



City Council Weekly Information Packet

Friday, September 18, 2020

Includes the following documents/information:

- 1) City Council Events Schedule
- 2) State and Federal Update & Grant Opportunities
- 3) Update on the Intergovernmental Agreement with the City of Phoenix for dispatch services provided by the Phoenix Fire Department Regional Dispatch System
- 4) Fiscal Year 2020-2021 Budget in Brief
- 5) Fiscal Year 2020-21 General Fund Local Sales Tax Update
- 6) Tax Revenue Statistical Report – August 2020
- 7) Community Services Department Update

City Council Events Schedule

September 18, 2020 thru October 20, 2020



The Mayor and City Council have been invited to attend various community meetings and public and private events at which a quorum of the City Council may be present. The Council will not be conducting city business, nor will any legal action be taken. This is an event only and not a public meeting. A list of the community meetings and public and private events along with the schedules, dates, times, and locations is attached. Organizers may require a rsvp or fee.

DAY	DATE	TIME	EVENT
Tue	Sep 22	12:00 p.m. – 1:30 p.m.	Water/Wastewater Rate Adjustments WebEx Public Meeting tempe.webex.com Event number: 146 810 6014 Event password: Water Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 810 6014
Wed	Sept 23	12:00 p.m. – 1:30 p.m.	Country Club Way Bike and Ped improvements WebEx Public Meeting tempe.webex.com Event number: 146 490 4988 Event password: CCW1 Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 490 4988
Thu	Sept 24	12:00 p.m. – 1:30 p.m.	Transit Service Reductions WebEx Public Meeting tempe.webex.com Event number: 146 665 2684 Event password: Transit Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 665 2684
Sat	Sept 26	9:00 a.m. – 10:30 a.m.	Country Club Way Bike and Ped improvements WebEx Public Meeting tempe.webex.com Event number: 146 687 3401 Event password: CCW Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 687 3401

Sat	Sept 26	11:00 a.m.- 12:30 p.m.	<p>Transit Service Reductions WebEx Public Meeting</p> <p>tempe.webex.com Event number: 146 068 4929 Event password: Transit2 Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 068 4929</p>
Sat	Sept 26	Noon-1:00 p.m.	<p>Alameda Meadows NA, McClintock NA, Palmcroft Manor NA and Santo Tomas NA's Meeting</p> <p>Zoom link: https://us02web.zoom.us/j/84866008681?pwd=K2ptVU03UmZuWFhHQWNsYlZhak9Xdz09 Meeting ID: 848 6600 8681 Passcode: 279903 One tap mobile +16699009128, 84866008681#, 0#279903# US (San Jose)</p>
Tue	Sept 29	Noon-1:00 p.m.	<p>Clark Park Improvements Community Meeting</p> <p>tempe.webex.com Event number: 146 769 8102 Event password: Clark Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 769 8102</p>
Tue	Sept 29	5:00-6:00 p.m.	<p>Clark Park Improvements Community Meeting</p> <p>tempe.webex.com Event number: 146 138 1751 Event password: Clark Audio conference: To receive a call back, provide your phone number when you join the event, or call the number below and enter the access code. United States Toll: +1-408-418-9388 Access code: 146 138 1751</p>
Wed	Sept 30	6:30-7:30 p.m.	<p>Rural Geneva Neighborhood Association Meeting</p> <p>Zoom link: https://zoom.us/j/95292459734?pwd=VWZta2JNakhPTnlitNEo2YkZYazk0Zz09 Meeting ID: 952 9245 9734 Password: rural Or dial-in: 669-900-6833, Press # for Participant I.D., Password: 566112</p>
Wed	Oct 14	5:30 p.m.-9:00 p.m.	<p>37th Annual Don Carlos Humanitarian Awards</p> <p>Virtual Info: tempecommunitycouncil.org/don-carlos</p>
Tue	Oct 20	11:30 a.m.-1:00 p.m.	<p>Valley Metro Clean Air Campaign Awards</p> <p>Online Virtual Event: TBD</p> <p>For more information: https://www.valleymetro.org/valley-metro-champions-clean-air</p>

Thu	Oct 22	3:00 p.m.-3:30 p.m.	Virtual Ribbon Cutting for Senior Helpers of Tempe Zoom Link: https://us02web.zoom.us/meeting/register/tZwvf-Ghqj4sEt3kKRmPZPt5HPoaU4-fbwej
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MEMORANDUM



TO: Mayor and City Council
THROUGH: Andrew Ching, City Manager
FROM: Marge Zylla, Government Relations Officer
DATE: September 18, 2020
SUBJECT: State and Federal Update & Grant Opportunities

Below are summaries of recent actions and announcements at the state and federal level:

- USCM Federal Updates
- NLC Federal Updates
- HHS COVID Vaccine Distribution Plan
- State Expenditures of COVID Relief Update, Tempe PRE, Kid Zone
- Governor's Executive Orders
- Maricopa County CARES Act Small Business and Nonprofit Program, Rental Assistance Update
- Maricopa County Serosurvey Information

Please let me know if there are follow-up questions for Tempe's federal lobbyist. Also, please let me know if Tempe staff members are pursuing federal grants so we can arrange for letters of support from our Congressional delegation.

USCM Federal Updates

Via US Conference of Mayors Staff, 9/17/20

[Attorney General Barr Discusses Threat to Bring Criminal Charges Against Seattle Mayor Durkan](#)

The New York Times and other national news outlets are reporting that on a call last week, Attorney General William Barr asked prosecutors in the U.S. Department of Justice's Civil Rights Division "to explore whether they could bring criminal charges against Seattle Mayor Jenny Durkan." Reports indicate that the alleged charges would be brought based on her allowing some residents to establish a police-free protest zone this past summer.

Mayor Durkan has replied, saying that the Attorney General's proposal of charges against her is, "chilling and the latest abuse of power from the Trump administration."

