it could be in excess of \$100,000. This amount could be better spent actually improving system infrastructure itself.

Because this appears to be an un-needed expense, Water Services does not support certification of the system by an engineering firm.

Water Services believes it is fiscally prudent to develop a reserve fund and institute a capital improvement charge. To lessen the financial impact on customers, it might be best to consider this at the end of any transitional period to an “amount certain” cost recovery percentage or limit it to a nominal charge in the meantime (\$5.00 or \$10.00 per customer per year).

Previous Related Council Action

Glendale has managed an urban irrigation program since 1912 when the City Council first took interest in the water delivery system for town lots in the Glendale townsite. In 1912, Glendale adopted Ordinance 27 and took over the obligation of distributing water and maintaining & repairing the existing irrigation distribution system. The ordinance specifically referred only to the repair of ditches, not construction of ditches. In 1914, Ordinance 27 was amended twice. The first amendment authorized that annual payments were to be collected in advance and the second amendment adopted a schedule of rates.

To address concerns over costs, in 1960 the City Council adopted Resolution 588. This policy provided guidance for installing new systems for property owners. Resolution 588 clarified that the property owner was responsible for the costs associated with the extension of the urban irrigation system to their lot. Resolution 588 specified that the City is responsible only for the maintenance and repair of the system, not extension of the system or new construction. This means that those who desire extension of the service must pay for it. Additionally, Resolution 588 specifies that the City makes the final decision on cost allocation regarding installation and extensions of the system.

It is important to remember within the context of these Council actions that the City does not own the system; it has only assumed responsibility for maintaining it.

In 2010, after a series of large rate increases for potable water customers, the Council made a decision to index urban irrigation rates to rate increases for water rates. In other words, urban irrigation rates would increase by the same amount as rates for potable water customers.

Community Benefit/Public Involvement

Urban irrigation was a key topic of focus for the Commission over the past year. The WSAC discussed urban irrigation at 7 of the 10 meetings it held in Fiscal Year 2014-2015.

Outside of formal WSAC meetings, several other meetings concerning urban irrigation were held. Several WSAC members attended a January 28, 2015 Ocotillo District Meeting at the invitation of Council Member Jaime Aldama to discuss urban irrigation. Members of the public were invited to discuss and ask questions regarding urban irrigation with the members of the WSAC, City of Glendale Water Services Department staff, representatives from urban irrigation service provider Salt River Irrigation, and representatives from Salt River Project.

WSAC Chairman Ron Short and WSD staff provided an update on urban irrigation at the October 7, 2014 City Council Workshop in response to a Council Special Item of Interest referred by former Council Member Norma Alvarez. The October 7 Workshop included a presentation on the history of urban irrigation, actions that had been taken related to urban irrigation to date, and activities of the Citizen Task Force on Water and Sewer, and activities of the WSAC. Chairman Short and WSD staff also discussed the financial status of the urban irrigation program and answered questions from the Council.

Water Services Staff responded in writing to 23 public records request and emails from citizens and WSAC members regarding urban irrigation in Fiscal Year 2014-2015. All members of the WSAC received copies of staff responses to the public records requests and urban irrigation email questions in an effort to maintain transparency.

Budget and Financial Impacts

Urban irrigation is considered an asset to the Glendale community as a whole from historical, cultural, environmental, and aesthetic perspectives. It is an asset that requires regular maintenance and repair. About thirty percent of the costs are currently paid for by direct beneficiaries of the system.

Both the WSAC and Water Services recommend that urban irrigation rates should be based on cost of service and not the rates charged to potable water rates.

In order to balance cost recovery with the value of the amenity to the City as a whole, the WSAC and Water Services recommend that urban irrigation rates should gradually increase until they reach 50 percent cost recovery. To protect users of the system from "rate shock" Water Services recommends this be phased in over a five year period.

Water Services believes that the other WSAC recommendations are already addressed by current City or WSD policies or are not needed.



Legislation Description

File #: 15-728, **Version:** 1

COUNCIL ITEM OF SPECIAL INTEREST: STREET NAME CHANGES

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Policy Guidance

At the April 7, 2015 Council Workshop, City Staff made a presentation in response to requests from multiple Councilmembers regarding renaming streets to honor distinguished leaders. The purpose of this presentation is to provide recommendations received from the Historic Preservation Commission.