Mayor Durkan, a former U.S. Attorney, said further, "The Department of Justice cannot become a political weapon operated at the behest of the President to target those who have spoken out against the administration's actions. That is an act of tyranny, not democracy." She continued, "It is particularly egregious to use the civil rights laws to investigate, intimidate, or deter those that are fighting for civil rights in our country."

It is most unfortunate that the Trump administration continues to single out and attack individual mayors. The United States Conference of Mayors held a special emergency session of our Executive Committee on September 4th and approved [a letter that was sent to President Donald Trump](#) asking him to cease public attacks and executive orders against individual mayors duly elected by the millions of Americans residing in our cities.

Attorney General Barr proposing to bring charges against Mayor Durkan tells us that these first-ever in our nation's history, most unusual attacks on individual mayors coming from the President, the Attorney General, and the White House will continue. Most unfortunate.

Via US Conference of Mayors Staff, 9/15/20

[Pelosi Says House to Stay in Session Until Next Round of COVID-19 Legislation is in Agreement](#)

House Speaker Nancy Pelosi said today, "We are committed to staying here until we have an agreement, an agreement that meets the needs of the American people."

She told her colleagues on a conference call this morning, "We have to stay here until we have a bill."

Her spokesperson said following her statement that it doesn't mean she is adopting a more flexible position. Instead, she seems to be more determined to press ahead and won't adjourn the House of Representatives without an agreement with the Administration.

There is some rumbling by moderate House members about getting home to campaign but at the end of the day, a set of powerful Democratic committee chairs came out against the moderates and the proposal floating around that "leaves too many needs unmet."

NLC Federal Updates

Via National League of Cities Staff, 9/16/20

Yesterday, EPA released its [proposed 2020 Financial Capability Assessment for Clean Water Act Obligations](#), which revises the method of determining what is affordable for residents and a community. The current guidance relies on Median Household Income as the primary metric, which NLC, USCM and NACo have long argued results in low- and fixed-incomes residents bearing an undue and disproportionate financial burden. Our organizations have worked together with EPA over at least the past decade to revise the guidance. While we're still reviewing the details, this is a positive step. Here is our [joint statement](#) – please amplify on social media. EPA is accepting comments on the proposed

guidance for 30 days once published in the federal register. NLC will submit comments – if you/your city has any feedback to share, please let me know.

Yesterday, the **House Problem Solvers Caucus released a proposal** to inspire the negotiators to return to the table, and provide an objective, bipartisan framework for discussion. The framework focused not on a top-line cost number, rather by agreeing on key areas of need and resourcing them accordingly. The framework called for both new stimulus money and the reallocation of previously appropriated CARES Act funding, including: \$500 billion for state and local aid; testing/healthcare; direct assistance to individuals and families; small business support; and more. **HOWEVER**, as quickly as it was released, a joint statement from eight committee chairs [threw cold water on the proposal](#). Current sentiment is that there will not be another coronavirus relief package until after the election, although Speaker Pelosi said the House will remain in session until a deal is reached. NLC is still fighting for local aid, as well as potential policy changes that can be included in the FY21 short-term continuing resolution.

HHS COVID Vaccine Distribution Plan

Via Van Scoyoc Associates, 9/16/20

The U.S. Department of Health and Human Services (HHS) just released its COVID vaccine distribution plan. Press release with links to additional information is below.

FOR IMMEDIATE RELEASE

September 16, 2020

Contact: HHS Press Office

202-690-6343

media@hhs.gov

Trump Administration Releases COVID-19 Vaccine Distribution Strategy

The U.S. Department of Health and Human Services (HHS) and Department of Defense (DoD) today released two documents outlining the Trump Administration's detailed strategy to deliver safe and effective COVID-19 vaccine doses to the American people as quickly and reliably as possible.

The documents, developed by HHS in coordination with DoD and the Centers for Disease Control and Prevention (CDC), provide a strategic distribution overview along with an interim playbook for state, tribal, territorial, and local public health programs and their partners on how to plan and operationalize a vaccination response to COVID-19 within their respective jurisdictions.

"As part of Operation Warp Speed, we have been laying the groundwork for months to distribute and administer a safe and effective COVID-19 vaccine as soon as it meets FDA's gold standard," said HHS Secretary Alex Azar. "This in-depth, round-the-clock planning work with our state and local partners and trusted community organizations, especially through CDC, will ensure that Americans can receive a safe and effective vaccine in record time."

The strategic overview lays out four tasks necessary for the COVID-19 vaccine program:

- Engage with state, tribal, territorial, and local partners, other stakeholders, and the public to communicate public health information around the vaccine and promote vaccine confidence and uptake.
- Distribute vaccines immediately upon granting of Emergency Use Authorization/ Biologics License Application, using a transparently developed, phased allocation methodology and CDC has made vaccine recommendations.
- Ensure safe administration of the vaccine and availability of administration supplies.

- Monitor necessary data from the vaccination program through an information technology (IT) system capable of supporting and tracking distribution, administration, and other necessary data.

On August 14, CDC [executed](#) an existing contract option with McKesson Corporation to support vaccine distribution. The company also distributed the H1N1 vaccine during the H1N1 pandemic in 2009-2010. The current contract with McKesson, awarded as part of a competitive bidding process in 2016, includes an option for the distribution of vaccines in the event of a pandemic.

“CDC is drawing on its years of planning and cooperation with state and local public health partners to ensure a safe, effective, and life-saving COVID-19 vaccine is ready to be distributed following FDA approval,” said CDC Director Robert Redfield. “Through the Advisory Committee on Immunization Practices, CDC will play a vital role in deciding, based on input from experts and stakeholders, how initial, limited vaccine doses will be allocated and distributed while reliably producing more than 100 million doses by January 2021.”

Detailed planning is ongoing to ensure rapid distribution as soon as the FDA authorizes or approves a COVID-19 vaccine and CDC makes recommendations for who should receive initial doses. Once these decisions are made, McKesson will work under CDC’s guidance, with logistical support from DoD, to ship COVID-19 vaccines to administration sites.

“The Department of Defense is using its world-class logistical expertise to plan for distributing a safe and effective vaccine at warp speed,” said General Gustave Perna. “Americans can trust that our country’s best public health and logistics experts are working together to get them vaccines safely as soon as possible.”

[Download the Strategy for Distributing a COVID-19 Vaccine - PDF*](#)

[Download the COVID-19 Vaccination Program Interim Playbook - PDF](#)

[Download the COVID-19 Vaccine Distribution Process Infographic - PDF](#)

About Operation Warp Speed:

OWS is a partnership among components of the Department of Health and Human Services and the Department of Defense, engaging with private firms and other federal agencies, and coordinating among existing HHS-wide efforts to accelerate the development, manufacturing, and distribution of COVID-19 vaccines, therapeutics, and diagnostics.

About HHS & CDC:

HHS works to enhance and protect the health and well-being of all Americans, providing for effective health and human services and fostering advances in medicine, public health, and social services. To learn more about federal support for the nationwide COVID-19 response, visit [coronavirus.gov](https://www.coronavirus.gov).

CDC works 24/7 protecting America’s health, safety and security. Whether disease start at home or abroad, are curable or preventable, chronic or acute, or from human activity or deliberate attack, CDC responds to America’s most pressing health threats. CDC is headquartered in Atlanta and has experts located throughout the United States and the world.

About DoD:

The Department of Defense's enduring mission is to provide combat-credible military forces needed to deter war and protect the security of our nation. The Department provides a lethal and effective Joint Force that, combined with our network of allies and partners, sustains American influence and advances shared security and prosperity.

* People using assistive technology may not be able to fully access information in this file. For assistance, please contact digital@hhs.gov.

Governor Executive Orders

The Governor has issued a number of Executive Orders in the past months. They can be found at [this link](#). No Executive Orders were issued this week.

State Expenditures of COVID Relief Update, Tempe PRE, Kid Zone

As noted in an earlier memo, Tempe staff was evaluating state programs featured in the news release at [this link](#) for resource opportunities for both Tempe PRE and Kid Zone. As an update, Tempe Human Services staff was successful in obtaining Department of Economic Security Child Care grant funding. Funds will be deposited into the COT account on behalf of these classrooms in three installments (50% in September, 25% in October and 25% in November). Funds are able to be used for operations and/or scholarships.

Awarded funding by site:

- Tempe PRE Sites
 - Aguilar- \$16,000
 - Aredondo-\$11,800
 - Getz-\$7,400
- Kid Zone Sites
 - Broadmor-\$60,000
 - Rover-\$43,900

Maricopa County CARES Act Small Business and Nonprofit Program, Rental Assistance

As noted in previous updates, Maricopa County Board of Supervisors approved programs for the county's CARES Act Coronavirus Relief Fund (CRF) allocation. Below is an announcement regarding the Board's 9/16/20 approval of additional funding for assistance programs. Tempe Communications staff has been distributing this information, as well.

As you know, Maricopa County (since the county population is over 500,000), was a direct recipient of CARES Act CRF and their funding options are determined by the federal government. For cities and counties below 500,000, their uses of CARES Act CRF funding is determined by the Governor.



for Immediate Release

caomedia@maricopa.gov

Board Allocates Additional CARES Act Funds for Individuals and Families

Federal dollars will also help small businesses, non-profits, and food banks

The Maricopa County Board of Supervisors is providing additional support to individuals, families, and businesses struggling financially because of the COVID-19 pandemic. The Board voted today to reallocate federal CARES Act dollars to support local food banks at a time of increased demand and to provide utility assistance to individuals who are behind on electric and gas bills. The Board also voted to expand two successful programs established earlier this summer which provide financial assistance to renters and small business owners respectively.

“Maricopa County has been innovative and dogged in addressing the public health emergency. Not only have we implemented new strategies and initiatives which have resulted in a dramatic reduction in the spread of COVID 19 and have lessened the burden on the local healthcare system, we’ve also been able to assist individuals and businesses facing financial hardship,” said Board of Supervisors Chairman Clint Hickman, District 4. “Now that we better understand what’s working and what’s needed, we can put federal dollars where they can do the most good.”

It has been just three months since the Board of Supervisors approved a wide-ranging plan to spend nearly \$400 million in CARES Act funds. Since then, County departments and partners have jumped into action, making a significant difference in combating the virus and addressing the economic fallout from it. Today, the Board of Supervisors approved adjustments to how some of that money will be spent, with fewer dollars now allocated for county services and more going to individuals, families, and businesses.

Today’s vote expands two established programs:

- **An additional \$40 million for the Small Business Relief Program:** Recognizing the need to support local businesses and non-profits during an unprecedented time, the Board of Supervisors allocated CARES Act funds to design and launch a grant program to reimburse organizations for losses incurred during the pandemic. When the first version of the program saw fewer applicants than expected, the Board redesigned the program to ensure more small business and non-profits could benefit. To date, the County has awarded more than \$14 million in grants, with nearly \$12 million coming in the past month after the program was re-launched. Today’s vote makes a total of \$63 million in small business grant money available. Interested businesses and non-profits can see a list of qualifications and apply at azfoundation.org/MaricopaRelief.
- **An additional \$6.25 million for the COVID Crisis Rental Assistance Program:** In a matter of weeks this summer, the Human Services Department designed and launched a rental assistance program that makes it easier for people affected by the COVID-19 emergency to apply for and

get help paying their rent. Since the program began on July 15, more than 1,000 households have received a combined 2,234 months (or \$3.3 million) of paid rent, with another \$2.3 million set to be distributed soon. The Board's vote today increased the amount of funding available for this program from \$30 million to more than \$36 million. You can check eligibility, apply for assistance, and upload documents at maricopa.gov/CovidRentHelp.