Background

City Staff made a presentation at the April 7, 2015 Council Workshop where Council directed staff to receive input from the Historic Preservation Commission. At the direction of City Council, City Staff made the same presentation at the Historic Preservation Commission meeting on May 28, 2015.

The Historic Preservation Commission recommended proceeding with the Honorary Street naming designation including Martin Luther King, Jr. and Cesar Chavez in the Sports and Entertainment District and Marty Robbins in downtown Glendale.

Analysis

While cities follow the MAG guidelines, some exceptions have been made for recognizing distinguished individuals. Several options exist for street naming and renaming opportunities. These options include:

- Honorary or ceremonial designations of existing streets
- Formal street renaming
- Incorporating the recognition as new streets are added
- Renaming a street that does not have any development on it

Staff is recommending the first option, ceremonial or honorary renaming, which retains the original name of the street, but provides the opportunity for the community to honor and recognize an individual. With this option, there is no financial impact to the residents or business owners located on the roadway, as the formal road name remains intact. The honorary designation is “overlaid” on the existing street name.

Should Council direct staff to implement the Honorary Street name change in Glendale, then installing additional signs with the new, Honorary name designation could be implemented. Staff suggests the most ideal locations in the Sports and Entertainment District would be Maryland Avenue from Loop 101 to 93rd Avenue and 95th Avenue from Glendale Avenue to Bethany Home Road. Additionally, the most ideal location in downtown Glendale is Lamar Avenue from 57th Drive to 51st Avenue.

Previous Related Council Action

At the January 6, 2015 Council Workshop, Vice Mayor Hugh suggested renaming one of the streets in the Sports and Entertainment District to Martin Luther King Jr. Boulevard.

At the February 3, 2015 Workshop, Councilmember Aldama added that he also would like to see a street named after Cesar Chavez, and Councilmember Chavira suggested that these two streets might even intersect. Vice Mayor Hugh also mentioned a street might be named for Marty Robbins. These Councilmembers requested a report on the possibility of changing the names of streets in Glendale.

On April 7, 2015, City Staff made a presentation at the Council Workshop where Council directed staff to receive input from the Historic Preservation Commission.

Community Benefit/Public Involvement

Honoring distinguished leaders in this manner demonstrates the City of Glendale's recognition and appreciation of their impacts and contributions to society.

Budget and Financial Impacts

It is estimated that sign manufacturing and installation will cost approximately \$100 per sign at signalized intersections.



Legislation Description

File #: 15-734, **Version:** 1

COUNCIL ITEM OF SPECIAL INTEREST: HUMAN RELATIONS COMMISSION

Staff Contact: Jim Brown, Director, Human Resources and Risk Management

Purpose and Recommended Action

At the September 1, 2015 Council Workshop, Councilmember Aldama requested as an Item of Special Interest, a discussion on creating a Diversity Commission. The purpose of this presentation is to provide information to the City Council with regard to creating a Human Relations (Diversity) Commission.

Background

The Human Resources and Risk Management Department conducted research with regard to valley cities with Human Relations Commissions and found that six valley cities currently have Human Relations Commissions. Those cities include Chandler, Gilbert, Mesa, Phoenix, Scottsdale, and Tempe.

Analysis

In general, the Human Relations Commissions for all cities act in an advisory role to their city councils with regard to the following:

- Bringing awareness about racial, religious, ethnic, cultural, disability or other human relations issues affecting the community and to promote unity.
- Recommending and promoting ways to encourage mutual respect and understanding among people within the community.
- Introducing strategies to help eliminate prejudice and discrimination and to disseminate information on human relations topics within the community.
- Promoting community events celebrating diversity and demonstrating inclusivity of the community.

The commissions' responsibilities focus on community education and awareness. The commissions receive little or no funding; however, some are involved with obtaining outside sponsorships for community-wide activities such as unity celebrations and multi-cultural events.

The make-up of the commissions consists of citizens from different backgrounds and cultures and range anywhere from seven to seventeen members. On average, members serve three-year, staggered terms.

Community Benefit/Public Involvement

A Human Relations Commission benefits the public by helping the community to become more harmonious, respectful, and cohesive.

Human Relations Commissions Benchmark Data

City	Diversity Council/Commission	Summary – Report and Authority	Staffing or Members	Events	Funding	Community Complaints	Strategy
Chandler	Human Relations Commission	<p>Human Relations Commission: The Commission acts as an advisory board to the City Council by recommending ways to encourage mutual respect and understanding among the many groups of people who live, work and spend time within the community.</p> <p>The eleven members broadly represent the diverse demographics of the community. The Commission makes recommendations to discourage all manner and manifestation of discriminatory practices and assist the City Council and City departments on ways in which people from different racial, cultural or religious backgrounds can be made to feel at home within the Chandler Community.</p> <p>The Commission act as an advisory group and they participate in fund raising & grant administration.</p> <p>Reports to the Community Resources & Diversity Manager.</p>	<p>11 members (3 yr. term); must be a resident of the City.</p> <p>The term of each member shall be for three (3) years, and each member shall serve until his/her successor is appointed and qualified. Any vacancy in office during the term shall be filled by the Mayor with approval of the Council for the unexpired term.</p>	<p>The Commission sponsors the following:</p> <ul style="list-style-type: none"> • Celebration of Unity Luncheon • Multi-Cultural Festival • Volunteer Recognition Breakfast 	<p>There is a small budget that is designated within the Neighborhood Resources Division and is administered by the Diversity office.</p>	<p>No. Function more like an advisory group and will provide input on some decisions.</p>	<p>They function with pro-active approach.</p>
Gilbert	Human Relations Commission	<p>Human relations are the ways we interrelate, by respecting one another, valuing strengths and differences. The Gilbert Town Council has established the human relations commission to advise the council on these values. The Human Relations Commission will serve in an advisory role to the Council on human relations and diversity- related issues; will champion policies, programs, services, events, which affect human relations and cultural diversity; communicate accurate and respectful information in order to educate the community on the Town's rich cultural heritage, and promote equality and unity.</p> <p>The commission shall have the following powers</p>	<p>Council Liaison Staff Liaison</p>	<p>The Commission no longer sponsors events, but they may participate by having a booth.</p>	<p>\$2,550 annually for the taking of minutes and other expenses.</p>	<p>The commission does not address complaints.</p>	<p>The Commission's focus is on education and awareness.</p>

Human Relations Commissions Benchmark Data

		<p>and duties:</p> <ol style="list-style-type: none"> 1. Serve in an advisory role to the council on human relations and diversity-related issues; 2. Serve as a resource and an advocate on behalf of the community on human relations and cultural diversity issues; 3. Review, suggest and champion policies, programs, services, and events, which affect human relations and cultural diversity; by consciously and consistently seeking to serve all residents; 4. Build purposeful relationships with residents, the outlying community, council, town leadership and a wide range of local, state, national and international groups, agencies and organizations to respect diversity and promote unity in the town; 5. Communicate accurate and respectful information in order to educate the community of the town's rich cultural heritage and diversity; 6. Provide support/vision to the staff to promote the cultural initiatives and events as identified by the commission and approved by the council; 7. Identify opportunities to increase the awareness of cultural diversity between citizens by establishing ongoing dialogue and interaction to promote respect for diversity among all citizens within the town; 8. Identify and collaborate with groups and organizations that can provide cultural activities and enrichment to the town; 9. Respond to community human relations and cultural diversity issues in a timely manner and with sensitivity and compassion; 10. Remain informed, open and responsive to opportunities that promote inclusion, equality, and unity within the town's strategic plan through council, town leadership and other commissions; 11. Encourage private funding for human relations efforts; and 12. Perform other duties as may be directed by the council from time to time. <p>The Commission reports to the City Council.</p>					
--	--	--	--	--	--	--	--