Today's Board action also reallocates CARES Act funds to assist individuals and families:

- \$6 million for utility assistance
- \$3 million to support local food banks

More information about these efforts will be released in the coming weeks.

“This Board will do whatever it takes to protect community health and safety and to support economic recovery” said Hickman. “We are grateful that we have federal CARES Act dollars available to help defeat this virus and ensure Maricopa County returns stronger.”

BACKGROUND

Maricopa County received \$399 million from the U.S. Treasury as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The purpose of this money is to cover expenditures related to the public health emergency that were not already included in fiscal year 2020 budget.

Maricopa County Serosurvey Information

Via Maricopa County Staff, 9/7/20, 9/14/20

Maricopa County recently announced a new project as part of the COVID-19 response. This project, called a serosurvey, will invite residents of 29 pre-selected communities in Maricopa County to participate in a health survey and COVID-19 antibody test, and is currently underway.

The County has partnered with ASU to do the serosurvey, which will give data on the percentage of those who have been infected across the community. There was collaboration with CDC to determine the 29 communities selected for this serosurvey and neighborhoods that would be candidates for the random sampling. One of those neighborhoods is in Tempe: Riverside. Each neighborhood will first receive door hangers explaining the survey, which will require a blood draw. There is no requirement to participate. The blood draw can be at the home, in a tent in front of the home or at a clinic. The testing agency will not know the identity of those who participate.

FAQs on the serosurvey are attached and there is additional information listed on the Maricopa County website, which you can access by clicking [here](#).

Administrative Offices

4041 N Central Ave, #1400 • Phoenix, Arizona 85012
Phone: (602) 506-6900 • Fax: (602) 506-6885

WeArePublicHealth.org

[Twitter.com/Maricopahealth](https://twitter.com/Maricopahealth)

[Facebook.com/MCDPH](https://facebook.com/MCDPH)

About the 2020 Maricopa County Serosurvey

What is a serosurvey?

A serosurvey tests a representative sample of a population for antibodies to a disease.

Antibodies are a type of protein the body makes to fight infections, and these are only made in response to an infection. Blood tests can look for antibodies specific to COVID-19, which can be detected after someone recovers from COVID-19 even if they never had symptoms. It does not tell someone if they are currently sick with the virus. The COVID-19 antibody test used by the Maricopa County Department of Public Health is authorized by the U.S. Food and Drug Administration.

These antibody tests may tell participants if they previously had COVID-19 and will also play an important role in helping public health and others learn more about how the virus is spreading in our community, and inform upcoming public health strategies to protect the community.

Participation is voluntary and testing is FREE.

When will the serosurvey take place?

The serosurvey will take place from September 12-20, 2020. This is when field teams will be in the selected communities and asking for participation.

We will communicate the opportunity to residents through doorhangers and geotargeted social media posts ahead of the start date, with additional printed materials and social media through the active survey period.

How were communities chosen?

MCDPH and ASU worked with the Centers for Disease Control and Prevention (CDC) to implement a method of sampling a smaller number of households in targeted communities that would result in a sample that represents all of a larger community. The CDC provided a list of 29 communities within the county. By sampling households within those communities, the results will be statistically representative of the entire county.

(continued)

Administrative Offices

4041 N Central Ave, #1400 • Phoenix, Arizona 85012
Phone: (602) 506-6900 • Fax: (602) 506-6885

WeArePublicHealth.org

[Twitter.com/Maricopahealth](https://twitter.com/Maricopahealth)

[Facebook.com/MCDPH](https://facebook.com/MCDPH)

Can people in other Maricopa County neighborhoods participate in this testing program?

Participation in this Maricopa County Public Health program is only open to residents in the neighborhoods that were randomly selected by the CDC.

How will you protect residents' safety?

MCDPH will take a number of measures to protect both volunteers and participants:

- Our team will follow COVID-19 safety protocols.
- All health information will be kept confidential, and participants will be notified about their results by Maricopa County Department of Public Health.
- Maricopa County Department of Public Health will not share test results with anyone outside of public health.
- Participation will occur in a tent outside the person's home or in a mobile clinic; volunteers will not ask to enter participants' homes.
- All blood samples will be held anonymously by public health and then destroyed after the test is run.

Who else is involved in the project?

Arizona State University is supporting the project with coordination and volunteers, and Mayo Clinic will run the analysis of samples and provide those results back to MCDPH.

MEMORANDUM

TO: Mayor and Council
FROM: Greg Ruiz, Fire Medical Rescue Chief
DATE: September 18, 2020
SUBJECT: Update on the Intergovernmental Agreement with the City of Phoenix for dispatch services provided by the Phoenix Fire Department Regional Dispatch System



The City of Phoenix began dispatching calls for the City of Tempe Fire Medical Rescue Department (TFMR) in March of 1982 with the implementation of the Computer Aided Dispatching System, and the Automatic Aid Consortium. Currently, with 22 participating jurisdictions, a large expanse of dispatch coverage is provided at a very high level of service. TFMR participates on the Phoenix Fire Regional Dispatch committee which meets monthly to discuss service delivery topics, and to review dispatch service costs.

Although our current intergovernmental agreement was renewed in June of 2019 and remains in effect through December of 2027, the City of Tempe Attorney's Office recommendation is to annually inform the Mayor and Council of the financial impact associated with the agreement in a Friday Information Packet memorandum.