Human Relations Commissions Benchmark Data

Phoenix	Human Relations Commission Reporting and Authority:	The mission of the Phoenix Human Relations Commission is to promote respect and understanding among all groups by eliminating discrimination throughout the city. The Phoenix Human Relations Commission is made up of 17 volunteer citizens appointed by the mayor and City Council. Members serve (3) three year terms. It advises the City Council on human relations issues and assists in implementing the city's policy against discrimination. The commission operates or supports various programs designed to promote positive intergroup relations. The Commission reports to the Equal Opportunity Department Director	Equal Opportunity Department Staff	The Commission hosts the following events: <ul style="list-style-type: none"> • Martin Luther King Awards Program • Faces of Diversity Brown Bag Series (program is currently inactive) • Community Forums on Race Relations • Relations Unity Walk 	Corporate sponsorships.	No Response	The Commission advises the City Council on human relations issues and assists in implementing the city's policy against discrimination. The commission operates or supports programs designed to promote positive intergroup relations.
Mesa		The Human Relations Advisory Board advises the City Council about racial, religious, ethnic, cultural, disability or other human relations issues affecting the City of Mesa and delivery of City services to Mesa residents, businesses, and visitors. The board recommends policies to eliminate discrimination and prejudice and to promote mutual understanding and harmony. The board serves as a public forum for citizen input on human relations issues. Members are appointed for staggered terms of three years and represent the City's diverse population. The Commission provided recommendations to the Mayor and Council. The Commission reports to the Mayor and Council.	Staff Liaison - Diversity & Neighborhood Outreach Administrator	HRAB sponsors the Mesa Diversity Film Series, attends Regional Unity Walk, Pride parade, Mesa Martin Luther King, Jr. parade, festival and awards dinner, and also various presentations throughout the year, most recently a discussion on mental health.	Not funded.	No, however concerns can be addressed at board meetings by contacting the Diversity Office.	
Scottsdale	Human Relations Commission	The Scottsdale Human Relations Commission will advocate and promote all dimensions of diversity. The commission will act as an advisory body to the mayor, city council and staff and to make recommendations on ways to encourage mutual respect and understanding among people, to discourage prejudice and discrimination, and to work	Staff Representative Staff Coordinator, Office of Diversity	The Human Relations Commission hosts several community education/Civil Dialogue events that are free and open to the public. 2014: The Commission	The Human Relations Commission is a voluntary appointment, however, the city's Office of Diversity and Inclusion budget allows for some expenditures, e.g. stipends for speakers,	No they do not, however, public comments can be made or citizens can email HRC members with concerns, ideas and even complaints, though, they do not have any authority	The activities planned are based upon the purpose. Activities this year will focus on interfaith dialogue, for example, during our next Civil Dialogue. There is no specific plan of action that they have

Human Relations Commissions Benchmark Data

		<p>towards cultural awareness and unity. The commission may also make recommendations as to special events which will further its purpose.</p> <p>The Commission is made up of 7 members appointed members serving a 2 year term.</p> <p>The Commission reports to the City Council.</p>		<p>hosted 4 Civil Dialogues. 2015: The Commission the Fall Civil Dialogue which included international speaker, Jo Berry, and a post-film conversation after viewing "Beyond Right and Wrong: Stories of Justice and Forgiveness"</p>	<p>printing costs for HRC activities, line-item for business meeting refreshments, e.g. for the annual Regional HRC meeting, printing costs for HRC activities.</p>	<p>to take action. It would be referred to the staff liaison, Office of Diversity and inclusion.</p>	<p>created, though they are considering this.</p>
Tempe	Human Relations Commission	<p>The Human Relations Commission advises the Mayor and City Council and assists City departments in promoting mutual understanding and respect among the many groups of people who live, work and spend time in our community; on ways to eliminate prejudice and discrimination; on ways in which people from different cultural backgrounds can be made to feel at home in the community; and on ways in which information on human relations topics can be disseminated, including conducting surveys and studies, convening forums, seminars and workshops, and sponsoring special event and award recognitions. The Human Relations Commission is composed of eleven (11) members who are Tempe residents. Terms are for three years. (City Code, Chapter 2, Article V, Division 6)</p> <p>The Commission serves in an advisory role and provides recommendations to mayor and council.</p> <p>The Commission reports to the Mayor and Council.</p>	Staff Liaison - Diversity Director	<p>The Commission hosts the following events:</p> <ul style="list-style-type: none"> • The Martin Luther King Diversity Awards • Challenge Day inclusion program with the Tempe High Schools 	<p>Ordinance outlined by Mayor and Council. Can be found online.</p>	<p>The Commission does not handle complaints. The Diversity Office handles external complaints.</p>	Not provided



Legislation Description

File #: 15-744, Version: 1

FY16-17 BUDGET OVERVIEW AND KEY INITIATIVES

Staff Contact and Presenter: Tom Duensing, Interim Assistant City Manager

Staff Presenter: Vicki Rios, Interim Director, Finance and Technology

Purpose and Policy Guidance

The purpose of this item is to provide Council with an overview of the fiscal year 2016-2017 (FY16-17) budget process and key initiatives. Staff is seeking Council feedback on the process and the key initiatives identified that could affect the upcoming budget process. Staff will also review the preliminary, unaudited financial position of the General Fund.

Background

During the FY15-16 Council Budget Workshops, Council identified several key priorities that staff should consider for the ensuing FY16-17 budget process. Of primary Council concern was police and fire response times. Based on the budget discussions, Council directed staff to proceed with a review of the police and fire departments, and based on study results, provide a staffing and deployment plan that will help address response time concerns identified. The City contracted with Citygate Associates, LLC (Citygate) and anticipates having recommendations to review and include as part of the FY16-17 budget process.

Also discussed during the budget process was the need to address high staff turnover in non-represented staff. To address this issue, staff sought current year funding, and subsequently contracted with Segal Company, Inc., to perform a classification and compensation study. This project will determine whether employees are classified correctly based on the current job duties and evaluate whether current employees are being appropriately compensated. Similar to the Citygate study, staff anticipates having recommendations to review and include as part of the FY16-17 budget process.

Analysis

Five-Year Financial Forecast

The budget process begins with the presentation of the Five-Year Financial Forecast which is scheduled to be presented on December 15, 2015. Overall, financial forecasts set the tone for the upcoming budget process. Considered a best budget practice, these forecasts serve two purposes: 1) they provide a long-term view of current year budget decisions affecting the City and 2) they provide an estimate of the fund balance and sensitivity to revenue and expenditure changes over the forecast period. Forecasts are based on both revenue and expenditures assumptions and serve as a valuable tool to analyze the overall impact of budgetary decisions and compliance with financial policy. Best forecasting practice calls for realistic, yet conservative, revenue estimates coupled with realistic service and staffing levels.

Although staff is still analyzing revenue assumptions, overall, staff anticipates moderate revenue growth for the next three fiscal years (FY16-17, FY17-18, and FY18-19). In FY19-20 and FY20-21, staff is anticipating slow or no growth. The assumption is the current economic expansion will slow which is based on historical average economic expansion periods.

Projected expenditures will assume moderate salary/benefits growth and maintenance of current service levels. On December 15, 2015, it is staff's intention to provide Council with an overview of the sensitivity of increased or decreased costs or revenues to estimated fund balances. Examples of increased costs could be increases in staffing or wages from the Citygate or Segal studies. Examples of decreased revenues could be decreases in the General Fund sales tax rate.

Preliminary General Fund Results

Starting with the December 2014 Five-Year Forecast, and also presented at the March 17, 2015 Budget Workshop, the estimated General Fund, ending fund balance for FY14-15 (balance at June 30, 2015) was \$25 million. Based on preliminary, unaudited figures, the FY14-15 ending fund balance is now estimated to be \$27.8 million after a \$2 million reserve for capital projects has been established. It is important to know that any funds in a reserve for capital projects can only be utilized with Council approval.

The current financial policy is to maintain the fund balance at 25% of operating revenues or approximately \$50 million. As reviewed during the FY15-16 budget process, the plan was to reach the 25% fund balance level over the ensuing five fiscal years FY15-16 through FY19-20. The FY14-15 ending fund balance of \$27.8 million maintains the plan of achieving \$50 million over five years. Specifically, the financial policy states that the Budget Stabilization Reserve will be maintained at 10% of the General Fund operating revenues and the Operating Reserve will increase until it reaches 15% of General Fund operating revenues. Based on the calculated General Fund operating revenues of \$196.5 million, the Budget Stabilization Reserve is calculated at \$19.6 million and the remaining \$8.2 million will be placed in the Operating Reserve. Again, these funds can only be utilized with Council approval.

Community Benefit/Public Involvement

The community benefit includes sound financial analysis and provides the basic framework for the upcoming budget process and resource allocation plan.

Budget and Financial Impacts

Budget and financial impacts are based on Council feedback.