The total amount payable to the City of Phoenix each fiscal year is based on per dispatch cost of service fees, asset maintenance fees, and network system fees. TFMR's total annual dispatch services cost for fiscal year 2020-21 is \$1,320,927; of which \$1,035,307 is paid from TFMR's General Fund budget, and \$285,620 is paid from the Emergency Medical Transportation enterprise fund (EMTF) budget. The General Fund portion is based strictly on costs associated with dispatching services for TFMR's all hazards fire apparatus, while the EMTF portion is based strictly on costs associated with dispatching services for all emergency transportation ambulances providing service in Tempe.

Although the entire annual emergency transportation portion is appropriated and paid from the EMTF, the cost is funded on a pro rata basis by the City and the City's private sector ambulance contractor based on respective ownership of the six ambulances serving Tempe. Currently the City's ambulance contractor reimburses the EMTF on a quarterly basis for dispatch services associated with its two ambulances providing service to Tempe.

Revenue collected in the form of fees billed for emergency transportation provided by the City's four ambulances pays for the EMTF portion of the annual dispatch services fee. As the City places additional ambulances into service, its share of the annual dispatch services fee will increase accordingly.

MEMORANDUM



TO: Mayor and Council
FROM: Mark Day, Municipal Budget Director
THROUGH: Ken Jones, Deputy City Manager - CFO
DATE: September 18, 2020
SUBJECT: Fiscal Year (FY) 2020-2021 Budget in Brief

The Municipal Budget Office has issued the annual Budget in Brief report as a way for members of the community to review essential elements of the city's budget. The FY 2020-21 Budget in Brief report is posted on the Municipal Budget Office's web page, tempe.gov/budget.

The report is a reader-friendly version of the City's annual budget document that is a useful source of information for our residents. The Budget in Brief provides information on the overall city budget, where the city's money comes from and how it gets spent. In addition, we have provided information on the FY 2020-21 budget adjustments due to COVID-19 and how residents can be involved in the budget process.

Making the budget document easier to understand is one of the recommended best practices from the Government Finance Officers Association (GFOA). The Budget in Brief report also contributes to the achievement of performance measure 2.11 - Receive the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting annually for transparency and disclosure of information.

The annual budget document that provides budget information in much greater detail will continue to be published.

Please let me know if you have any questions.



MEMORANDUM

TO: Mayor & Council
 FROM: Ken Jones, Deputy City Manager - Chief Financial Officer
 Mark Day, Municipal Budget Director
 DATE: September 18, 2020
 SUBJECT: FY 2020-21 General Fund Local Sales Tax Update

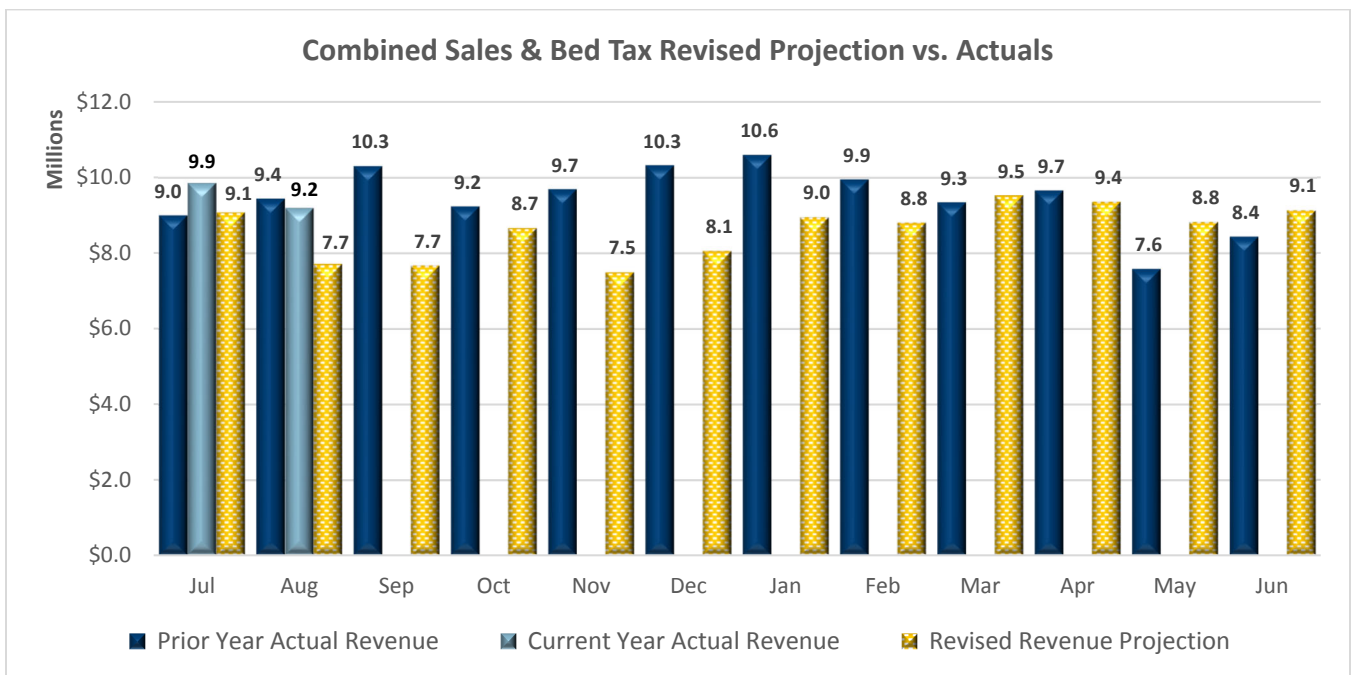
Background

The Municipal Budget Office, as an adopted Government Finance Office’s Association (GFOA) best practice, routinely compares the City’s revenue projections to actual activity to monitor financial performance. This practice provides the opportunity to adjust for any significant variances to ensure continuity of programs and service delivery. Due to the uncertainty of the economic impacts of the COVID-19 pandemic on City revenues, this monitoring function will be crucial as we progress through the fiscal year in determining if projected year-end revenue targets will be met.

General Fund Sales Tax & Bed Tax Collections

The purpose of this memo is to provide a “snapshot” of the FY 2020-21 General Fund sales tax and bed tax revenue collections through the month of August 2020. The General Fund portion of the city sales tax (1.2%) and the bed (transient lodging) tax (5.0%) combined represent the General Fund’s largest revenue source.

Although sales and bed tax are not budgeted on a monthly, the graph below displays FY 2020-21 General Fund sales tax and bed tax revenue collections, to date, compared to the revised revenue projection amount and FY 2019-20 actual collections. The FY 2020-21 revised revenue projection amount is based on the most recent economic data available and considers the anticipated economic impacts of the COVID-19 pandemic.



Highlights

General Fund sales tax and bed tax revenues for the month of August are 19.0% above the revised revenue projection (\$9.2 million versus \$7.7 million) amount but 2.7% below prior year collections (\$9.2 million versus \$9.4 million). Total fiscal year-to-date General Fund sales tax and bed tax collections through August are 13.4% above the revised revenue projection amount and 3.3% above prior year collections.

Revenues are exceeding revised revenue projects due mainly to higher than anticipated activity in the retail and construction that has offset declines in hotel, restaurant/bar and amusement taxable activities. In addition, one-time revenues received in July helped to bolster total revenue collections to-date.

Although local sales tax collections are currently exceeding the revised revenue projections, it is important to note that there is still much uncertainty about the on-going impacts of the COVID-19 pandemic on the local and State economy. It is anticipated that the expiration of the enhanced unemployment benefits and the one-time stimulus payments will begin to have an impact on future local sales tax revenues. The Municipal Budget Office continues to review the most recent economic data available and monitor for any significant variances from the revised revenue projections.

On-Going Revenue/Expense Monitoring

The Municipal Budget Office will continue to prepare the Quarterly Financial Report that details revenue and expenses for all the City's major funds as well as the monthly tax statistical report that provides details on the City's sales tax revenues. Both reports are distributed via the Friday Information Packet and are posted on the Municipal Budget Office web page www.tempe.gov/budget.

Memorandum



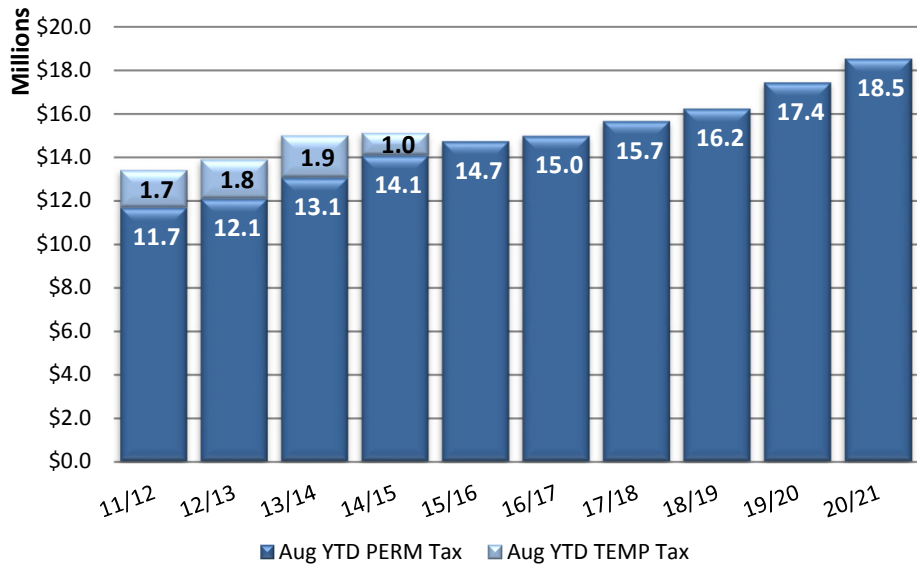
Municipal Budget Office

Date: September 18, 2020
 To: Mayor and Council
 Through: Mark Day, Municipal Budget Director (8697)
 From: Lauri Vickers, Municipal Budget & Finance Analyst (8980)
 Subject: Tax Revenue Statistical Report – August 2020

Attached is the Executive Summary of the Tax Revenue Statistical Report for August 2020 covering July sales activity reported to the Arizona Department of Revenue (ADOR).

Total fiscal year-to-date taxable sales increased by 4.5% over the same year-to-date period in the prior fiscal year. A large portion of the increase is due to a one-time collection that occurred in July. Total sales tax revenue is also up 3.2% or \$906 thousand, as a result of growth in retail (\$1.2 million), contracting (\$757 thousand), and rentals (\$267 thousand) activity. The graph to the right depicts year-to-date General Fund historical sales tax revenue from FY 2011/12 through FY 2020/21. General Fund sales tax revenue is up 6.3% or \$1.1 million over the prior year-to-date period.

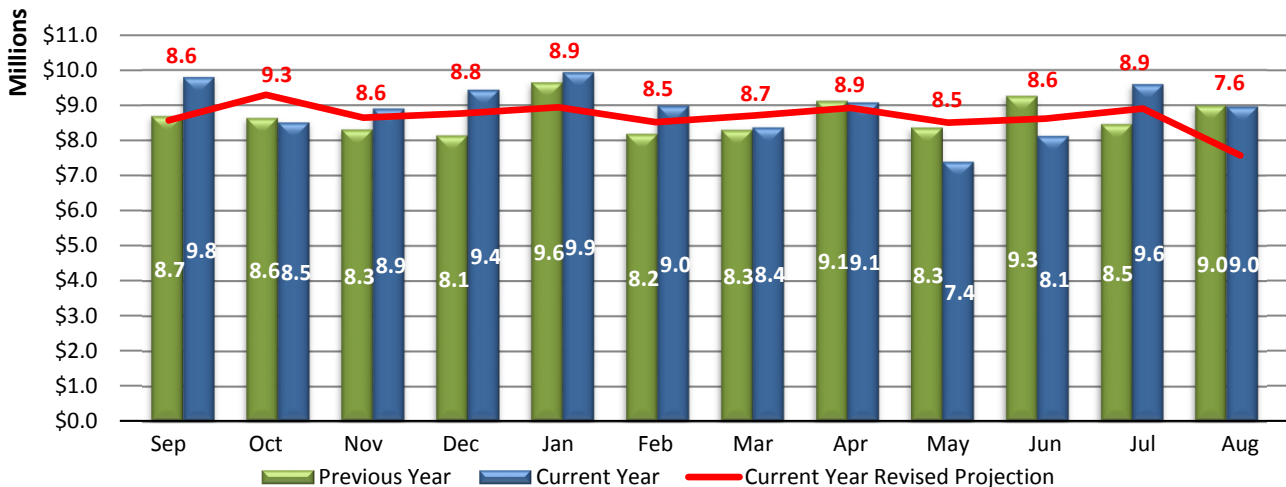
General Fund Sales Tax Collections through August



The graph below represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year.

Although sales tax is not projected on a monthly basis, the graph below applies historical collection percentages to a revised revenue projection to gain insight into sales tax performance. The Municipal Budget Office developed a revised revenue projection for FY 2020-21 to reflect the anticipated economic impact of the COVID-19 pandemic. Using this approach, fiscal year-to-date sales tax collections in the General Fund are \$2.1 million above the revised revenue projection. Higher than anticipated activity in retail and construction and a one-time revenue collection in July have contributed to revenues exceeding projections.

General Fund Monthly Sales Tax Collection vs. Previous Year



Executive Summary

Current Month - August

Fiscal Year to Date - August

	Current Month - August				Fiscal Year to Date - August												
	2017-18	Change	2018-19	Change	2019-20	Change	2020-21	Change	2017-18	Change	2018-19	Change	2019-20	Change	2020-21	Change	
Taxable Sales																	
Total Taxable Sales	647,762,000	6.6%	684,667,000	5.7%	778,660,000	13.7%	764,007,000	-1.9%	1,355,024,000	4.3%	1,408,873,000	4.0%	1,516,024,000	7.6%	1,583,915,000	4.5%	
Retail Taxable Sales	358,778,000	16.5%	380,095,000	5.9%	434,535,000	14.3%	444,050,000	2.2%	756,247,000	16.0%	795,144,000	5.1%	836,392,000	5.2%	904,791,000	8.2%	
Tax Revenues by Funds																	
Privilege Tax - General Fund (1.2%)	7,499,000	6.7%	7,880,000	5.1%	8,984,000	14.0%	8,955,000	-0.3%	15,661,000	4.6%	16,233,000	3.7%	17,435,000	7.4%	18,542,000	6.3%	
Bed Tax - General Fund	355,000	10.9%	399,000	12.4%	454,000	13.8%	236,000	-48.0%	744,000	-1.7%	803,000	7.9%	999,000	24.4%	505,000	-49.4%	
Privilege Tax Rebates - General Fund	267,000	-11.9%	342,000	28.1%	353,000	3.2%	222,000	-37.1%	594,000	-8.3%	682,000	14.8%	728,000	6.7%	487,000	-33.1%	
Transit Tax Fund (0.5%)	3,125,000	6.6%	3,283,000	5.1%	3,746,000	14.1%	3,731,000	-0.4%	6,528,000	4.5%	6,764,000	3.6%	7,270,000	7.5%	7,726,000	6.3%	
Performing Arts Tax Fund (0.1%)	641,000	5.6%	677,000	5.6%	770,000	13.7%	759,000	-1.4%	1,340,000	4.0%	1,393,000	4.0%	1,496,000	7.4%	1,574,000	5.2%	
Totals	11,887,000	6.2%	12,581,000	5.8%	14,307,000	13.7%	13,903,000	-2.8%	24,867,000	3.9%	25,875,000	4.1%	27,928,000	7.9%	28,834,000	3.2%	
Tax Revenues by Business Activities																	
Retail	6,458,000	11.9%	6,842,000	5.9%	7,822,000	14.3%	7,993,000	2.2%	13,612,000	10.4%	14,313,000	5.1%	15,055,000	5.2%	16,286,000	8.2%	
Rentals	2,172,000	17.3%	2,279,000	4.9%	2,492,000	9.3%	2,716,000	9.0%	4,295,000	2.4%	4,619,000	7.5%	5,148,000	11.5%	5,415,000	5.2%	
Utilities/Communication	881,000	-17.2%	890,000	1.0%	853,000	-4.2%	838,000	-1.8%	1,675,000	-14.5%	1,638,000	-2.2%	1,516,000	-7.4%	1,548,000	2.1%	
Restaurants	899,000	0.0%	943,000	4.9%	1,027,000	8.9%	742,000	-27.8%	1,881,000	4.5%	1,970,000	4.7%	2,106,000	6.9%	1,582,000	-24.9%	
Contracting	829,000	-11.9%	893,000	7.7%	1,307,000	46.4%	1,221,000	-6.6%	2,004,000	-3.5%	1,830,000	-8.7%	2,343,000	28.0%	3,100,000	32.3%	
Hotel/Motel	135,000	-12.9%	154,000	14.1%	172,000	11.7%	89,000	-48.3%	283,000	-25.7%	323,000	14.1%	377,000	16.7%	192,000	-49.1%	
Transient (Bed Tax)	355,000	10.9%	399,000	12.4%	454,000	13.8%	236,000	-48.0%	744,000	-1.7%	803,000	7.9%	999,000	24.4%	505,000	-49.4%	
Amusements	107,000	-14.4%	108,000	0.9%	127,000	17.6%	17,000	-86.6%	248,000	-14.8%	247,000	-0.4%	275,000	11.3%	89,000	-67.6%	
All Other	51,000	-27.1%	73,000	43.1%	53,000	-27.4%	51,000	-3.8%	125,000	-13.8%	132,000	5.6%	109,000	-17.4%	117,000	7.3%	
Totals	11,887,000	6.2%	12,581,000	5.8%	14,307,000	13.7%	13,903,000	-2.8%	24,867,000	3.9%	25,875,000	4.1%	27,928,000	7.9%	28,834,000	3.2%	
Retail Tax Revenues by Activities																	
Automotive	1,110,000	7.8%	1,131,000	1.9%	1,130,000	-0.1%	1,102,000	-2.5%	2,178,000	10.3%	2,232,000	2.5%	2,331,000	4.4%	2,282,000	-2.1%	
Building Supply Stores	289,000	37.6%	288,000	-0.3%	313,000	8.7%	361,000	15.3%	583,000	29.3%	585,000	0.3%	645,000	10.3%	714,000	10.7%	
Department Stores	879,000	-10.2%	883,000	0.5%	975,000	10.4%	903,000	-7.4%	1,825,000	-6.8%	1,890,000	3.6%	1,941,000	2.7%	1,931,000	-0.5%	
Drug/Small Stores	820,000	40.4%	977,000	19.1%	1,193,000	22.1%	1,243,000	4.2%	1,673,000	48.7%	2,005,000	19.8%	2,251,000	12.3%	2,558,000	13.6%	
Furniture/Equipment/Electronics	677,000	-39.0%	505,000	-25.4%	580,000	14.9%	728,000	25.5%	1,445,000	-44.9%	1,231,000	-14.8%	1,321,000	7.3%	1,431,000	8.3%	
Grocery Stores	699,000	9.0%	725,000	3.7%	758,000	4.6%	833,000	9.9%	1,425,000	7.2%	1,449,000	1.7%	1,486,000	2.6%	1,657,000	11.5%	
Manufacturing Firms	447,000	65.6%	611,000	36.7%	777,000	27.2%	550,000	-29.2%	1,121,000	72.7%	1,488,000	32.7%	1,275,000	-14.3%	1,209,000	-5.2%	
All Other Retail	1,537,000	62.1%	1,722,000	12.0%	2,096,000	21.7%	2,273,000	8.4%	3,362,000	51.4%	3,433,000	2.1%	3,805,000	10.8%	4,504,000	18.4%	
Totals	6,458,000	11.9%	6,842,000	5.9%	7,822,000	14.3%	7,993,000	2.2%	13,612,000	10.4%	14,313,000	5.1%	15,055,000	5.2%	16,286,000	8.2%	

**Privilege Tax Revenue - General Fund (1.2%)
2020-21 Actual Compared to Revised Projection**

Monthly Amounts

	2020-21 Revised Projection		2020-21 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.9%	\$ 8,906,000	\$ 9,587,000	\$ 681,000	7.6%
Aug	7.6%	7,575,000	8,955,000	1,380,000	18.2%
Sep	7.5%	7,509,000			
Oct	8.4%	8,464,000			
Nov	7.2%	7,246,000			
Dec	7.8%	7,803,000			
Jan	8.7%	8,756,000			
Feb	8.5%	8,488,000			
Mar	9.1%	9,140,000			
Apr	8.9%	8,898,000			
May	8.5%	8,542,000			
Jun	8.9%	8,919,000			
Totals	100.0%	\$ 100,246,000	\$ 18,542,000	\$ 2,061,000	2.1%

Cumulative Amounts

	2020-21 Revised Projection		2020-21 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.9%	\$ 8,906,000	\$ 9,587,000	\$ 681,000	7.6%
Jul-Aug	16.4%	16,481,000	18,542,000	2,061,000	12.5%
Jul-Sep	23.9%	23,990,000			
Jul-Oct	32.4%	32,454,000			
Jul-Nov	39.6%	39,700,000			
Jul-Dec	47.4%	47,503,000			
Jul-Jan	56.1%	56,259,000			
Jul-Feb	64.6%	64,747,000			
Jul-Mar	73.7%	73,887,000			
Jul-Apr	82.6%	82,785,000			
Jul-May	91.1%	91,327,000			
Jul-Jun	100.0%	100,246,000			

Tax and License Annual Privilege Tax Revenue Projections

Method	Privilege Tax		Over / (Under)	
	Projected	Budget	Amount	Percent
Percent of Increase	\$ 112,614,000	\$ 100,246,000	\$ 12,368,000	12.3%
Percentage Received	\$ 112,782,000	\$ 100,246,000	\$ 12,536,000	12.5%

COMMUNITY SERVICES UPDATE

September 18, 2020

Empty Event

On September 22, 2020, the International Live Events Association (ILEA) and the Live Events Coalition (LEC) are hosting an 'Empty Event' in Tempe Beach Park. The two organizations have partnered to develop and host these unique events across the country as a means to raise awareness of the effects of COVID-19 on the live event industry. Volunteers from ILEA and LEC will set up approximately 200 chairs in Tempe Beach Park; however, the chairs will not be used by the public. Cards containing information about the live event industry will be placed on each chair.



Concept Design:
Row-Seating Demonstration

Concept Design:
Live Event Industry Cards



The general public is invited to come down and stroll through the rows of chairs to view the live industry cards. Representatives from each organization will speak from a small stage. An emcee will officially kick-off the event at 8 a.m. Volunteers will be on-site to manage crowds, and chairs will be configured six feet apart to display appropriate social distancing.

